

refreshingly different


lemon tree™
HOTELS

August 6, 2020

**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: Unaudited Financial Results (Standalone and Consolidated) for the Quarter ended June 30, 2020 along with Limited Review Report

We wish to inform you that the Board of Directors of Lemon Tree Hotels Limited (the "Company") at its meeting held today at 04.00 p.m and concluded at 08.30 p.m, has, inter-alia, approved the Unaudited (Standalone & Consolidated) Financial Results for the quarter ended June 30, 2020 and took on record the limited review report thereon.

A copy of:

- A) Unaudited financial results(Standalone & Consolidated) for the quarter ended June 30, 2020; and
- B) Limited review report issued by the Statutory Auditors thereon

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

This is for your information and record.

Thanking You

For **Lemon Tree Hotels Limited**


Nikhil Sethi
Group Company Secretary & GM Legal
& Compliance Officer

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"), limited liability partnership firm and its subsidiaries (the Parent, firm and its subsidiaries together referred to as "the Group"), and its share of loss of its associates for the quarter ended June 30, 2020 ("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

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6.	Sukhsagar Complexes Private Limited	Wholly owned subsidiary company
7.	Oriole Dr Fresh Hotels Private Limited	Wholly owned subsidiary company
8.	Grey Fox Project Management Company Private Limited	Wholly owned subsidiary company
9.	Dandelion Hotels Private Limited	Wholly owned subsidiary company
10.	Lemon Tree Hotel Company Private Limited	Wholly owned subsidiary company
11.	Red Fox Hotel Company Private Limited	Wholly owned subsidiary company
12.	Poplar Homestead Holdings Private Limited	Wholly owned subsidiary company
13.	Madder Stays Private Limited	Wholly owned subsidiary company
14.	Jessamine Stays Private Limited	Wholly owned subsidiary company
15.	Berggruen Hotels Private Limited	Subsidiary company
16.	Nightingale Hotels Private Limited	Subsidiary company
17.	Manakin Resorts Private Limited	Subsidiary company
18.	Begonia Hotels Private Limited	Subsidiary company
19.	Celsia Hotels Private Limited	Subsidiary company
20.	Inovoa Hotels and Resorts Limited	Subsidiary company
21.	Iora Hotels Private Limited	Subsidiary company
22.	Ophrys Hotels Private Limited	Subsidiary company
23.	Bandhav Resorts (P) Limited	Subsidiary company
24.	Valerian Management Services Private Limited	Subsidiary company
25.	Carnation Hotels Private Limited	Subsidiary company
26.	Mind Leaders Learning India Private Limited	Associate company
27.	Pelican Facilities Management Private Limited	Associate company
28.	Hamstede Living Private Limited	Associate company
29.	Glendale Marketing Services Private Limited	Associate company
30.	Mezereon Hotels LLP	Limited Liability Partnership Firm
31.	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 the 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 8 of the Statement of Consolidated Unaudited Financial Results which sets out the Group's assessment of going concern assumption and financial impact on account of COVID 19 pandemic situation. Based on these assessments, the management has concluded 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 assets as on June 30, 2020.

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Our opinion is not modified in respect of this matter.

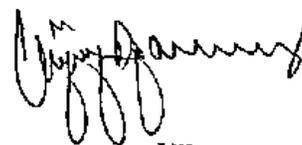
**Deloitte
Haskins & Sells LLP**

7. We did not review the interim financial results of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the standalone unaudited financial results of the entity included in the Group, whose interim financial results reflect total revenues of Rs. Nil for the quarter ended June 30, 2020, total net loss after tax of Rs. 0.01 lacs for the quarter ended June 30, 2020 and total comprehensive loss of Rs 0.01 lacs for the quarter ended June 30, 2020 as considered in the respective standalone unaudited financial results of the entity included in the Group. The interim financial results of the trust have been reviewed by the other auditor whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this trust, is based solely on the report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial results of 22 subsidiaries and 1 limited liability partnership firm included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 1,358.35 lacs for the Quarter ended June 30, 2020, total net loss after tax of Rs. 1,275.57 lacs and total comprehensive loss of Rs. 1,275.17 lacs for the Quarter ended June 30, 2020, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of loss of Rs. 54.25 lacs and total comprehensive loss of Rs. 54.25 lacs for the Quarter ended June 30, 2020, as considered in the Statement, in respect of 3 associates, whose interim financial results have not been reviewed by us. These interim financial results 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, limited liability partnership firm 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 on the Statement is not modified in respect of the above matters.

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



Vijay Agarwal
Partner
(Membership No. 094468)
UDIN: 20094468AAAAFC3908

Gurugram, August 06, 2020

Statement of Unaudited Consolidated Financial Results for the Quarter ended June 30, 2020

(₹ In Lakhs, except per share data)

	Quarter ended				Year Ended	
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020		
	(Unaudited)	(Unaudited) (Refer Note 2)	(Unaudited)	(Audited)		
1 Income						
Revenue from operations	4,066.56	17,613.01	14,093.38	66,943.74		
Other income (Refer Note 9)	311.68	41.42	126.10	578.28		
Total income	4,378.24	17,654.43	14,219.48	67,522.02		
2 Expenses						
Cost of food and beverages consumed	232.43	1,462.05	1,236.39	5,696.78		
Employee benefit expenses	1,776.36	4,288.18	3,372.91	15,532.26		
Power and fuel	630.01	1,452.61	1,477.40	6,133.58		
Other expenses	991.94	4,016.01	3,530.38	15,747.27		
Total expenses	3,630.74	11,218.85	9,617.08	43,109.89		
3 Profit before depreciation and amortization, finance cost, finance income (1-2)	747.50	6,435.58	4,602.40	24,412.13		
4 Finance cost	4,868.82	4,948.57	3,091.21	16,155.57		
5 Finance income	(182.68)	(73.96)	(87.01)	(508.54)		
6 Depreciation and amortization expense	2,708.97	2,773.67	1,716.61	8,716.12		
7 Net (loss)/profit before tax before share of associates (3-4-5-6)	(6,647.61)	(1,212.70)	(118.41)	48.98		
8 Add: Share of Loss of associates	(119.86)	(133.64)	(21.12)	(266.66)		
9 Loss before tax (7+8)	(6,767.47)	(1,346.34)	(139.53)	(217.68)		
10 Tax expense						
Current tax/MAT	0.60	192.01	167.22	990.43		
Deferred tax						
- MAT Credit entitlement related to current year	-	(151.24)	(83.51)	(689.98)		
- MAT Credit entitlement related to earlier year	-	(11.18)	-	4.40		
- Deferred tax (income)/expense related to current year	(712.51)	526.13	(12.98)	782.92		
11 Net loss after tax (9-10)	(6,055.56)	(1,902.06)	(210.26)	(1,305.45)		
12 Other Comprehensive Income/(Expenses)						
Items that will not be reclassified to profit and loss						
Remeasurements of defined benefit plans	0.58	-10.34	(0.81)	1.42		
Income tax effect	(0.71)	(2.04)	0.23	(0.18)		
13 Total comprehensive Loss	(6,055.69)	(1,893.76)	(210.84)	(1,304.20)		
14 Net loss after tax	(6,055.56)	(1,902.06)	(210.26)	(1,305.45)		
Attributable to:						
Equity holders of the parent	(4,187.16)	(1,791.54)	(166.97)	(953.70)		
Non-controlling interests	(1,868.40)	(110.52)	(43.29)	(351.75)		
15 Total comprehensive Loss	(6,055.69)	(1,893.76)	(210.84)	(1,304.20)		
Attributable to:						
Equity holders of the parent	(4,186.58)	(1,778.12)	(168.71)	(949.17)		
Non-controlling interests	(1,869.11)	(115.64)	(42.13)	(355.03)		
16 Total comprehensive Loss for the year after non-controlling interest	(4,186.58)	(1,778.12)	(168.71)	(949.17)		
17 Paid-up equity share capital (Face value of the share ₹ 10/-)	79,032.94	79,031.44	78,997.29	79,031.44		
18 Other Equity (including non-controlling interest)				75,444.66		
19 Earnings per share (Face value of the share ₹ 10/-) (EPS for quarter periods is not annualised)						
Basic	(0.53)	(0.23)	(0.02)	(0.12)		
Diluted	(0.53)	(0.23)	(0.02)	(0.12)		

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Notes:

1. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results at their respective meetings held on August 5, 2020 and August 6, 2020. The statutory auditors have carried out a limited review of the above Consolidated financial results.
2. The figures for the quarter ended March 31, 2020 are balancing figures between audited figures in respect of the full financial year and the unaudited figures upto the third quarter ended December 31, 2019 which were subjected to limited review.
3. 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.
4. On November 13, 2019, the Board of Directors of Fleur Hotels Private Limited, material subsidiary of parent company had approved the Scheme of Amalgamation of Begonia Hotels Private Limited (Transferor Company 1), Nightingale Hotels Private Limited (Transferor Company 2) with Fleur Hotels Private Limited (Transferee). The scheme had been electronically filed with National Company Law Tribunal, New Delhi (NCLT). After approval of the Scheme by NCLT, the Transferor Company 1 and Transferor Company 2 shall be amalgamated in Fleur Hotels Private Limited w.e.f April 1, 2019 (Appointed date of the Scheme).
5. The paid up share capital of the Company excludes 19,16,991 (March 31, 2020: 19,31,991) equity shares held by the ESOP trust which has been consolidated in accordance with the requirement of IND AS 110.
6. Fleur Hotels Private Limited (Subsidiary Company) has issued and allotted 53,76,340 Compulsorily Convertible Preference Shares ("CCPS") to APG Strategic Real Estate Pool N.V ("Existing Shareholder") at an issue price of ₹ 325.50 per share (including premium of ₹ 315.50 per share) on June 22, 2020 at an aggregate consideration of ₹ 175 Crores.
7. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 22, 2020 and in accordance therewith, the Group has opted for a moratorium of six months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and August 31, 2020.
8. COVID-19 pandemic has impacted and continues to impact business operations in many countries due to lockdown, travel bans, quarantines and other emergency measures resulting reduction in occupancy of hotels and average realization rate per room starting from the month of March 2020. Management has undertaken/is undertaking various cost savings initiatives like salary reduction, rent waiver, etc. to conserve cash coupled with the capital infusion amounting to Rs. 175 crores in the form of compulsorily convertible preference shares. Further, out of 41 Hotels (5,184 rooms) of the group 34 hotels (4,681 rooms) were operational as on June 30, 2020. The weighted average occupancy of the operational rooms for the month ended June 30, 2020 was 40% due to accommodation taken by foreign nationals staying in India, IT companies and hospitals. In evaluating the impact of COVID-19 on its ability to continue as a going concern and the possible impact on its financial position in the current quarter, the Company has made an assessment of its liquidity position for next one year and assessed the impact of macro-economic conditions on its business in light of comparison of future projections developed at year end March 31, 2020 vis-à-vis the actual performance till June 30, 2020 and of the recoverability and the carrying value of its major assets comprising of Property, Plant and Equipment (PPE), trade receivables and investments in associates (investments) as at the balance sheet date. Based on aforesaid assessment, management believes that the Group will continue as a going concern and will be able to meet all of its obligations as well as recover the carrying amount of its aforesaid assets as on as on June 30, 2020. 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.
9. During the current quarter, consequential to COVID 19 pandemic, the Group has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of INR 279.90 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).
10. The Group is into Hoteliering business. As the Group operates in a single operating segment, it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments. Since the group is in Hoteliering business the Consolidated financial results for the Quarter are not indicative of a full year's working.

Place : New Delhi
Date : August 06, 2020



By order of the Board
for Lemon Tree Hotels Limited


Patanjali G. Keswani
(Chairman & Managing Director)

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

**TO THE BOARD OF DIRECTORS OF
LEMON TREE HOTELS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **LEMON TREE HOTELS LIMITED** ("the Company"), for the Quarter ended June 30, 2020 ("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, and based on the consideration of the review report of other auditors as referred to in paragraph 6 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.



**Deloitte
Haskins & Sells LLP**

5. **Emphasis of Matter**

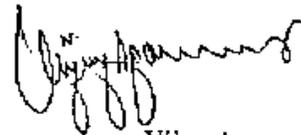
Attention is invited to Note 7 of the Statement of Standalone Unaudited Financial Results which sets out the Company's assessment of going concern assumption and financial impact on account of COVID 19 pandemic situation. Based on these assessments, the management has concluded that the Company will continue as a going concern and will be able to meet all of its obligations as well as recover the carrying amount of its assets as on June 30, 2020.

Our opinion is not modified in respect of this matter.

6. We did not review the interim financial results of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the Statement whose interim financial results reflect total revenues of Rs. Nil for the quarter ended June 30, 2020, total net loss after tax of Rs. 0.01 lacs for the quarter ended June 30, 2020 and total comprehensive loss of Rs. 0.01 lacs for the quarter ended June 30, 2020, as considered in the Statement. The interim financial results have been reviewed by other auditor whose report have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this trust, is based solely on the report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

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

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



Vijay Agarwal
Partner
(Membership No. 094468)
UDIN: 20094468AAAAFB9852

Gurugram, August 06, 2020

Lemon Tree Hotels Limited

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

Tel.: 011-46050101; Fax.: 011-46050110; E-Mail:sectdept@lemontreehotels.com;Website: www.lemontreehotels.com

CIN: L74899DL1992PLC049022

Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2020

(₹ In Lakhs, except per share data)

		Quarter ended			Year Ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited) (Refer Note 2)	(Unaudited)	(Audited)
1	Income				
	Revenue from operations	1,186.96	6,205.34	6,477.85	26,957.58
	Other income (Refer Note 8)	182.94	23.19	70.24	366.55
	Total income	1,369.90	6,228.53	6,548.09	27,324.13
2	Expenses				
	Cost of food and beverages consumed	67.39	383.24	411.75	1,666.71
	Employee benefit expenses	627.93	1,502.65	1,529.70	6,148.41
	Power and fuel	166.63	431.78	576.14	2,059.32
	Other expenses	360.01	1,362.53	1,798.35	6,543.72
	Total expenses	1,221.96	3,680.20	4,315.94	16,418.16
3	Profit before depreciation and amortization, finance cost, finance income (1-2)	147.94	2,548.33	2,232.15	10,905.97
4	Finance cost	1,198.06	1,197.86	1,218.21	4,815.50
5	Finance income	(54.92)	(42.84)	(28.84)	(143.22)
6	Depreciation and amortization expense	559.51	513.77	603.91	2,168.93
7	(Loss)/Profit before tax (3-4-5-6)	(1,554.71)	879.54	438.87	4,064.76
8	Tax expense				
	Current tax under MAT	-	159.46	84.68	688.40
	Deferred tax				
	- MAT Credit entitlement related to current year	-	(159.46)	(83.51)	(688.40)
	- Deferred tax (income)/expense related to current year	(456.01)	111.86	126.47	844.96
9	Net (loss)/profit after tax (7-8)	(1,098.70)	767.68	311.23	3,219.80
10	Other Comprehensive Income				
	Items that will not be reclassified to profit and loss				
	Re-measurement (loss)/gain on defined benefit plans	2.43	26.65	(5.64)	9.72
	Income tax effect	(0.71)	(2.96)	1.22	-
11	Total comprehensive (loss)/income	(1,096.98)	791.37	306.81	3,229.52
12	Paid-up equity share capital (Face value of the share ₹ 10/-)	79,032.94	79,031.44	78,997.29	79,031.44
13	Other Equity				25,345.89
14	Earnings per share (Face value of the share ₹ 10/-) (EPS for quarter ended periods is not annualised)				
	Basic	(0.14)	0.10	0.04	0.41
	Diluted	(0.14)	0.10	0.04	0.41

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Notes:

1. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results at their respective meetings held on August 5, 2020 and August 6, 2020. The statutory auditors have carried out a limited review of the above financial results.
2. The figures for the quarter ended March 31, 2020 are balancing figures between audited figures in respect of the full financial year and the unaudited figures upto the third quarter ended December 31, 2019 which were subjected to limited review.
3. The above 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.
4. On November 13, 2019, the Board of Directors of Fleur Hotels Private Limited, material subsidiary of Company had approved the Scheme of Amalgamation of Begonia Hotels Private Limited (Transferor Company 1), Nightingale Hotels Private Limited (Transferor Company 2) with Fleur Hotels Private Limited (Transferee). The scheme had been electronically filed with National Company Law Tribunal, New Delhi (NCLT). After approval of the Scheme by NCLT, the Transferor Company 1 and Transferor Company 2 shall be amalgamated in Fleur Hotels Private Limited w.e.f April 1, 2019 (Appointed date of the Scheme).
5. The paid up share capital of the Company excludes 19,16,991 (March 31, 2020: 19,31,991) equity shares held by the ESOP trust which has been consolidated in accordance with the requirement of IND AS 110.
6. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 22, 2020 and in accordance therewith, the Company has opted for a moratorium of six months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and August 31, 2020.
7. COVID-19 pandemic has impacted and continues to impact business operations in many countries due to lockdown, travel bans, quarantines and other emergency measures resulting reduction in occupancy of hotels and average realization rate per room starting from the month of March 2020. Management has undertaken/is undertaking various cost savings initiatives like salary reduction, rent waiver, etc. to conserve cash. Further, out of 13 Hotels (1,406 rooms) of the Company 12 hotels (1,304 rooms) were operational as on June 30, 2020. The weighted average occupancy of the operational rooms for the month ended June 30, 2020 was 41% due to accommodation taken by foreign nationals staying in India, IT companies and hospitals.
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 at year end March 31, 2020 vis-à-vis the actual performance till June 30, 2020 and of the recoverability and the carrying value of its major assets comprising of Property, Plant and Equipment (PPE), trade receivables and investments in subsidiaries and associates (investments) as at the balance sheet date. Based on aforesaid assessment, management believes that the Group will continue as a going concern and will be able to meet all of its obligations as well as recover the carrying amount of its aforesaid assets as on as on June 30, 2020.
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.
8. During the current quarter, consequential to COVID 19 pandemic, the Company has requested and received rent waiver/concessions from certain landlords and accordingly recognized an amount of ₹ 173.55 lakhs in Statement of Profit and Loss as "Other income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).

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9. The Company is into Hoteliering business. As the Company operates in a single operating segment, it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments. Since, the company is in Hoteliering business so the financial results for the Quarter are not indicative of a full year's working.

By order of the Board
for Lemon Tree Hotels Limited



Patanjali G. Keswani
(Chairman & Managing Director)

Place: New Delhi

Date : August 06, 2020

Lemon Tree Hotels Limited



Q1 FY21 Earnings Presentation

6th Aug, 2020



aurika
HOTELS & RESORTS

UPSCALE


lemon tree
PREMIER

UPPER MIDSCALE


lemon tree
HOTELS

MIDSCALE


redfox
BY LEMON TREE HOTELS

ECONOMY

keys
PRIMA HOTELS

UPPER MIDSCALE

keys
SELECT HOTELS

MIDSCALE

keys
LITE HOTELS

ECONOMY

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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	Q1 FY21 Operating Performance Trends
4	CoVID-19 – Update
5	Financial & Operational Metrics
6	Pipeline
7	Annexures

Lemon Tree – Snapshot as on 31st July, 2020



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

**8,006
rooms;
80 hotels**



Pipeline

**2,759
rooms;
29 hotels**



By CY22 (20% of Branded Mid Market Hotels in India*)

**10,765
rooms;
109 hotels**

Brand	Current	Pipeline	by FY22
Aurika	139 Rooms; 1 Hotel	669 Rooms; 1 Hotel [#]	808 Rooms; 2 Hotels
Lemon Tree Premiere	2,207 Rooms; 15 Hotels	457 Rooms; 6 Hotels	2,664 Rooms; 21 Hotels
Lemon Tree Hotel	2,646 Rooms; 35 Hotels	1,451 Rooms; 19 Hotels	4,159 Rooms; 55 Hotels
Red Fox Hotel	1,423 Rooms; 12 Hotels	80 Rooms; 1 Hotel	1,503 Rooms; 13 Hotels
Keys	1,591 Rooms; 17 Hotels	40 Rooms; 1 Hotel	1,631 Rooms; 18 Hotels

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

[#]Aurika, Mumbai International Airport is in process of getting approval to increase the number of rooms to 669 rooms in place of the existing approval of 577 rooms.



Key Statistics

	Q1 FY20	Q1 FY21	YoY Var (%)
 Cities	34	48	41%
 Hotels	57	80	40%
 Rooms	5,828	8,006	37%
 Loyalty Members	1,008,307	1,171,494	16%



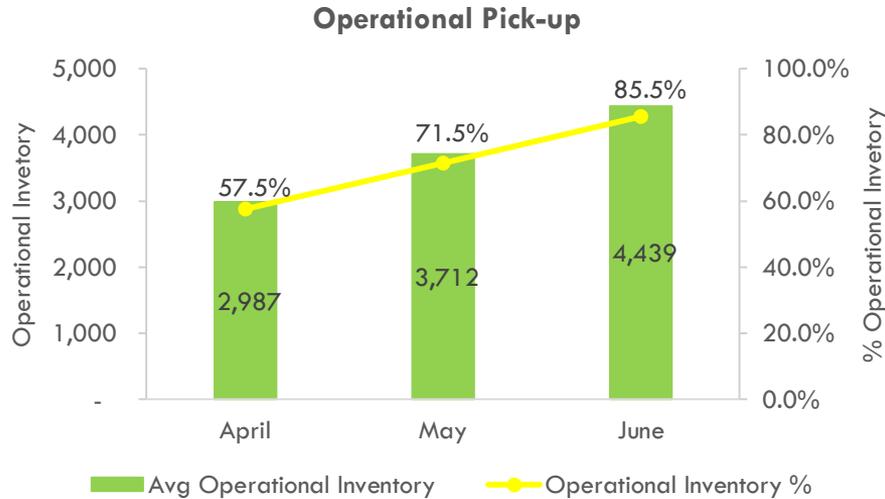
Commenting on the performance for Q1 FY21, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,

"Hospitality and tourism is among the worst affected industry due to ongoing lockdowns, corporate travel restrictions and the fear of getting infected to COVID – 19. There was a temporary shutdown of about 70% of the branded inventory in India in Q1, Industry occupancy fell steeply to 15% compared to 65-68% in same period last year, ADR crashed to 60% of last year's level. In Q1FY21, our revenue from operations dropped 71.1% y-o-y, our operating expenses dropped 62.2% y-o-y and we managed to record 7.5 Cr of EBITDA a drop of 84% y-o-y. Only 71% of our owned/leased inventory was operational. Our occupancy in operational hotels was 40.4%.

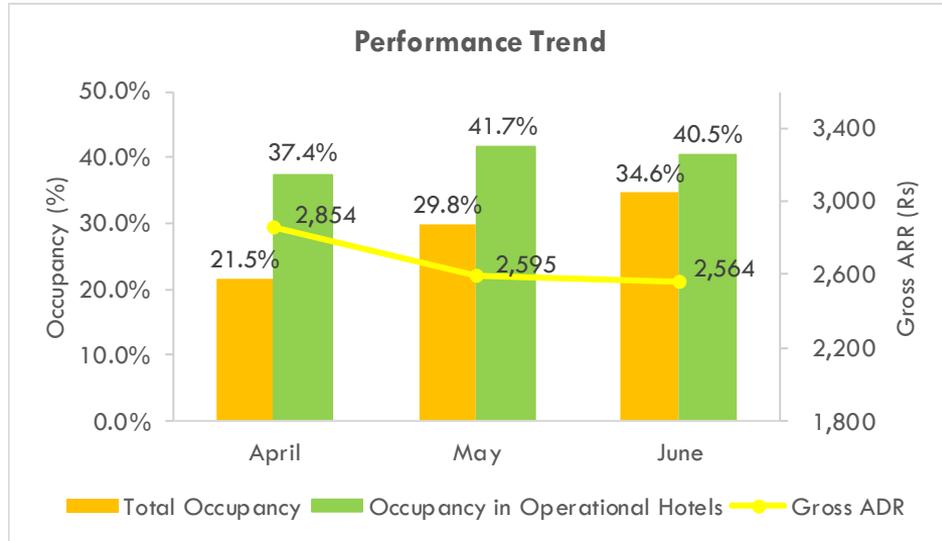
As a result of demand destruction, steep rate reduction, absence of meaningful support, etc., our prime focus in Q1 was to make our fixed expenses variable to the extent possible and defer all discretionary and non essential expenditure. Our leadership team took voluntary pay-cuts. We maintained strict control over Power & Fuel expenses and F&B cost. We negotiated and managed to get waiver from OEMs. Many of these measures will be permanent in nature which will lead to significant EBITDA margin expansion, when things get back to normal. I am glad to share that we succeeded in ensuring our expenses were below our revenues in Q1. Apart from the cost optimization measures, we took multiple initiatives to get as much business as possible and ensure that our occupancy remains at sustainable levels. The key demand segments for our business were Indians returning from abroad under Vande Bharat Mission opting for institutional quarantine, global IT majors for their business continuity planning teams and on duty doctors and paramedical staff who were advised to isolate themselves from their families. We have also tied up with two leading healthcare chains to increase their operational capacity by converting two of our hotels into healthcare facilities for asymptomatic patients.

From the liquidity perspective, we have sufficient cash in the company to meet our total expenses including debt obligations for the next 4 quarters assuming the worst case scenario. Since June there has been a gradual lifting of curbs on hotel operations and under Unlock 3.0, hotels are now allowed to open in almost all states. We have gradually made our hotels operational with 85.5% of our owned/leased inventory operational in June as compared to 57.5% in April. We are seeing a slight but visible pick up in demand from MSME sector and retail demand pick up for staycations. We are hopeful that the hospitality industry will begin to see green shoots of demand recovery from H2 onwards."

Increasing Operational Inventory

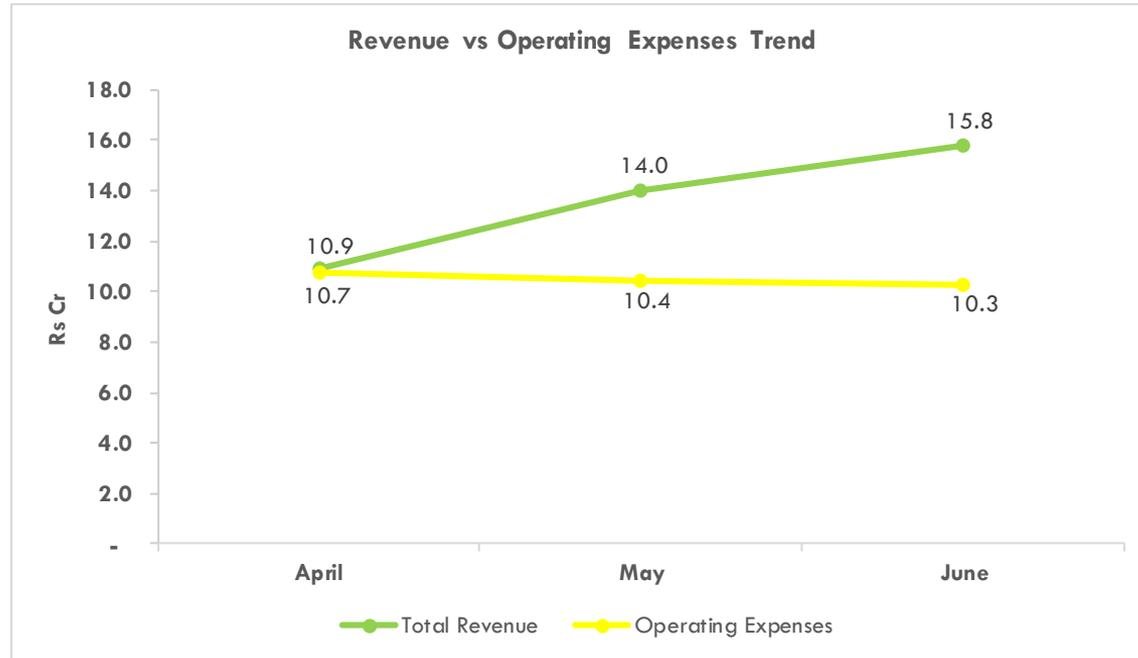


Rising Occupancy Levels From March End Lows



Trends for the 5,192 owned/leased rooms

Constantly Improving Operating Efficiency

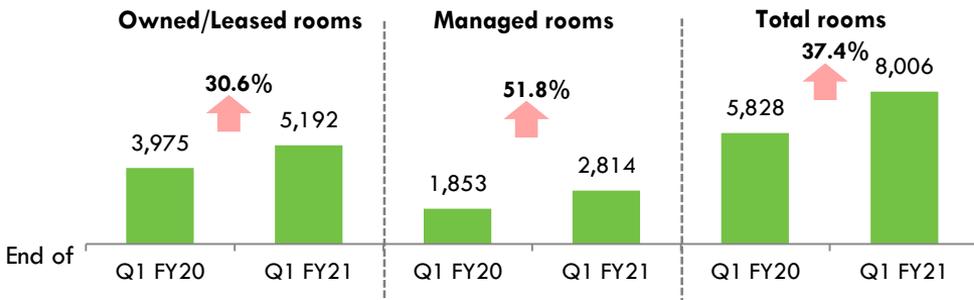


Notes:

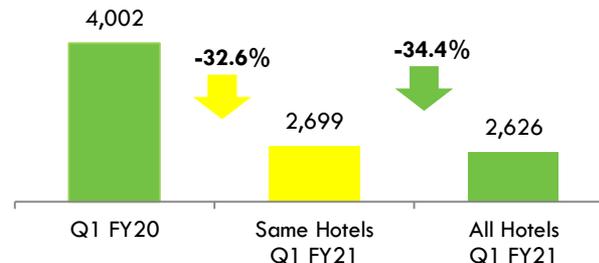
1. Total Revenue includes Revenue from Owned and Leased hotels and Fees from Managed hotels
2. Operating Expenses include Hotel operating expenses for Owned and Leased hotels (including shut hotels)

Q1 FY21 Performance Highlights – Operational Metrics (Consolidated)

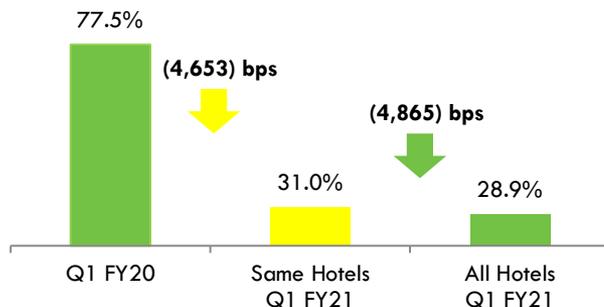
Operational Inventory



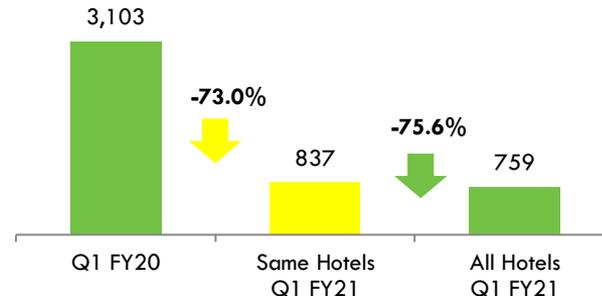
Average Daily Rate (Rs.)



Occupancy (%)



RevPAR (Rs.)

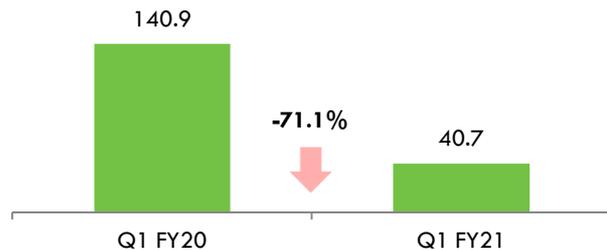


Notes:

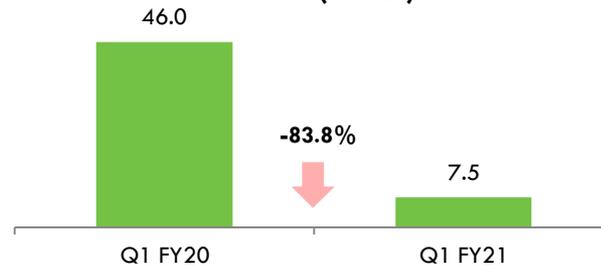
1. ADR, Occupancy and RevPAR are for our owned and leased hotels only.
2. Same hotels exclude hotels which were commissioned during the past 12 months i.e. Lemon Tree Premier Mumbai, Lemon Tree Premier Kolkata, Aurika Udaipur and Keys hotels.

Q1 FY21 Performance Highlights – Financial Metrics (Consolidated)

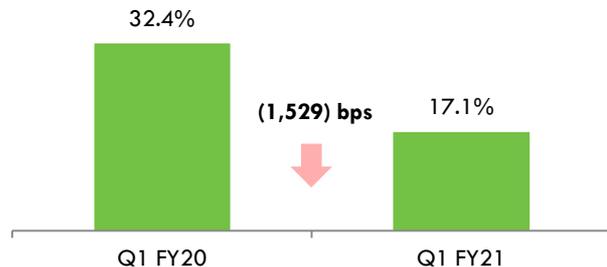
Revenue from Operation (Rs. Cr)



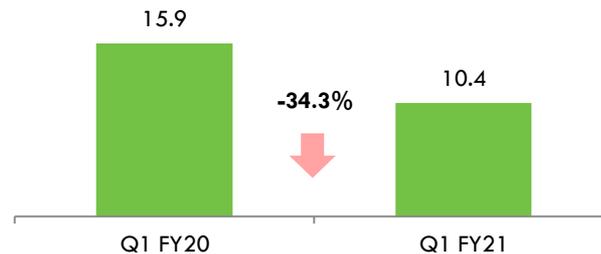
EBITDA (Rs. Cr)



EBITDA Margin (%)



Cash profit (Rs. Cr)



Notes:

1. Q1 FY21 performance is not indicative of the full year performance
2. The cash profit for Q1 FY21 is before payment of interest for the quarter, which has been deferred to September

Consolidated Profit & Loss Statement – Q1 FY21

Rs. Cr	Q1 FY20	Q1 FY21	YoY Change (%)
Revenue from operations	140.9	40.7	-71.1%
Other income	1.3	3.1	147.2%
Total expenses	96.2	36.3	-62.2%
EBITDA	46.0	7.5	-83.8%
EBITDA margin (%)	32.4%	17.1%	(1,529)
Finance costs	30.9	48.7	57.5%
Depreciation & amortization	17.2	27.1	57.8%
PBT	(1.4)	(67.7)	NA
Tax expense	0.7	(7.1)	NA
PAT	(2.1)	(60.6)	NA
Cash Profit	15.9	10.4	-34.3%

Note: The cash profit for Q1 FY21 is before payment of interest for the quarter, which has been deferred to September

Consolidated Profit & Loss Statement Breakup – Q1 FY21

Rs. Cr	Same Hotels			New Hotels ¹	Total without Keys Hotels			Keys Hotels	Total		
	Q1FY20	Q1FY21	YoY Change	Q1FY21	Q1FY20	Q1FY21	YoY Change	Q1FY21	Q1FY20	Q1FY21	YoY Change
Inventory	3,672	3,672	0.0%	584	3,672	4,256	15.9%	936	3,672	5,192	41.4%
ARR	4,002	2,699	-32.5%	3,521	4,002	2,795	-30.1%	1,587	4,002	2,626	-34.4%
Occupancy	77.5%	31.0%	(4,653)	25.8%	77.5%	30.3%	(4,725)	22.5%	77.5%	28.9%	(4,865)
RevPAR	3,103	837	-73.0%	909	3,103	847	-72.7%	357	3,103	759	-75.6%
Revenue from Operations	140.9	31.3	-77.8%	5.1	140.9	36.4	-74.2%	4.3	140.9	40.7	-71.1%
Other Income	1.3	1.7	36.4%	0.0	1.3	1.7	38.0%	1.4	1.3	3.1	147.2%
Total expenses	96.2	27.8	-71.1%	3.9	96.2	31.7	-67.1%	4.6	96.2	36.3	-62.2%
EBITDA	46.0	5.3	-88.5%	1.2	46.0	6.5	-86.0%	1.0	46.0	7.5	-83.8%
<i>EBITDA margin (%)</i>	32.4%	16.0%	(1,638)	23.1%	32.4%	16.9%	(1,543)	18.0%	32.4%	17.1%	(1,529)
PBT	(1.4)	(41.2)	NA	(19.1)	(1.4)	(60.3)	NA	(7.4)	(1.4)	(67.7)	NA

Note : New Hotels include: Lemon Tree Premier Mumbai, Lemon Tree Premier Kolkata & Aurika Udaipur

Operational Performance by Brands & Region – Q1 FY20 vs. Q1 FY21

Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
	Q1 FY20	Q1 FY21	Change (bps)	Q1 FY20	Q1 FY21	Change (%)	Q1 FY20	Q1 FY21	Change (%)	Q1 FY20	Q1 FY21	Change (bps)
By Brand (#Rooms)												
Lemon Tree Premier (1,158)	78.8%	42.2%	(3,659)	4,820	3,176	-34.2%	2.1	0.5	-74.4%	43.7%	39.6%	(414)
Lemon Tree Hotels (1562)	77.4%	27.5%	(4,896)	3,920	2,467	-37.1%	1.3	0.1	-95.1%	35.0%	9.2%	(2,587)
Red Fox Hotels (850)	76.1%	23.1%	(5,302)	3,039	2,089	-31.3%	1.0	0.1	-94.4%	42.4%	12.0%	(3,038)

Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
	Q1 FY20	Q1 FY21	Change (bps)	Q1 FY20	Q1 FY21	Change (%)	Q1 FY20	Q1 FY21	Change (%)	Q1 FY20	Q1 FY21	Change (bps)
By Region (#Rooms)												
Delhi (636)	80.8%	39.4%	(4,142)	4,339	3,204	-26.2%	1.7	0.4	-74.5%	40.0%	34.5%	(546)
Gurugram (529)	79.5%	24.5%	(5,499)	3,972	2,983	-24.9%	1.4	0.1	-94.4%	34.4%	9.7%	(-2,475)
Hyderabad (663)	88.2%	35.8%	(5,236)	4,005	3,259	-18.6%	2.1	0.6	-73.1%	49.2%	49.3%	9
Bengaluru (493)	83.1%	42.0%	(4,104)	4,299	2,297	-46.6%	2.0	0.1	-88.9%	46.2%	23.0%	(2,320)

Note:

1) These performance results do not include Lemon Tree Premier Mumbai, Lemon Tree Premier Kolkata, Aurika Udaipur and Keys.

Discussion on Consolidated Financial & Operational Performance – Q1 FY21

Revenue

- * Revenue from operations stood at Rs. 40.7 Cr in Q1 FY21, down 71.1% as compared to Rs. 140.9 Cr in Q1 FY20. On same hotels basis, revenue from operations was down by 77.8%
- * ADR decreased by 34.4% from 4,002 in Q1 FY20 to 2,626 in Q1 FY21. On same hotels basis, ARR decreased by 32.5% to 2,699 in Q1 FY21. For new hotels, ARR was 3,521 (30.4% higher than same hotels). For Keys hotels, ARR was 1,587 (41.2% lower than same hotels)
- * Occupancy decreased by 48.6% from 77.5% in Q1 FY20 to 28.9% in Q1 FY21. On same hotels basis it decreased by 46.5% from 77.5% in Q1 FY20 to 31.0% in Q1 FY21. For new hotels, occupancy was 25.8% (5.2% lower than same hotels). For Keys hotels, occupancy was 22.5% (8.5% lower than same hotels)
- * Fees from managed hotels stood at Rs. 0.5 Cr in Q1 FY21 (1.1% of Revenue from operations)

Cost

- * Total expenses stood at Rs. 36.3 Cr in Q1 FY21 down 62.2% as compared to Rs 96.2 Cr in Q1 FY20. On same hotels basis, expenses decreased by 71.1% to Rs 27.8 Cr in Q1 FY21 from Rs 96.2 Cr in Q1 FY20

Operating Margins

- * EBITDA decreased by 83.8% from Rs 46.0 Cr in Q1 FY20 to Rs 7.5 Cr in Q1 FY21
- * EBITDA margin, contracted by 1,529 bps from 32.4% in Q1 FY20 to 17.1% in Q1 FY21

Profit after tax

- * Profit after tax decreased from Rs (2.1) Cr in Q1 FY20 to Rs (60.6) Cr in Q1 FY21
- * Cash Profit for Q1 FY21 stood at Rs 10.4 Cr, 34.3% lower than Rs 15.9 Cr in Q1 FY20

Expansion Plans – Hotels under Development

Under-development hotels	Type	Rooms	Expected Opening date	Ownership (%)
Lemon Tree Mountain Resort, Shimla	Owned	69	TBD	100.00%
Lemon Tree Vembanad Lake Resort, Alleppey, Kerela ¹	Owned	10	TBD	100.00%
Aurika, Intl. Airport, Mumbai ²	Owned	669	End of CY22	57.98%
Total		748		

- * Total estimated project cost is Rs. 9,910 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 30st June, 2020 is Rs. 3,226 million

Notes: 1) Expansion in existing hotel.

2) Aurika, Mumbai International Airport is in process of getting approval to increase the number of rooms to 669 rooms in place of the existing approval of 577 rooms.

Expansion Plans – Pipeline of Management Contracts (as of 31st July, 2020)

Management Contracts Pipeline	Rooms	Expected Opening date	Tenure (years)
Lemon Tree Premier, Dwarka	108	Sep-20	12
Lemon Tree Hotel, Baga, Goa	44	Oct-20	15
Lemon Tree Premier, Bhubaneshwar	76	Jan-21	10
Lemon Tree Hotel, Jhansi	60	Nov-20	12
Lemon Tree Premier, Vijaywada	120	Dec-20	12
Lemon Tree Hotel, Aligarh	68	Dec-20	12
Red Fox Hotel, Neelkanth	80	Jan-21	12
Lemon Tree Hotel, BKC, Mumbai	70	Jan-21	15
Keys Prima, Dehradun	40	Feb-21	15
Lemon Tree Premier, Coorg	63	Mar-21	15
Management Rooms to be Operational in FY21	729		
Lemon Tree Resort, Mussoorie	40	May-21	15
Lemon Tree Hotels, Nagarkot, Nepal	51	Sep-21	10
Lemon Tree Hotel, Bokaro	70	Sep-21	10
Lemon Tree Hotel, Kathmandu	75	Sep-21	10
Lemon Tree Hotel, Trivandrum	100	Sep-21	10
Serviced Suites, Manesar	260	Sep-21	10
Lemon Tree Resort, Thimpu	38	Oct-21	10
Lemon Tree Hotel, Rishikesh	102	Oct-21	15
Lemon Tree Hotel, Ludhiana	60	Oct-21	10
Lemon Tree Hotel, Gulmarg	35	Oct-21	10
Lemon Tree Hotel, Agra	62	Jan-22	10
Lemon Tree Hotel, Darjeeling	55	Apr-22	15
Lemon Tree Hotel, Sonamarg	40	Uncertain	10
Lemon Tree Hotel, Ranthambore	60	Uncertain	10
Lemon Tree Premier, Dindy	50	Uncertain	10
Lemon Tree Hotel, Durgapur	80	Uncertain	10
Lemon Tree Hotel, Gwalior	104	Uncertain	10
Total Pipeline	2,011		

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



ANNEXURES

Portfolio Breakup as on 31st July 2020 - Operational

Operational Portfolio	Owned		Leased		Managed/Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
15.05.2020								
Aurika	1	139	0	0	0	0	1	139
Lemon Tree Premier	7	1,442	2	161	6	604	15	2,207
Lemon Tree Hotels	13	1,241	4	321	18	1,084	35	2,646
Red Fox Hotels	5	759	2	193	5	471	12	1,423
Keys Prima	0	0	0	0	1	115	1	115
Keys Select	7	936	0	0	7	493	14	1,429
Keys Lite	0	0	0	0	2	47	2	47
Total	33	4,517	8	675	39	2,814	80	8,006

Portfolio Breakup as on 31st July 2020 - Pipeline

In Pipeline	Owned		Leased		Managed/Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
1.02.2020								
Aurika	1	669#	0	0	0	0	1	669
Lemon Tree Premier	0	0	0	0	6	457	6	457
Lemon Tree Hotels	1	79	0	0	19	1,434	20	1,513
Red Fox Hotels	0	0	0	0	1	80	1	80
Keys Prima	0	0	0	0	1	40	1	40
Keys Select	0	0	0	0	0	0	0	0
Keys Lite	0	0	0	0	0	0	0	0
Total	2	748	0	0	27	2,011	29	2,759

#Aurika, Mumbai International Airport is in process of getting approval to increase the number of rooms to 669 rooms in place of the existing approval of 577 rooms.

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

Jaipur: FY20 – 5.2%
FY24E – 3.5%

Ahmedabad: FY20 – 5.4%
FY24E – 3.3%

Mumbai: FY20 – 3.2%
FY24E – 6.4%

Pune: FY20 – 9.4%
FY24E – 8.4%

Goa: FY20 – 4.9%
FY24E – 4.3%

Bengaluru: FY20 – 6.1%
FY24E – 4.6%

Delhi NCR: FY20 – 6.8%
FY24E – 7.1%

Kolkata: FY20 – 3.8%
FY24E – 2.6%

Hyderabad: FY20 – 9.5%
FY24E – 7.5%

Chennai: FY20 – 1.9%
FY24E – 1.9%



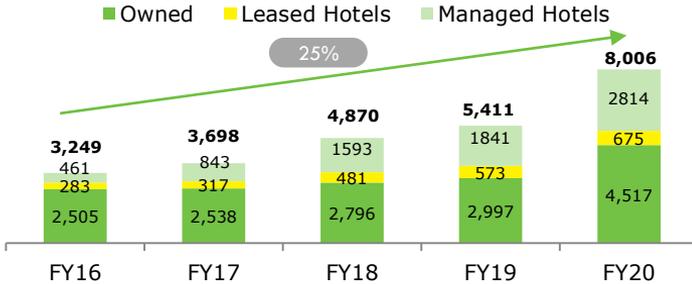
Source : Hotelivate Trends and Opportunities report 2019

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

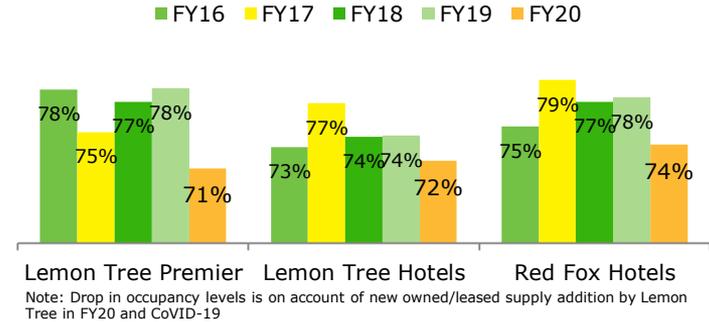
Map updated as of 15th May, 2020

Strong operating performance

Rooms are being added...



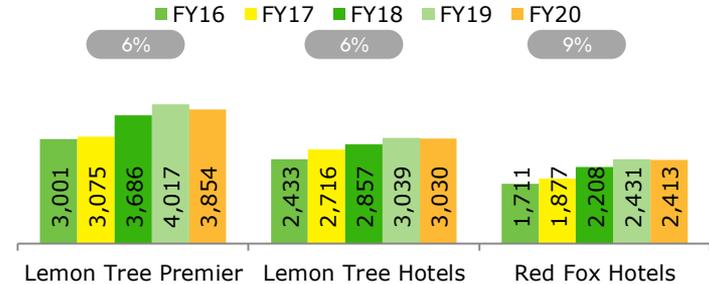
...and occupancy levels increasing...



...coupled with increasing ADR...



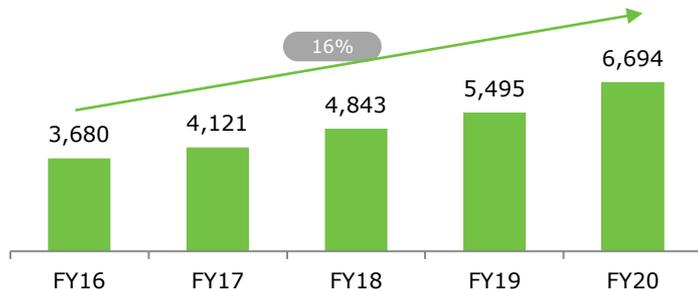
...leading to a RevPAR growth



Strong Growth and improving margins

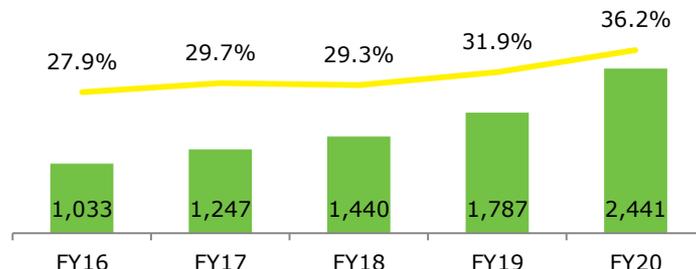
Revenue has increased at 20% over the last 5 years...

Revenue from operations (Rs. million)



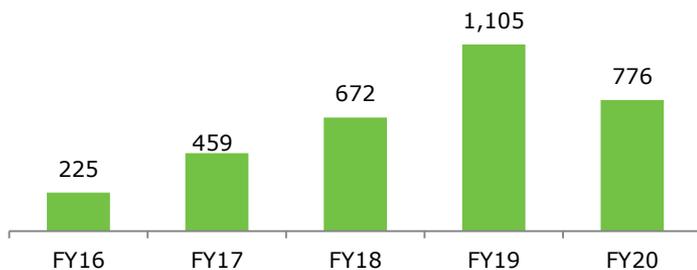
...coupled with increasing EBITDA margins

EBITDA & EBITDA margins



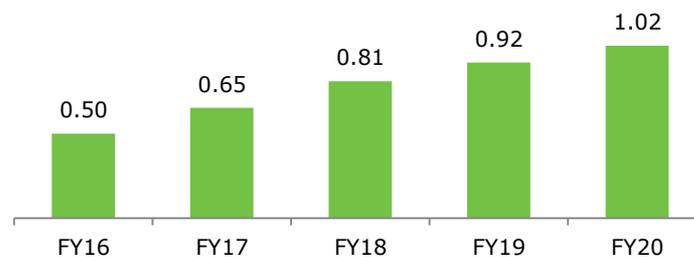
Increasing cash profit* growth

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



Gearing low

Debt/Equity



Consolidated Profit & Loss Statement – FY20

Rs. Cr	FY19	FY20 Before IndAS 116 Impact	YoY Change (%)	IndAS 116 Impact	FY20 After IndAS 116 Impact	YoY Change (%)
Revenue from operations	549.5	669.4	21.8%		669.4	21.8%
Total expenses	380.7	464.3	21.9%	-33.2	431.1	13.2%
EBITDA	168.8	205.1	21.6%	33.2	238.3	41.2%
EBITDA margin (%)	30.7%	30.6%	(7)		35.6%	489
Other income	9.9	5.8	-41.8%		5.8	-41.8%
Finance costs	84.7	124.9	47.5%	36.6	161.6	90.7%
Depreciation & amortization	54.1	73.2	35.2%	14.0	87.2	61.1%
PBT	45.3	15.3	-66.3%	-17.4	(2.2)	-104.8%
Tax expense	(11.1)	15.5	-239.4%	-4.6	10.9	-197.7%
PAT	56.4	(0.2)	-100.4%	-12.8	(13.0)	-123.1%
Cash Profit	110.5	72.9	-34.0%	4.6	77.6	-29.8%

Consolidated Balance Sheet Snapshot – FY20

Rs. Cr	FY19	H1 FY20	FY20
Shareholder's Funds	875.0	824.7	823.0
Non-controlling interests	432.2	430.9	721.8
Total Shareholder's equity	1,307.2	1,255.6	1,544.8
Total Debt	1,204.2	1,334.9	1,577.5
Other Non-current liabilities	38.0	381.4	464.2
Other Current liabilities	222.4	258.5	176.3
Total Equity & Liabilities	2,771.8	3,230.4	3,762.8
Non-current assets	2,575.3	2,979.4	3,603.6
Current assets	196.6	251.0	159.2
Total Assets	2,771.8	3,230.4	3,762.8
Debt to Equity (x)	0.92	1.06	1.02
Average cost of borrowing (%)	9.40%	9.62%	9.60%

Operational Performance by Ageing – FY19 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
Hotels ¹	FY20	24	6	11	2
	FY19	21	7	2	
Operating Rooms (year-end)	FY20	2,855	715	1,622	748
	FY19	2,727	551	292	
Occupancy Rate (%)	FY20	75.2%	67.1%	56.4%	Deep demand markets (high occupancies)
	FY19	79.2%	69.9%	36.3%	
Average Daily Rate (Rs.)	FY20	4,399	4,027	4,438	2.0x of Adult Hotels in that year*
	FY19	4,197	4,082	4,200	
Hotel level EBITDAR ² /room (Rs. Lacs)	FY20	6.9	5.5	2.3	High*
	FY19	7.2	4.9	1.1	
Hotel level EBITDAR ² Margin (%)	FY20	44%	39%	39%	High*
	FY19	44%	33%	40%	
Hotel level ROCE ^{*3} (%)	FY20	12%	5%	2%	1.5x of Adult Hotels in that year*
	FY19	13%	4%	1%	

Notes:

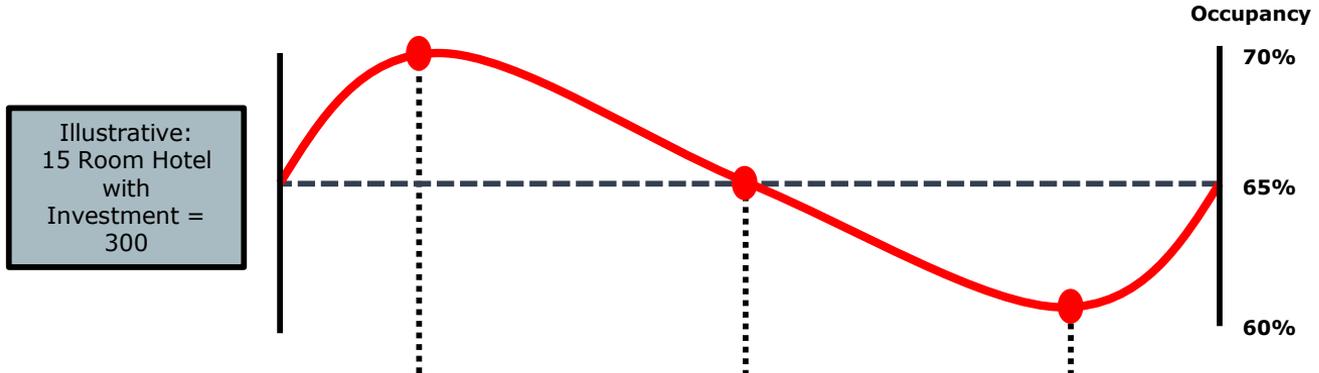
1) During the year FY20 3 hotels moved from toddler to adult category, 2 hotels moved from infant to toddler category and 11 new hotels entered into the infant category

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

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

* Post stabilization.

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	

Lemon Tree Hotels Limited (LTH) Q1 FY21 Earnings Conference Call

Time

- 4:00 PM IST on Monday, August 10, 2020

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

Lemon Tree Hotels (LTH) is the largest mid-priced hotel sector chain, 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. LTH operates in the mid market sector, consisting of the upscale, upper midscale, midscale and economy hotel segments and seeks to cater to Indian middle class guests and deliver differentiated yet superior service offerings, with a value-for-money proposition.

LTH opened its first hotel with 49 rooms in May 2004 and currently operates (including Keys hotels) ~8,000 rooms in 80 hotels across 48 cities. As the current pipeline (as of 31st July 2020) becomes operational, LTH will be operating 109 hotels with ~10,800 rooms, across 69 cities in India and abroad.

Lemon Tree Hotels including keys hotels are located across India, in metro regions, including the Delhi NCR, Mumbai, Kolkata, Bengaluru, Hyderabad and Chennai, as well as tier I and tier II cities such as Pune, Ahmedabad, Chandigarh, Jaipur, Indore, Aurangabad, Udaipur, Vishakhapatnam, Kochi, Ludhiana and Thiruvananthapuram.

For more information about us, please visit www.lemontreehotels.com or contact:

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