



January 09, 2026

**National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400051**

**BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001**

**Name of Scrip: LEMONTREE**

**BSE Scrip Code: 541233**

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: Press Release**

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Dear Sir/ Madam,

We wish to inform you that the Board of Directors of Lemon Tree Hotels Limited at its meeting held today i.e., January 9, 2026, based on the recommendations of the Reorganization Committee, the Audit Committee and the Committee of Independent Directors, has *inter-alia*, considered and approved a **Composite Scheme of Arrangement**.

The Board has also approved the execution of the **Share Purchase Agreement** ("SPA") by and amongst the Company, **APG Strategic Real Estate Pool N.V. ("APG")**, **Coastal Cedar Investments B.V. (Investor)**, an affiliate of **Warburg Pincus**, and the Fleur Hotels Limited ("Transferee Company"), for the sale of APG's entire shareholding of **41.09%** in the Transferee Company to the Investor.

Simultaneously, the Board has also approved the execution of the **Shareholders' Agreement** ("SHA") by and amongst, the Transferee Company, the Company, Mr. Patanjali Govind Keswani, Spank Management Services Private Limited and the **Coastal Cedar Investments B.V. (Investor)**.

A Copy of the Press release in this regard is attached herewith.

The same is also being uploaded on website of the Company at [www.lemontreehotels.com](http://www.lemontreehotels.com)

You are requested to take the above information in your record.

Thanking You,

**For Lemon Tree Hotels Limited**

**Pawan Kumar Kumawat  
Company Secretary  
& Compliance Officer  
M. No: A25377**

**Lemon Tree Hotels Limited**  
CIN No. L74899DL1992PLC049022 (Old)  
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## **Lemon Tree Hotels Announces Strategic Reorganization and Investment from Warburg Pincus in Fleur Hotels to Unlock Long-Term Shareholder Value**

- *The reorganization will create two focused, high-growth, and large-scale platforms*
- *Warburg Pincus will acquire APG's entire 41.09% stake in Fleur and commit to invest up to ₹960 crore of primary capital to support the growth of Fleur*

**New Delhi, 9 January 2026** — Lemon Tree Hotels Limited ("Lemon Tree") and Fleur Hotels Limited ("Fleur") today announced that their respective Boards of Directors have approved a Composite Scheme of Arrangement (the "Scheme") designed to simplify the group structure, enhance strategic focus, and unlock long-term value for shareholders. The Scheme is subject to customary regulatory and shareholder approvals.

The proposed reorganization will create two clearly differentiated and complementary platforms:

- **Lemon Tree Hotels Limited**, as a pure-play, asset-light hotel management and brand platform; and
- **Fleur Hotels Limited**, a current subsidiary of Lemon Tree, as a large-scale growth-oriented hotel ownership platform with development capabilities and an attractive pipeline.

The Board of Directors further approved:

- Execution of a Share Purchase Agreement enabling Coastal Cedar Investment B.V., an affiliate of Warburg Pincus, to acquire the full 41.09% equity stake held by APG Strategic Real Estate Pool N.V. ("APG") in Fleur; and
- Execution of a Shareholders' Agreement providing for a primary investment by Warburg Pincus of up to INR 960 crore to be infused in tranches, to support the future growth of Fleur.

This investment marks a renewed partnership between Warburg Pincus and Lemon Tree, following Warburg Pincus' earlier investment in the company in 2006, which supported Lemon Tree's initial growth to become a prominent hotel brand and platform in India.

The Scheme, to be implemented through a NCLT-approved process, will reorganise the group's asset ownership and operating structure. The hotel assets currently owned by Lemon Tree will be transferred to Fleur, which will serve as the group's exclusive asset ownership and development company. Fleur will lead the group's all future hotel acquisitions and development, while Lemon Tree will transition to a fully asset-light model, focused on growing its hotel management, franchising and digital business. The Scheme will also result in a listing of Fleur's shares on NSE and BSE. **Mr. Patanjali Govind Keswani**, Founder of Lemon Tree Hotels, will serve as the Executive Chairman of Fleur Hotels and will eventually transition to a Non-Executive role at Lemon Tree.

This reorganization and investment come at a time when India's hospitality sector is entering a period of sustained growth, driven by rising disposable income and discretionary spending,

strong growth in domestic inter-city air / rail / road travel, a rebound in international tourism, and the Government of India's continued focus on tourism and investment in aviation / high-speed railways / four-lane highways infrastructure. Increasing corporate travel and India's emergence as a leading Meetings, Incentives, Conferences and Exhibitions (MICE) destination further support long-term demand fundamentals.

Commenting on the development, **Mr. Patanjali Govind Keswani, Founder and Executive Chairman of Lemon Tree and Fleur Hotels**, said, "This scheme is intended to create a simplified, transparent, and growth-oriented structure for both companies, which we believe will enhance long-term value for our shareholders. We are also pleased to renew our partnership with Warburg Pincus, with whom we share a long history of building the foundations of Lemon Tree. This collaboration marks a defining moment as we enter the next phase of expansion for Fleur. With the Indian hospitality industry at an important inflection point, we look forward to leveraging Warburg Pincus' global network and deep real estate and hospitality experience to scale responsibly, advance digital -led capabilities and embed sustainability as a core pillar of Lemon Tree's and Fleur's long-term growth journey."

**Anish Saraf, Managing Director, Warburg Pincus**, said, "We are pleased to once again partner with Patu and the Fleur leadership team to support the next chapter of growth for the platform. Lemon Tree has played a pioneering role in shaping India's mid-market hospitality segment, building a large scale, high-quality portfolio with strong brands and operating capabilities. With favourable industry fundamentals and a clear strategic roadmap, we look forward to supporting the team as they continue to scale the business."

**Dominic Doran, Senior Director, Real Estate, Asia-Pacific, APG Asset Management**, said, "As we continue our long-standing association with Lemon Tree, we are also proud to have supported Fleur Hotels for more than a decade to become one of India's leading and socially inclusive hospitality platforms. This transaction in Fleur is the culmination of APG's long-term approach to investing and provides our clients with a full-cycle return from one of the fastest growing economies in the world. We thank Patu and the Fleur team for their hard work and commitment to reach this milestone as the company enters its next phase of growth."

## **Details of the Composite Scheme of Arrangement**

### **Key Highlights**

- **Appointed date:** 1 April 2026
- Lemon Tree will merge two of its wholly owned subsidiaries (Carnation Hotels and Hamstede Living) with itself.
- Four wholly owned subsidiaries of Lemon Tree (Oriole Dr. Fresh, Sukhsagar Complexes, Manakin Resorts and Canary Hotels) will be merged with Fleur against the issuance of shares by Fleur to Lemon Tree.
- 12 hotels (11 operational hotels and one under-construction hotel at Shimla) of Lemon Tree together with the development capabilities (collectively, the "Demerged Undertaking"), along with the investment in one under construction hotel in Shillong through a 100% subsidiary of Lemon Tree, will be demerged with Fleur.

- Upon the Scheme becoming effective, the shareholders of Lemon Tree (as on the record date) will own 32.96% of Fleur, Lemon Tree will directly own 41.03% with the balance 26.01% to be owned by Warburg Pincus (shareholding figures exclude any dilution from primary investment by Warburg Pincus in Fleur).

Following receipt of all relevant approvals, the Scheme will become effective, and Fleur will be listed as a separate entity on Indian stock exchanges. The entire process to listing of Fleur is expected to be completed within 12 to 15 months.

### **Rationale of the Composite Scheme of Arrangement**

- **Complementary, Large-Scale and High-Growth Platforms:** The proposed reorganization creates two focused and complementary platforms—an asset-light business with hotel management, brand & loyalty, distribution and digital capabilities and a hotel ownership and development platform—both positioned for growth. Fleur will combine existing operating assets with a clearly defined development and acquisition pipeline, while Lemon Tree will continue to scale its management and franchise portfolio domestically and internationally.
- **Strengthened Balance Sheet:** The proposed raising of primary capital from Warburg Pincus will strengthen Fleur's balance sheet and unlock risk mitigated growth opportunities through development and acquisition of hotel assets.

### **Post the Proposed Transaction**

Fleur will become one of the largest owners of hospitality assets in India. Its owned portfolio will expand significantly, increasing from 3,993 keys and 24 operating hotels to 5,813 keys across 41 hotels. Fleur will continue to scale its owned portfolio through future development and acquisitions.

Lemon Tree will continue to operate its existing leased hotels in Indore and Aurangabad, which are approaching the end of their respective lease terms. In addition, Lemon Tree will manage an additional 1,820 keys and 17 hotels transferred to Fleur alongside its existing portfolio of 3,993 keys and 24 hotels of Fleur operated by Lemon Tree. Lemon Tree will remain focused on its asset-light strategy, continuing to manage and franchise its existing portfolio of third-party owned hotels, with 6,011 keys across 89 operational hotels and 9,414 keys across 127 hotels under various stages of development in India and internationally, which is expected to continue to expand over time.

Morgan Stanley acted as the exclusive financial advisor for the proposed transaction.

### **About Lemon Tree Hotels Limited**

Lemon Tree Hotels Limited (LTHL) is one of India's leading hospitality companies, catering to a wide range of customers – from value-conscious travellers to premium business and leisure seekers. With seven distinct brands – Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox, Keys Prima, Keys Select, and Keys Lite – the group offers experiences across upper upscale, upscale, upper midscale, midscale, leisure, wildlife, and spiritual segments.

LTHL operates 120+ hotels across 80+ cities in India and abroad, with a growing pipeline of 120+ upcoming properties. From metro hubs like Delhi-NCR, Mumbai, Bengaluru, and Hyderabad to tier II & III cities such as Jaipur, Udaipur, Kochi, and Indore – and with an international presence in Dubai, Bhutan, and Nepal – Lemon Tree Hotels delivers exceptional comfort, consistent quality, and a warm, refreshing experience.

Since opening its first 49-room hotel in 2004, the group has grown to 250+ properties (operational and upcoming), becoming a trusted name in hospitality for both business and leisure travellers.

For more details, visit [www.lemontreehotels.com](http://www.lemontreehotels.com)

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### **About Warburg Pincus**

Warburg Pincus LLC is the pioneer of global growth investing. A private partnership since 1966, the firm has the flexibility and experience to focus on helping investors and management teams achieve enduring success across market cycles. Today, the firm has more than \$100 billion in assets under management, and more than 215 companies in their active portfolio, diversified across stages, sectors, and geographies. Warburg Pincus has invested in more than 1,000 companies across its private equity, real estate, and capital solutions strategies. The firm is headquartered in New York with more than 15 offices globally.

Warburg Pincus began investing in India in 1996. Today, it has become one of the largest and most active global private equity investors in the country, with nearly \$10 billion invested in more than 80 companies across financial services, healthcare, consumer, industrial, business services, and technology sectors. Notable investments in India include Appasamy Associates, Truhome Finance (previously known as Shriram Housing Finance), Meril, Imperial Auto, Avanse Financial Services, IDFC First Bank, CAMS, Kalyan Jewellers, Alliance Galaxy (previously known as Alliance Tyre Group - ATG) and Bharti Airtel.

Warburg Pincus began investing in Asia real estate in 2005. Today, it has become one of the largest and most successful investors in the region, with more than US\$10 billion invested in around 60 real estate platforms and ventures across Asia Pacific. The firm is a pioneer of thesis-driven growth investing in Asia real estate and has co-founded or sponsored leading platforms alongside best-in-class entrepreneurs such as ESR, Princeton Digital Group, BW Industrial, DNE, Vincom Retail, StorHub and Vita Partners. Warburg Pincus has been an active investor in hospitality and living sectors, with notable investments including Weave

Living, Lodgis, 7 Days Hotels, Vlinker, Tokyo Beta and Kio. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com) or follow us on [LinkedIn](#).

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## **About APG**

As the largest pension services provider in the Netherlands APG manages approximately €590 billion (June 2025) in pension assets for 4.6 million participants. APG provides executive consultancy, asset management, pension administration and pension communication. With approximately 4,000 employees we work from Heerlen, Amsterdam, Brussels, New York, Hong Kong, and Singapore. We work for pension funds and employers in the sectors of education, government, construction, cleaning, housing associations, sheltered employment organizations, medical specialists, and architects. <https://apg.nl/en>