



September 26, 2019

**National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051**

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

NSE Scrip Symbol: LEMONTREE

BSE Scrip Code: 541233

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

Dear Sir

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, we would like to inform you that the management of Lemon Tree Hotels is scheduled to meet following Institutional Investors in Mumbai on September 30, 2019 and October 1, 2019:

| S. No. | Institution | Meeting Type |
|--------|---------------------------------------|--------------|
| 1 | HSBC Global Asset Management | One-on-One |
| 2 | Tata AMC | One-on-One |
| 3 | Edelweiss Asset Management | One-on-One |
| 4 | Reliance Nippon Life Asset Management | One-on-One |
| 5 | Aditya Birla Sun Life AMC | One-on-One |
| 6 | Aditya Birla Sun Life Insurance | One-on-One |
| 7 | Morgan Stanley Investment Management | One-on-One |
| 8 | Goldman Sachs | One-on-One |
| 9 | UTI Asset Management Company Ltd. | One-on-One |

Also find attached herewith the Corporate Presentation, which would be discussed during the Investors meet.

The above is for your 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
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September 2019



Lemon Tree Hotels Limited

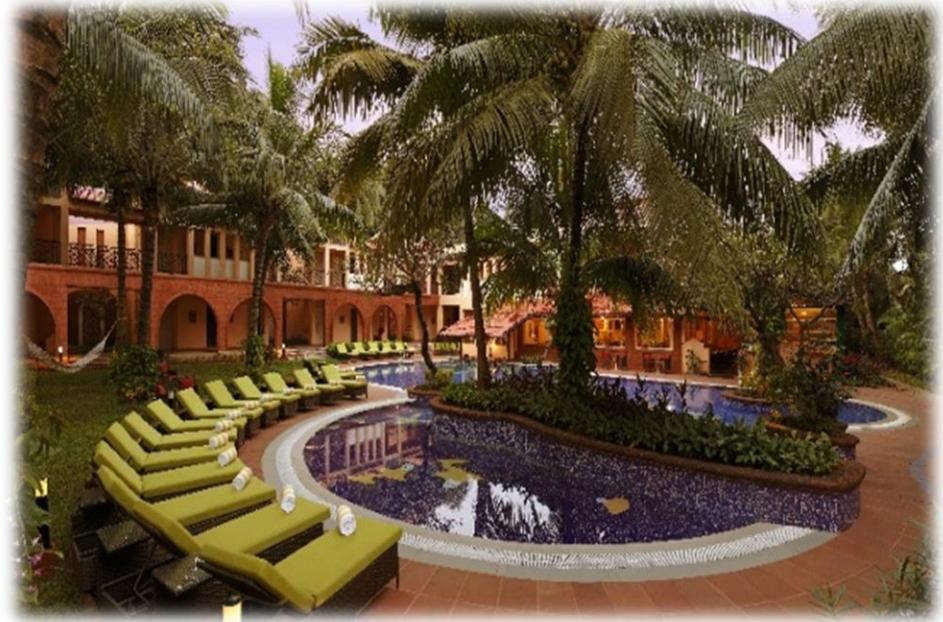
Corporate Presentation



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.





Lemon Tree Premier, Delhi Airport



Lemon Tree Premier, Jaipur

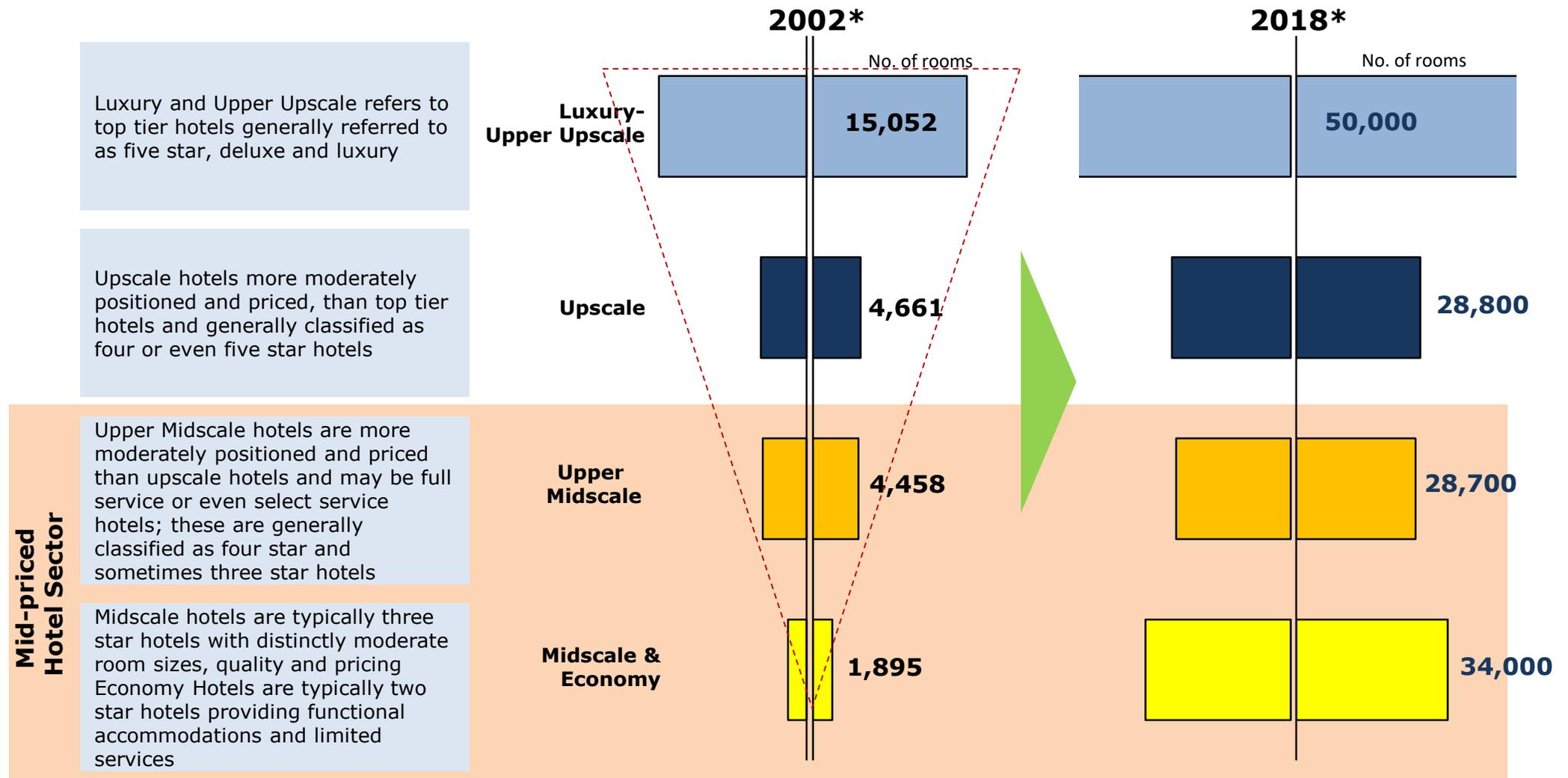


Lemon Tree Premier, City Center,
Gurgaon

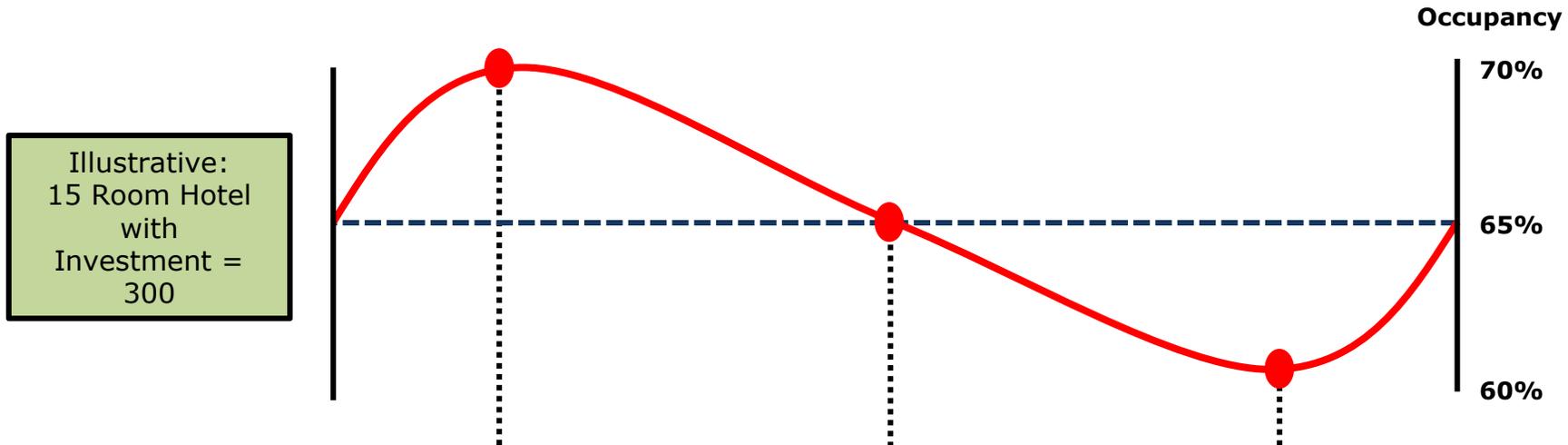
Attractiveness of Indian Hotel Industry

Supply of rooms in India's hotel industry was primarily at the top-end

When Lemon Tree commenced business in 2002, India's Hotel industry was an inverted pyramid



The hotel business cycle

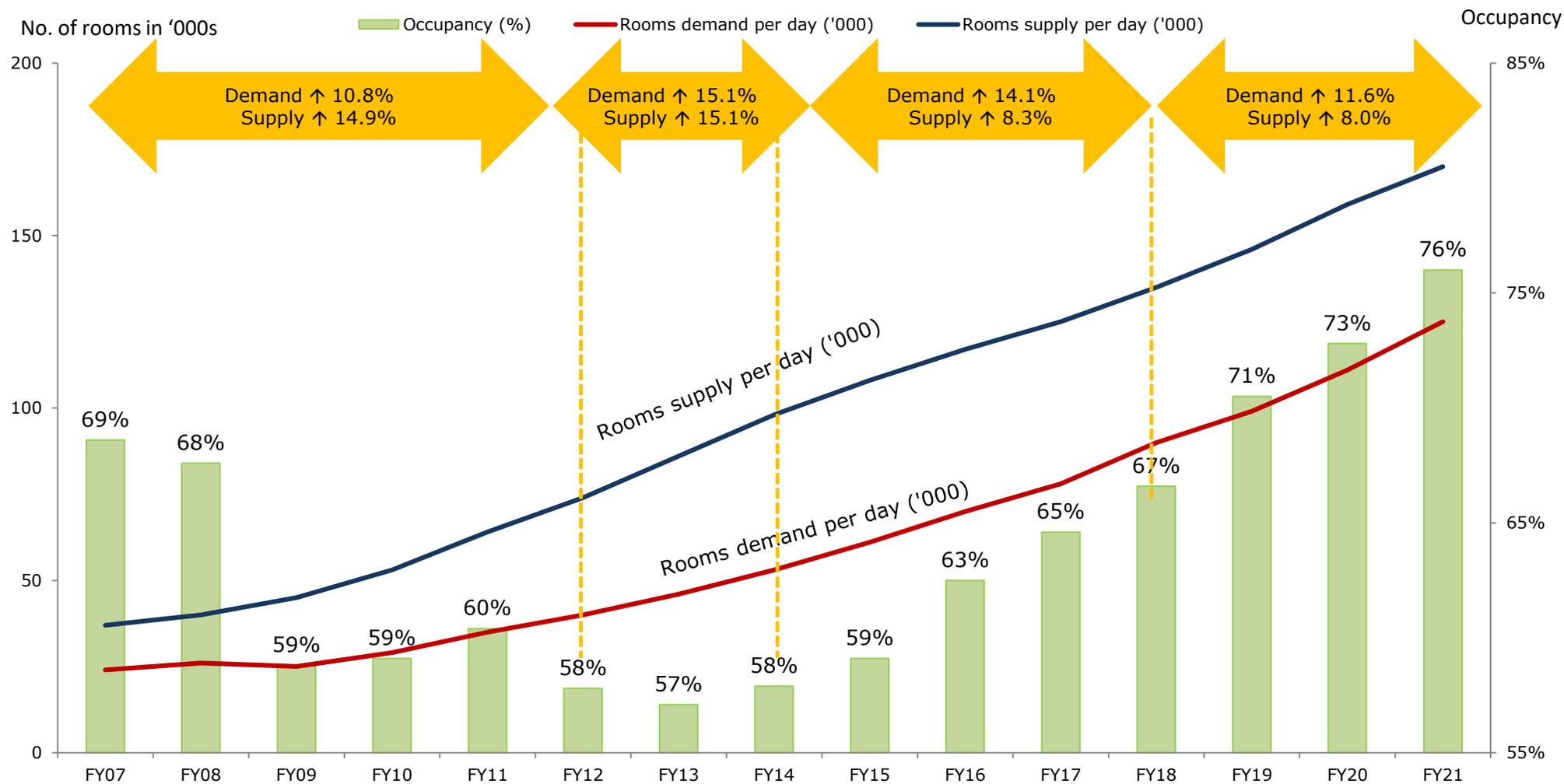


| Cycle | Top (2) | Middle (3) | Bottom (2) | |
|---|-------------|------------|-------------|----------------|
| Occupancy | 70% or more | 63-68% | 60% or less | |
| Rooms Sold | 12 | 10 | 8 | |
| Average Daily Rate | 13 | 10 | 7 | |
| Revenue | 156 | 100 | 56 | ▶ 3:2:1 |
| Expenses | 60 | 50 | 40 | |
| 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.

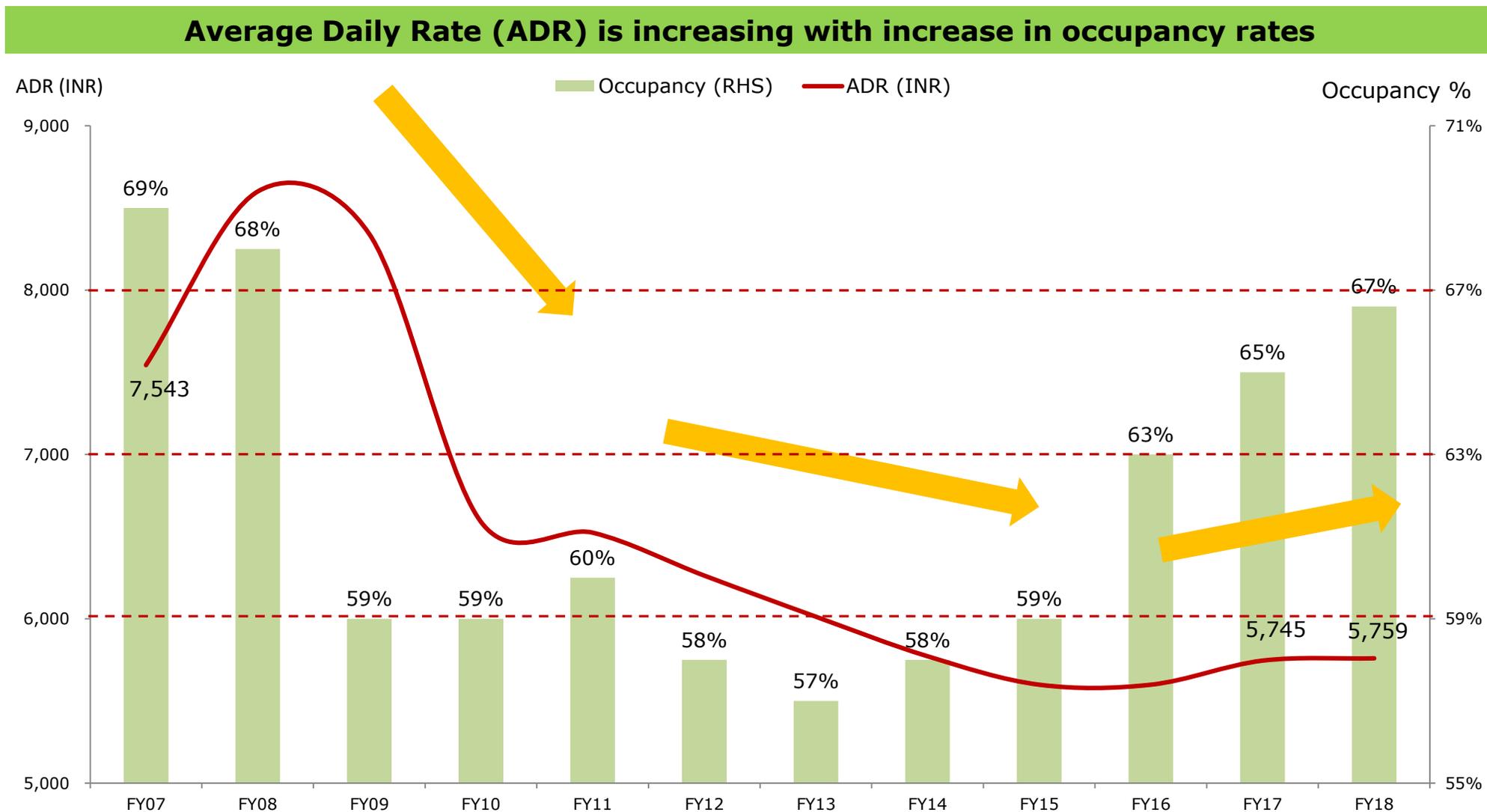
Indian hotel industry is at an inflection point

Slowing supply and rising demand is expected to increase occupancy



Source : Horwath HTL India Report 2017, Hotelivate Trend and Opportunities Report 2018

Increasing occupancy leading to increase in room rates



Source : Horwath HTL India Report 2017, Hotelivate Trends and Opportunities Report 2018



Lemon Tree Hotel, Aurangabad



Lemon Tree Hotel, Gachibowli,
Hyderabad



Lemon Tree Hotel, Vadodara

Differentiated business model of Lemon Tree (LTH)

The Business Model | Mid-cycle

Lemon Tree's ROCE is > 1.5x of a typical 5 star hotel in India

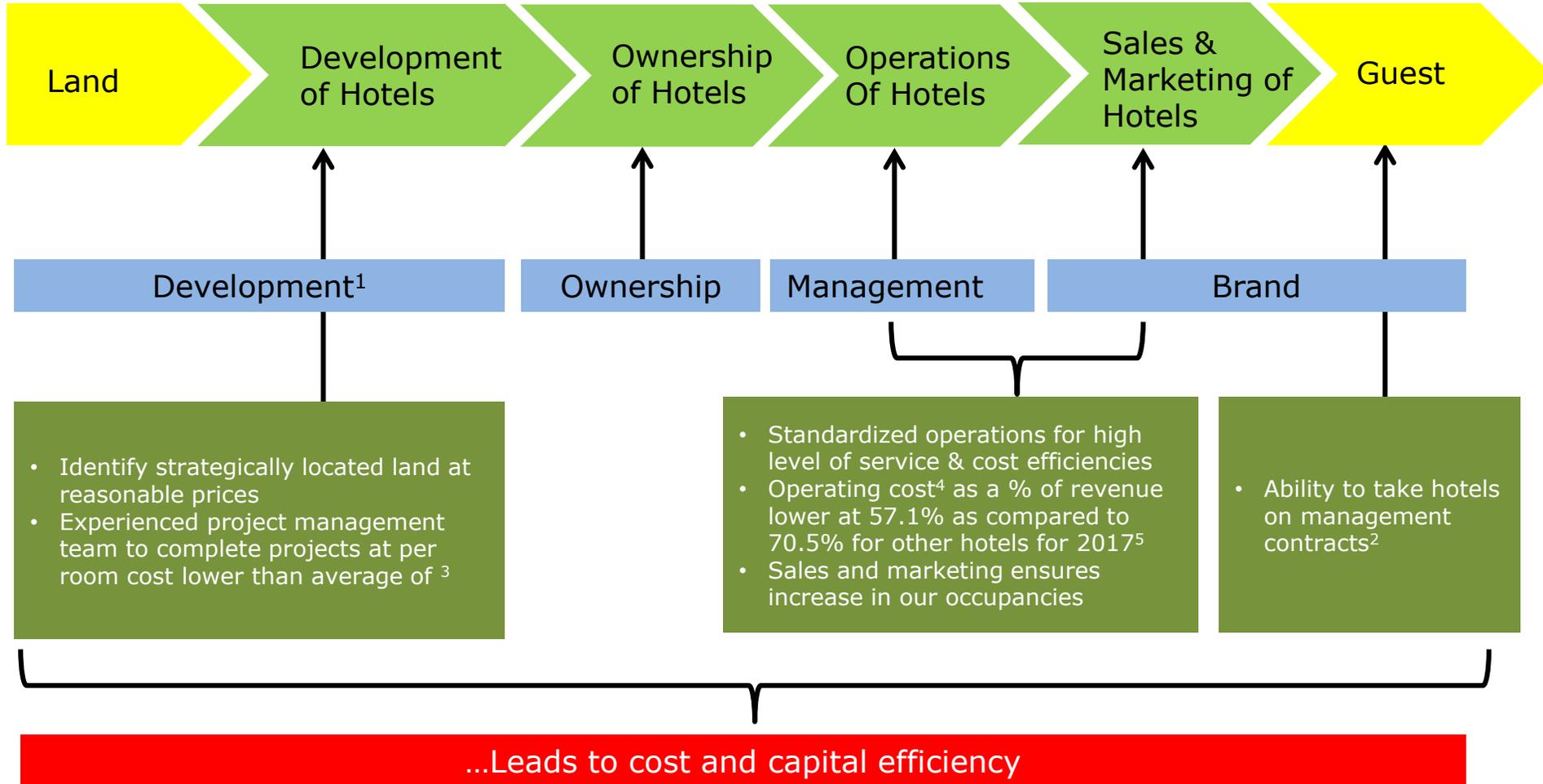
| | Typical 5 star |  | |
|-----------------------------------|----------------|---|----------------------------|
| Cost Per Room (Normalised) | 1000 | 400 | ~40% of Five Star |
| Rate (Normalised) | 100 | 50 | |
| Occupancy | x% | 1.2x% | |
| Room Revenue (Normalised) | 100 | <u>60</u> | ~60% of Five Star |
| Total Revenue (Normalised) | 100 | <u>50</u> | Lower other income for LTH |
| Cost (Normalised) | 65 | <u>25</u> | ~40% of Five Star |
| EBITDA (Normalised) | 35 | <u>25</u> | |
| RoCE | x | <u>1.7x</u> | |

Process

Presence across value chain



Focus on culture & service differentiation with focus on domestic travellers



Note: 1. Through subsidiary Grey Fox Project Management
2. Through subsidiary Carnation
3. For Select Hotels for the same period, according to a survey conducted by HVS (India – 2016 Hotel Development Cost Survey)
4. For owned and leased hotels
5. Source : FHRAI-Indian-Hotel-Survey-2016-17

Process

Presence across value chain



Focus on culture & service differentiation with focus on domestic travellers



- Ranked 4th in India and only Hotel chain in top 10 Best Companies to Work for by the Great Place to Work Institute, India in 2017
- Ranked 12th in Asia's Best Large Workplaces in 2018 by Great Place to Work Institute. Only Indian company in top 15
- The highly engaged work force provides superior service to customers

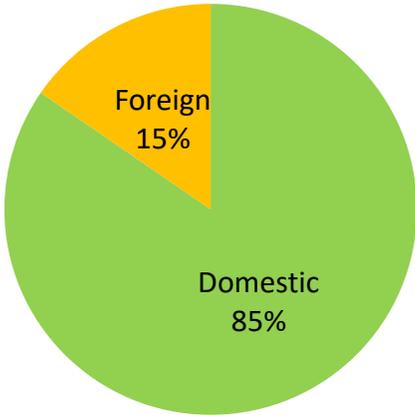
Superior service leads to higher Customer Satisfaction as demonstrated by TripAdvisor recognition



47 out of 50 hotels (which were operational for at least a year and were eligible for receiving this recognition) were awarded the TripAdvisor Certificate of Excellence for 2019

Focus on Domestic Customers

FY19

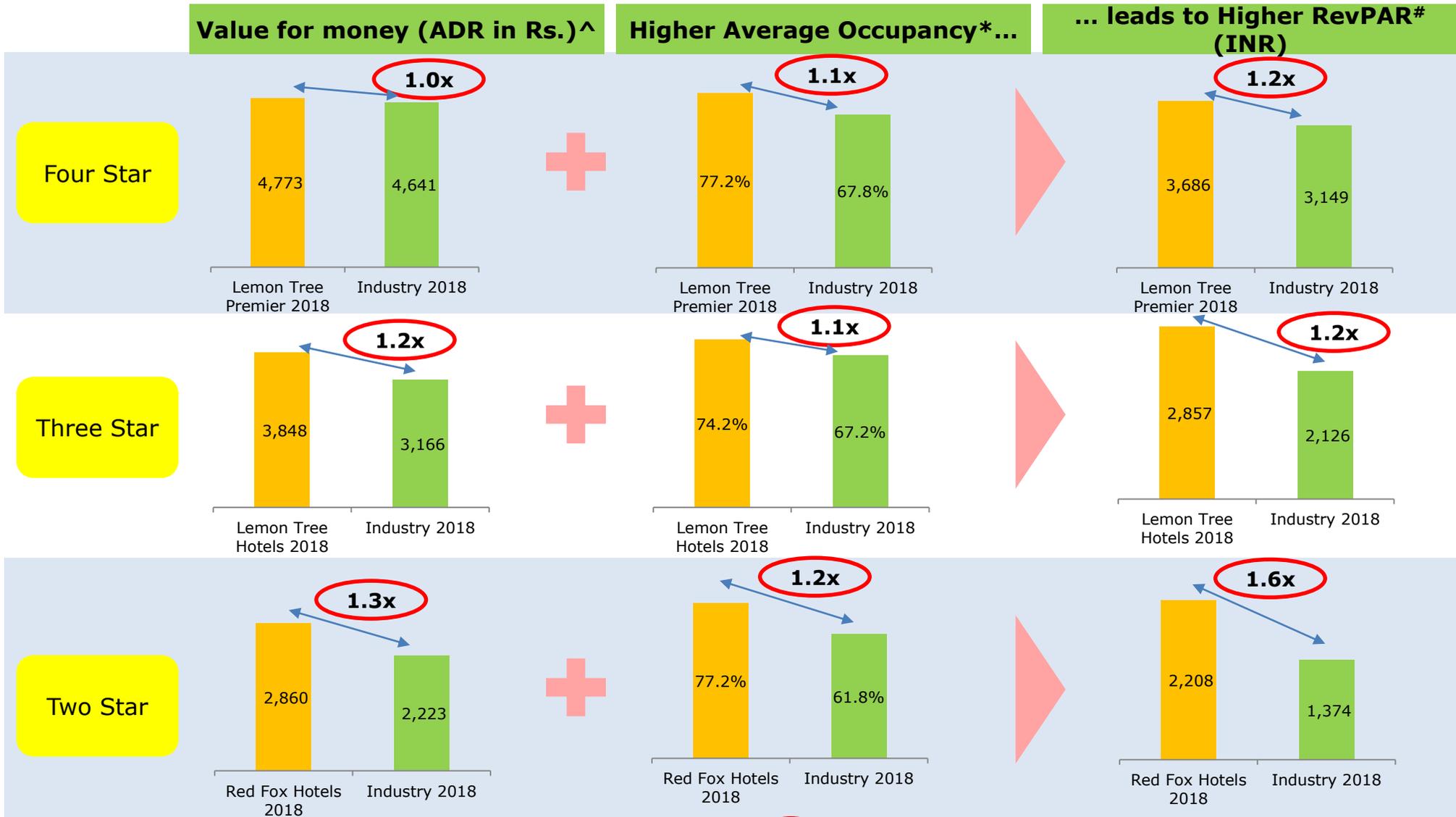


Customers

Value for money pricing

Occupancy (Utilization) Premium

RevPAR (Revenue per room) Premium



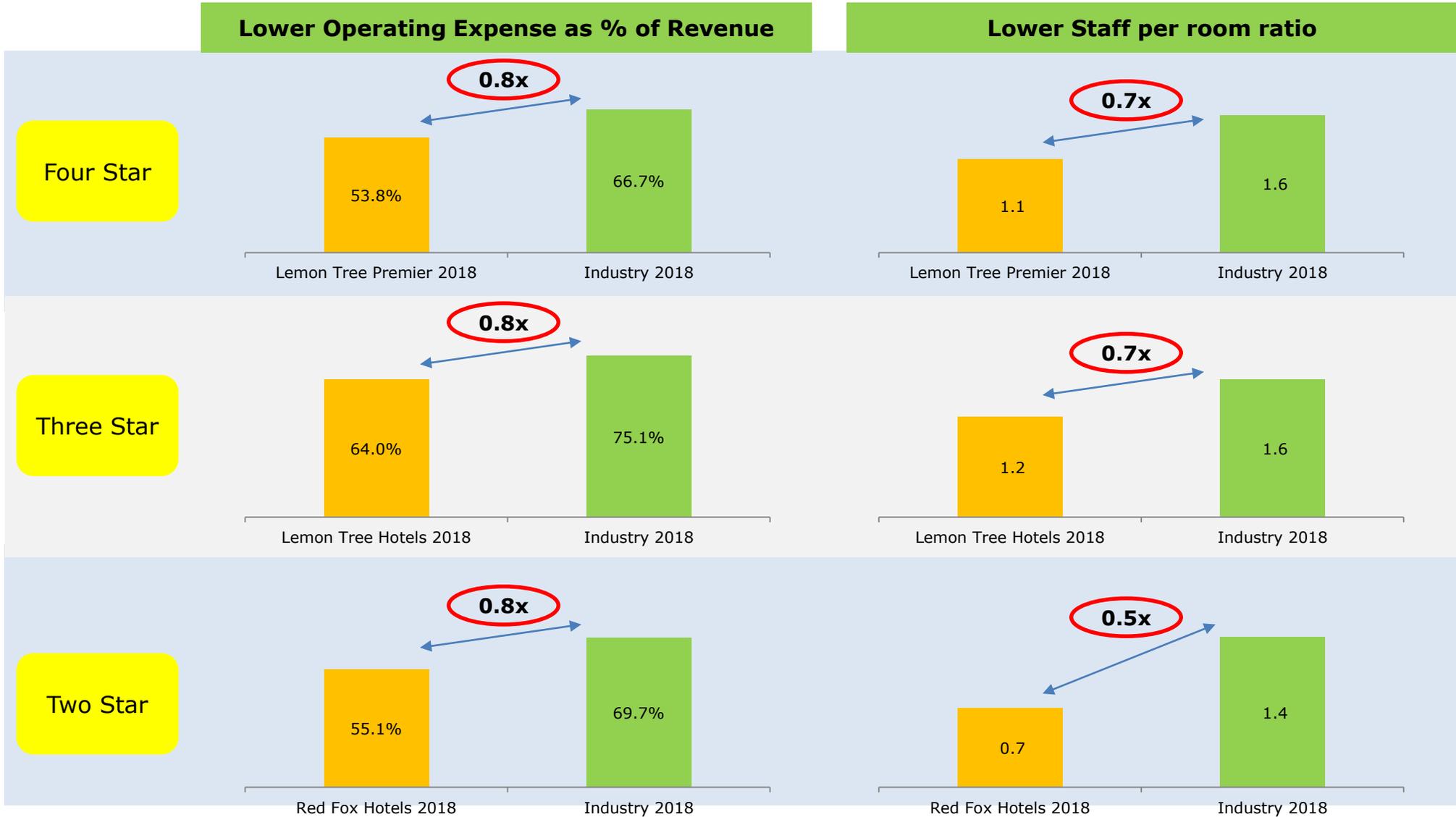
○ Lemon Tree/Industry

Source : Industry data is sourced from Hotelivate – Trend and Opportunities Report - 2018.
[^] Average Daily room rent; *Average occupancy represents the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels; #RevPAR is calculated by multiplying ADR and average occupancy, where ADR represents revenue from room rentals divided by total number of room nights sold at our owned and leased hotels (including rooms that were available for only a certain portion of a period); Industry 2017 data is for all participating hotels in respective hotel segment

Cost

Lower Average Operating Expenses/ Room

Higher GOP[^]



 Lemon Tree/Industry

Source : Industry data is sourced from FHRAI-Indian-Hotel-Survey-2017-18.



Lemon Tree Hotel, Coimbatore



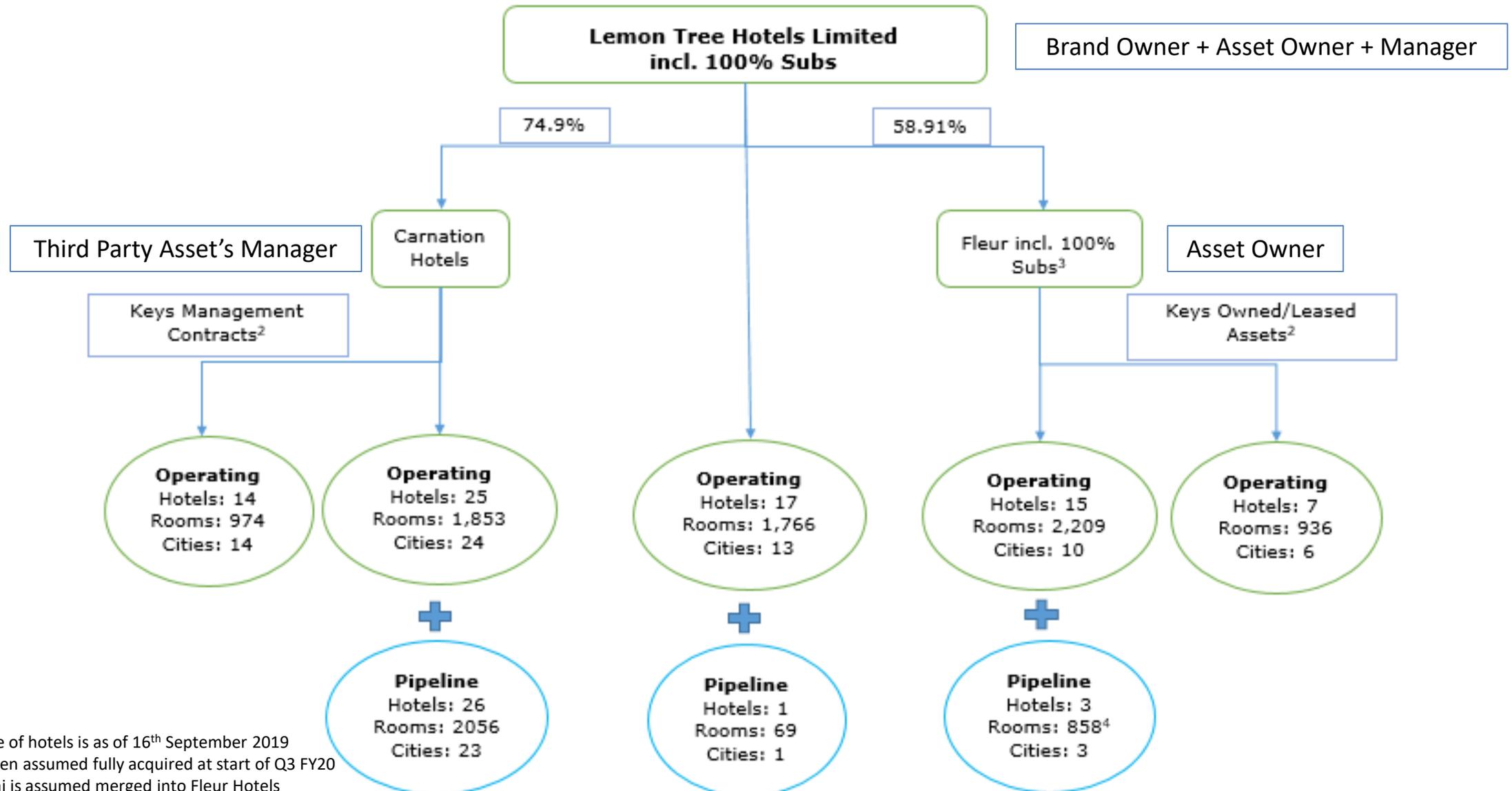
Lemon Tree Premier, City Center, Gurgaon



Lemon Tree Vembanad Lake, Alleppey, Kerela

Company Overview and Growth Plans

Lemon Tree Group Structure



- Notes :-
1. The Pipeline of hotels is as of 16th September 2019
 2. Keys has been assumed fully acquired at start of Q3 FY20
 3. LTP Mumbai is assumed merged into Fleur Hotels
 4. LTH is in the process of applying to convert some commercial spaces in Aurika, MIAL hotel to rooms. This will increase the hotel's inventory by 92 rooms to 669

Inventory Progression

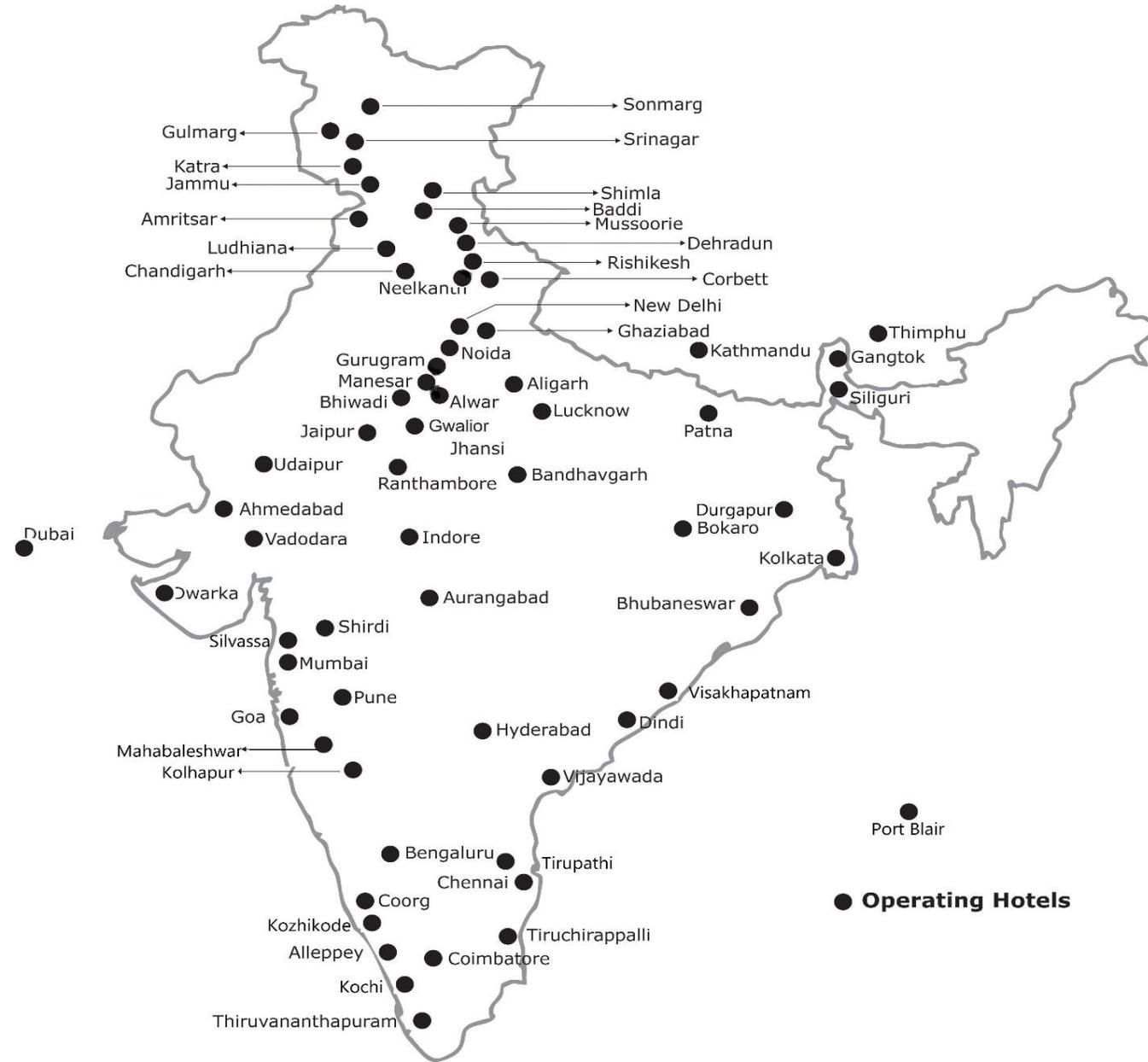
| | Inventory Progression | | | % Growth | |
|--|-----------------------|-------------|--------------|--------------|--------------|
| | End of FY19 | End of FY20 | End of FY22* | FY20 vs FY19 | FY22 vs FY19 |
| Owned/Leased | | | | | |
| Rooms | 3,570 | 5,133 | 5,789 | 44% | 62% |
| Cities | 16 | 23 | 24 | | |
| Managed | | | | | |
| Rooms | 1,841 | 3,504 | 4,862 | 90% | 164% |
| Cities | 24 | 41 | 54 | | |
| Total | | | | | |
| Rooms | 5,411 | 8,637 | 10,651 | 60% | 97% |
| Cities | 32 | 55 | 68 | | |
| Total Mid-Market | 45,700 | 47,985 | 52,903 | | |
| <i>% of Mid-Market</i> | 11.8% | 18.0% | 20.1% | | |
| * As per existing pipeline only | | | | | |

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

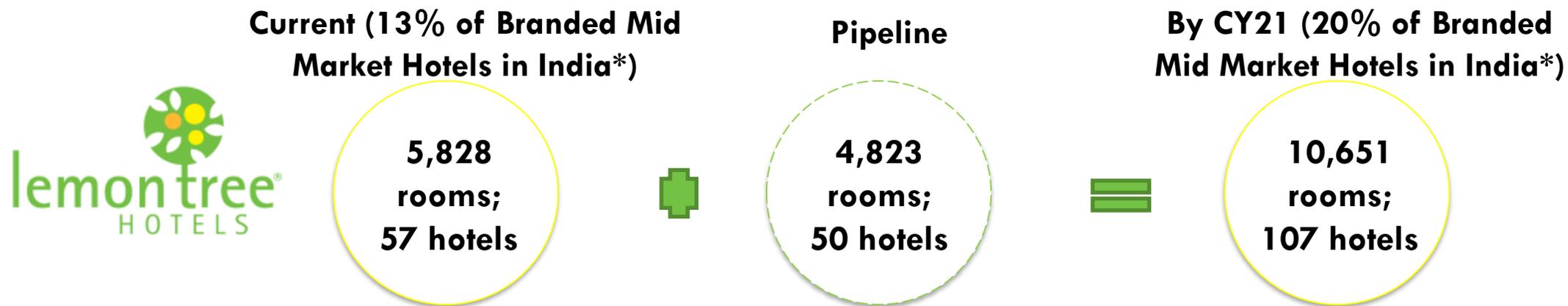
Notes :-

1. Keys has been assumed fully acquired at start of Q3 FY20
2. Management Hotel Contracts are subject to owner's meeting project deadlines and LT retaining all Keys Management Contracts
3. LTH is in the process of applying to convert some commercial spaces in Aurika, MIAL hotel to rooms. This will increase the hotel's inventory by 92 rooms to

Lemon Tree's Presence Map as of FY23



Lemon Tree – Snapshot as on 16th Sep, 2019



| Brand | Current | Pipeline | by CY21 |
|----------------------------|------------------------|----------------------------------|------------------------|
| Aurika | | 716 Rooms, 2 Hotels [#] | 716 Rooms, 2 Hotels |
| Lemon Tree Premiere | 2,000 Rooms; 13 Hotels | 665 Rooms; 8 Hotels | 2,665 Rooms; 21 Hotels |
| Lemon Tree Hotel | 2,506 Rooms; 33 Hotels | 1,362 Rooms; 17 Hotels | 3,868 Rooms; 50 Hotels |
| Red Fox Hotel | 1,322 Rooms; 11 Hotels | 170 Rooms; 2 Hotels | 1,492 Rooms; 13 Hotels |
| Keys | | 1,910 Rooms; 21 Hotels | 1,910 Rooms; 21 Hotels |

[#]LTH is in the process of applying to convert some commercial spaces in Aurika, MIAL hotel to rooms. This will increase the hotel's inventory by 92 rooms to 669

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

Lemon Tree Brand Standards – Linked to Business Model

| LT Brand Standards | | | | |
|-------------------------|--------------------------|-----------------------|-------------------------------------|--|
| | Owned (Built to suit) | Leased (Renovated) | Managed ¹ (Renovated) | Most Unbranded ² Mid-Market Hotels |
| Product Features | 10/10 | 8/10 | 6-8/10 | 2-4/10 |
| Service Features | 10/10 | 10/10 | 8/10 | 5/10 |
| Planned Branding | Aurika/LTP/LTH/RFH | Aurika/LTP/LTH/RFH | Aurika/LTP/LTH/RFH | Keys |

Notes :-

1. 25% of the Market
2. 75% of the Market

Hotel Inventory by Segment and Lemon Tree Brand Positioning

| Segment | Inventory | Lemon Tree Brand Positioning |
|--------------------------|-----------|------------------------------|
| Luxury and Upper Upscale | 50,000 | - |
| Upscale | 28,000 | Aurika |
| Mid Market | 45,700 | LTP/LTH/RFH |
| Economy | 17,000 | - |
| Unbranded Standalone | 250,000 | LTP/LTH/RFH |
| | 1,750,000 | Keys Prima/Select/Lite |

Our Aim is to Consolidate i.e. Target the unbranded 2mn rooms and bring them into branded space

Expansion Plans – Hotels under Development

| Under-development hotels | Type | Rooms | Expected Opening date | Ownership (%) |
|--|-------|------------|-----------------------|---------------|
| Lemon Tree Premier, Kolkata | Owned | 142 | Oct-19 | 57.98% |
| Aurika, Udaipur | Owned | 139 | Oct/Nov-19 | 57.98% |
| Lemon Tree Mountain Resort, Shimla | Owned | 69 | Apr-21 | 100.00% |
| Lemon Tree Vembanad Lake Resort, Alleppey, Kerela ¹ | Owned | 10 | Oct-21 | 100.00% |
| Aurika, Intl. Airport, Mumbai ² | Owned | 577 | Nov-21 | 57.98% |
| Total | | 937 | | |

- * Total estimated project cost is Rs. 12,900 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 June, 2019 is Rs. 6,350 million
- * Balance investment of Rs. 6,550 million will be deployed over the next 2 years in a phased manner, the majority of which will be through internal accruals

Notes: 1) Expansion in existing hotel.

2) LTH is in the process of applying to convert some commercial spaces in this hotel to rooms. This will increase the hotel's inventory by 92 rooms to 669

Expansion Plans – Pipeline of Management Contracts (as of 16th Sep , 2019)

| Management Contracts Pipeline | Rooms | Expected Opening date | Tenure (years) |
|--|-------------|-----------------------|----------------|
| Lemon Tree Premier, Rishikesh | 66 | Nov-19 | 12 |
| Lemon Tree Hotel, Dubai | 114 | Nov-19 | 10 |
| Red Fox Hotel, Vijaywada | 90 | Dec-19 | 10 |
| Lemon Tree Hotel, Thimpu | 27 | Dec-19 | 12 |
| Lemon Tree Premier, Dwarka | 108 | Dec-19 | 12 |
| Lemon Tree Hotel, BKC, Mumbai | 70 | Jan-20 | 15 |
| Lemon Tree Premier, Coorg | 63 | Jan-20 | 15 |
| Red Fox Hotel, Neelkanth | 80 | Mar-20 | 12 |
| Management Rooms to be Operational in FY 20 | 618 | | |
| Lemon Tree Hotel, Gulmarg | 35 | Apr-20 | 10 |
| Lemon Tree Hotel, Jhansi | 60 | Apr-20 | 12 |
| Lemon Tree Resort, Mussoorie | 40 | Apr-20 | 15 |
| Lemon Tree Premier, Bhubaneshwar | 76 | Apr-20 | 10 |
| Lemon Tree Hotel, Ranthambore | 60 | Aug-20 | 10 |
| Lemon Tree Premier, Dindy | 50 | Sep-20 | 10 |
| Lemon Tree Hotel, Aligarh | 68 | Sep-20 | 12 |
| Lemon Tree Hotel, Sonamarg | 40 | Sep-20 | 10 |
| Serviced Suites, Manesar | 260 | Sep-20 | 10 |
| Lemon Tree Hotel, Bokaro | 70 | Sep-20 | 10 |
| Lemon Tree Hotel, Gwalior | 104 | Sep-20 | 12 |
| Lemon Tree Premier, Vijaywada | 120 | Sep-20 | 12 |
| Lemon Tree Resort, Thimpu | 38 | Oct-20 | 10 |
| Lemon Tree Hotel, Rishikesh | 102 | Nov-20 | 15 |
| Lemon Tree Hotel, Ludhiana | 60 | Dec-20 | 10 |
| Management Rooms to be Operational in FY 21 | 1183 | | |
| Lemon Tree Hotel, Kathmandu | 75 | Apr-21 | 10 |
| Lemon Tree Hotel, Trivandrum | 100 | Sep-21 | 10 |
| Lemon Tree Hotel, Durgapur | 80 | Jan-23 | 10 |
| Total Pipeline | 2056 | | |



Lemon Tree Amarante Beach, Goa



Lemon Tree Premier, Corbett

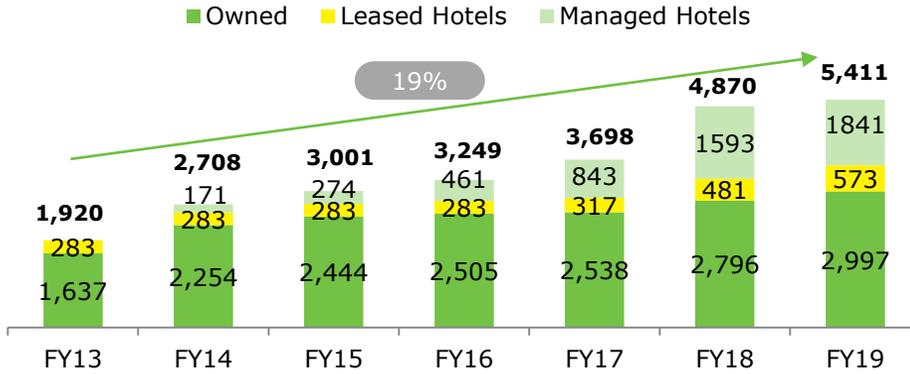


Lemon Tree Premier, Hyderabad

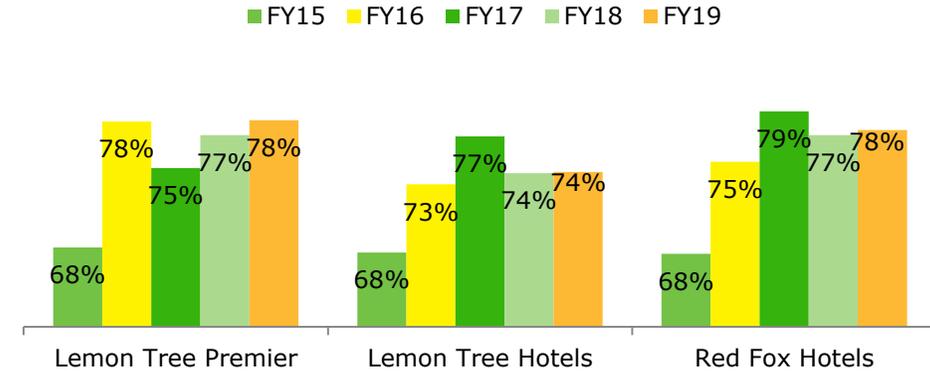
Strong Operating and Financial Performance

Strong operating performance

Rooms are being added...

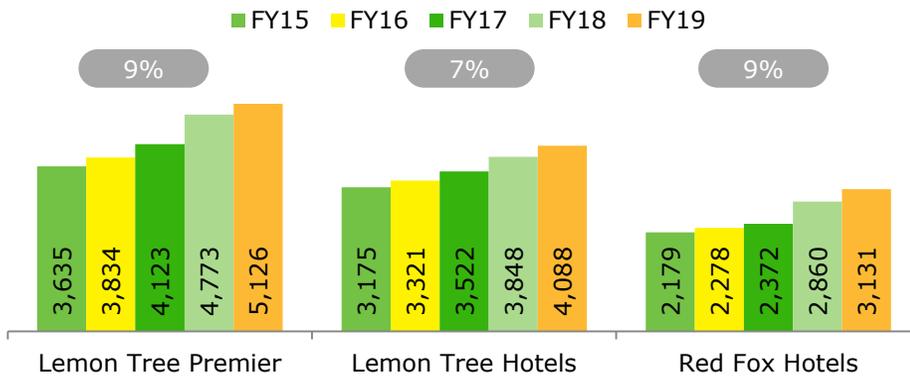


...and occupancy levels increasing...

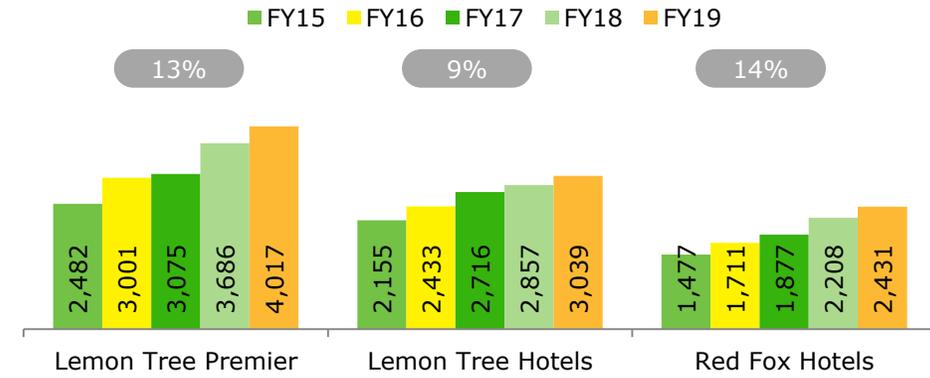


Note: Drop in occupancy levels is on account of new owned/leased supply addition by Lemon Tree in FY18

...coupled with increasing ADR...



...leading to a RevPAR growth



Strong Growth and improving margins

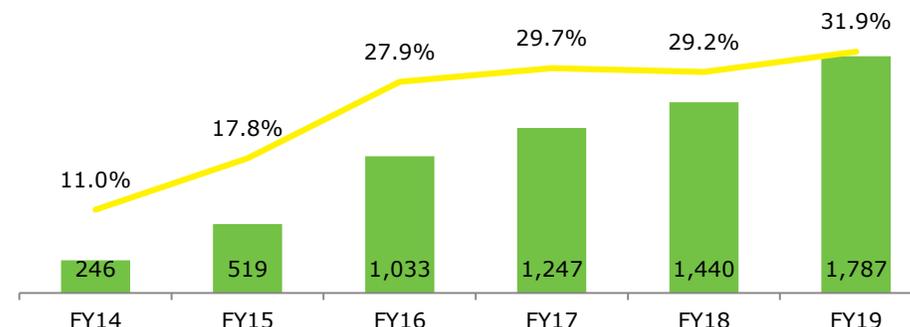
Revenue has increased at CAGR of 20% over the last 5 years...

Revenue from operations (Rs. million)



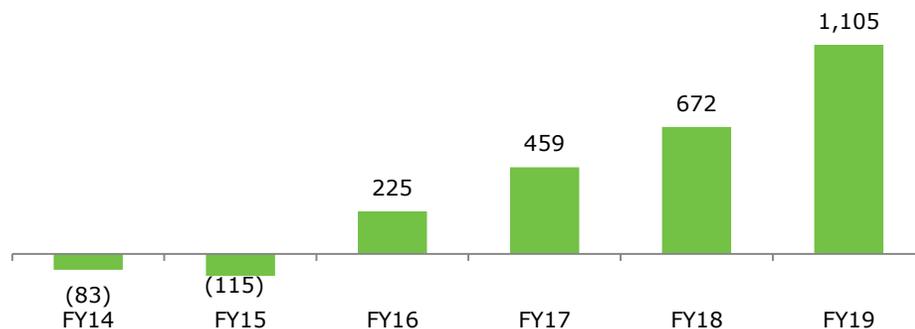
...coupled with increasing EBITDA margins

EBITDA & EBITDA margins



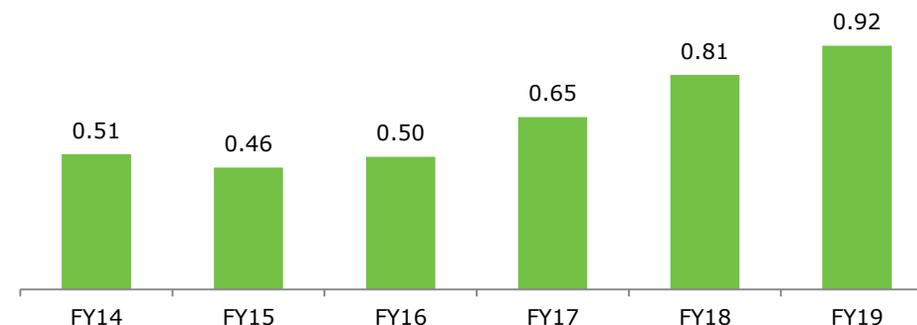
Increasing cash profit growth

Cash Profit (PAT + Depreciation) (Rs. million)



Gearing low

Debt/Equity



Note: FY14, FY15 and FY16 figures are from Lemon Tree Prospectus. FY17, FY18 and FY19 figures are from audited balance sheet

Operational Performance by Ageing – FY19 vs. FY18

| 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 |
|--|----------------|---|---|---|---|
| Hotels ¹ | FY19 | 21 | 7 | 2 | 5 |
| | FY18 | 21 | 3 | 4 | |
| Operating Rooms (year-end) | FY19 | 2,727 | 551 | 292 | 1,240 |
| | FY18 | 2,727 | 128 | 422 | |
| Occupancy Rate (%) | FY19 | 79.2% | 69.9% | 36.3% | Deep demand markets (high occupancies) |
| | FY18 | 77.6% | 61.5% | 66.0% | |
| Average Daily Rate (Rs.) | FY19 | 4,197 | 4,082 | 4,200 | 1.5x of Adult Hotels in that year* |
| | FY18 | 3,900 | 5,274 | 3,422 | |
| Hotel level EBITDAR ² /room (Rs. million) | FY19 | 0.72 | 0.49 | 0.11 | High* |
| | FY18 | 0.67 | 0.49 | 0.15 | |
| Hotel level EBITDAR ² Margin (%) | FY19 | 44% | 33% | 40% | High* |
| | FY18 | 44% | 36% | 15% | |
| Hotel level ROCE* ³ (%) | FY19 | 13% | 4% | 1% | 1.5x of Adult Hotels in that year* |
| | FY18 | 12% | 6% | (1%) | |

Notes:

1) During the year FY19 4 infant hotels transitioned to toddler category, why 2 new hotels entered into the infant category. No toddler hotel transitioned into Adult 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

* Post stabilization.

Progression of 4 latest Adult Hotels from Infant to Toddler to Adult

| | Date of Opening | FY15 | FY16 | FY17 | FY18 | FY19 | CAGR |
|---------------|-----------------|------------|---------|---------|-------|-------|-------|
| LTPDLI | Dec-FY14 | Infant | Toddler | Toddler | Adult | Adult | |
| Inventory | | 145 | 280 | 280 | 280 | 280 | |
| Occupancy | | 84.2% | 82.0% | 75.7% | 82.8% | 85.5% | |
| ARR | | 3,114 | 3,612 | 3,876 | 4,405 | 5,626 | 15.9% |
| RevPAR | | 2,622 | 2,963 | 2,932 | 3,647 | 4,809 | 16.4% |
| EBITDA/Room | | 2.4 | 6.7 | 7.6 | 10.1 | 11.5 | 48.6% |
| EBITDA Margin | | 13.5% | 40.8% | 41.8% | 47.3% | 47.5% | |
| | | | | | | | |
| RFHDL | Dec-FY14 | Infant | Toddler | Toddler | Adult | Adult | |
| Inventory | | 197 | 207 | 207 | 207 | 207 | |
| Occupancy | | 73.5% | 87.4% | 81.3% | 86.0% | 88.9% | |
| ARR | | 2,183 | 2,250 | 2,418 | 3,137 | 4,082 | 16.9% |
| RevPAR | | 1,604 | 1,966 | 1,966 | 2,697 | 3,629 | 22.6% |
| EBITDA/Room | | 2.4 | 3.2 | 3.8 | 6.1 | 7.4 | 32.2% |
| EBITDA Margin | | 28.6% | 33.0% | 37.6% | 46.1% | 47.3% | |

| | Date of Opening | FY15 | FY16 | FY17 | FY18 | FY19 | CAGR |
|---------------|-----------------|--------|---------|---------|---------|-------|-------|
| LTHWF | Jul-FY14 | Infant | Toddler | Toddler | Adult | Adult | |
| Inventory | | 130 | 130 | 130 | 130 | 130 | |
| Occupancy | | 47.5% | 70.6% | 79.8% | 76.9% | 82.7% | |
| ARR | | 2,681 | 2,745 | 3,065 | 3,393 | 3,981 | 10.4% |
| RevPAR | | 1,274 | 1,938 | 2,445 | 2,610 | 3,293 | 26.8% |
| EBITDA/Room | | 1.6 | 4.3 | 5.9 | 5.7 | 6.9 | 43.9% |
| EBITDA Margin | | 22.2% | 41.0% | 47.0% | 43.9% | 46.4% | |
| | | | | | | | |
| LTHGB | Nov-FY15 | | Infant | Toddler | Toddler | Adult | |
| Inventory | | | 190 | 190 | 190 | 190 | |
| Occupancy | | | 61.6% | 75.9% | 73.9% | 82.9% | |
| ARR | | | 2,864 | 2,913 | 3,128 | 3,828 | 10.2% |
| RevPAR | | | 1,764 | 2,212 | 2,311 | 3,175 | 21.6% |
| EBITDA/Room | | | 4.4 | 6.0 | 6.0 | 7.6 | 19.8% |
| EBITDA Margin | | | 46.2% | 50.2% | 48.1% | 50.3% | |

RevPAR (not ARR or Occupancy) is the Key Metric

Aggregate Progression of 4 latest Adult Hotels from Infant to Toddler to Adult

| | FY15 | FY16 | FY17 | FY18 | FY19 | CAGR |
|------------------|--------|---------|---------|-------|--------|-------|
| Aggregate | Infant | Toddler | Toddler | Adult | Adult | |
| Inventory | 472 | 807 | 807 | 807 | 807 | |
| Occupancy | 69.6% | 76.7% | 77.8% | 80.6% | 85.3% | |
| ARR | 2,622 | 2,945 | 3,130 | 3,627 | 4,545 | 14.7% |
| RevPAR | 1,826 | 2,260 | 2,436 | 2,922 | 3,877 | 20.7% |
| EBITDA/Room | 2.2 | 4.9 | 6.0 | 7.4 | 8.8 | 41.8% |
| EBITDA Margin | 20.0% | 40.3% | 43.5% | 46.7% | 47.8% | |
| LTH Focus | Occ. | Occ. | Occ. | ARR | RevPAR | |

Once fully stabilized, RevPAR drives operating leverage

FY19 Actuals EBITDAR/Room

| FY19 Actuals | Inventory | EBITDAR/Room in INR L |
|----------------------------|------------------|----------------------------------|
| Lemon Tree Premier (Adult) | 957 | 10.2 |
| Lemon Tree Hotels (Adult) | 1,340 | 6.1 |
| Red Fox Hotels (Adult) | 605 | 5.8 |
| New Owned Hotels | 668 | 2.3 |
| Managed Hotels (Fees) | 1,739 | 0.7 |

Operating Expenses per Room per day for Adult Hotels

| Brands/Hotels | Rooms | FY 15 | FY 16 | FY 17 | FY 18 | FY 19 | CAGR (%) |
|-------------------------------|--------------|-------|-------|-------|-------|-------|----------|
| Lemon Tree Hotel Group | 2,727 | 1,827 | 1,955 | 1,981 | 2,096 | 2,266 | 5.5% |
| Lemon Tree Premier | 816 | 2,026 | 2,352 | 2,327 | 2,460 | 2,690 | 7.3% |
| Lemon Tree Hotel | 1,306 | 2,080 | 2,012 | 2,098 | 2,196 | 2,338 | 3.0% |
| Red Fox Hotels | 605 | 1,184 | 1,299 | 1,260 | 1,386 | 1,538 | 6.8% |

Debt Profile

| Typical Debt Terms | | |
|--------------------|----------|---------------------------------|
| Tenure | Interest | Approximate Principal Repayment |
| First 3 Years | ✓ | 0% |
| 4-7 Years | ✓ | 10-15% |
| 8-11 Years | ✓ | 25-30% |
| Final 4 Years | ✓ | 55-65% |

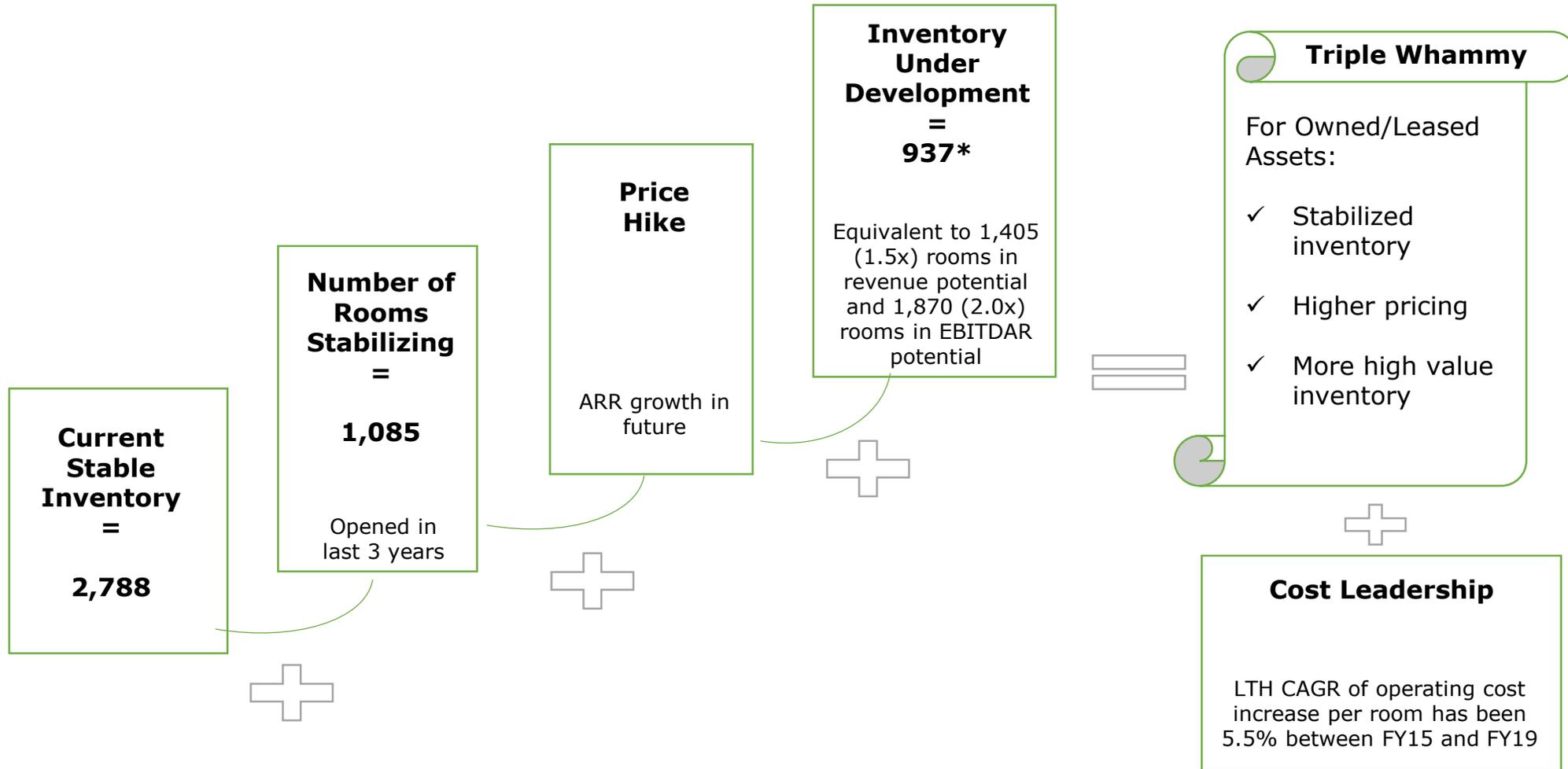
Moratorium

Ballooned Repayment

| Debt Profile End of Q1 FY20 | | | | | |
|-----------------------------|--------------|----------------|---------------|--------------------|-------|
| In INR Crs | Adult Hotels | Toddler Hotels | Infant Hotels | Under Construction | Total |
| Rooms | 2727 | 653 | 292 | 1332 | 5004 |
| % of Total | 54.5% | 13.0% | 5.8% | 26.6% | |
| Debt | 750 | 112 | 120 | 284 | 1266 |
| % of Total | 59.3% | 8.8% | 9.5% | 22.4% | |

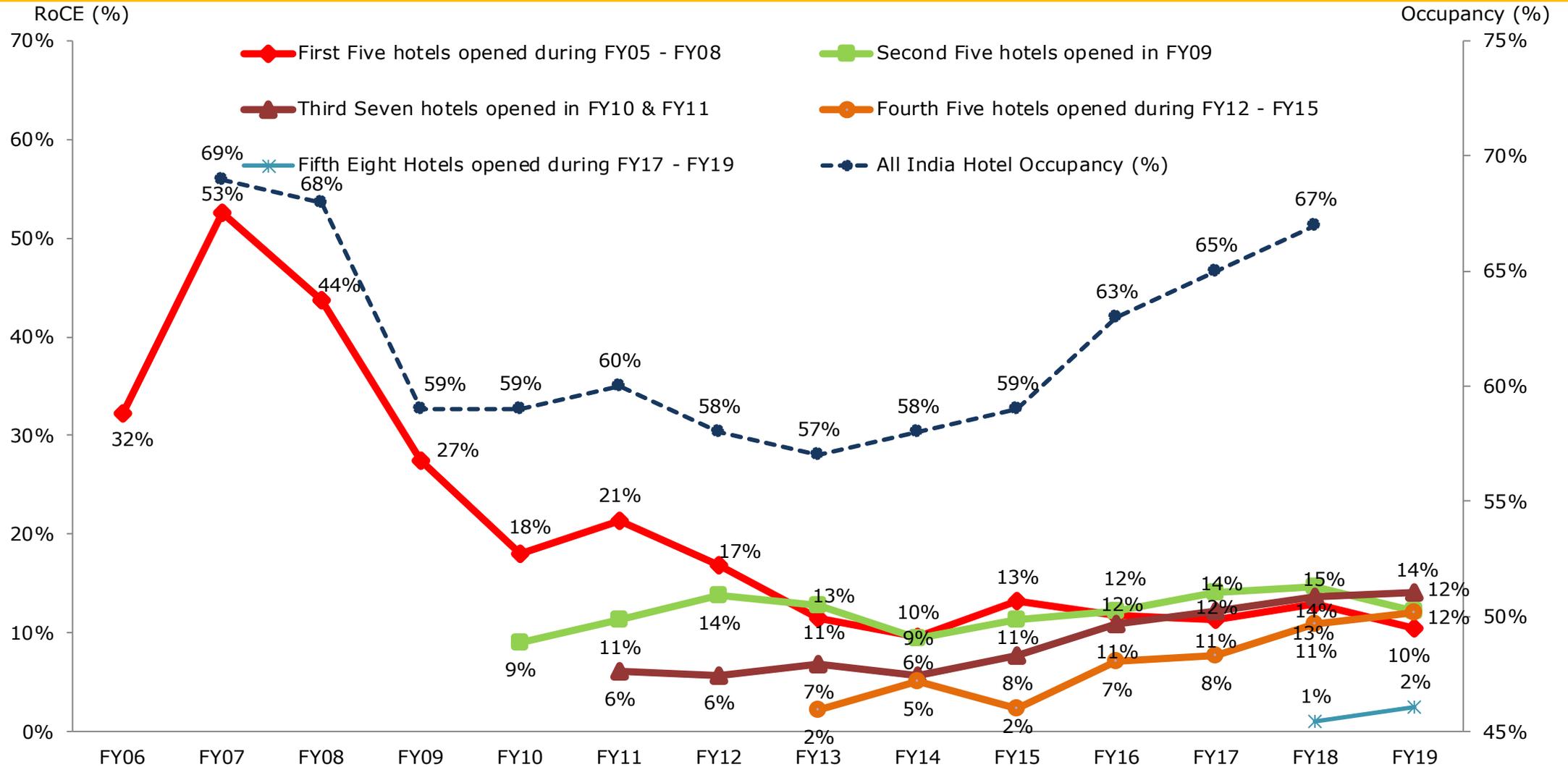
Mumbai is included in 'Under Construction' as it was operational for just 3 days in Q1

Key levers to drive better results



* Of these 937 rooms, currently 577 rooms are from Lemon Tree Premier, Mumbai International Airport. LTH is in the process of applying to convert some commercial spaces in this hotel' to rooms. This will increase the hotel's inventory by 92 rooms to 669.

Lemon Tree Hotels RoCE : Hotel Buckets by opening



Notes:

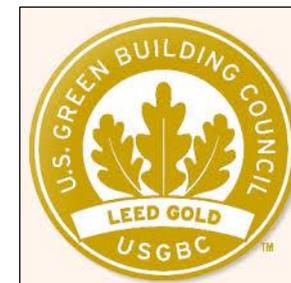
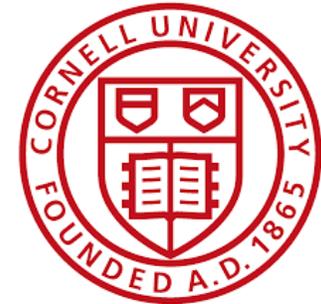
1. Hotel level RoCE is calculated as : (Hotel level EBITDAR - lease rentals)/Capital deployed for operational owned & leased hotels
2. Hotel RoCE is based on first full year of operation

Source : Industry occupancy is taken from Horwath HTL report.

Recognition and awards through the years



- ❖ Ranked 4th in India and the only hotel chain in the top 10 Best Companies to Work for in India in 2017 by the Great Place to Work institute
- ❖ Ranked 12th in Asia's Best Large Workplaces and the only Indian company in the top 15 in 2018 by the Great Place to Work institute
- ❖ National Award for Empowerment of Persons with Disabilities – 2011, 2012 and 2016
- ❖ Received the 5th IGBC Green Champion award under the category "Organization Leading the Green Building Movement in India (Commercial)"



Committed to Employees, Environment and Community with socially inclusive work ethos

A. We provide employment and livelihood with dignity to 'Opportunity Deprived Indians' (ODI)

This initiative was started in 2007 and as of Sep 30, 2018, Lemon Tree has employed a total of around 860* Opportunity Deprived Indians, or about one fifth of its workforce.

Lemon Tree believes that the brand should stand for more than 'just profit'. The company has focused its efforts on creating a socially inclusive work environment which seeks to bring in people of different backgrounds, abilities and ethnicities and offer them work as a unified team with a common goal.

The company's guiding principle has been that Opportunity Deprived Indians (including physical, intellectual, social or economic disabilities) must be provided the same opportunities as others to realize their full potential and live with dignity.

Employees With Disabilities (EWDs)

Speech and Hearing Impaired

Down Syndrome

Orthopedic Challenged

Autism

Low Vision

Acid Survivor

Employees with Economic, Educational or Social Impairment

Low Literacy

Below Poverty Line

Widows/ Divorcees/ Abandoned/ Battered

Socially Backward



* Includes all hotels: owned, leased and managed.

Video Links:

- 1) CNBC TV18 digital story: <https://www.youtube.com/watch?v=mAB0yazRFxU&t=67s>
- 2) Lemon Tree Initiative: <https://www.youtube.com/watch?v=f4Z3qcm8EgY&t=19s>

Committed to Employees, Environment and Community with socially inclusive work ethos (contd.)

B. Tribal Art

Lemon Tree Hotel is among the largest buyers, nationally, of tribal art from Bastar, Madhya Pradesh. This comprises primarily of bronze age bell metal sculptures and enables the company to financially support tribal craftsmen from this region by showcasing their art extensively across all of its hotels.

C. Giving Back To Society

Lemon Tree Hotel supports and partners with the following NGOs and societies:

Goonj: provides clothes and utensils to the impoverished.

Suniye: runs a school for Speech and Hearing Impaired children from economically weaker sections of society. provides extensive life skills support to these children.

Akshaya Patra: focus is to eliminate hunger in the city. It regularly provides a free meal to approximately 2000 destitute people in Delhi, across the city.

Muskaan: provides comprehensive education, vocational training and work opportunities to young people who are intellectually challenged.

Ramanujan Society: donates gifts to students for successfully clearing the IIT entrance exam.

D. Art Objects Through People For Animals

Lemon Tree supports People For Animals (PFA) by buying art sourced by PFA, which in turn is showcased across the company's hotels. The money paid to PFA goes to support the welfare and care of animals across India.

E. K9 Policy/Pooch Policy

Lemon Tree Hotel adopts a stray dog at each of its hotels across India. We name the dog, inoculate it and feed it well. Based on the personality of the dog, he/she is assigned a 'fun' role in the hotel and this brings joy to employees and guests alike.

Under Development Hotels

Aurika, Udaipur | Image Representation



Note: Hotel is expected to have 139 rooms and expected month of opening is Oct/Nov-2019.

Aurika, Udaipur



Aurika, Udaipur – 200 Mtrs



Aurika, Udaipur - Entrance



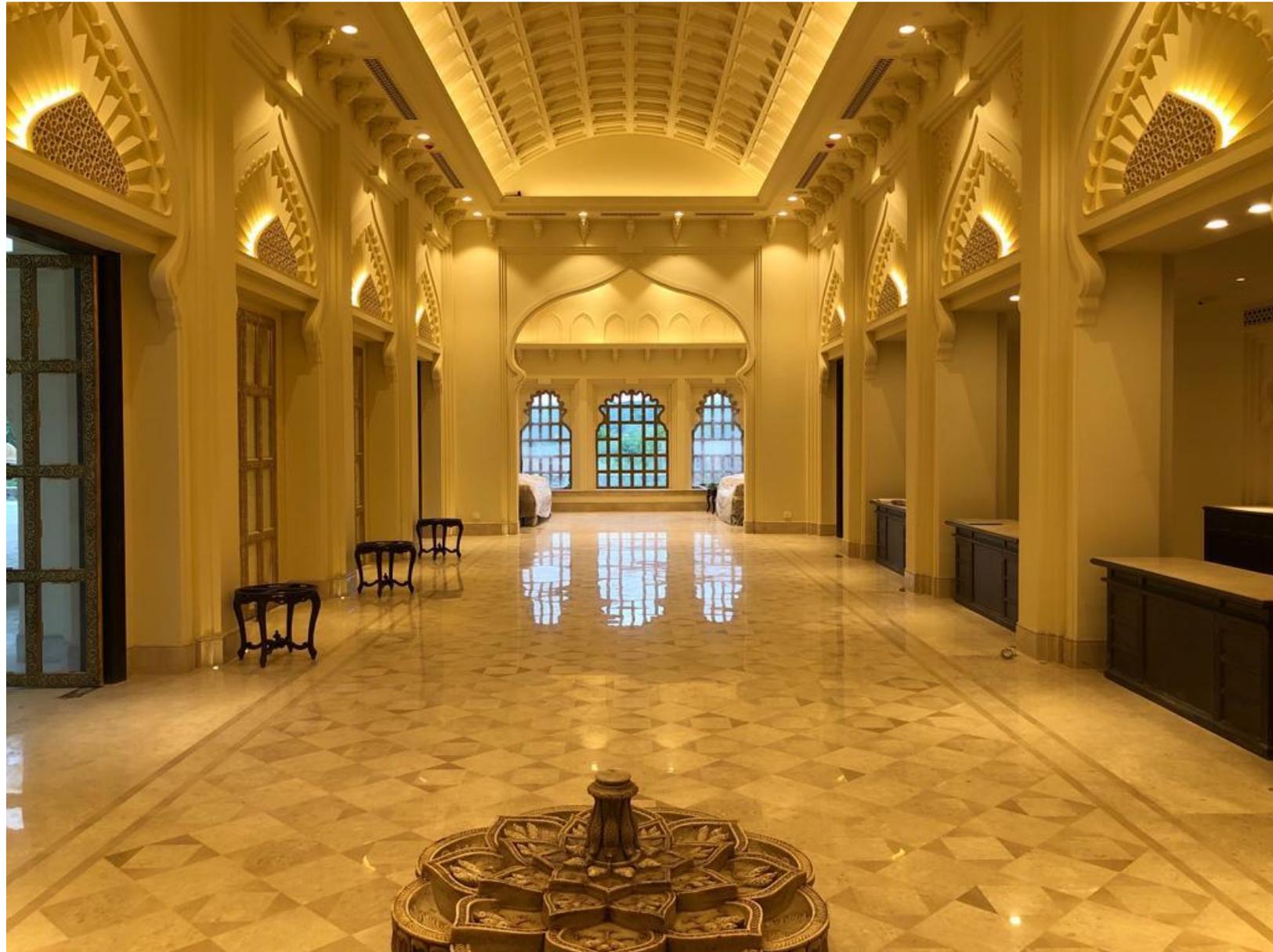
Aurika, Udaipur - Entrance



Aurika, Udaipur - Entrance



Aurika, Udaipur – Lobby



Aurika, Udaipur – Lobby



Aurika, Udaipur – Lobby



Aurika, Udaipur – Coffee Shop



Aurika, Udaipur – Alfresco



Aurika, Udaipur – Pool



Aurika, Udaipur – Pool



Aurika, Udaipur – Banquet Pre function Area



Aurika, Udaipur – Banquet Pre function Area



Aurika, Udaipur – Blocks



Aurika, Udaipur – Blocks



Aurika, Udaipur – Blocks



Aurika, Udaipur – Banquet Hall from the First Block



Aurika, Udaipur – Corridors



Aurika, Udaipur - Suite



Aurika, Udaipur - Suite



Aurika, Udaipur - Bathrooms



Aurika, Udaipur – Night View



Aurika, Udaipur – Night View

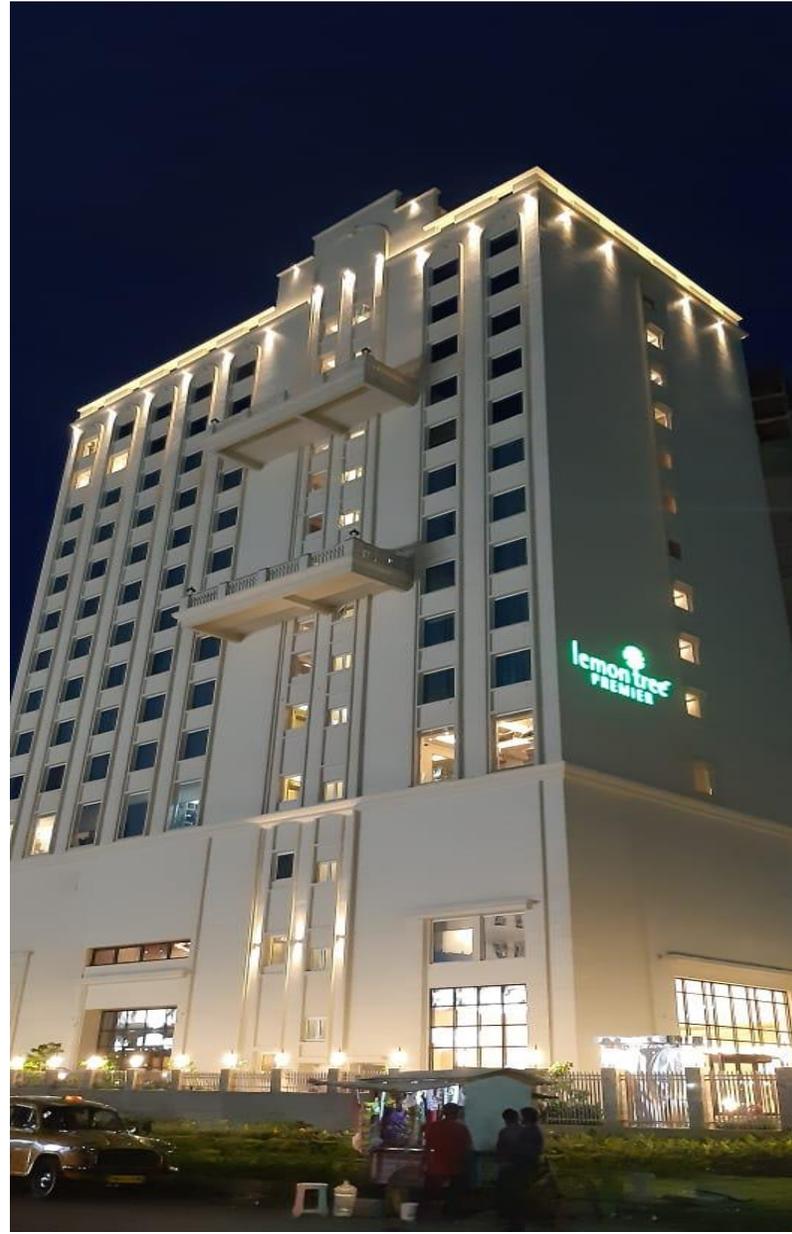


Lemon Tree Premier – Kolkata | Image Representation

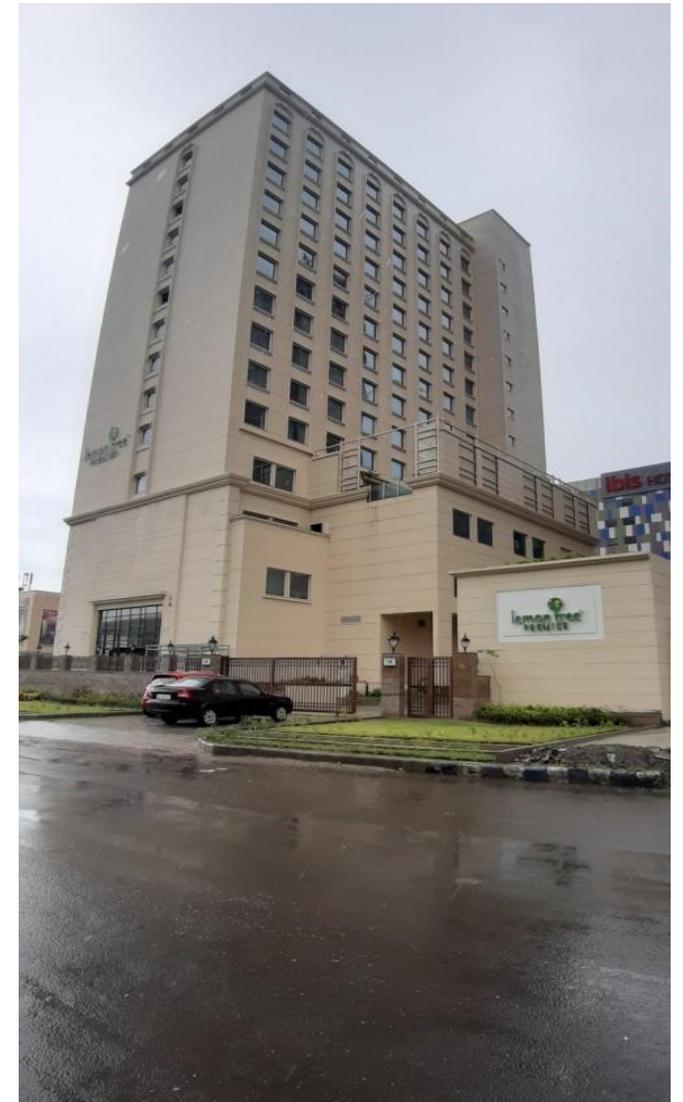


Note: Hotel is expected to have 142 rooms and expected month of opening is Oct-2019.

Lemon Tree Premier – Kolkata



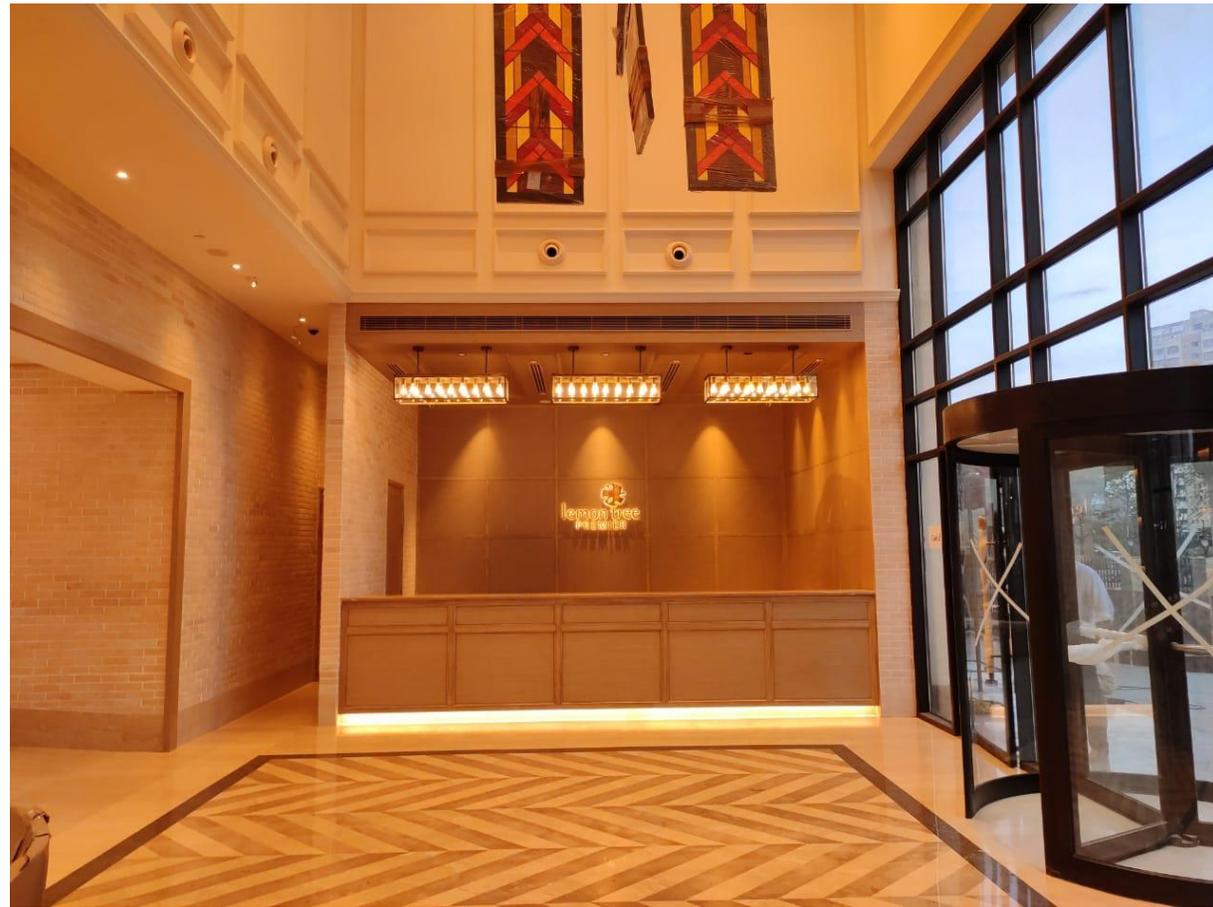
Lemon Tree Premier – Kolkata



Lemon Tree Premier – Kolkata



Lemon Tree Premier – Kolkata



Lemon Tree Premier – Kolkata



Lemon Tree Premier – Kolkata



Lemon Tree Premier – Kolkata



Lemon Tree Mountain Resort – Shimla | Image Representation



Note: Hotel is expected to have 69 rooms and expected month of opening is April-2021

Lemon Tree Mountain Resort – Shimla | Image Representation



Note: Hotel is expected to have 69 rooms and expected month of opening is April-2021

Lemon Tree Mountain Resort – Shimla



Lemon Tree Mountain Resort – Shimla



Aurika, Mumbai Airport (MIAL) | Image Representation



Aurika, Mumbai Airport (MIAL)



Note: Currently, hotel is expected to have 577 rooms. LTH is in the process of applying to convert some commercial spaces in this hotel to rooms. This will increase the hotel's inventory by 94 rooms to 671. Expected month of opening is Nov-2021.

Aurika, Mumbai Airport (MIAL)



Note: Currently, hotel is expected to have 577 rooms. LTH is in the process of applying to convert some commercial spaces in this hotel to rooms. This will increase the hotel's inventory by 94 rooms to 671. Expected month of opening is Nov-2021.



Lemon Tree Amarante Beach, Goa



Lemon Tree Premier, Corbett



Lemon Tree Premier, Hyderabad

Appendix



Lemon Tree Hotel, Coimbatore



Lemon Tree Premier, City Center, Gurgaon

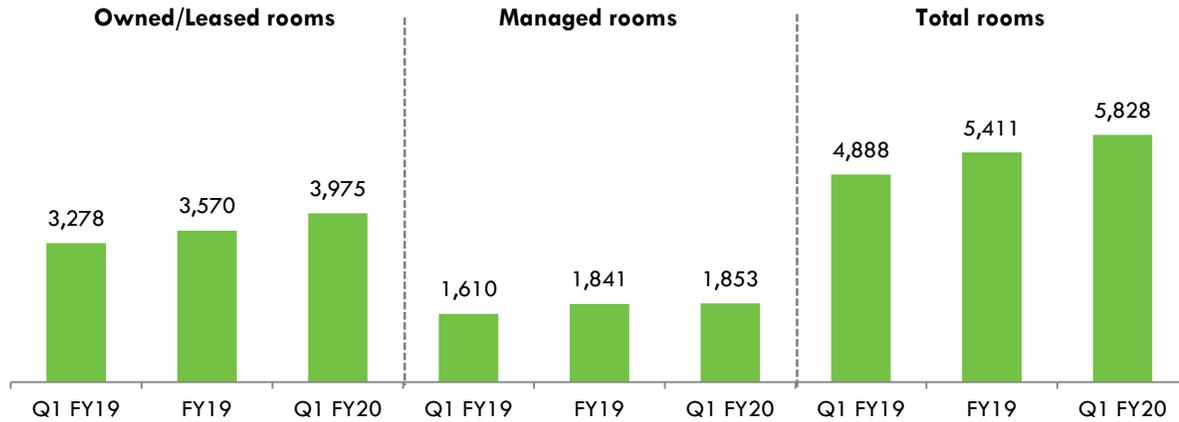


Lemon Tree Vembanad Lake, Alleppey, Kerela

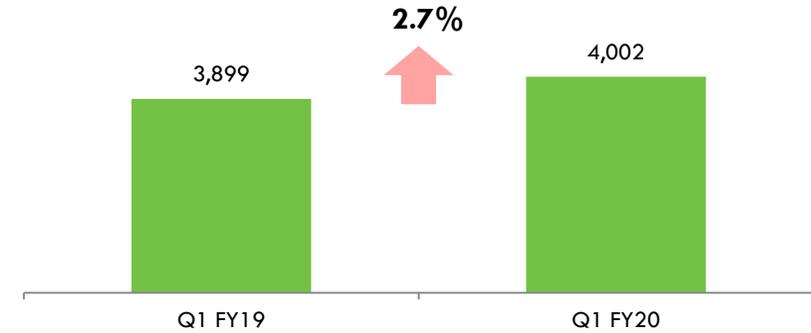
Latest Performance – Q1 FY20

Performance Highlights – Operational Metrics (Consolidated)

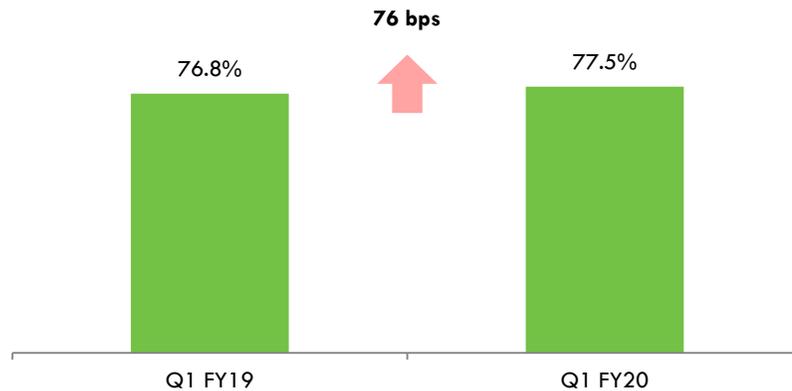
Operational Inventory



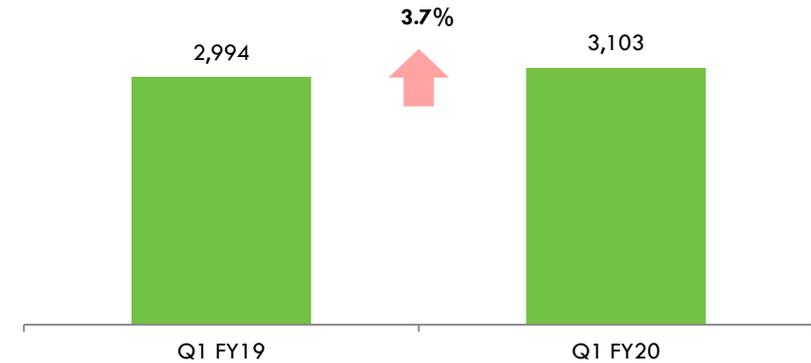
Average Daily Rate (Rs.)



Occupancy (%)

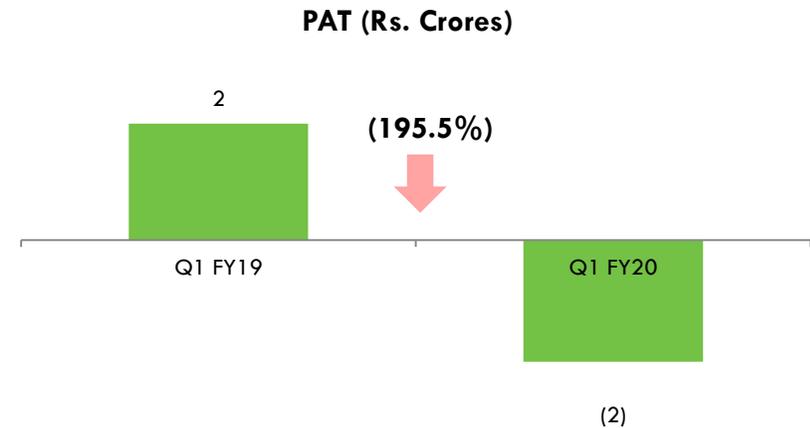
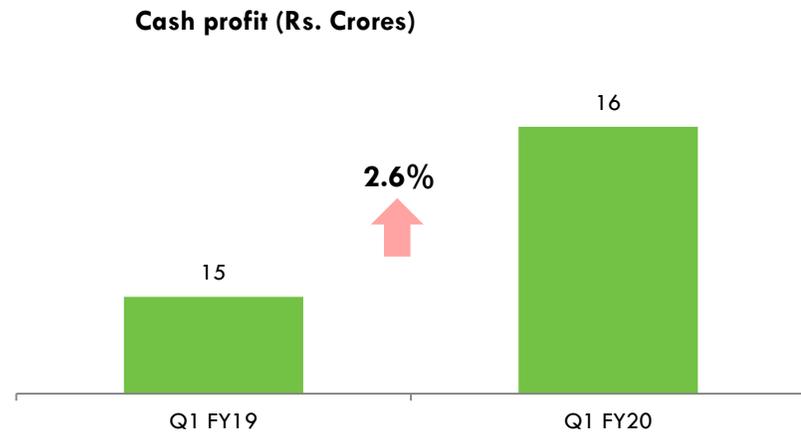
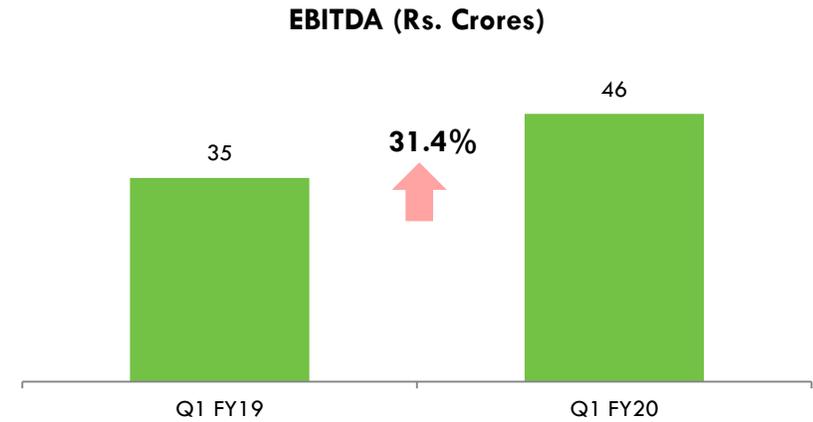
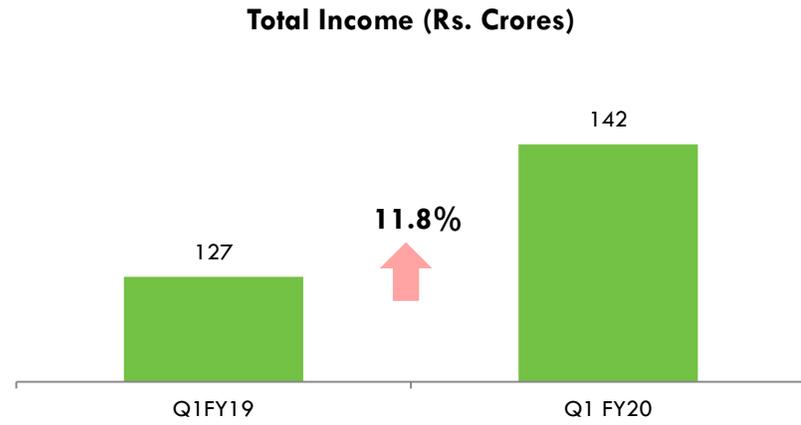


RevPAR (Rs.)



- Note:
1. ADR, Occupancy and RevPAR are for our owned and leased hotels only.
 2. The results of this quarter are not indicative of full year's performance due to seasonal nature of the business.

Performance Highlights – Financial Metrics (Consolidated)



Note: The results of this quarter are not indicative of full year's performance due to seasonal nature of the business.

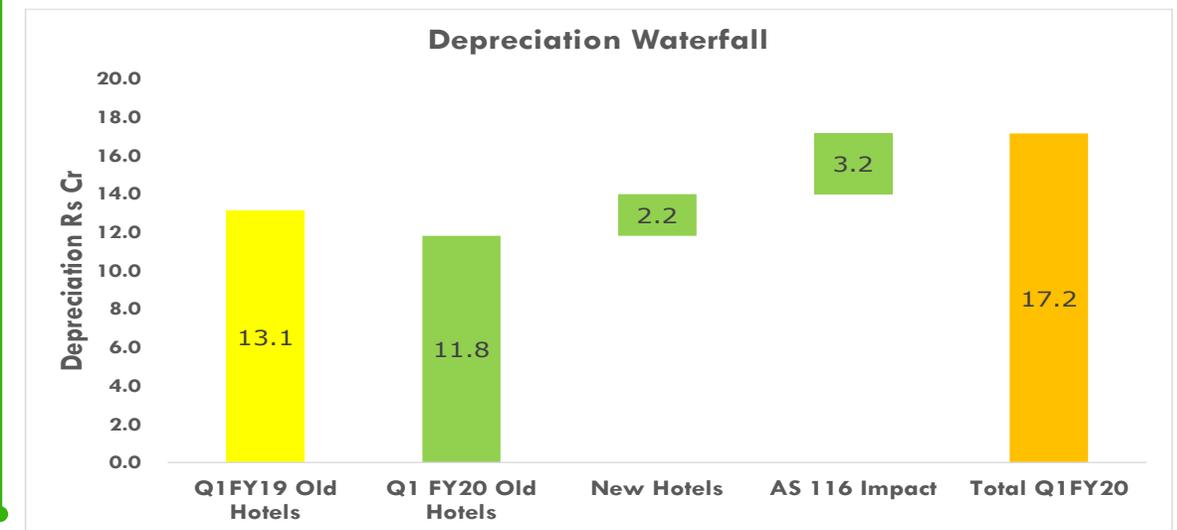
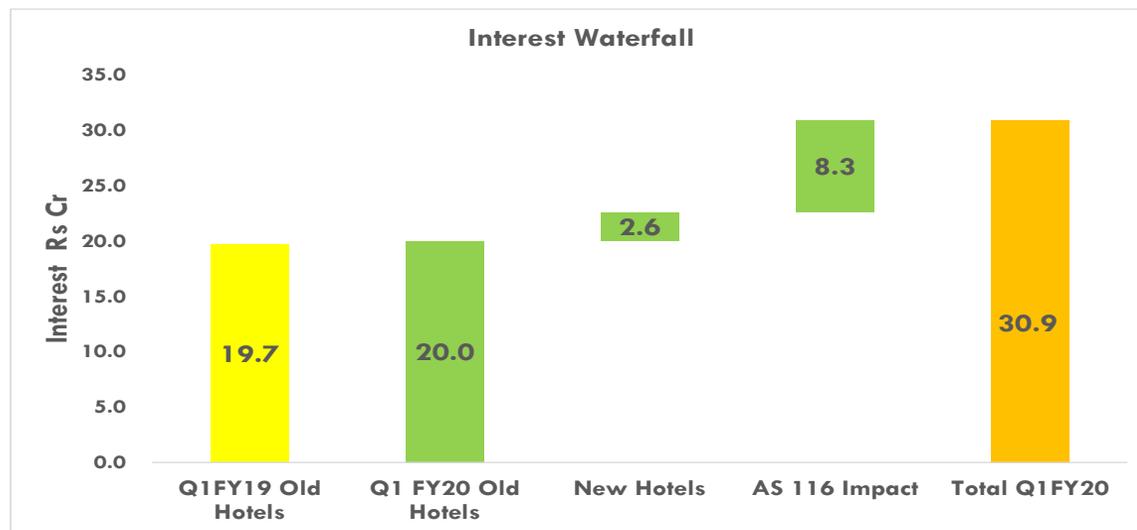
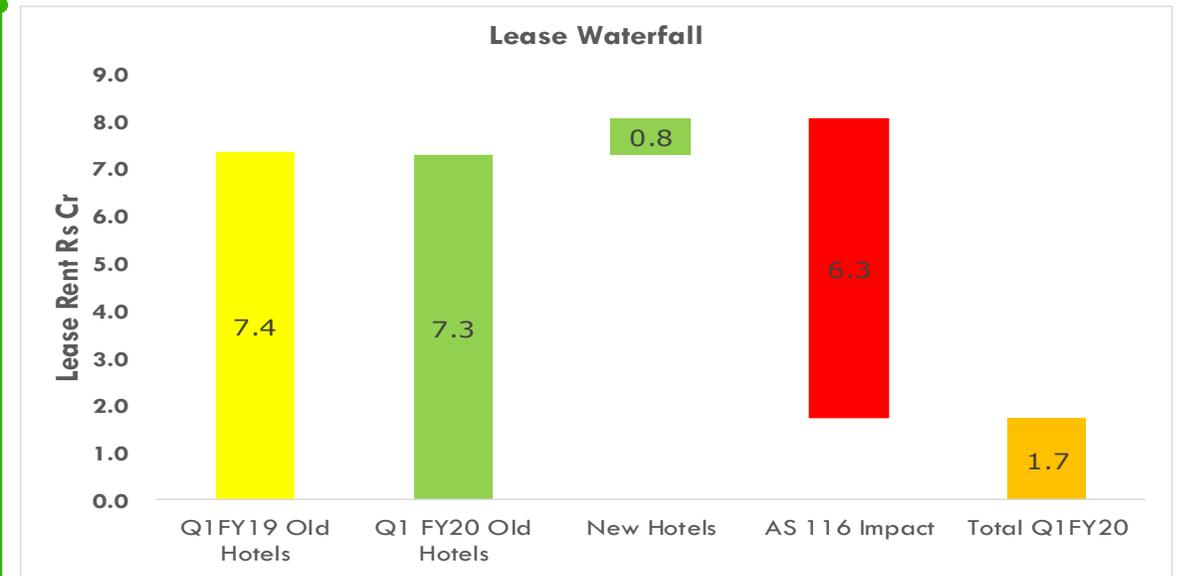
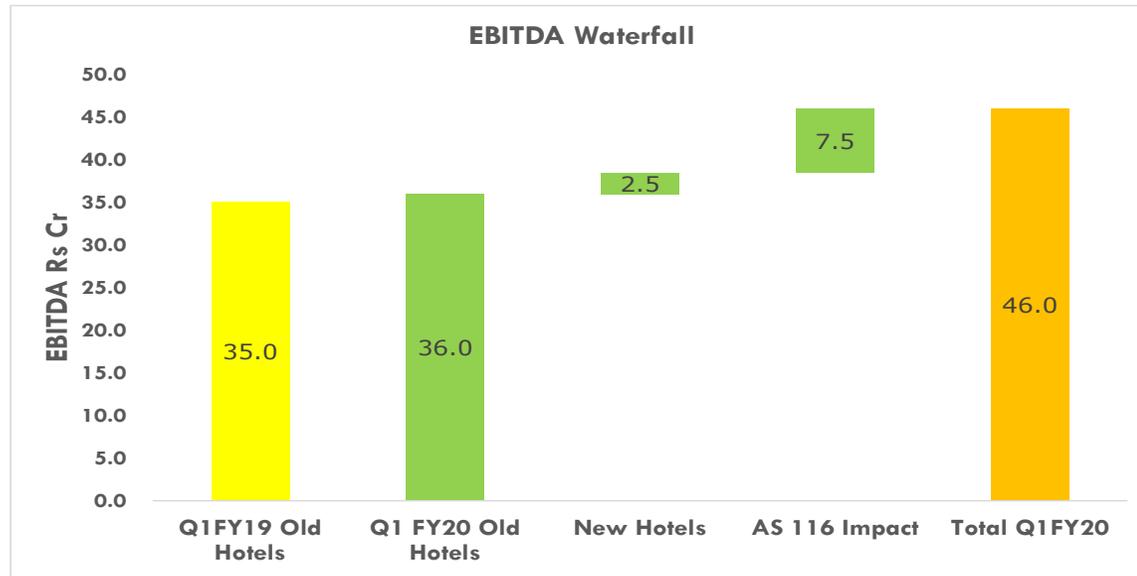
Profit & Loss Statement (Consolidated)

| (In Rs. Crores) | Q1 FY19 | Q1 FY20 After IndAS 116 Adjustment | YoY Change (%) | Q1 FY20 Before IndAS 116 Adjustment | YoY Change (%) | FY19 |
|-----------------------------|--------------|--|-------------------|---|-------------------|--------------|
| Revenue from operations | 126.9 | 140.9 | 11.0% | 140.9 | 11.0% | 549.5 |
| Other income | 0.2 | 1.3 | 508.5% | 1.3 | 508.5% | 9.9 |
| Total income | 127.1 | 142.2 | 11.8% | 142.2 | 11.8% | 559.4 |
| Cost of F&B consumed | 11.9 | 12.4 | 3.7% | 12.4 | 3.7% | 49.8 |
| Employee benefit expenses | 29.2 | 33.7 | 15.6% | 33.7 | 15.6% | 120.5 |
| Other expenses | 51.0 | 50.1 | -1.9% | 57.6 | 12.9% | 210.4 |
| Total expenses | 92.1 | 96.2 | 4.4% | 103.7 | 12.6% | 380.7 |
| EBITDA | 35.0 | 46.0 | 31.4% | 38.5 | 9.9% | 178.7 |
| EBITDA margin (%) | 27.5% | 32.4% | 482 bps | 27.1% | (47) bps | 31.9% |
| Finance costs | 19.7 | 30.9 | 57.0% | 22.6 | 14.8% | 84.7 |
| Depreciation & amortization | 13.1 | 17.2 | 30.9% | 14.0 | 6.7% | 54.1 |
| PBT | 4.3 | (1.4) | -132.7% | 2.6 | -40.2% | 45.3 |
| Tax expense | 2.0 | 0.7 | -65.2% | 1.6 | -20.1% | (111) |
| PAT | 2.2 | (2.1) | -193.8% | 0.9 | -58.3% | 56.4 |
| Cash Profit | 15.4 | 15.9 | 3.2% | 14.9 | -2.8% | 110.5 |

Impact of Ind AS 116 on Consolidated Q1FY20 Results

| Profit and Loss Statement Impact (In Rs. Crores) | Before Ind AS 116 | Ind AS 116 Impact | After Ind AS 116 |
|--|-------------------|-------------------|------------------|
| Lease Rent | 8.1 | (6.3) | 1.7 |
| Other Expenses | 34.8 | (1.2) | 33.6 |
| Net EBITDA | 38.5 | 7.5 | 46.0 |
| Interest Expense | 22.6 | 8.3 | 30.9 |
| Depreciation | 14.0 | 3.2 | 17.2 |
| Profit Before Tax | 2.6 | (3.9) | (1.4) |
| Tax | 1.6 | (0.9) | 0.7 |
| Profit After Tax | 0.9 | (3.0) | (2.1) |
| Cash Profit | 14.9 | 0.9 | 15.9 |

Impact of Ind AS 116 on LHTL Q1FY20 Results as Waterfall



Operational Performance by Brands & Region – Q1FY20 vs. Q1FY19

Q1 FY20 vs. Q1 FY19

| Parameters | Occupancy Rate (%) | | | Average Daily Rate (Rs.) | | | Hotel level EBITDAR/room (Rs. Lacs) | | | Hotel level EBITDAR Margin | | |
|--------------------|--------------------|---------|--------------|--------------------------|---------|------------|-------------------------------------|---------|------------|----------------------------|---------|--------------|
| | Q1 FY20 | Q1 FY19 | Change (bps) | Q1 FY20 | Q1 FY19 | Change (%) | Q1 FY20 | Q1 FY19 | Change (%) | Q1 FY20 | Q1 FY19 | Change (bps) |
| By Brand | | | | | | | | | | | | |
| Lemon Tree Premier | 85.4% | 82.1% | 327 | 4,835 | 4,770 | 1.4% | 2.0 | 2.3 | (0.2%) | 44.9% | 46.3% | (138) |
| Lemon Tree Hotels | 77.4% | 73.9% | 350 | 3,920 | 3,804 | 3.0% | 1.3 | 1.1 | 20.6% | 35.0% | 31.3% | 374 |
| Red Fox Hotels | 76.3% | 76.1% | 20 | 3,013 | 2,903 | 3.8% | 0.9 | 1.0 | (9.9%) | 39.6% | 43.3% | (245) |

| Parameters | Occupancy Rate (%) | | | Average Daily Rate (Rs.) | | | Hotel level EBITDAR/room (Rs. Lacs) | | | Hotel level EBITDAR Margin | | |
|------------|--------------------|---------|--------------|--------------------------|---------|------------|-------------------------------------|---------|------------|----------------------------|---------|--------------|
| | Q1 FY20 | Q1 FY19 | Change (bps) | Q1 FY20 | Q1 FY19 | Change (%) | Q1 FY20 | Q1 FY19 | Change (%) | Q1 FY20 | Q1 FY19 | Change (bps) |
| By Region | | | | | | | | | | | | |
| Delhi | 80.8% | 84.5% | (373) | 4,339 | 4,148 | 4.6% | 1.7 | 2.1 | (16.1%) | 40.0% | 45.1% | (510) |
| Gurugram | 79.5% | 72.1% | 743 | 3,972 | 3,967 | 0.1% | 1.4 | 1.1 | 25.5% | 34.4% | 29.8% | 467 |
| Hyderabad | 88.2% | 77.2% | 1094 | 4,005 | 3,762 | 6.5% | 2.1 | 1.6 | 34.8% | 49.2% | 42.7% | 644 |
| Bengaluru | 83.1% | 82.6% | 46 | 4,299 | 4,196 | 2.4% | 2.0 | 1.9 | 5.0% | 46.2% | 44.8% | 139 |

Note:
1) These performance results do not include LTP Mumbai, LTP Pune, RFH Dehradun and RFH Chandigarh

Thank You