



October 21, 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

Dear Sir

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 04.30 P.M., has, inter-alia, approved the Unaudited (Standalone & Consolidated) Financial Results for the Quarter and Half Year ended September 30, 2021 and took on record the Limited review report thereon.

A copy of:


- A) Unaudited financial results (Standalone & Consolidated) for the Quarter and Half Year ended September 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, along with 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
& Compliance Officer**

Lemon Tree Hotels Limited

(CIN No. L74899DL1992PLC049022)

Registered Office: Asset No. 6, Aerocity Hospitality District, New Delhi-110037

T +91 11 4605 0101 | F +91 11 46050110 | E hi@lemontreehotels.com

Central Reservation: +91 9911 701 701 | www.lemontreehotels.com

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

TO THE BOARD OF DIRECTORS OF LEMON TREE HOTELS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Lemon Tree Hotels 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 and total comprehensive income of its associates for the quarter and six months ended **September 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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

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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
15.	Berggruen Hotels Private Limited	Subsidiary company
16.	Manakin Resorts Private Limited	Wholly owned 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	Wholly owned subsidiary company
23.	Carnation Hotels Private Limited	Subsidiary company
24.	Hamstede Living Private Limited	Wholly owned 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 7 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 September 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 assets of Rs 470.25 lakhs as at September 30, 2021, total revenues of Rs. Nil for the quarter ended and six months ended September 30, 2021, total net loss after tax of Rs. 0.02 lakhs and Rs 0.02 lakhs for the quarter ended and six months ended September 30, 2021 respectively, total comprehensive loss of Rs. 0.02 lakhs and Rs 0.02 lakhs for the quarter ended and six months ended September 30, 2021 respectively, and net cash inflows of Rs 0.88 lakhs for the half year ended September 30, 2021 as considered in the 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

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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 reflects total assets of Rs 132,045.76 lakhs as at September 30, 2021, total revenues of Rs. 1,817.58 lakhs and Rs 2,720.05 lakhs for the quarter ended and six months ended September 30, 2021 respectively, total net loss after tax of Rs. 983.97 lakhs and Rs 2,152.09 lakhs for the quarter ended and six months ended September 30, 2021 respectively, total comprehensive loss of Rs 983.72 lakhs and Rs 2,151.47 lakhs for the quarter ended and six months ended September 30, 2021 respectively, and net cash inflows of Rs 117.57 lakhs for the half year ended September 30, 2021 as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 45.89 lakhs and Rs 39.15 lakhs for the quarter ended and six months ended September 30, 2021 respectively and Total comprehensive profit of Rs. 45.59 lakhs and Rs 38.55 lakhs for the quarter ended and six months ended September 30, 2021 respectively, as considered in the Statement, in respect of 3 associates, whose interim financial statements have not been 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: 21094468AAAAIT4562)

New Delhi,
October 21, 2021

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year ended September 30, 2021

(₹ In Lakhs, except per share data)

	Quarter ended			Half Year ended		Year Ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
Revenue from operations	9,689.54	4,215.33	4,759.69	13,904.87	8,826.25	25,172.04
Other income (Refer Note 5)	192.27	212.68	601.34	404.95	913.02	1,325.88
Total income	9,881.81	4,428.01	5,361.03	14,309.82	9,739.27	26,497.92
2 Expenses						
Cost of food and beverages consumed	648.34	320.05	321.70	968.39	554.13	1,784.13
Employee benefit expenses	2,308.21	1,741.02	1,427.76	4,049.23	3,204.12	7,039.02
Power and fuel	1,182.57	757.91	748.96	1,940.48	1,378.97	3,274.25
Other expenses	2,163.63	1,404.21	1,430.54	3,567.84	2,422.48	6,947.69
Total expenses	6,302.75	4,223.19	3,928.96	10,525.94	7,559.70	19,045.09
3 Profit before depreciation and amortization, finance cost, finance income (1-2)	3,579.06	204.82	1,432.07	3,783.88	2,179.57	7,452.83
4 Finance cost	4,628.85	4,519.37	4,972.18	9,148.22	9,841.00	19,045.72
5 Finance income	(169.02)	(202.57)	(338.48)	(371.59)	(521.16)	(873.32)
6 Depreciation and amortization expense	2,624.99	2,615.87	2,701.54	5,240.86	5,410.51	10,755.32
7 Net (loss)/profit before tax and share of associates (3-4-5-6)	(3,505.76)	(6,727.85)	(5,903.17)	(10,233.61)	(12,550.78)	(21,474.89)
8 Add Share of Profit/ (Loss) of associates	45.59	(7.04)	(66.36)	38.55	(186.22)	(399.53)
9 Loss before tax (7+8)	(3,460.17)	(6,734.89)	(5,969.53)	(10,195.06)	(12,737.00)	(21,874.42)
10 Tax expense						
Current tax/MAT	-	-	(2.80)	-	(2.20)	(1.57)
Deferred tax						
- Deferred tax (income)/expense related to current year	(143.25)	(754.12)	(612.35)	(897.37)	(1,324.86)	(3,218.68)
11 Net loss after tax (9-10)	(3,316.92)	(5,980.77)	(5,354.38)	(9,297.69)	(11,409.94)	(18,654.17)
12 Other Comprehensive Income/(Loss)						
Items that will not be reclassified to profit and loss						
Remeasurements of defined benefit plans	0.02	0.01	0.54	0.03	1.12	(23.57)
Income tax effect	0.34	0.34	(0.71)	0.68	(1.42)	1.37
13 Total comprehensive Loss	(3,316.56)	(5,980.42)	(5,354.55)	(9,296.98)	(11,410.24)	(18,676.37)
14 Net loss after tax	(3,316.92)	(5,980.77)	(5,354.38)	(9,297.69)	(11,409.94)	(18,654.17)
Attributable to						
Equity holders of the parent	(2,081.89)	(4,012.03)	(3,713.07)	(6,093.92)	(7,900.23)	(12,706.82)
Non-controlling interests	(1,235.03)	(1,968.74)	(1,641.31)	(3,203.77)	(3,509.71)	(5,947.35)
15 Total comprehensive Loss	(3,316.56)	(5,980.42)	(5,354.55)	(9,296.98)	(11,410.24)	(18,676.37)
Attributable to						
Equity holders of the parent	(2,081.53)	(4,011.69)	(3,712.40)	(6,093.22)	(7,898.98)	(12,718.58)
Non-controlling interests	(1,235.03)	(1,968.73)	(1,642.15)	(3,203.76)	(3,511.26)	(5,957.79)
16 Total comprehensive Loss for the period after non-controlling interest	(2,081.53)	(4,011.69)	(3,712.40)	(6,093.22)	(7,898.98)	(12,718.58)
17 Paid-up equity share capital (Face value of the share ₹ 10/-)	79,057.70	79,042.14	79,032.94	79,057.70	79,032.94	79,042.14
18 Other Equity (including non-controlling interest)	-	-	-	-	-	74,454.69
19 Earnings/(Loss) per share (Face value of the share ₹ 10/-) (EPS for quarter is not annualised)						
Basic	(0.26)	(0.51)	(0.47)	(0.77)	(1.00)	(1.61)
Diluted	(0.26)	(0.51)	(0.47)	(0.77)	(1.00)	(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 October 20, 2021 and October 21, 2021. The statutory auditors have carried out a limited review of the above standalone financial results.

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 16,69,391 (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/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, 38 hotels (4,977 rooms) were operational as on September 30, 2021. The weighted average of the operational rooms for the month ended September 30, 2021 was 54%.

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 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 September 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 and current period ended September 30, 2021, consequential to COVID 19 pandemic, the Group has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of INR 146.23 lakhs and INR 325.37 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. Statement of Consolidated Assets and Liabilities

(₹ In Lakhs)

Particulars	As at	As at
	September 30, 2021 (Unaudited)	March 31, 2021 (Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	253,177.52	257,079.91
(b) Capital work-in-progress	26,082.63	24,178.34
(c) Investment Property	230.34	232.54
(d) Intangible assets	1,723.74	1,952.68
(e) Right of use asset	49,221.66	50,604.13
(f) Goodwill on consolidation	9,508.44	9,508.44
(g) Financial assets		
(i) Investments	501.65	463.11
(ii) Loans	81.08	87.46
(iii) Other non-current financial assets	7,498.60	7,660.37
(h) Deferred tax assets (net)	4,709.47	4,036.49
(i) Non-current tax assets (net)	2,388.42	2,300.16
(j) Other non-current assets	905.53	725.27
	356,029.08	358,828.90
Current assets		
(a) Inventories	707.70	722.45
(b) Financial assets		
(i) Trade receivables	2,450.06	3,081.88
(ii) Cash and Cash equivalents	8,246.12	12,745.72
(iii) Other bank balances	180.00	1,368.50
(iv) Investments	92.62	91.12
(v) Other current financial assets	332.99	415.02
(c) Other current assets	4,402.96	4,598.48
	16,412.45	23,023.17
Total Assets	372,441.53	381,852.07

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(₹ In Lakhs)

Particulars	As at	As at
	September 30, 2021	March 31, 2021
	(Unaudited)	(Audited)
Equity And Liabilities		
Equity		
(a) Share capital	79,057.70	79,042.14
(b) Other Equity	6,640.38	12,715.70
Equity attributable to owners of the parent	85,698.08	91,757.84
(c) Non-controlling interests	58,535.23	61,738.99
Total Equity	144,233.31	153,496.83
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	153,522.56	151,351.15
(ii) Lease liability	46,860.93	46,707.29
(b) Long term provisions	252.23	293.06
(c) Deferred tax liabilities (net)	144.47	369.57
	200,780.19	198,721.07
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	16,193.27	17,175.46
(ii) Lease liability	1,138.43	712.28
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	400.28	316.80
- total outstanding dues of creditors other than micro enterprises and small enterprises	5,983.42	6,934.62
(iv) Other current financial liabilities	1,883.09	2,367.94
(b) Provisions	522.18	485.79
(c) Other current liabilities	1,307.36	1,641.28
	27,428.03	29,634.17
Total Liabilities	228,208.22	228,355.24
Total Equity and Liabilities	372,441.53	381,852.07



7. Statement of Consolidated Cash flow

Particulars	(₹ In Lakhs)	
	Half year ended September 30, 2021	Half year ended September 30, 2020
	(Unaudited)	(Unaudited)
A. Cash flow from operating activities		
Loss before tax	(10,195.06)	(12,737.00)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortisation expenses	5,240.86	5,410.51
Waiver of lease rent	(325.37)	(846.27)
Share of (Profit)/Loss of associate	(38.55)	186.22
Finance income (including fair value change in financial instruments)	(350.17)	(434.92)
Finance costs	9,071.86	9,782.96
Provision for gratuity	(29.90)	29.82
Provision for leave encashment	14.43	12.81
Excess provision/ credit balances written back	(26.89)	-
Provision for litigations	11.05	11.06
Provision for doubtful debts	15.52	0.06
Net gain on sale of current investments	-	(0.90)
Operating profit before working capital changes:	3,387.78	1,414.35
Movements in working capital:		
Increase in trade receivables	616.29	2,114.11
Decrease in loans and advances and other current assets	149.27	26.14
Decrease in inventories	14.75	95.95
Decrease in liabilities and provisions	(1,266.47)	(4,564.64)
Cash generated from operations	2,901.62	(914.09)
Direct taxes paid (net of refunds)	(88.28)	1,258.93
Net cash flow from operating activities (A)	2,813.34	344.84
Cash flows from/ (used in) investing activities		
Purchase of property, plant and equipment including CWIP, capital advances and capital creditors	(2,103.73)	(2,290.07)
Proceeds from sale of property, plant and equipment	24.55	-
(Investment)/Receipt from Fixed Deposits (net)	1,413.58	(2.93)
(Purchase)/sale of other non current investments	-	(0.10)
(Purchase)/sale of current investments	-	(57.79)
Interest received	555.77	331.56
Net Cash flow used in investing activities (B)	(109.83)	(2,019.33)
Cash flows from/ (used in) financing activities		
Proceeds from issuance of share capital	33.45	3.23
Proceeds from Minority Interest (issuance of share capital by Subsidiaries)	-	17,474.80
Payment of lease liability	(1,320.05)	(783.90)
Proceeds from long term borrowings	12,434.92	7,352.09
Repayment of long term borrowings	(11,620.63)	(721.46)
Net proceeds/(Repayment) of short term borrowings	374.92	4,063.54
Interest paid	(7,105.72)	(8,625.80)
Net Cash flow from/ (used in) financing activities (C)	(7,203.11)	18,762.50
Net increase in cash and cash equivalents (A + B + C)	(4,499.60)	17,088.01
Cash and cash equivalents at the beginning of the year	12,745.72	4,081.73
Cash and cash equivalents at the end of year	8,246.12	21,169.74
Components of cash and cash equivalents		
Cash on Hand	81.33	74.97
Balances with Scheduled Banks in:		
- Current accounts	1,889.59	5,645.77
- Deposits with original maturity of less than three months	6,275.20	15,449.00
Total cash and cash equivalents	8,246.12	21,169.74



8 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.

9 The Group is into Hoteling 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. The Group business which is seasonal therefore Consolidated financial results for the current quarter and half year are not indicative of a full year's operations.

10 Previous period/ year figures has been re-grouped or reclassified, to confirm to such current period/year classification.

U/s

Place New Delhi
Date October 21, 2021



By order of the Board
for Lemon Tree Hotels Limited


Poojanjali 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 and six months ended **September 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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 September 30, 2021.

Deloitte Haskins & Sells LLP

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 standalone interim unaudited financial results of the entity included in the Group, whose interim financial results reflect total assets of Rs 470.25 lakhs as at September 30, 2021, total revenues of Rs. Nil for the quarter ended and six months ended September 30, 2021, total net loss after tax of Rs. 0.01 lakhs and Rs 0.02 lakhs for the quarter ended and six months ended September 30, 2021 respectively, total comprehensive loss of Rs. 0.01 lakhs and Rs 0.02 lakhs for the quarter ended and six months ended September 30, 2021 respectively, and net cash inflows of Rs 0.88 lakhs for the half year ended September 30, 2021 as considered in the 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.

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: 21094468AAAAAIS4352)

New Delhi
October 21, 2021

Statement of Unaudited Standalone Financial Results for the Quarter and Half Year ended September 30, 2021

(₹ In Lakhs, except per share data)

	Quarter ended			Half Year ended		Year Ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
Revenue from operations	3,326.52	1,252.75	1,729.23	4,579.27	2,916.19	7,991.57
Other income (Refer Note 5)	13.02	42.60	153.32	55.62	336.26	402.87
Total income	3,339.54	1,295.35	1,882.55	4,634.89	3,252.45	8,394.44
2 Expenses						
Cost of food and beverages consumed	159.62	60.45	91.49	220.07	158.88	437.20
Employee benefit expenses	912.38	686.63	505.05	1,599.01	1,132.98	2,534.18
Power and fuel	367.72	215.88	212.11	583.60	378.74	951.24
Other expenses	737.58	471.71	594.20	1,209.29	954.21	2,497.03
Total expenses	2,177.30	1,434.67	1,402.85	3,611.97	2,624.81	6,419.65
3 Profit/(Loss) before depreciation and amortization, finance cost, finance income, exceptional items and tax (1-2)	1,162.24	(139.32)	479.70	1,022.92	627.64	1,974.79
4 Finance cost	1,225.01	1,190.58	1,226.32	2,415.59	2,424.38	4,819.30
5 Finance income	(96.24)	(84.70)	(119.94)	(180.94)	(174.86)	(300.87)
6 Depreciation and amortization expense	536.04	534.86	564.77	1,070.90	1,124.28	2,251.03
7 Loss before exceptional item and tax (3-4-5-6)	(502.57)	(1,780.06)	(1,191.45)	(2,282.63)	(2,746.16)	(4,794.67)
8 Exceptional items(Refer note 6)	-	-	-	-	-	592.07
9 Loss before tax (7-8)	(502.57)	(1,780.06)	(1,191.45)	(2,282.63)	(2,746.16)	(5,386.74)
10 Tax expense						
Deferred tax						
- Deferred tax (income)/expense related to current year	(143.98)	(519.96)	(346.21)	(663.94)	(802.22)	(1,313.67)
11 Net Loss after tax (9-10)	(358.59)	(1,260.10)	(845.24)	(1,618.69)	(1,943.94)	(4,073.07)
12 Other Comprehensive Income/ (Loss)						
(i) Items that will not be reclassified to profit and loss						
Re-measurement (loss)/gain on defined benefit plans	(1.17)	(1.18)	2.43	(2.35)	4.86	(4.70)
Income tax effect on above	0.34	0.34	(0.71)	0.68	(1.42)	1.37
13 Total Comprehensive Loss	(359.42)	(1,260.94)	(843.52)	(1,620.36)	(1,940.50)	(4,076.40)
14 Paid-up equity share capital (Face value of the share ₹ 10/-)	79,057.70	79,042.14	79,032.94	79,057.70	79,032.94	79,042.14
15 Other Equity	-	-	-	-	-	21,281.80
16 Earnings/(Loss) per share (Face value of the share ₹ 10/-) (EPS for quarter ended periods are not annualised)						
Basic EPS	(0.05)	(0.16)	(0.11)	(0.20)	(0.25)	(0.52)
Diluted EPS	(0.05)	(0.16)	(0.11)	(0.20)	(0.25)	(0.52)

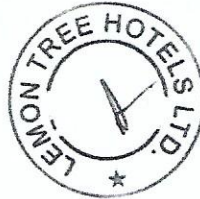
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Notes:

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 October 20, 2021 and October 21, 2021. The statutory auditors have carried out a limited review of the above standalone financial results.
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 16,69,391 (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. All 13 Hotels (1,406 rooms) of the Company were operational as on September 30, 2021. The weighted average occupancy of the operational rooms for the month ended September 30, 2021 was 62%.
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 September 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 and current period ended September 30, 2021, consequential to COVID 19 pandemic, the Group has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of INR 7.01 lakhs and INR 42.90 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 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. Statement of Standalone Assets and Liabilities

(₹ In Lakhs)

Particulars	As at September 30, 2021	As at March 31, 2021
	(Unaudited)	(Audited)
Assets		
Non-current assets		
(a) Property, plant and equipment	39,874.25	40,390.69
(b) Capital work-in-progress	1,583.35	1,547.59
(c) Investment Property	230.34	232.54
(d) Intangible assets	246.17	277.56
(e) Right of use assets	15,729.30	16,136.13
(f) Financial assets		
(i) Investments	79,291.91	79,278.35
(ii) Loans	81.08	87.56
(iii) Other non- current financial assets	1,971.06	2,113.84
(g) Deferred tax assets (net)	5,049.23	4,384.61
(h) Non-Current tax assets (net)	904.67	802.09
(i) Other non-current assets	114.28	121.18
	145,075.64	145,372.14
Current assets		
(a) Inventories	181.78	191.91
(b) Financial assets		
(i) Trade receivables	7,104.73	7,725.23
(ii) Cash and Cash equivalents	3,878.17	3,641.12
(iii) Loans	177.44	122.61
(iv) Other current financial assets	8.12	17.41
(c) Other current assets	2,735.61	2,793.60
	14,085.85	14,491.88
Total Assets	159,161.49	159,864.02

CS



(₹ In Lakhs)

Particulars	As at September 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
Equity And Liabilities		
Equity		
(a) Share capital	79,057.70	79,042.14
(b) Other Equity	19,679.32	21,281.80
Total Equity	98,737.02	100,323.94
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	33,350.06	32,331.48
(ii) Lease liability	16,731.92	16,691.49
(b) Provisions	98.07	154.44
	50,180.05	49,177.41
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,101.97	4,918.02
(ii) Lease liability	270.50	274.11
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	126.92	94.89
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,072.19	4,199.96
(iv) Other current financial liabilities	100.23	283.82
(b) Provisions	222.72	199.93
(c) Other current liabilities	349.89	391.94
	10,244.42	10,362.67
Total Liabilities	60,424.47	59,540.08
Total Equity and Liabilities	159,161.49	159,864.02

W/S



8. Statement of Standalone Cash flow

(₹ In Lakhs)

Particulars	For the half year ended September 30, 2021 (Unaudited)	For the half year ended September 30, 2020 (Unaudited)
Cash flow from operating activities		
Loss before tax	(2,282.63)	(2,746.16)
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	1,070.90	1,124.28
Waiver of lease rent	(42.90)	(321.64)
Finance income (including fair value change in financial instruments)	(180.94)	(133.07)
Finance costs	2,393.47	2,401.05
Provision for gratuity	(48.47)	19.86
Provision for leave encashment	8.04	4.00
Provision for loyalty programme	1.96	7.39
Provision for litigation	4.51	4.51
Net gain on sale of property plant, equipment	(2.98)	-
Net gain on sale of investments	-	(0.90)
Operating profit before working capital changes:	920.96	359.32
Movements in working capital:		
Decrease in trade receivables	620.52	1,222.60
Decrease in loans and advances and other current assets	(7.60)	591.92
Decrease in inventories	10.13	30.44
Decrease in liabilities and provisions	(1,288.69)	(1,176.07)
Cash Generated from Operations	255.32	1,028.21
(Direct taxes paid)/ Refund(net)	(102.58)	352.70
Net cash flow from operating activities (A)	152.74	1,380.91
Cash flows from/ (used in) investing activities		
Purchase of Property, Plant and Equipment (adjustment of CWIP, capital advances and capital creditors)	(185.71)	(89.09)
Proceeds from sale of property plant and equipment	2.98	-
Proceeds from sale of current investments	-	(58.69)
Short term loans (given)/repaid (to)/by subsidiaries (net)	(54.83)	80.93
(Investment)/Receipt from Fixed Deposits (net)	133.84	-
Net gain on sale of current investments	-	0.90
Interest received	265.81	36.82
Net Cash flow from/ (used in) investing activities (B)	162.09	(29.13)
Cash flows used in financing activities		
Proceeds from issuance of share capital	33.45	3.23
Payment of Lease liabilities	(707.75)	(256.81)
Proceeds from long term borrowings	5,262.52	1,415.72
Repayment of long term borrowings	(4,065.44)	(180.00)
(Repayment)/ proceeds of short term borrowings	980.51	505.09
Interest paid	(1,581.07)	(1,599.68)
Net Cash flow used in financing activities (C)	(77.78)	(112.45)



(₹ In Lakhs)

Particulars	For the half year ended September 30, 2021	For the half year ended September 30, 2020
	(Unaudited)	(Unaudited)
Net increase in cash and cash equivalents (A + B + C)	237.05	1,239.33
Cash and cash equivalents at the beginning of the year	3,641.12	1,187.83
Cash and cash equivalents at the end of the year	3,878.17	2,427.16
Components of cash and cash equivalents		
Cash on hand	21.73	20.65
Cheques on hand		
Balances with scheduled banks in		
- Current accounts	646.44	841.51
- Deposits with original maturity of less than three months	3,210.00	1,565.00
Total cash and cash equivalents	3,878.17	2,427.16

9. 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.

10. 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. The Company business which is seasonal therefore standalone financial results for the current quarter and half year are not indicative of a full year's operation.

11. Previous period/ year figures has been re-grouped or reclassified, to confirm to such current period/year classification.

Wab

Place: New Delhi
Date: October 21, 2021



By order of the Board
for Lemon Tree Hotels Limited

Patanjali G. Keswani

Patanjali G. Keswani
(Chairman & Managing Director)

Lemon Tree Hotels Limited

Q2 FY22 Earnings Presentation
21st Oct, 2021



aurika
HOTELS & RESORTS

UPSCALE


lemon tree
PREMIER
UPPER MIDSCALE


lemon tree
HOTELS
MIDSCALE


red fox
BY LEMON TREE HOTELS
ECONOMY


PRIMA
BY LEMON TREE HOTELS
UPPER MIDSCALE


SELECT
BY LEMON TREE HOTELS
MIDSCALE


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.



1	Company Overview
2	Chairman & Managing Director's Message
3	Q2 FY22 Operating Performance Trends
4	Q2 FY22 Financial Highlights & Results
5	Pipeline
6	Annexures



UPSCALE



UPPER MIDSCALE



MIDSCALE



ECONOMY



UPPER MIDSCALE



MIDSCALE



ECONOMY

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

Pipeline

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



**8,497 rooms;
87 hotels**



**1,965 rooms;
19 hotels**






**10,462 rooms;
106 hotels**

Brand	Current	Pipeline	By FY23
Aurika Hotels & Resorts	202 Rooms; 2 Hotels	669 Rooms; 1 Hotel	871 Rooms; 3 Hotels
Lemon Tree Premier	2,514 Rooms; 18 Hotels	130 Rooms; 2 Hotel	2,644 Rooms; 20 Hotels
Lemon Tree Hotels	2,867 Rooms; 39 Hotels	1,127 Rooms; 15 Hotels	3994 Rooms; 54 Hotels
Red Fox by Lemon Tree Hotels	1,503 Rooms; 13 Hotels	--	1,503 Rooms; 13 Hotels
Keys by Lemon Tree Hotels	1,411 Rooms; 15 Hotels	39 Rooms; 1 Hotel	1,450 Rooms; 16 Hotels

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



Key Statistics

		Q2 FY22	Q2 FY21	YoY Var (%)
	Cities	54	49	10%
	Hotels	87	81	7%
	Rooms	8,497	8,044	6%



Chairman & Managing Director's Message



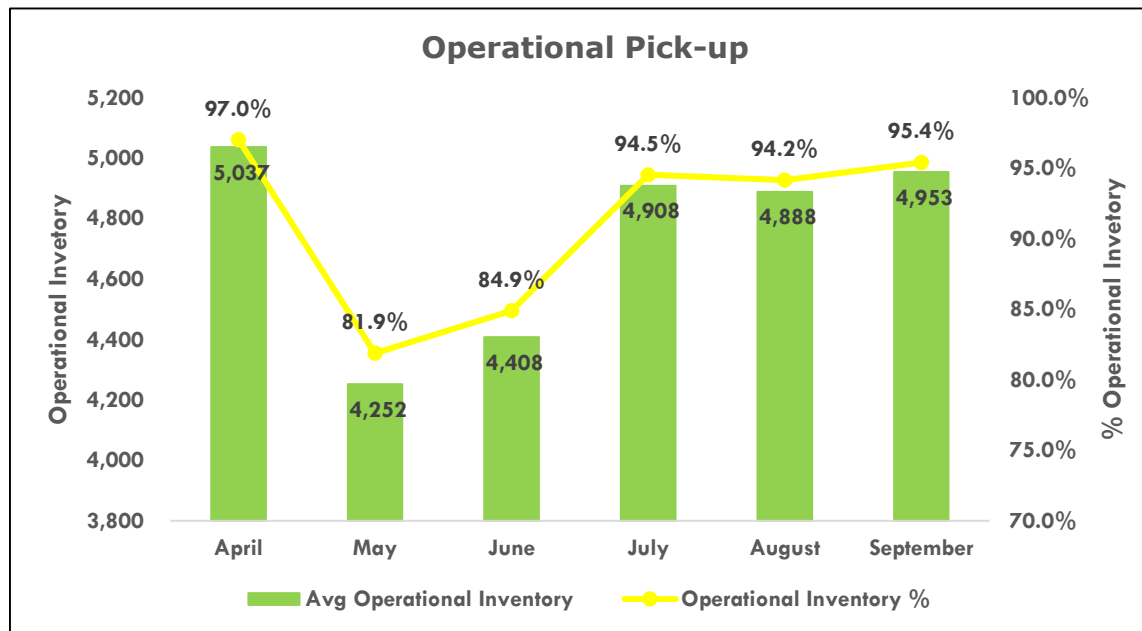
Commenting on the performance for Q2 FY22, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,

We saw a significant improvement in performance against the previous quarter due to a strong recovery in demand. The gradual easing of lockdown restrictions, improved vaccination coverage and a growing sense of normalcy in the domestic market has led to improved confidence and therefore bookings, which has improved week on week since the start of Q2 FY22. Overall our occupancy on full inventory improved from 30% in Q1 FY22 to 51% in Q2 FY22. Our room rates too witnessed growth of 28.2% from Rs. 2,362 in Q1 FY22 to Rs. 3,028 in Q2 FY22. Going forward, with the continued improvement in demand, our focus will be on increasing our room rates over the next two quarters. Overall during this quarter, our Net EBITDA grew by 1647% to Rs. 35.8 Cr in Q2 FY22 from Rs. 2.0 Cr in Q1 FY22. Our EBITDA margin expanded by 3159 bps to 36.2% in Q2 FY22 from 4.6% in Q1 FY22.

Regarding growth, I am pleased to share that we commissioned three new hotels under management contracts during this quarter. These include our entry into Coorg (63 rooms) with our first managed resort under the brand Aurika, our first Manchise property under the Keys Prima flag in Dehradun (40 rooms) and a Red Fox Hotel in Neelkanth (80 rooms). These hotels are in sync with our strategy to go asset-light by expanding the managed hotels vertical and leveraging our strong brand. Since the beginning of the pandemic, we have operationalized 10 hotels which added more than 700 rooms to our portfolio. Our current operational inventory as of 21st Oct 2021 comprises of 87 hotels and 8497 rooms, out of which 4517 are owned, 675 leased and 3305 managed.

Over the last two quarters we have also focused on various ESG related initiatives to build a responsible hotel company with a business model that strikes the right balance between healthy financial outcomes and running our operations in a diverse, inclusive and environmental-friendly manner. We are happy to share that Lemon Tree is working towards quantified goals for 2026 which include targeting 30% opportunity deprived individuals and 15% women in our workforce, 15% reduction in energy consumption intensity (with 50% of our total energy consumption from renewable sources), 40% reduction in GHG emissions, 10% reduction in water consumption intensity and 100% certified green buildings in our owned/leased portfolio. Energy, water and GHG targets are vis-à-vis baseline year 2019. Towards this, we have published our first sustainability report, focusing on environmental, social, economic and governance parameters. This has been prepared in accordance with global reporting standards and is uploaded on our website. Going forward, our endeavor will be to focus on enhancing our ESG systems and disclosures.

Increasing Operational Inventory



Trends for the 5,192 owned/leased rooms



UPSCALE



UPPER MIDSCALE



MIDSCALE



ECONOMY



UPPER MIDSCALE

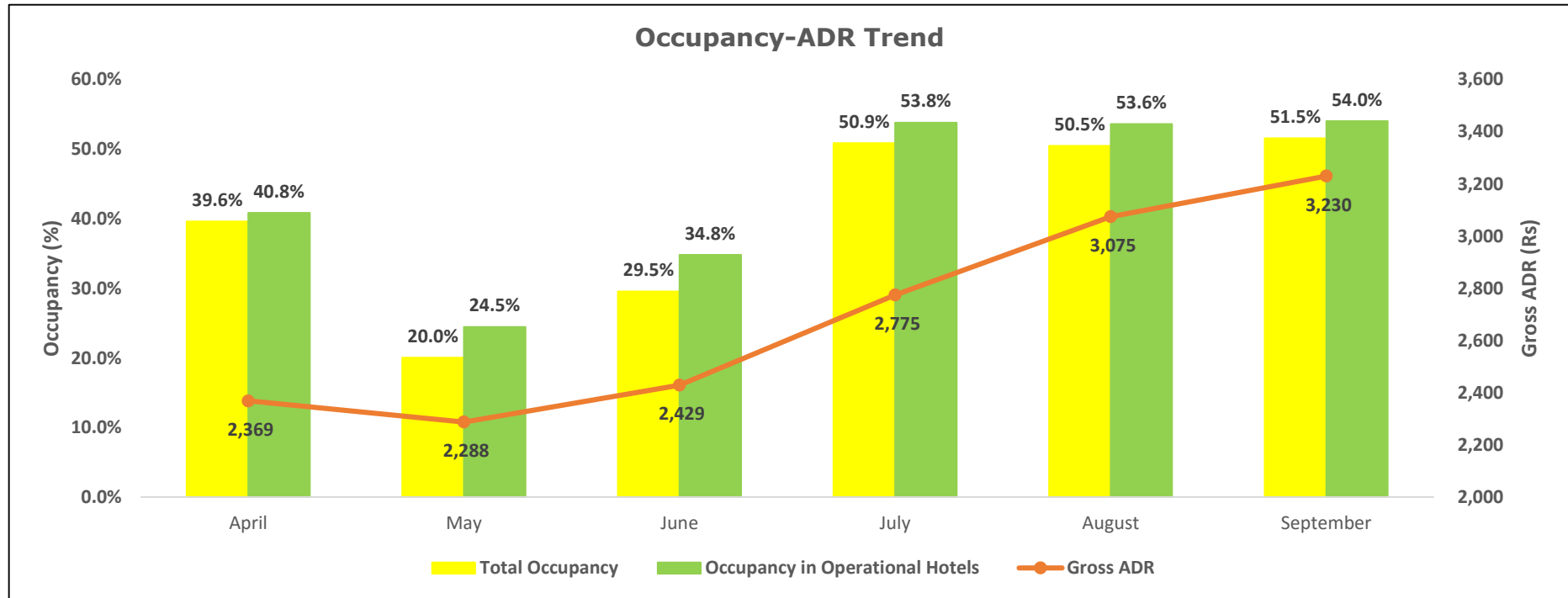


MIDSCALE



ECONOMY

Rising Occupancy Levels

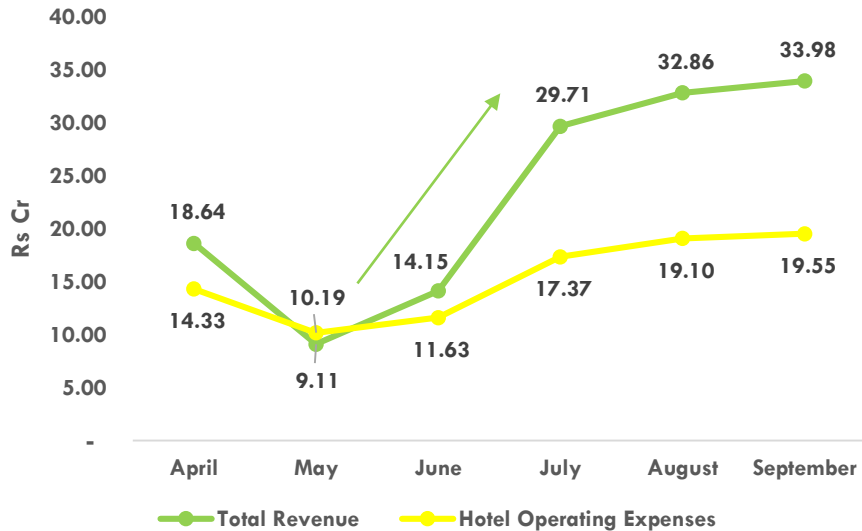


Trends for the 5,192 owned/leased rooms

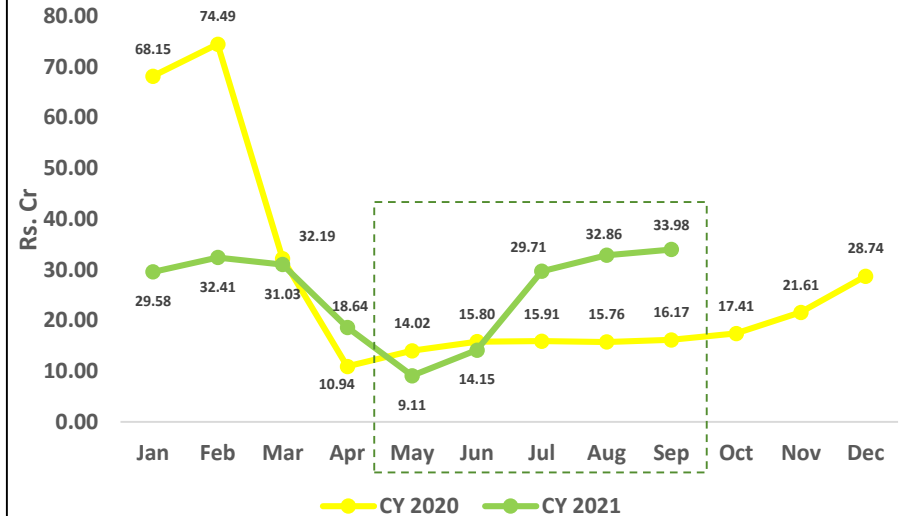


Improving Operating Efficiency and 'V-Shaped' Recovery

Revenue vs OPEX Trend



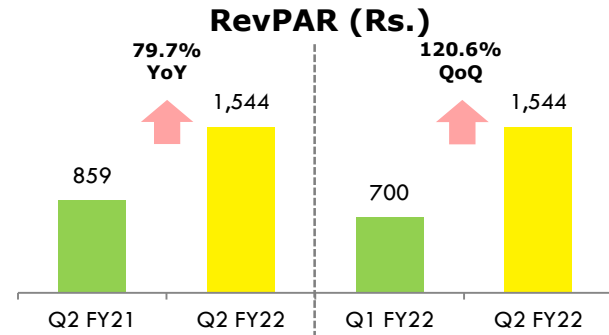
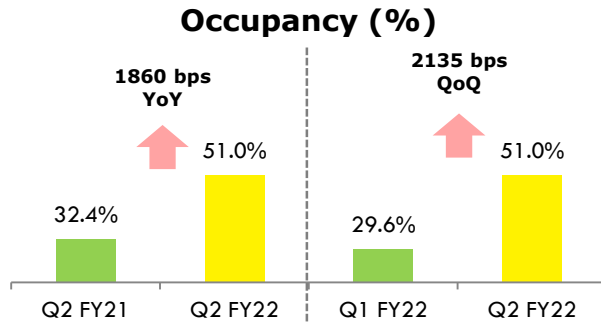
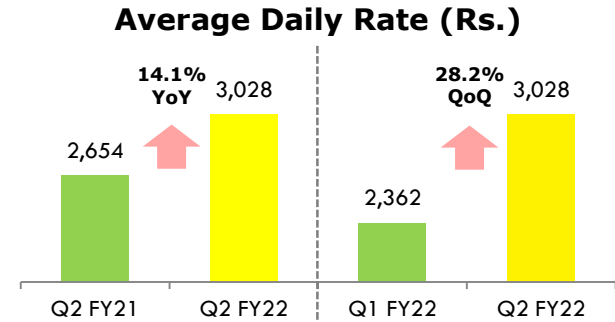
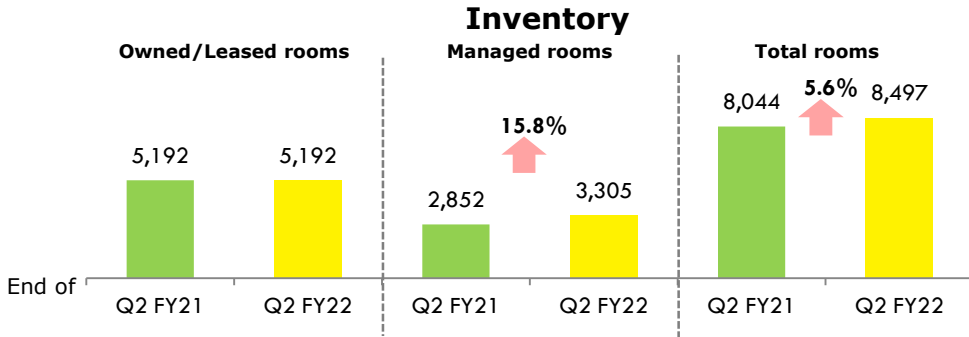
Revenue Trend



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 non-operational hotels)

Q2 FY22 Performance Highlights – Operational Metrics (Consolidated)



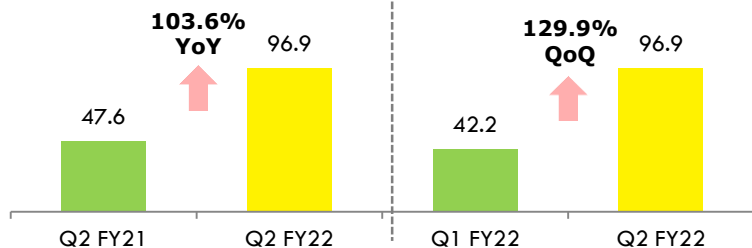
Notes:

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

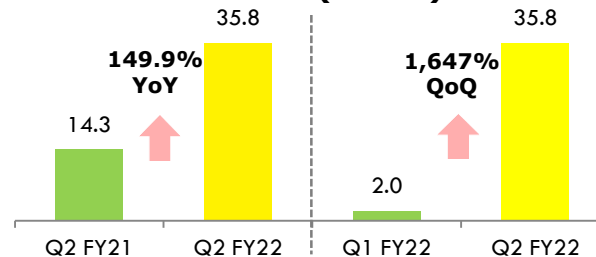


Q2 FY22 Performance Highlights – Financial Metrics (Consolidated)

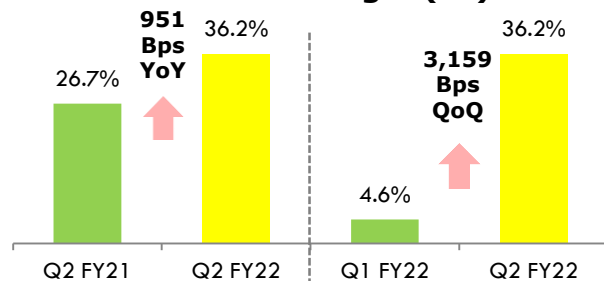
Revenue from Operations (Rs. Cr)



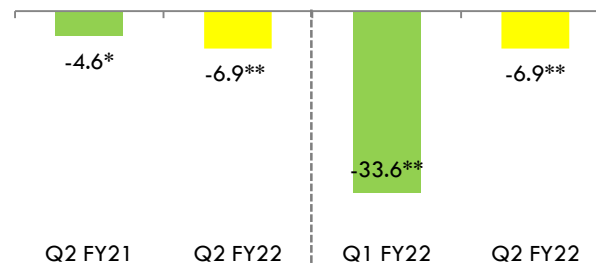
EBITDA (Rs. Cr)



EBITDA Margin (%)



Cash profit (Rs. Cr)



Note:

* For Q2 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans (ie. Rs. 21.96 Cr)

** For Q2 FY22 and Q1 FY22, Cash Profit is calculated as PAT + Depreciation

Consolidated Profit & Loss Statement – Q2 FY22

Rs. Cr	Q2 FY22	Q1 FY22	Q2 FY21	QoQ Change (%)	YoY Change (%)
Revenue from operations	96.9	42.2	47.6	129.9%	103.6%
Other income	1.9	2.1	6.0	-9.6%	-68.0%
Total expenses	63.0	42.2	39.3	49.2%	60.4%
EBITDA	35.8	2.0	14.3	1647.4%	149.9%
EBITDA margin (%)	36.2%	4.6%	26.7%	951	3,159
EBITDA w/o Other Income	33.9	(0.1)	8.3	NA	307.7%
EBITDA margin before Other Income (%)	35.0%	-0.2%	17.5%	NA	3,514
Finance costs	46.3	45.2	49.7	2.4%	-6.9%
Depreciation & amortization	26.2	26.2	27.0	0.3%	-2.8%
PBT	(34.6)	(67.3)	(59.7)	NA	NA
Tax expense	(1.4)	(7.5)	(6.2)	NA	NA
PAT	(33.2)	(59.8)	(53.5)	NA	NA
Cash Profit	(6.9)**	(33.6)**	(4.6)*	NA	NA

Note:

* For Q2 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans (ie. Rs. 21.96 Cr)

** For Q2 FY22 and Q1 FY22, Cash Profit is calculated as PAT + Depreciation

Consolidated Profit & Loss Statement Breakup – Q2 FY22 vs Q2 FY21

Rs. Cr	Total without Keys Hotels			Keys Hotels			Total		
	Q2 FY22	Q2 FY21	YoY Change (%)	Q2 FY22	Q2 FY21	YoY Change (%)	Q2 FY22	Q2 FY21	YoY Change (%)
Inventory	4,256	4,256	0%	936	936	0%	5,192	5,192	0%
ARR	2,445	2,796	-13%	2,053	2,122	-3%	3,028	2,654	14%
Occupancy	55.6%	34.6%	2108	29.8%	22.4%	736	51.0%	32.4%	1860
RevPAR	780	847	-8%	611	475	29%	1,544	859	80%
Revenue from Operations	89.8	42.2	112.7%	7.1	5.4	32.0%	96.9	47.6	103.6%
Other Income	1.4	5.2	-73.8%	0.6	0.8	-29.9%	1.9	6.0	-68.0%
Total expenses	56.8	34.2	66.2%	6.2	5.1	21.6%	63.0	39.3	60.4%
EBITDA	34.4	13.3	159.0%	1.4	1.1	35.9%	35.8	14.3	149.9%
EBITDA Margin (%)	37.7%	28.0%	972	18.7%	17.1%	164	36.2%	26.7%	951
EBITDA w/o Other Income	33.0	8.0	310.2%	0.9	0.3	231.7%	33.9	8.3	307.7%
<i>EBITDA margin before Other Income (%)</i>	36.7%	19.0%	1,769	12.4%	4.9%	746	35.0%	17.5%	1,750
PBT	(29.1)	(52.2)	NA	(5.5)	(7.5)	NA	(34.6)	(59.7)	NA

Operational Performance by Brands & Region (On full inventory basis)

Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
	Q2 FY22	Q2 FY21	Change (bps)	Q2 FY22	Q2 FY21	Change (bps)	Q2 FY22	Q2 FY21	Change (%)	Q2 FY22	Q2 FY21	Change (%)	Q2 FY22	Q2 FY21	Change (bps)
By Brand (#Rooms)															
Aurika Hotels & Resorts (139)	5601	1481	278%	54%	19%	3467	10,430	7,780	34%	3.91	0.56	601%	61%	34%	2,659
Lemon Tree Premier (1,603)	2086	1320	58%	65%	46%	1,856	3,212	2,846	13%	1.04	0.53	94%	43%	39%	386
Lemon Tree Hotels (1562)	1467	665	121%	50%	27%	2,379	2,910	2,498	17%	0.65	0.10	532%	36%	14%	2263
Red Fox by Lemon Tree Hotels (952)	1080	687	57%	49%	30%	1,889	2,213	2,296	-4%	0.40	0.06	601%	34%	9%	2,529
Keys by Lemon Tree Hotels (936)	611	475	29%	30%	22%	736	2,053	2,122	-3%	0.17	0.08	108%	23%	14%	865

Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
	Q2 FY22	Q2 FY21	Change (bps)	Q2 FY22	Q2 FY21	Change (bps)	Q2 FY22	Q2 FY21	Change (%)	Q2 FY22	Q2 FY21	Change (%)	Q2 FY22	Q2 FY21	Change (bps)
By Region (#Rooms)															
Delhi (636)	1964	1708	15%	64%	58%	515	3,087	2,921	6%	0.87	0.61	43%	37%	36%	174
Gurugram (529)	1231	739	67%	40%	25%	1,569	3,044	2,987	2%	0.38	0.12	219%	24%	14%	969
Hyderabad (663)	1549	729	113%	61%	34%	2,773	2,530	2,175	16%	0.88	0.19	351%	48%	25%	2300
Bengaluru (874)	839	476	76%	33%	24%	906	2,558	2,006	28%	0.24	0.04	569%	24%	7%	1797
Mumbai (303)	2435	1841	32%	78%	49%	2982	3,105	3,789	-18%	1.12	0.86	30%	45%	48%	-262

Discussion on Consolidated Financial & Operational Performance – Q2 FY22

Revenue

- * Revenue from operations stood at Rs. 96.9 Cr in Q2 FY22, up 104% as compared to Rs. 47.6 Cr in Q2 FY21. On a sequential basis, revenue from operations increased 129.9% from Rs. 42.2 Cr in Q1 FY22
- * ADR increased by 14.1% from 2,654 in Q2 FY21 to 3,028 in Q2 FY22. On a sequential basis, ADR increased by 28.2% from Rs. 2,362 in Q1 FY22
- * Occupancy on full inventory increased by 1,860 bps from 32.4% in Q2 FY21 to 51.0% in Q2 FY22. On a sequential basis, the occupancy on full inventory increased by 2,135 bps from 29.6% in Q1 FY22

Cost

- * Total expenses stood at Rs. 63.0 Cr in Q2 FY22 up by 60.4% as compared to Rs. 39.3 Cr in Q2 FY21. On a sequential basis, expenses increased by 49.2% from Rs. 42.2 Cr in Q1 FY22

Operating Margins

- * EBITDA increased by 150% from Rs. 14.3 Cr in Q2 FY21 to Rs. 35.8 Cr in Q2 FY22. EBITDA without other income increased by 308% from Rs. 8.3 Cr in Q2 FY21 to Rs. 33.9 Cr in Q2 FY22. On a sequential basis, EBITDA increased 1647% from Rs 2.0 Cr in Q1 FY22. EBITDA without other income increased from Rs. -0.1 Cr in Q1 FY22 to Rs. 33.9 Cr in Q2 FY22
- * EBITDA margin increased by 951 bps from 26.7% in Q2 FY21 to 36.2% in Q2 FY22. EBITDA margin without other income increased by 1,750 bps to 35.0% in Q2 FY22 from 17.5% in Q2 FY21. On a sequential basis, the EBITDA margin increased by 3159 bps from 4.6% in Q1 FY22. EBITDA margin without other income increased by 3514 bps to 35.0% in Q2 FY22 from -0.2% in Q2 FY21

Profit after tax

- * Profit after tax improved from Rs. -53.5 Cr in Q2 FY21 to Rs. -33.2 Cr in Q2 FY22. The PAT in Q1 FY22 was Rs. -59.8 Cr
- * Cash Profit for Q2 FY22 stood at Rs. -6.9** Cr vs Rs. -4.6* Cr in Q2 FY21. The Cash Profit in Q1 FY22 was Rs. -33.6** Cr

Note:

* For Q2 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans (ie. Rs. 21.96 Cr)

** For Q2 FY22 and Q1 FY22, Cash Profit is calculated as PAT + Depreciation

Consolidated Profit & Loss Statement – H1 FY22 vs H1 FY21

Rs. Cr	H1 FY22	H1 FY21	YoY Change (%)	FY21
Revenue from operations	139.0	88.3	57.5%	251.7
Other income	4.0	9.1	-55.6%	13.3
Total Income	143.1	97.4	46.9%	265.0
Total expenses	105.3	75.6	39.2%	190.5
EBITDA	37.8	21.8	73.6%	74.5
EBITDA w/o Other Income	33.8	12.7	166.8%	61.3
EBITDA margin (%)	26.4%	22.4%	406.3	28.1%
Finance costs	91.5	98.4	-7.0%	190.5
Depreciation & amortization	52.4	54.1	-3.1%	107.6
PBT	(102.0)	(127.4)	NA	(218.7)
Tax expense	(9.0)	(13.3)	NA	(32.2)
PAT	(93.0)	(114.1)	NA	(186.5)
Cash Profit	(40.6)**	(1.8)*	NA	(20.8)

Note:

* For H1 FY21, Cash Profit is calculated as PAT + Depreciation + Interest converted into loans (ie. Rs. 58.2 Cr)

** For H1 FY22, Cash Profit is calculated as PAT + Depreciation



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Consolidated Balance Sheet – H1 FY22 vs H1 FY21

Rs. Cr	H1 FY22	H1 FY21	YoY Change (%)
Shareholder's Funds	857.0	744.0	15%
Non-controlling interests	585.4	861.4	-32%
Total Shareholder's equity	1,442.3	1,605.4	-10%
Total Debt	1,697.2	1,661.7	2.1%
Other Non-current liabilities	472.6	467.4	1%
Other Current liabilities	112.4	137.5	-18%
Total Equity & Liabilities	3,724.4	3,872.0	-4%
Non-current assets	3,560.3	3,579.6	-1%
Current assets	164.1	292.4	-44%
Total Assets	3,724.4	3,872.0	-4%
Debt to Equity (x)	1.18	1.04	14%
Average cost of borrowing (%)	8.10%	9.17%	(107)

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, Mumbai International Airport#	Owned	669	CY23	58.91%
Total		738		

- * Total estimated project cost 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 30th September, 2021 is Rs. 3,876 Million

Expansion Plans – Pipeline of Management Contracts (as on 21st Oct, 2021)

Management Contracts Pipeline	Rooms	Expected Opening date
Lemon Tree Hotel Kalina/BKC, Mumbai	70	Dec-21
Lemon Tree Hotel, Sonamarg	40	Mar-22
Lemon Tree Hotel, Rishikesh	102	Mar-22
Keys Lite, Rishikesh	39	Mar-22
The Spectrum, Gurgaon (Serviced apartments)	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 Resort, Mussoorie	40	Dec-22
Lemon Tree Hotel, Trivandrum	100	Jan-23
Lemon Tree Resort, Thimpu, Bhutan	38	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 Premier, Dindi	50	Uncertain
Lemon Tree Hotel, Ludhiana	60	Uncertain
Total Pipeline	1,227	

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





Extracts from first ESG Report of Lemon Tree Hotels for FY21

To read the full report please visit:

https://www.lemontreehotels.com/factsheet/Policies/LTH_ESG_Report_2021.pdf

This report covers all 41 owned/leased hotels across 23 cities for the reporting period from 1st April 2020 to 31st March 2021

Impact of our Environment, Social and Governance initiatives:



10%

Renewable energy in the electricity mix in FY21



98%

Operations audited (internally) for cases of corruption and bribery



14.30%

Opportunity Deprived Indians (ODIs) employed in FY21



52%

Reduction in normalized water withdrawal intensity per total floor area since FY18



67%

Reduction in normalized emissions intensity per occupied room since FY18

Click here to read the report: [ESG Report](#)



In the area of Environment, we are focused on becoming more energy efficient, adopting renewable energy, mitigating and adapting to climate change, conserving water and reducing waste

At the center of our ESG approach is our commitment to **creating sustained value**. This is across all stakeholders - shareholders and investors, employees, customers, suppliers and the society at large.



In the area of Social, our emphasis is on the development of people, especially creating an inclusive and equal opportunity workplace and empowering local communities

Vision FY26 reflects our belief that our business operations are inherently integrated with delivering social and environmental impact.



In the area of Governance, our commitment is towards building an ethical and transparent organization

Click here to read the report: [ESG Report](#)



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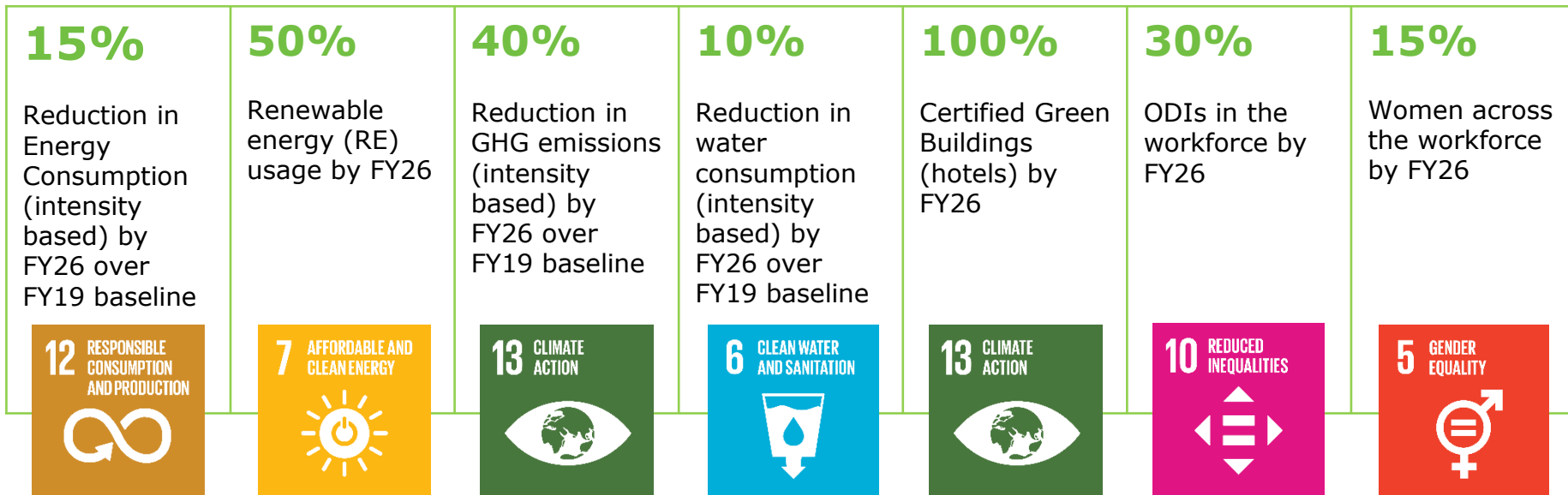
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Our ambitions for FY26 are based on the following goals and aspirations:



Click here to read the report: [ESG Report](#)

In a rapidly evolving business environment addressing ESG issues is crucial to ensure the longevity of an organization. Through our well-defined policy frameworks and initiatives, we are on the path to achieving business growth along with creating a positive environmental and social impact.



Embracing Environmental Stewardship

- Sustainability Policy
- Waste Management Pilot- Policy redefinition



Redefining Social Engagement

- Diversity and Inclusion Initiative
- Growth of Employee Strength
- Career Path and Employee Growth
- Management of Labor Relations
- Policy and Workers' Right
- CSR Policy



Providing Effective Governance

- Nomination and Remuneration Policy
- Code of Conduct
- Data Privacy Policy
- Risk Management Policy
- Whistleblower Policy
- Prevention of Sexual Harassment Policy

Click here to read the report: [ESG Report](#)

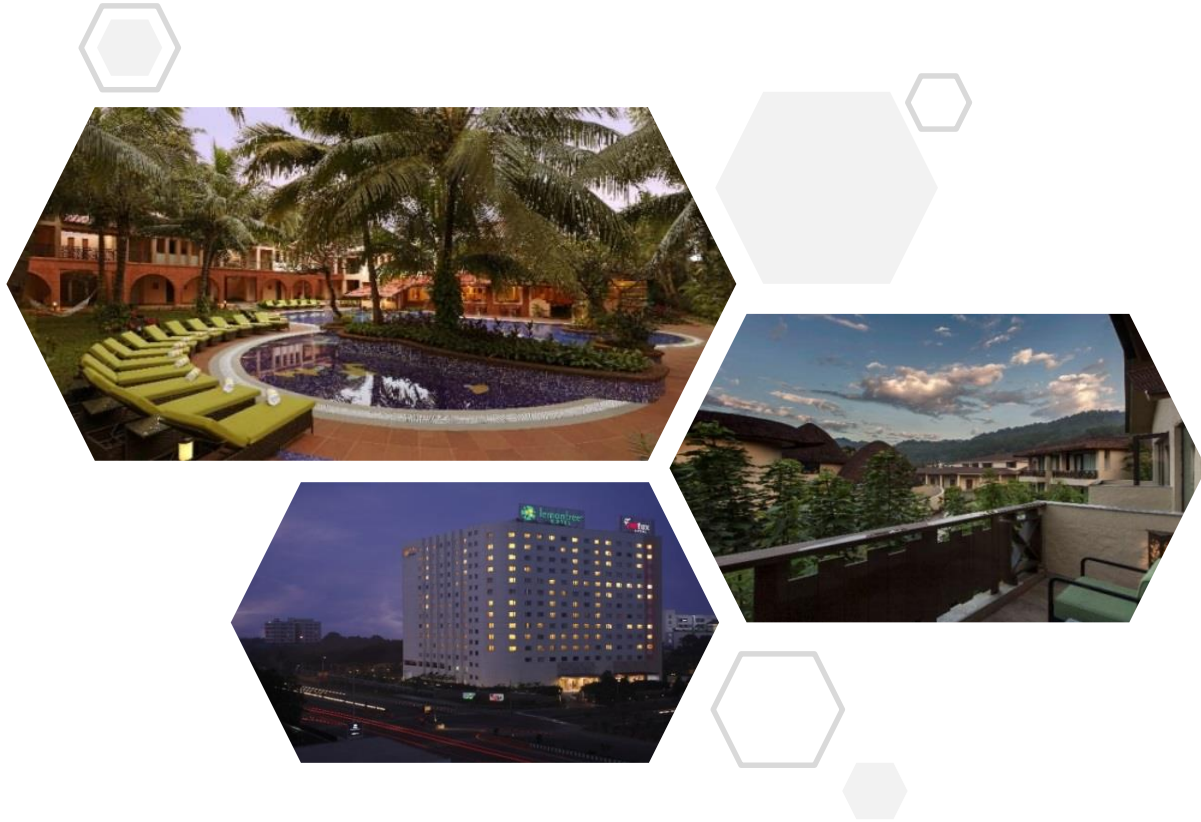


Our efforts to integrate ESG across our business operations is effectively supported by a dynamic governance structure



Click here to read the report: [ESG Report](#)





ANNEXURES

Portfolio Breakup as on 21st Oct 2021 - Operational

Operational Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
21.10.2021								
Aurika Hotels & Resorts	1	139	0	0	1	63	2	202
Lemon Tree Premier	7	1442	2	161	9	911	18	2514
Lemon Tree Hotels	13	1241	4	321	22	1305	39	2867
Red Fox by Lemon Tree Hotels	5	759	2	193	6	551	13	1503
Keys Prima by Lemon Tree Hotels	0	0	0	0	1	40	1	40
Keys Select by Lemon Tree Hotels	7	936	0	0	5	388	12	1324
Keys Lite by Lemon Tree Hotels	0	0	0	0	2	47	2	47
Total	33	4517	8	675	46	3305	87	8497

Portfolio Breakup as on 21st Oct 2021 - Pipeline

Pipeline Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
21.10.2021								
Aurika Hotels & Resorts	1	669	0	0	0	0	1	669
Lemon Tree Premier	0	0	0	0	2	130	2	130
Lemon Tree Hotels	1	69	0	0	14	1058	15	1127
Red Fox by Lemon Tree Hotels	0	0	0	0	0	0	0	0
Keys Prima by Lemon Tree Hotels	0	0	0	0	0	0	0	0
Keys Select by Lemon Tree Hotels	0	0	0	0	0	0	0	0
Keys Lite by Lemon Tree Hotels	0	0	0	0	1	39	1	39
Total	2	738	0	0	17	1227	19	1965

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

Jaipur: FY20 – 5.1%
FY26E – 4.0%

Ahmedabad: FY20 – 4.2%
FY26E – 3.4%

Mumbai: FY20 – 2.1%
FY26E – 6.0%

Pune: FY20 – 6.2%
FY26E – 5.9%

Goa: FY20 – 1.4%
FY26E – 1.1%

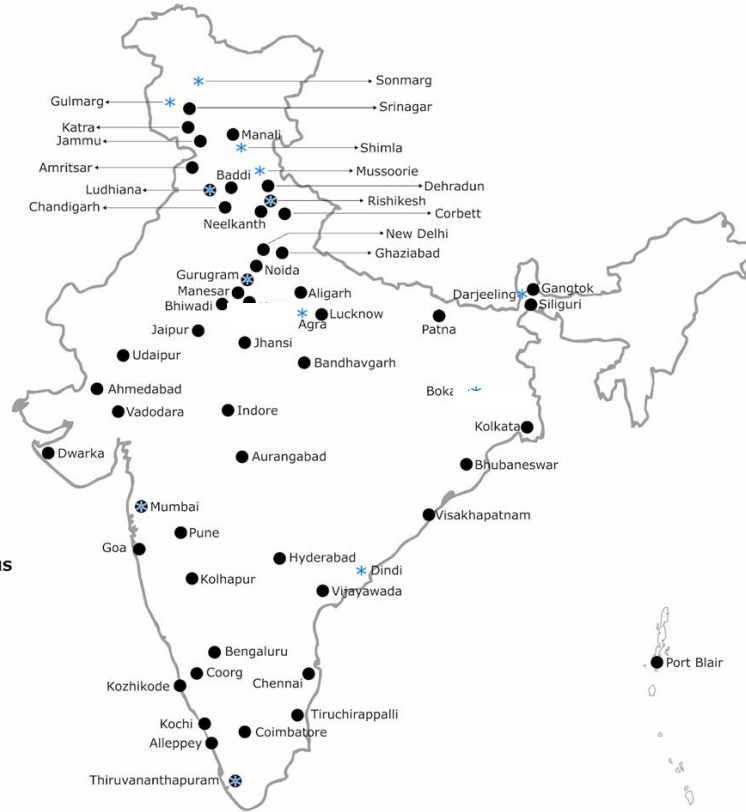
Bengaluru: FY20 – 6.3%
FY26E – 4.9%

Delhi NCR: FY20 – 6.73%
FY26E – 6.74%

Kolkata: FY20 – 2.9%
FY26E – 2.6%

Hyderabad: FY20 – 8.9%
FY26E – 8.5%

Chennai: FY20 – 2.5%
FY26E – 2.5%



INTERNATIONAL DESTINATIONS

United Arab Emirates

● Dubai

Bhutan

● Thimphu

Nepal

* Kathmandu

* Nagarkot

* Biratnagar

● Operating Hotels

* Upcoming Hotels

Source : Indian Hospitality Trends and Opportunities 2021

Note: The FY26 expected market share has been calculated on the basis of current pipeline on hotels only

Map updated as of 21st Oct, 2021



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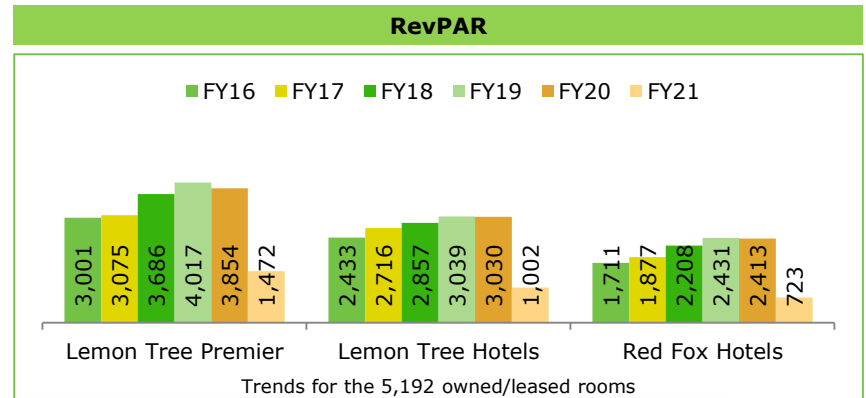
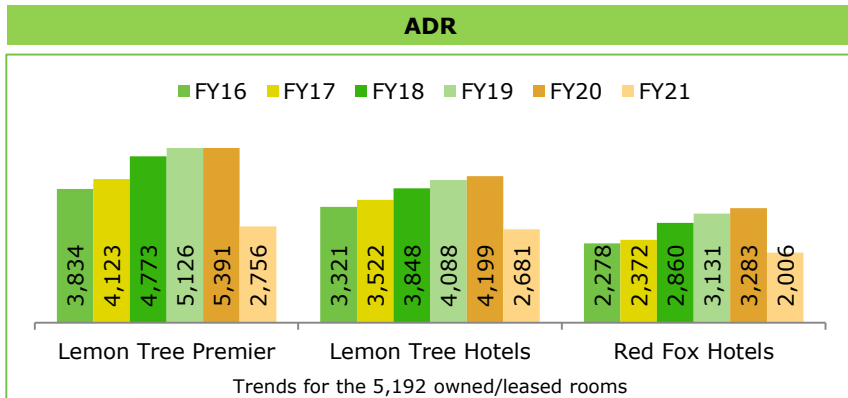
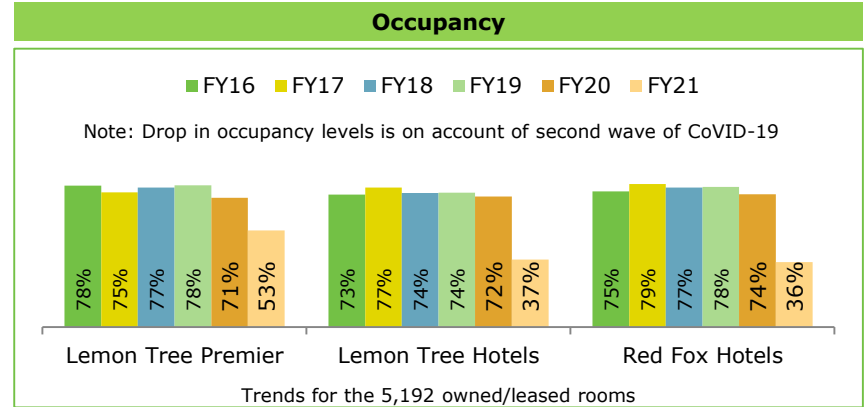
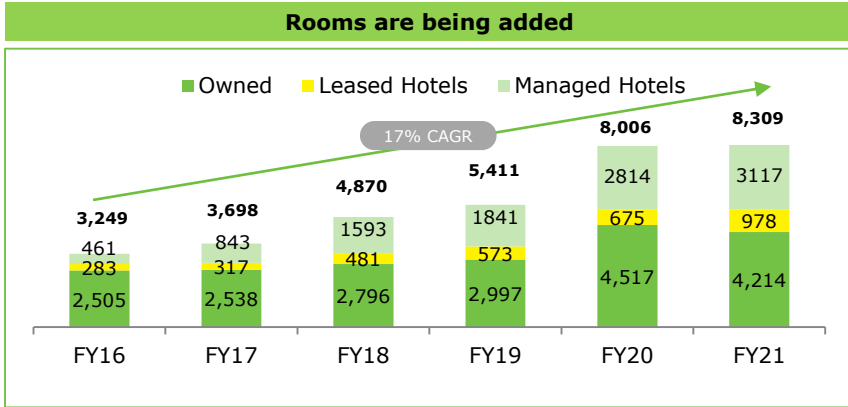
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Operating performance



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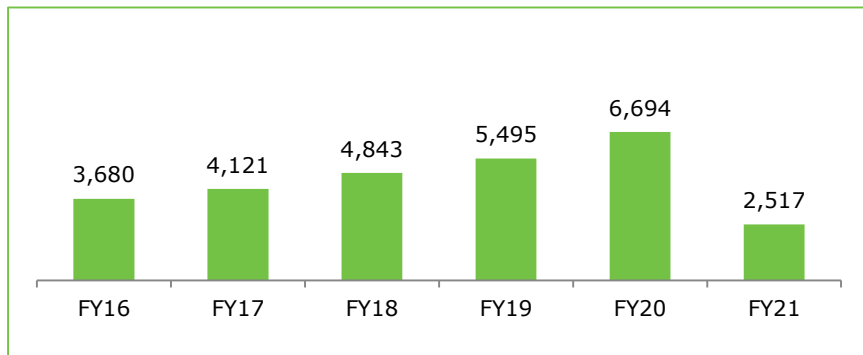


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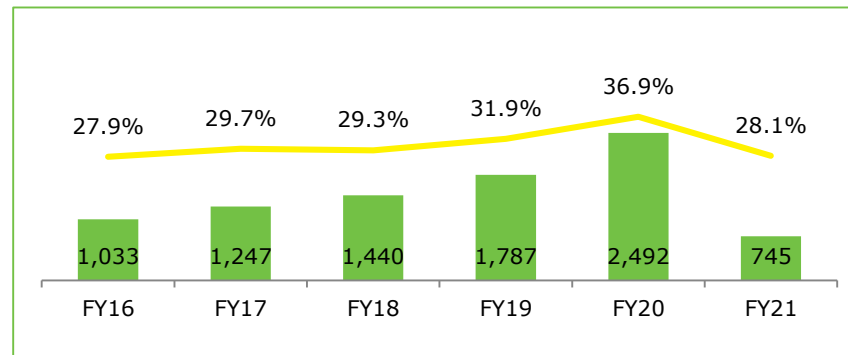
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Operating margins

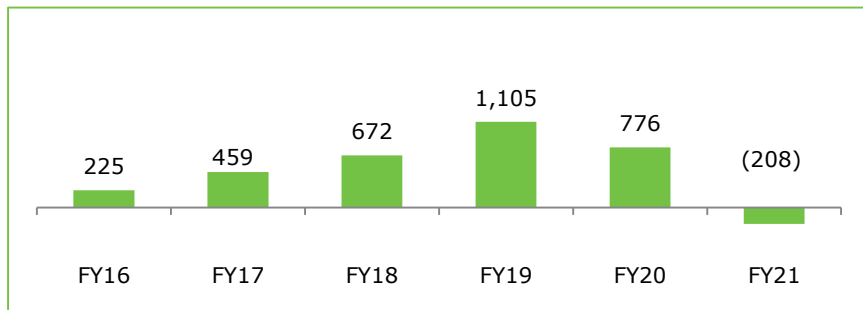
Revenue from operations (Rs. Million)



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



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Consolidated Profit & Loss Statement – FY21

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

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
Total Shareholder's equity	1,535.0	1,544.8	1,307.2
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
Total Equity & Liabilities	3,822.1	3,762.8	2,771.8
Non-current assets	3,581.1	3,615.5	2,575.3
Current assets	241.0	147.3	196.6
Total Assets	3,822.1	3,762.8	2,771.8
Debt to Equity (x)	1.10	1.02	0.92
Average cost of borrowing as of 31st 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
Hotels¹	FY20	24	6	11	2
	FY21	28	13	0	
Operating Rooms (year-end)	FY20	2,855	715	1,622	738
	FY21	3,278	1,914	-	
Occupancy Rate (%)	FY20	75.2%	67.1%	56.4%	Deep demand Markets (high occupancies)
	FY21	42.1%	35.9%	-	
Average Daily Rate (Rs.)	FY20	4,399	4,027	4,438	2.0x of Adult Hotels in that year*
	FY21	2,531	2,785	-	
Hotel level EBITDAR²/room (Rs. Lacs)	FY20	6.9	5.5	2.3	High*
	FY21	1.4	1.6	-	
Hotel level EBITDAR² Margin (%)	FY20	44%	39%	39%	High*
	FY21	30%	36%	-	
Hotel level ROCE*³ (%)	FY20	12%	5%	2%	1.5x of Adult Hotels in that year*
	FY21	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



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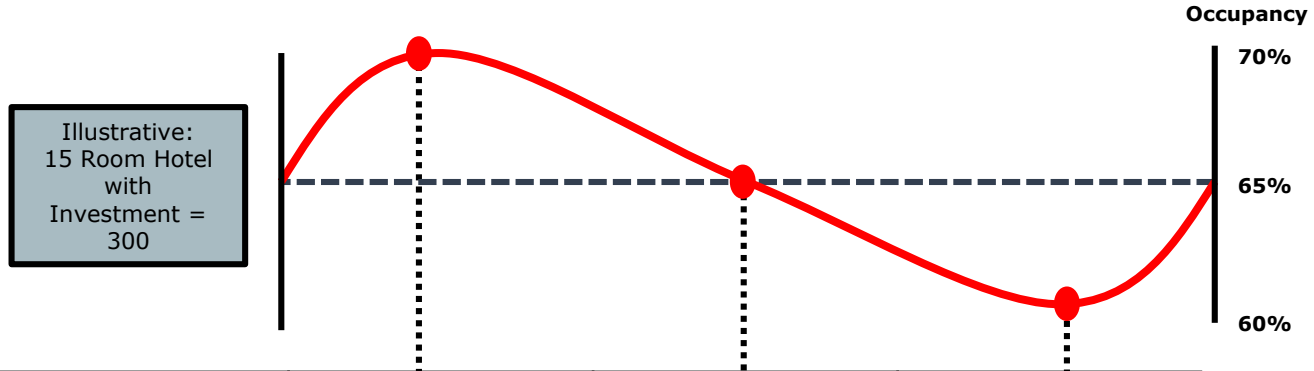
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The hotel business cycle



Cycle	Top (2)	Middle (3)	Bottom (2)	
Occupancy	70% or more	63-68%	60% or less	
Rooms Sold	12	10	8	
Average Daily Rate	13	10	7	
Revenue	156	100	56	3:2:1
Expenses	60	50	40	
EBITDA	96	50	16	
Hotel RoCE	32%	17%	5%	6:3:1
Sustainable Debt:Equity Coverage	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) Q2 FY22 Earnings Conference Call

Time • 3:00 PM IST on Thursday, October 25, 2021

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

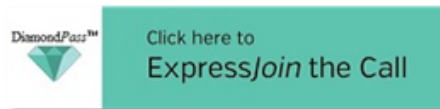
Local access number • +91 70456 71221 (Available all over India)

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:



About Lemon Tree Hotels



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 ~8,500 rooms in 87 hotels across 54 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 ~10,450 rooms in 106 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 or contact:

Kapil Sharma (Chief Financial Officer)

Lemon Tree Hotels Ltd

Tel: +91 11 4605 0174 / +91 11 4605 0153

E-mail: cfo@lemontreehotels.com

Anoop Poojari

CDR India

Tel: 98330 90434

E-mail: anoop@cdr-india.com



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