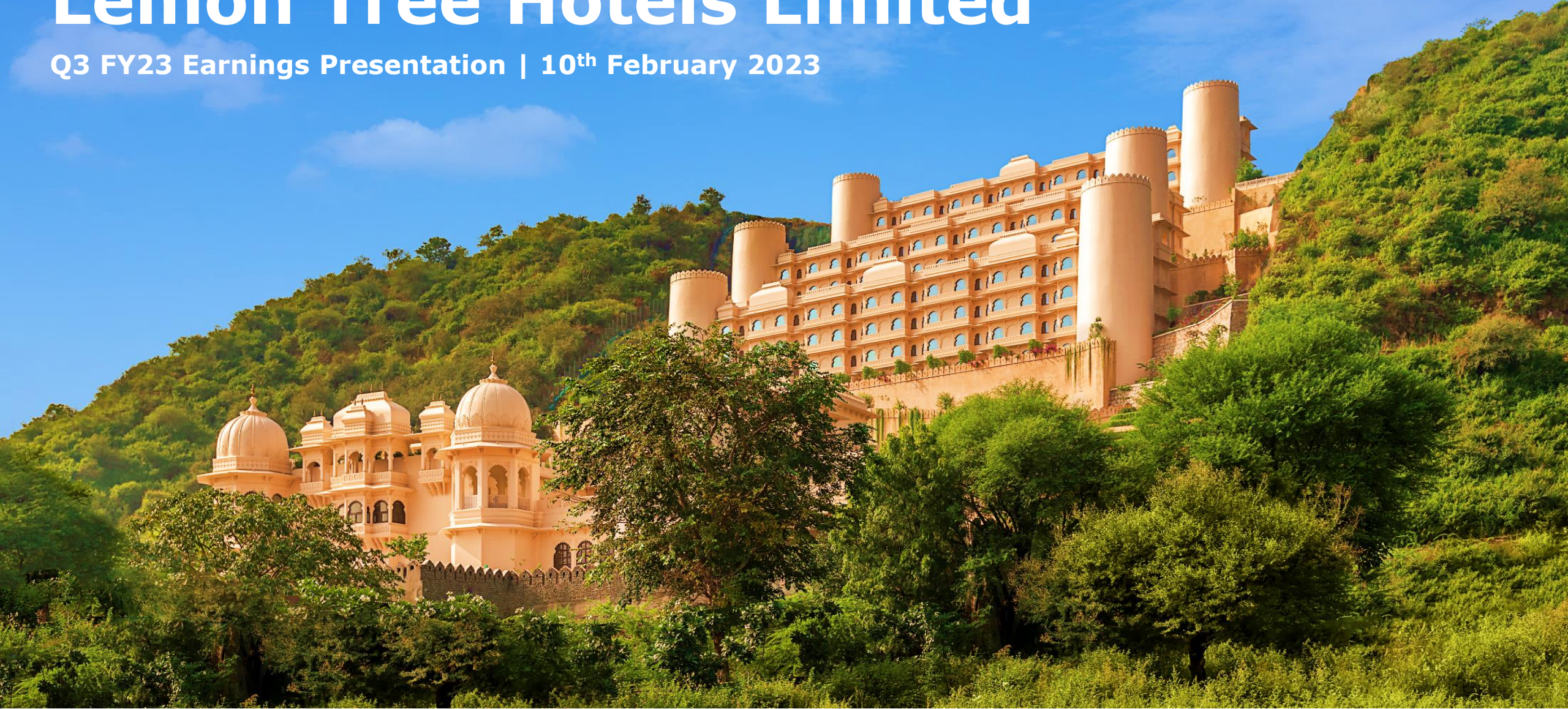


Lemon Tree Hotels Limited

Q3 FY23 Earnings Presentation | 10th February 2023



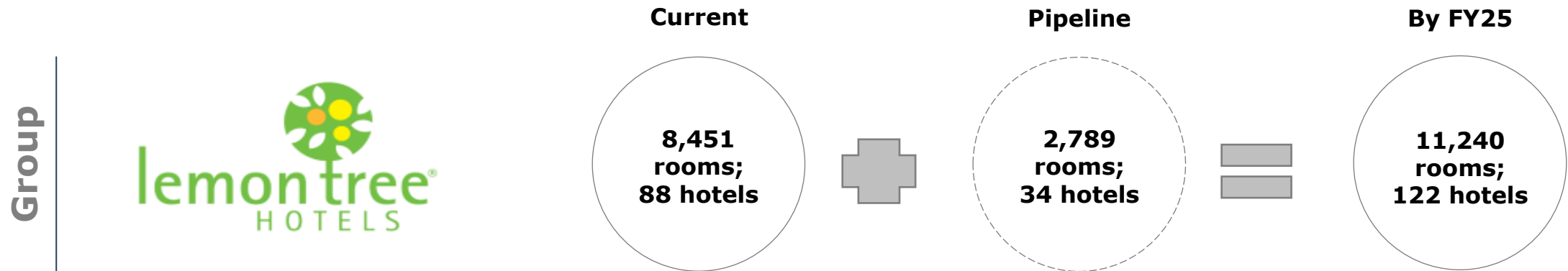
Disclaimer

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 – Snapshot as on 31st December 2022



Brands

Brand	Current	Pipeline	By FY25
Aurika Hotels & Resorts	194 Rooms; 2 Hotels	801 Rooms; 2 Hotels	995 Rooms; 4 Hotels
Lemon Tree Premier	2514 Rooms; 18 Hotels	95 Rooms; 2 Hotels	2609 Rooms; 20 Hotels
Lemon Tree Hotels	2971 Rooms; 41 Hotels	1678 Rooms; 25 Hotels	4649 Rooms; 66 Hotels
Red Fox by Lemon Tree Hotels	1401 Rooms; 12 Hotels	0 Rooms; 0 Hotels	1401 Rooms; 12 Hotels
Keys by Lemon Tree Hotels	1371 Rooms; 15 Hotels	215 Rooms; 5 Hotels	1586 Rooms; 20 Hotels

Chairman & Managing Director's Message

Commenting on the performance for Q3 FY23, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,

“Q3 FY23 occupancy increased by 133 bps and Gross ARR increased by 17% vs Q2 FY23. The total revenue for the quarter stood at Rs. 234.1 Cr which is 19% up vs Q2 FY23 and 15% up vs Q3 FY20. The Net EBITDA margin% for the company in Q3 FY23 was industry-leading at 54.3% which is 648 bps up vs Q2 FY23 and 1,265 bps up vs Q3 FY20. The PAT for Q3 FY23 stands at Rs. 48.6 Cr which is 151% up vs Q2 FY23 and 338% up vs Q3 FY20.

Q3 FY23 has been the best-ever quarter for the company with most key metrics such as Gross ARR, Total Revenue, EBITDA, EBITDA Margin%, PBT and PAT growing significantly. We are confident in the company's ability to sustain this growth in the coming quarters by focusing on the following growth levers:

- * Opening of Aurika, MIAL in October,23
- * Accelerated growth in our management and franchised portfolio, with proportionate increased in fee based income
- * Further improvement in Gross ARRs and Occupancy for the LTH portfolio
- * Significant increase in Gross ARR and Occupancy in the Keys portfolio post renovations

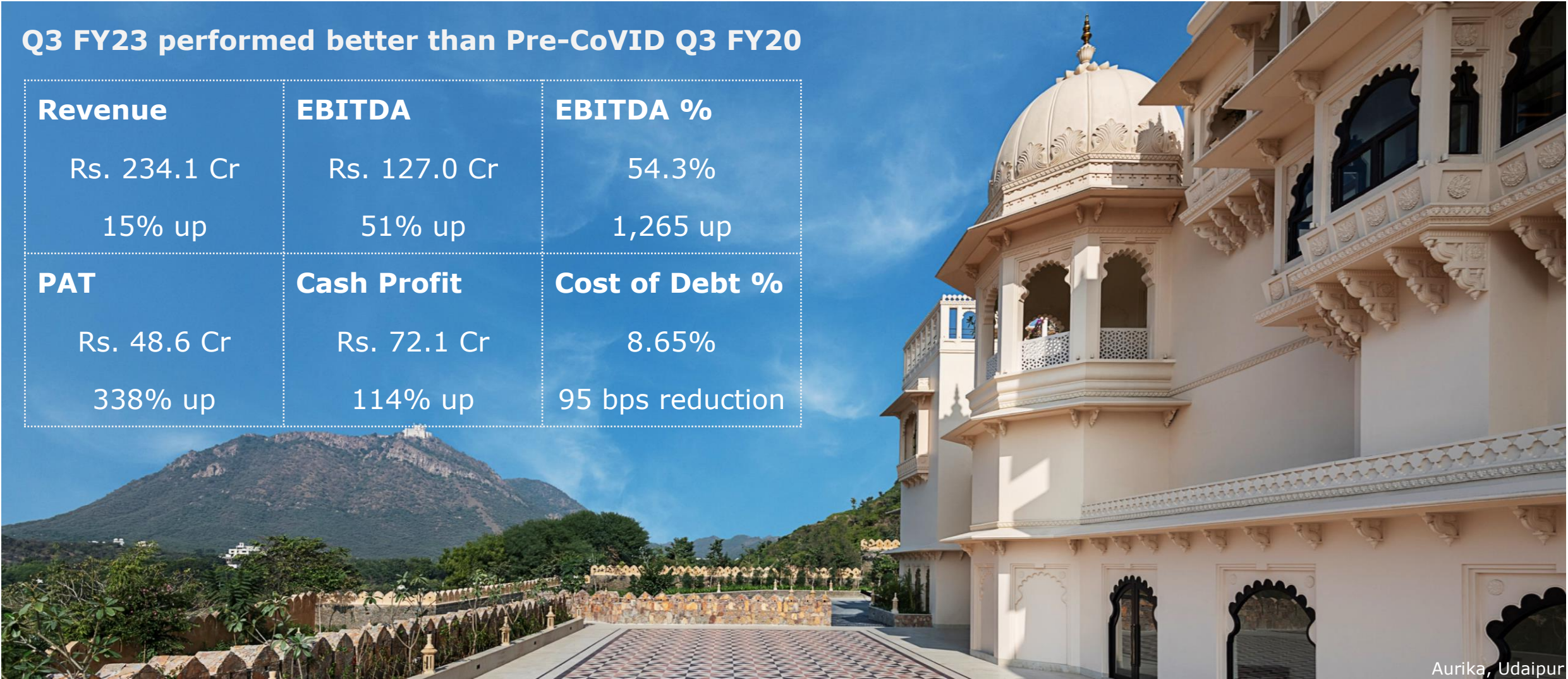
We are pleased to share that we have expanded our presence with the signing of 7 new hotels in the cities of Thekaddy, Haridwar, Jamshedpur, Dehradun, Chandausi, Banswara and Tejpur ; and operationalized 3 hotels in this quarter namely Lemon Tree Hotel in Kalina Mumbai, Lemon Tree Hotel in Mukteshwar and Keys Lite by Lemon Tree Hotels in Vishakhapatnam which were in the pipeline in Q2 FY23. Our total fee from managed hotels in 9M FY23 stood at Rs. 25.1 Cr which is 94% up vs 9M FY20.

Moving on, our focus on cost optimization has translated into an expansion of EBITDA margin % by 648 bps vs Q2 FY23 and 1,265 bps vs Q3 FY20. Cash Profit for Q3 FY23 stood at Rs. 72.1 Cr which is 63% up vs Q2 FY23 and 114% up vs Q3 FY20. We are optimistic that we will generate more cash in the coming quarters, allowing us to fund the Aurika, MIAL project through internal accruals. I would like to reiterate that the construction of our largest hotel, Aurika, MIAL is on track and is set to open by October this year.

Strong Q3 FY23 performance across key financial metrics

Q3 FY23 performed better than Pre-CoVID Q3 FY20

Revenue	EBITDA	EBITDA %
Rs. 234.1 Cr	Rs. 127.0 Cr	54.3%
15% up	51% up	1,265 up
PAT	Cash Profit	Cost of Debt %
Rs. 48.6 Cr	Rs. 72.1 Cr	8.65%
338% up	114% up	95 bps reduction



Aurika, Udaipur

Q-o-Q performance

Despite occupancy not being at Pre-CoVID levels, Q3 FY23 recorded the best ever Gross ARR, EBITDA, PBT, and PAT:

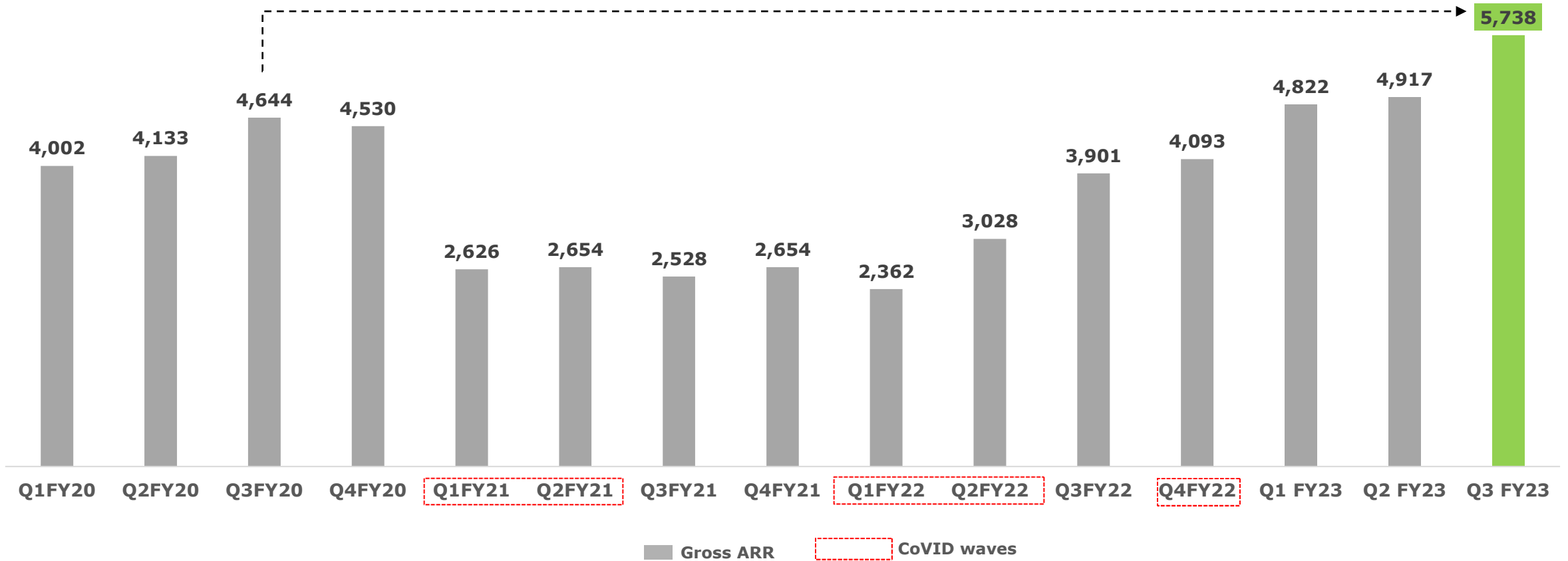
Particulars	Q3 FY23	Q2 FY23	Q1 FY23	Q4 FY22	Q3 FY22	Q2 FY22	Q1 FY22	Q4 FY20	Q3 FY20	Q2 FY20	Q1 FY20
Gross ARR (Rs.)	5,738	4,917	4,822	4,093	3,901	3,028	2,362	4,530	4,644	4,133	4,002
Occupancy %	67.6%	66.2%	65.1%	46.1%	57.6%	51.0%	29.6%	61.0%	71.3%	74.8%	77.5%
Revenue (Rs. Cr)	234.1	197.4	192.3	127.2	146	98.8	44.3	176.5	202.8	153.7	142.2
EBITDA (Rs. Cr)	127.0	94.3	92.6	44.5	65.6	35.8	2.0	64.4	84.4	49.4	46.0
EBITDA %	54.3%	47.8%	48.2%	35.0%	44.9%	36.2%	4.6%	36.5%	41.6%	32.1%	32.4%
PBT (Rs. Cr)	59.2	25.0	20.7	-39.4	-3.2	-34.6	-67.3	-13.5	15.6	-2.1	-1.4
PAT (Rs. Cr)	48.6	19.4	13.58	-39.16	-5.2	-33.2	-59.8	-19	11.1	-2.3	-2.1

 Highest so far

Note: Q4FY22 and Q1 FY23 EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 15.3 Cr and Rs. 4.8 Cr respectively

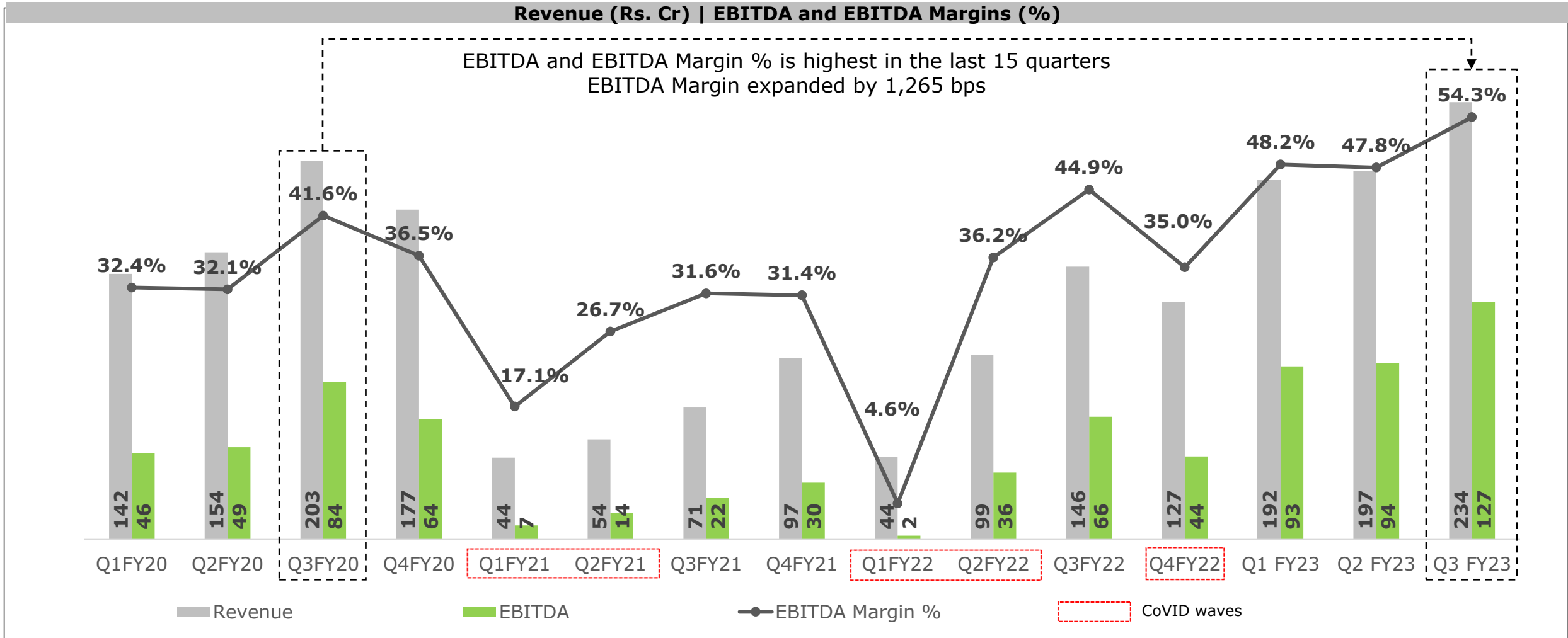
Q-o-Q Gross ARR Recovery

Gross ARR in Q3 FY23 is highest ever since listing and 24% higher than same quarter Pre-CoVID i.e. Q3 FY20



Trends for owned/leased rooms

EBITDA Margin Expansion driven by permanent cost rationalization



Notes:
 Q4FY22 and Q1 FY23 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 15.3 Cr and Rs. 4.8 Cr respectively

Q3 FY23 Brand level performance

Despite occupancy not being at Pre-CoVID levels, our brands in Q3 FY23 recorded improved Gross ARR, RevPAR, EBITDA, EBITDA % compared to Pre-CoVID i.e. Q3 FY20:

Q3 FY23 vs Q3 FY20	Aurika Hotels & Resorts*	Lemon Tree Premier	Lemon Tree Hotels	Red Fox by Lemon Tree Hotels	Keys by Lemon Tree Hotels*
Gross ARR	15% up	16% up	22% up	20% up	18% up
Occ %	3228bps up	465bps up	449bps down	569bps down	1562bps down
RevPAR	198% up	24% up	14% up	11% up	10% down
EBITDAR/Room	649% up	67% up	29% up	22% up	48% down
EBITDAR Margin %	2,999 up	1,874 up	1134 up	707 up	2,163 down

* Aurika Hotels & Resorts and Keys by Lemon Tree Hotels operationalized in Q3 FY20; hence their performance is for the partial quarter of Q3 FY20.

Trends for owned/leased rooms

Q3 FY23 City level performance

Overall, all the key cities in Q3 FY23 recorded an improved EBITDA Margin % compared to Pre-CoVID i.e. Q3 FY20:

Q3 FY23 vs Q3 FY20	Delhi	Gurugram	Hyderabad	Bengaluru	Mumbai	Pune	Rest of India
Gross ARR	12% up	20% up	25% up	20% up	27% up	23% up	30% up
Occ %	389bps down	739bps down	299bps down	1,130bps down	1,684bps up	199bps up	323bps down
RevPAR	7% up	9% up	20% up	1% down	61% up	27% up	24% up
EBITDAR/Room	46% up	22% up	31% up	12% up	131% up	74% up	66% up
EBITDAR Margin %	2,394bps up	902bps up	1,007bps up	381bps up	1,998bps up	1,286bps up	938bps up

Trends for owned/leased rooms

Q3 FY23 Operational Performance by Brands & Region (On full inventory basis)

Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin %		
	Q3 FY23	Q3 FY20	Change (%)	Q3 FY23	Q3 FY20	Change (bps)	Q3 FY23	Q3 FY20	Change (%)	Q3 FY23	Q3 FY20	Change (%)	Q3 FY23	Q3 FY20	Change (bps)
By Brand (#Rooms)															
Aurika Hotels & Resorts (139)*	8,982	3,011	198%	53%	20%	3228	17,102	14,883	15%	7.89	1.05	649%	69%	39%	2,999
Lemon Tree Premier (1,603)	5,167	4,174	24%	75%	71%	465	6,863	5,908	16%	3.82	2.29	67%	65%	46%	1,874
Lemon Tree Hotels (1562)	3,760	3,289	14%	68%	73%	-449	5,500	4,514	22%	2.49	1.92	29%	57%	45%	1134
Red Fox by Lemon Tree Hotels (952)	3,132	2,811	11%	73%	78%	-569	4,315	3,591	20%	1.96	1.60	22%	60%	53%	707
Keys by Lemon Tree Hotels (936)*	1,778	1,978	-10%	51%	66%	-1,562	3,512	2,985	18%	0.34	0.66	-48%	18%	39%	-2,163

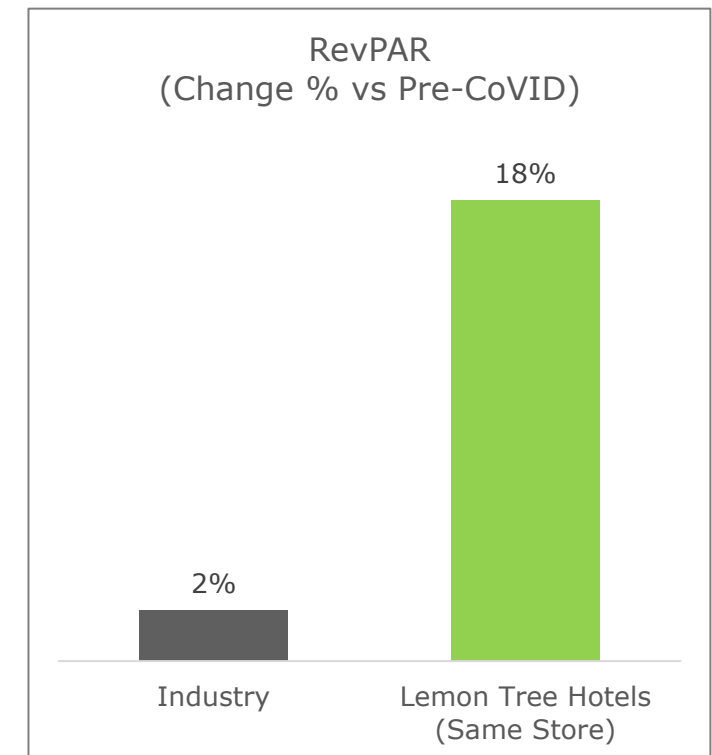
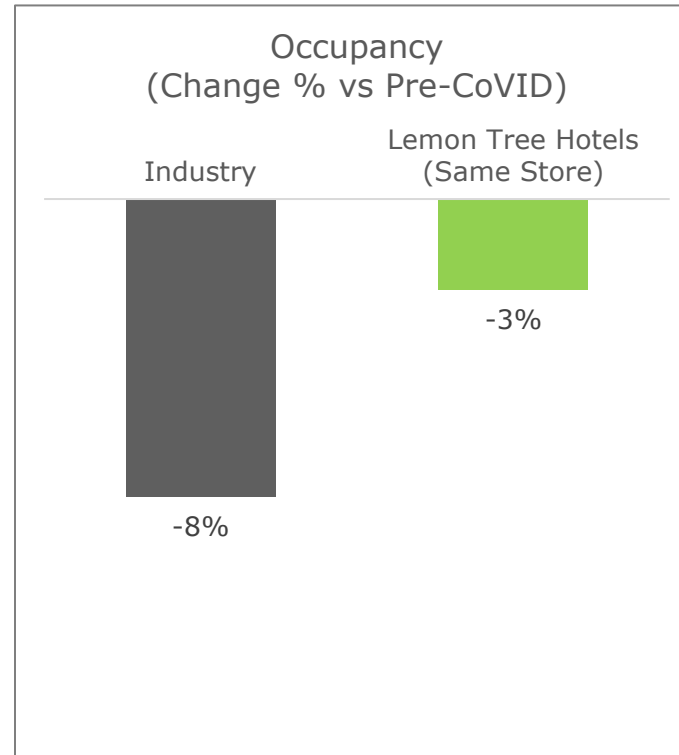
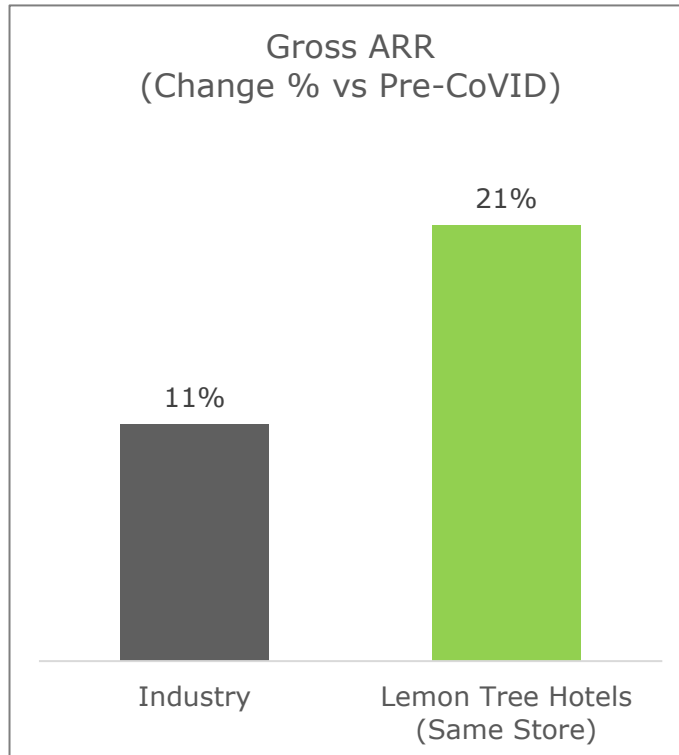
Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin %		
	Q3 FY23	Q3 FY20	Change (%)	Q3 FY23	Q3 FY20	Change (bps)	Q3 FY23	Q3 FY20	Change (%)	Q3 FY23	Q3 FY20	Change (%)	Q3 FY23	Q3 FY20	Change (bps)
By Region (#Rooms)															
Delhi (636)	4,941	4,606	7%	81%	85%	-389	6,090	5,418	12%	4.07	2.79	46%	73%	50%	2394
Gurugram (529)	3,587	3,302	9%	68%	75%	-739	5,286	4,387	20%	2.36	1.93	22%	52%	43%	902
Hyderabad (663)	4,644	3,860	20%	74%	77%	-299	6,245	4,990	25%	3.32	2.52	31%	64%	54%	1007
Bengaluru (874)	2,805	2,836	-1%	54%	65%	-1,130	5,205	4,351	20%	1.52	1.35	12%	48%	44%	381
Mumbai (303)	6,683	4,151	61%	79%	62%	1,684	8,473	6,691	27%	4.62	2.00	131%	64%	44%	1998
Pune (426)	3,436	2,703	27%	69%	67%	199	4,978	4,033	23%	1.88	1.08	74%	48%	35%	1286
Rest of India (1,659)	3,419	2,763	24%	64%	68%	-323	5,317	4,091	30%	2.12	1.28	66%	54%	45%	938
Total (5090)	3877	3311	17%	68%	71%	-373	5,738	4,644	24%	2.57	1.73	49%	58%	46%	1210

* Aurika Hotels & Resorts and Keys by Lemon Tree Hotels operationalized in Q3 FY20; hence their performance is for the partial quarter of Q3 FY20.

Trends for owned/leased rooms

LTH vs Industry – Q3 FY23 vs Q3 FY20 (Pre-CoVID)

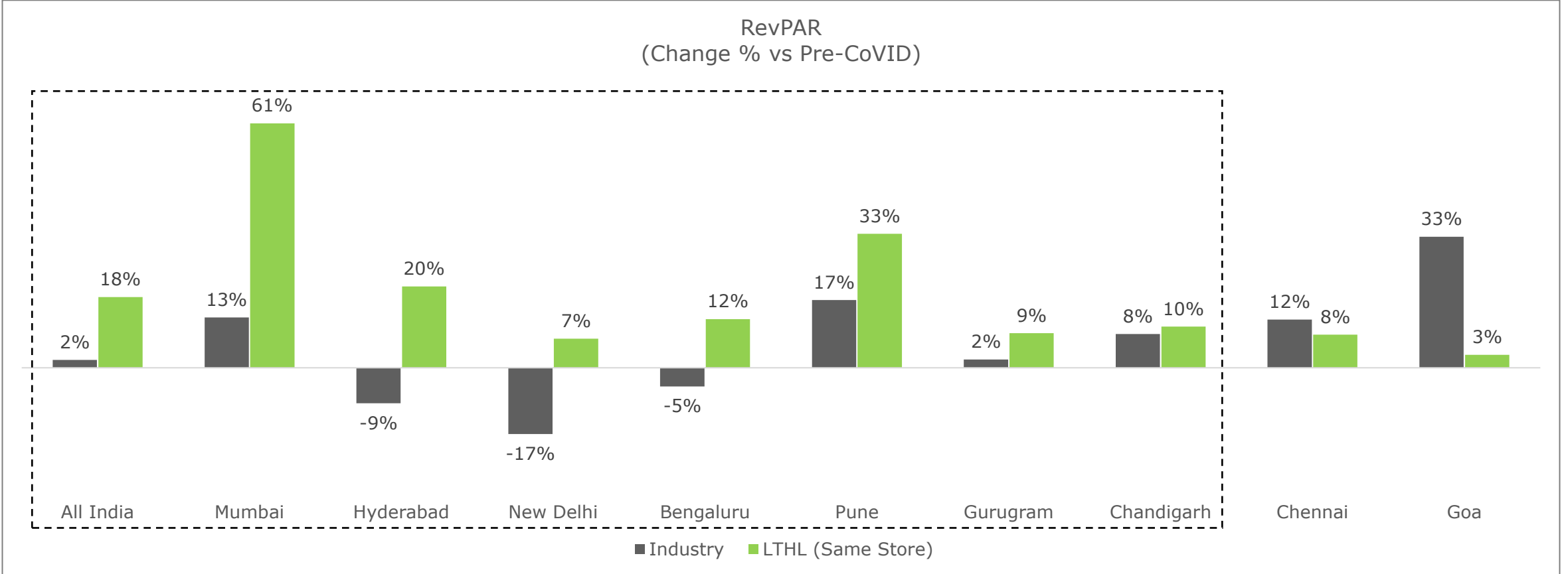
LTH same store hotels recovered faster than the industry in Q3 FY23 vs Q3 FY20 (Pre-CoVID)



Source: STR India

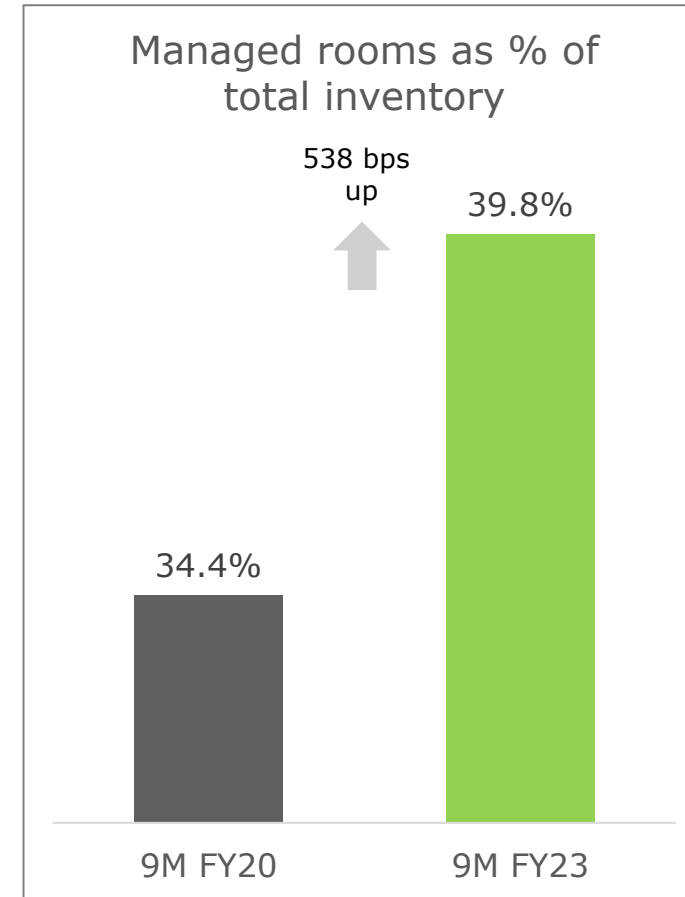
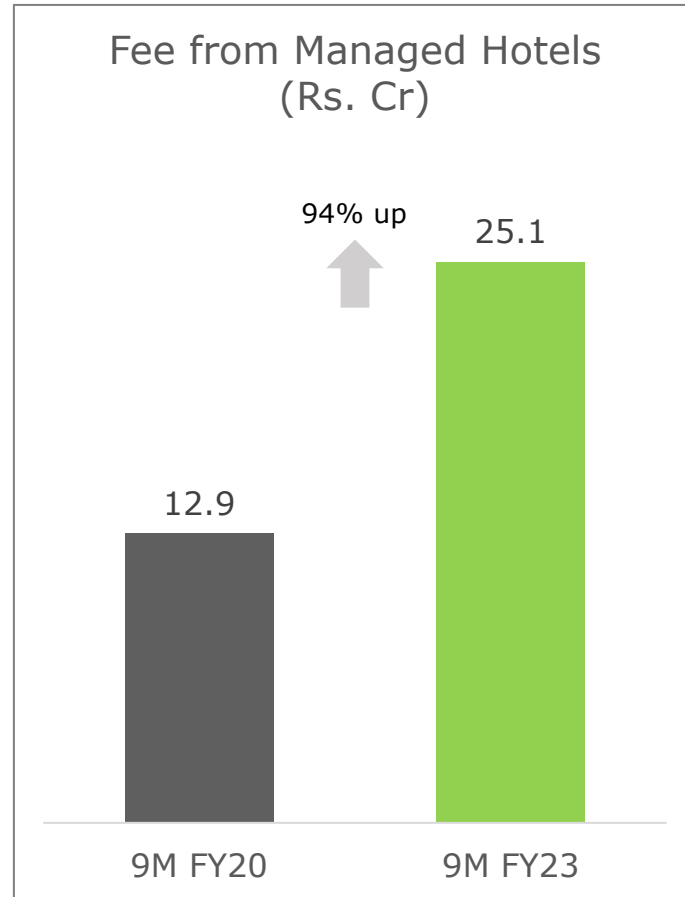
City level: LTH vs Industry – Q3 FY23 vs Q3 FY20 (Pre-CoVID)

In 7 out of 9 key cities, LTH same store hotels recovered faster than the industry in Q3 FY23 vs Q3 FY20

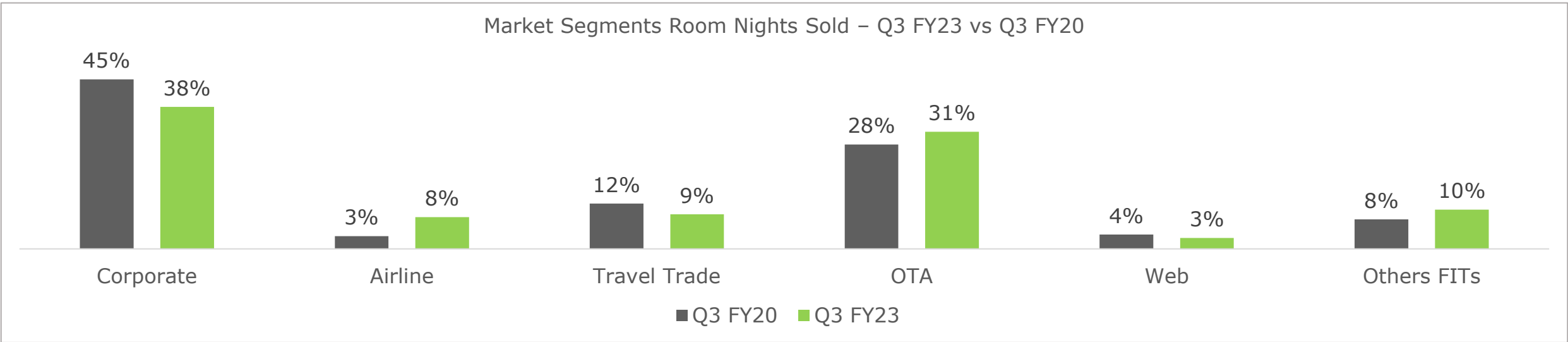
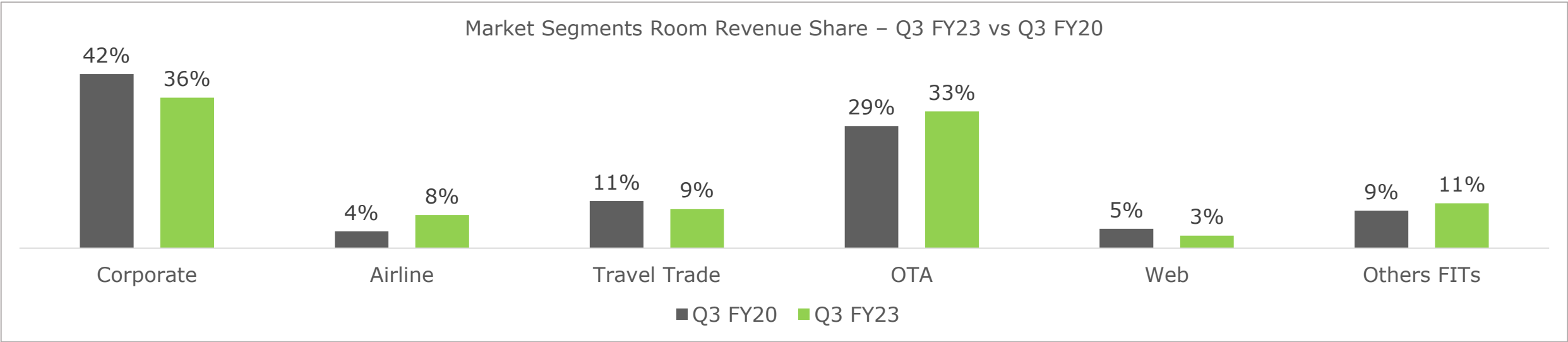


Source: STR India

Asset Light Growth: Fee from managed hotels and Managed rooms as a % of total inventory

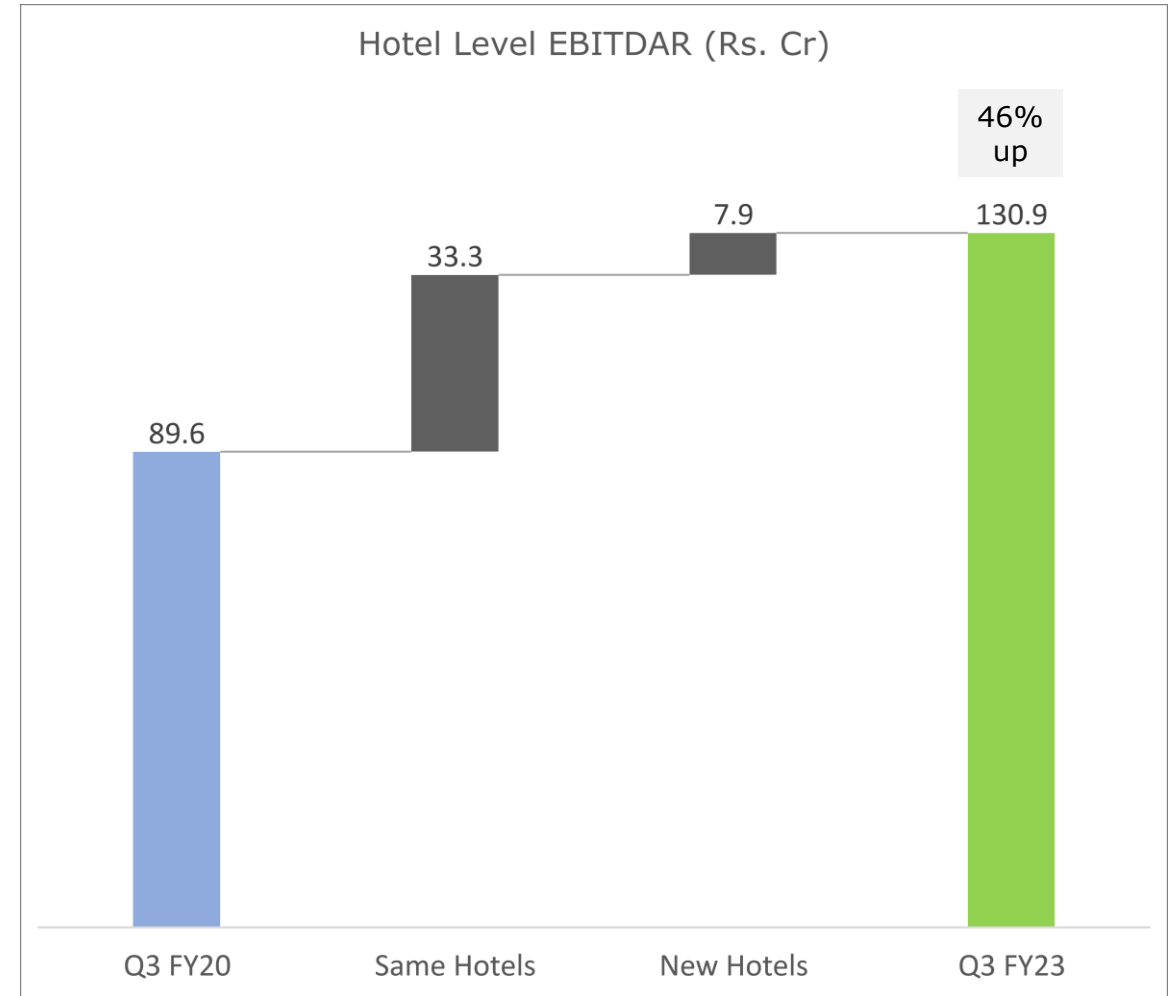
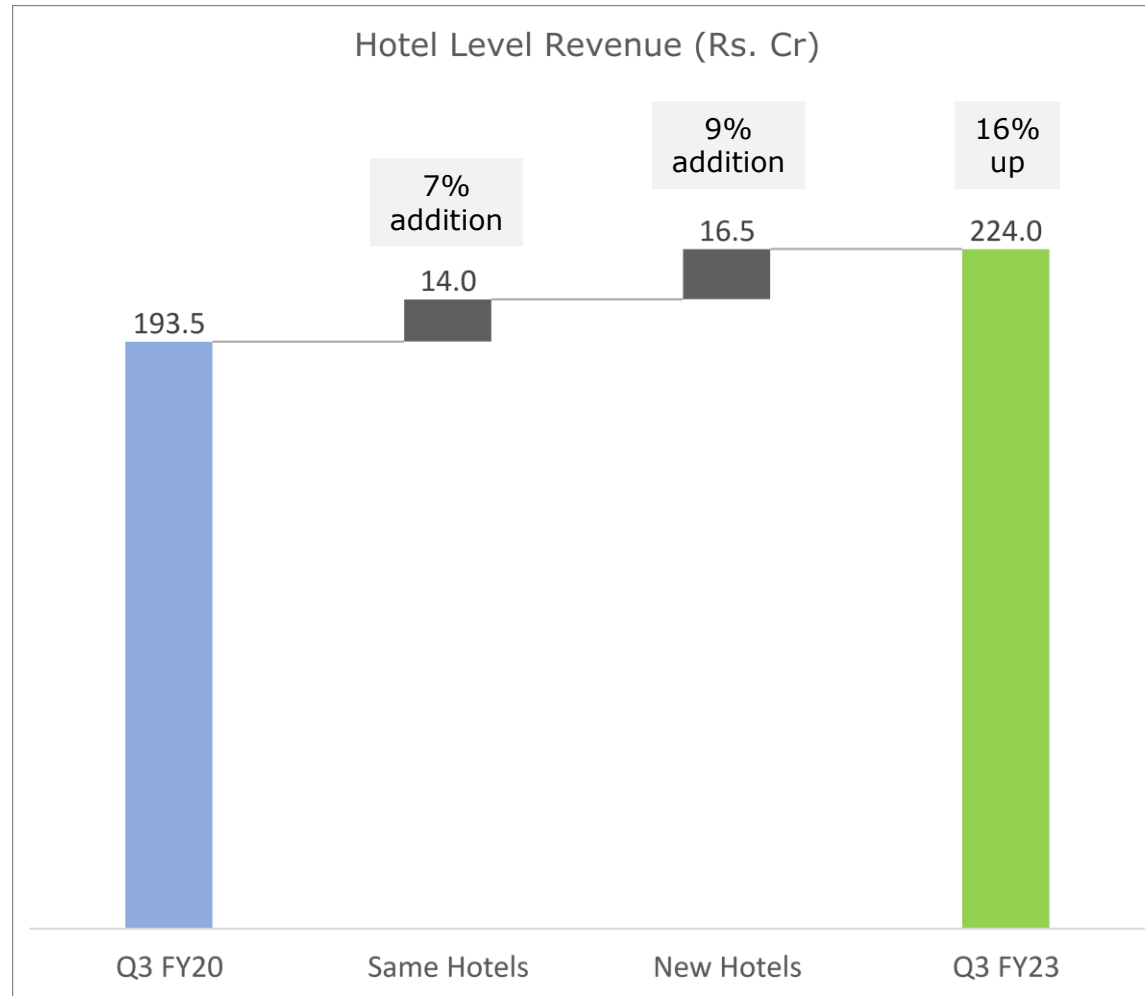


Market Segments: Q3 FY23 vs Q3 FY20 (Pre-CoVID)



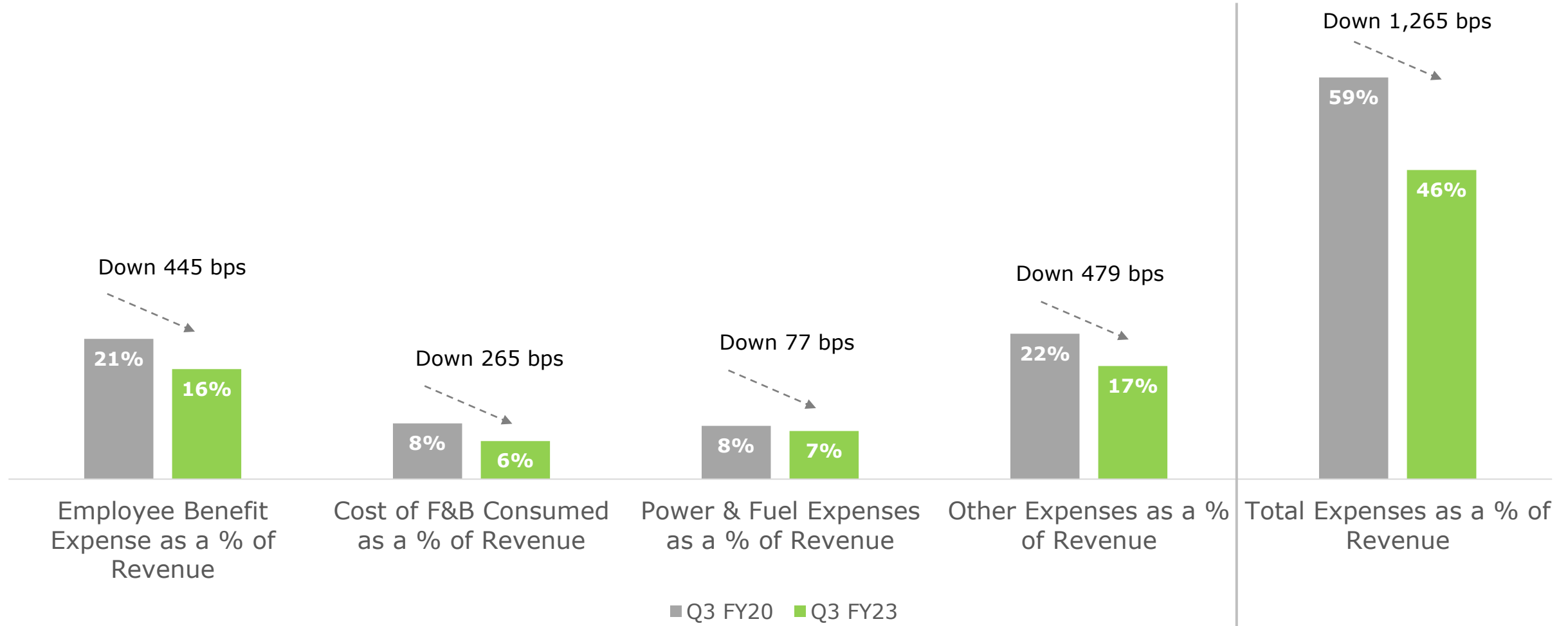
Trends for owned/leased rooms

Hotel level Revenue and EBITDAR expansion: Q3 FY23 vs Q3 FY20 (Pre-CoVID)



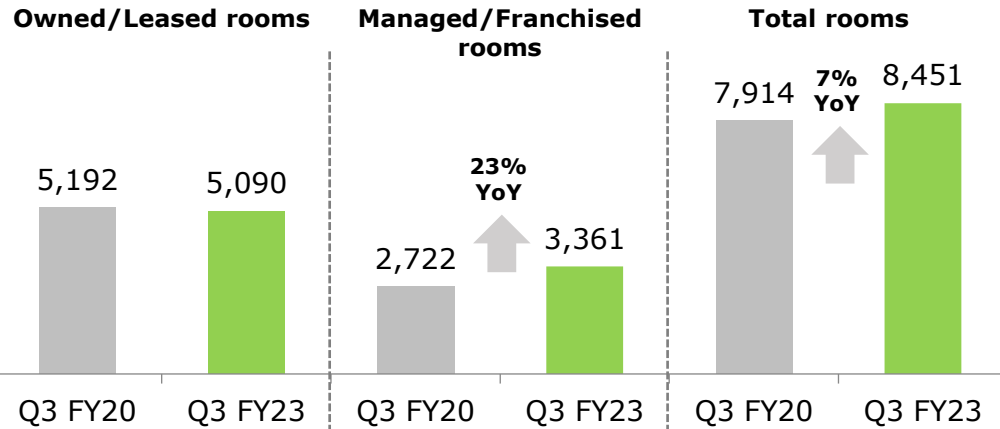
* New Hotels includes 9 hotels: Aurika Hotels & Resorts - Udaipur, Lemon Tree Premier - Kolkata and 7 Keys by Lemon Tree Hotels

Cost Optimization: Q3 FY23 vs Q3 FY20 (Pre-CoVID)

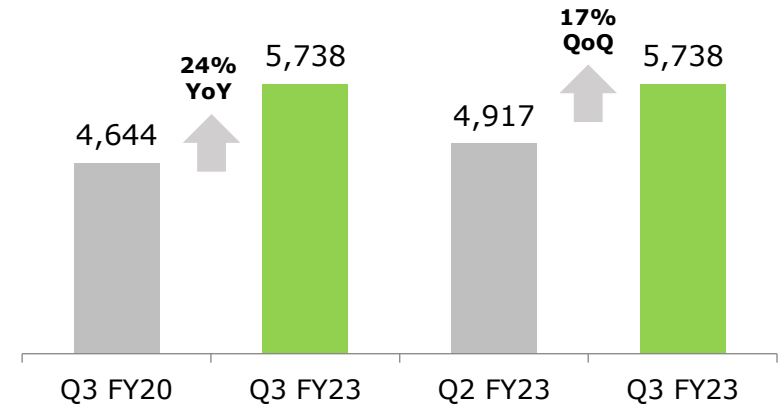


Q3 FY23 Performance Highlights – Operational Metrics (Consolidated)

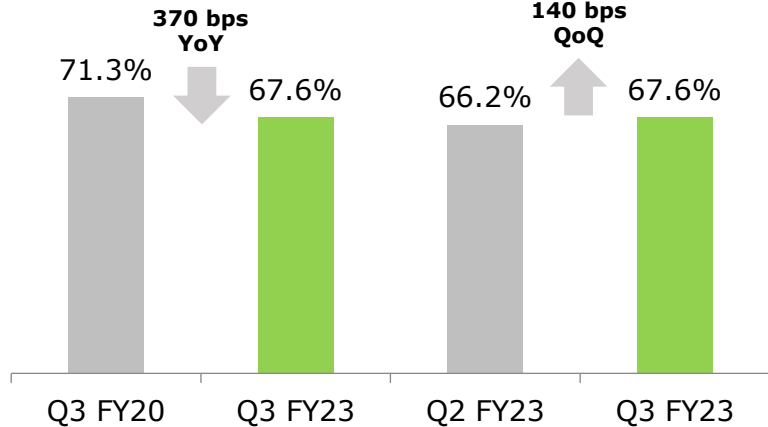
Inventory



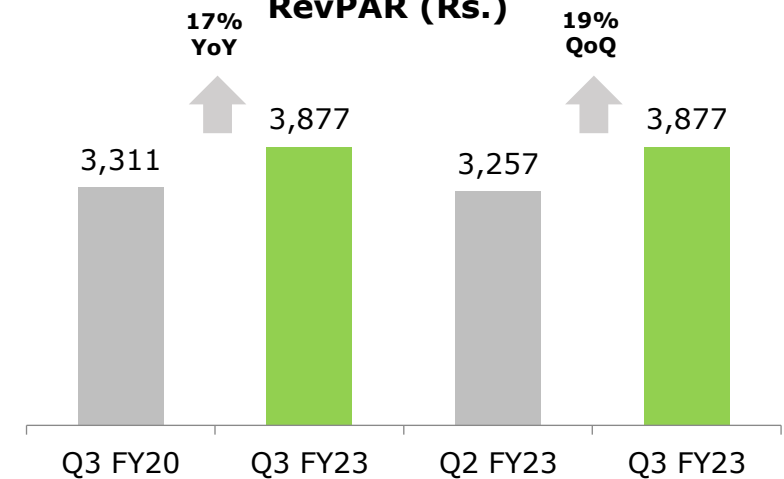
Average Room Rate (Rs.)



Occupancy (%)



RevPAR (Rs.)

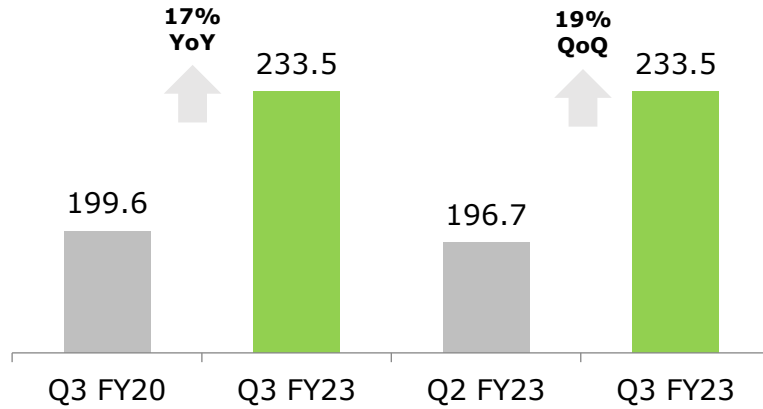


Notes: ARR, Occupancy and RevPAR are for our owned and leased hotels only

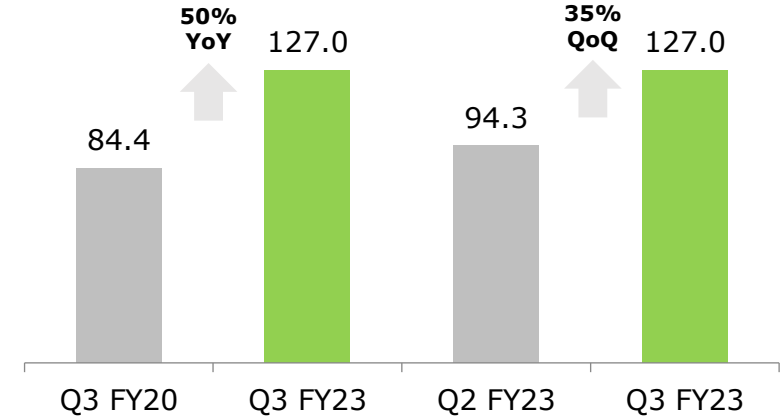
Trends for owned/leased rooms

Q3 FY23 Performance Highlights – Financial Metrics (Consolidated)

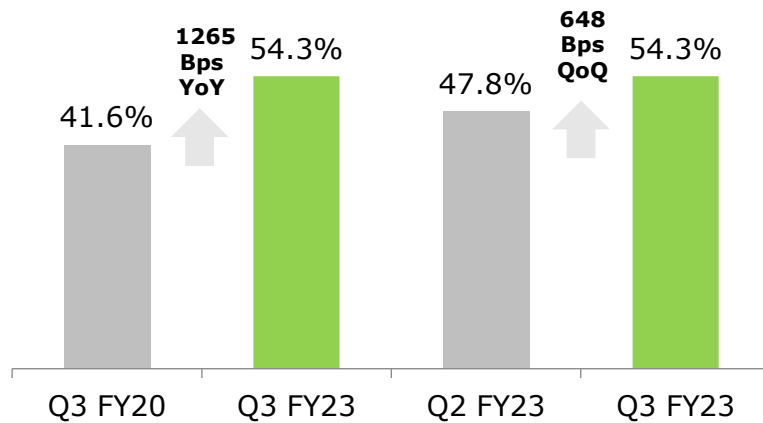
Revenue from Operations (Rs. Cr)



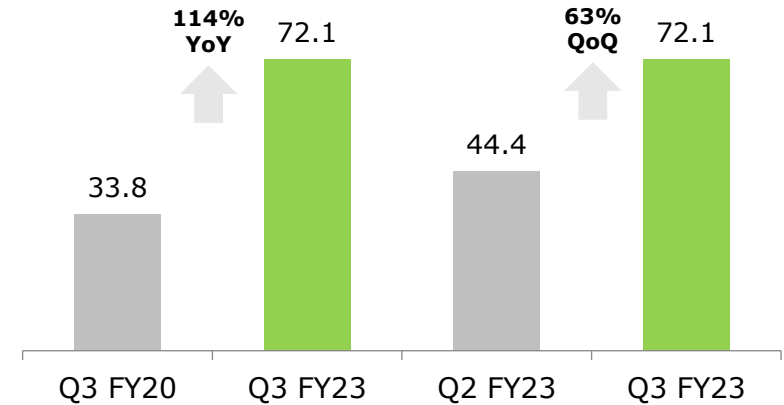
EBITDA (Rs. Cr)



EBITDA Margin (%)

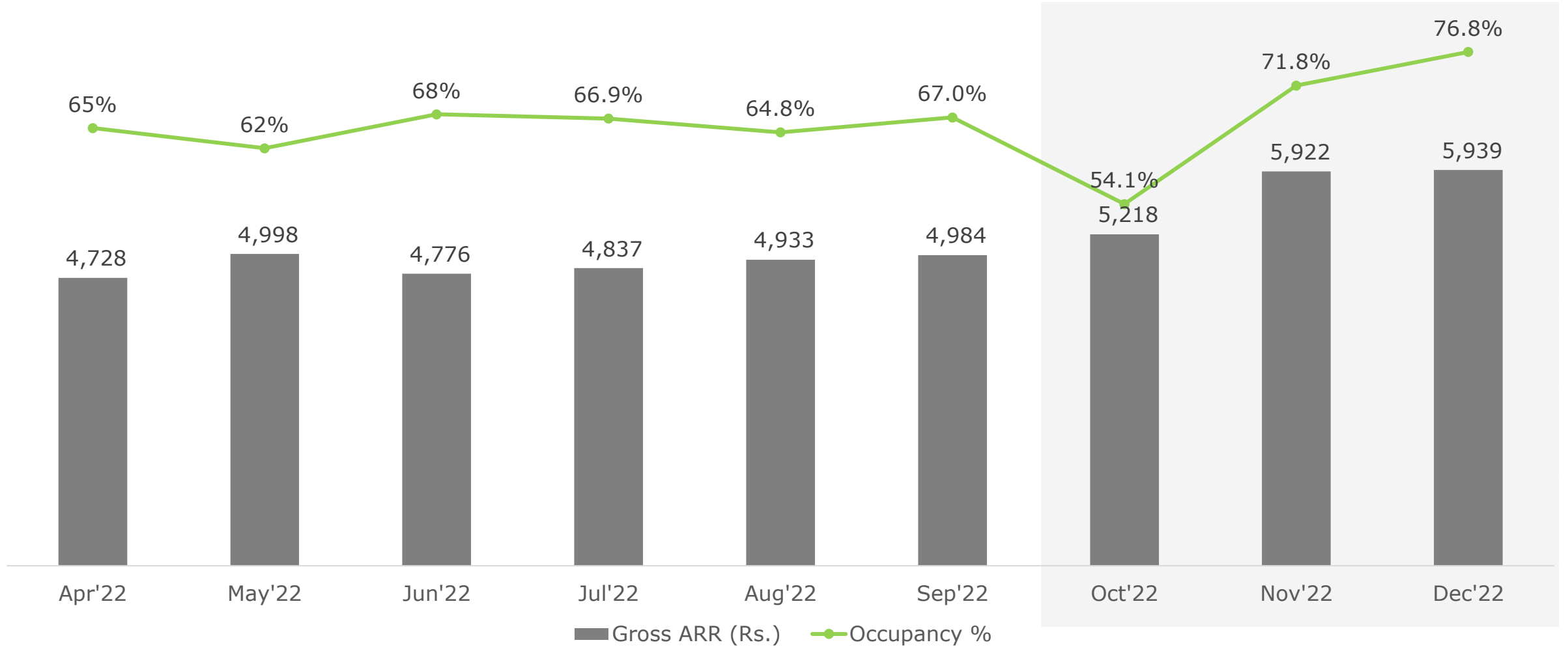


Cash profit (Rs. Cr)



Cash Profit = PAT and Depreciation

Month on Month Occupancy % and Gross ARR Trend



Trends for owned/leased rooms

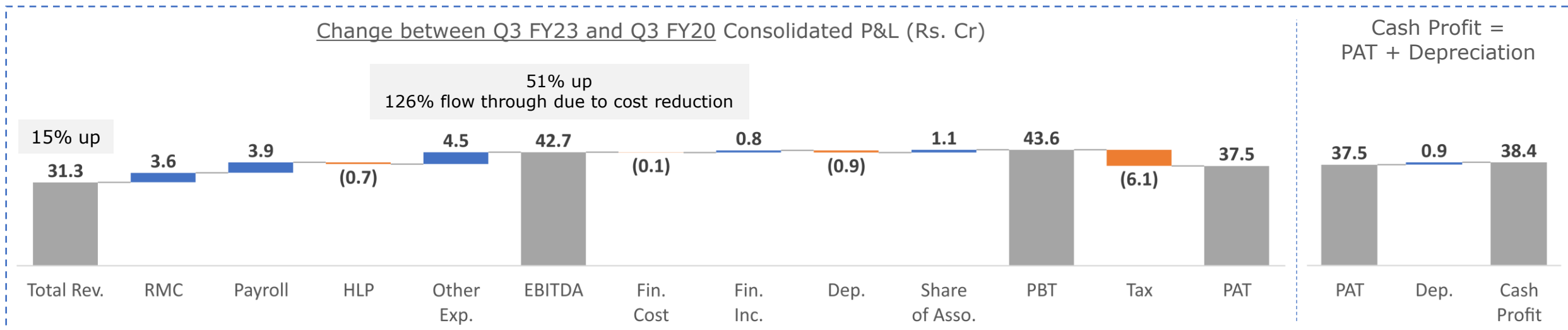
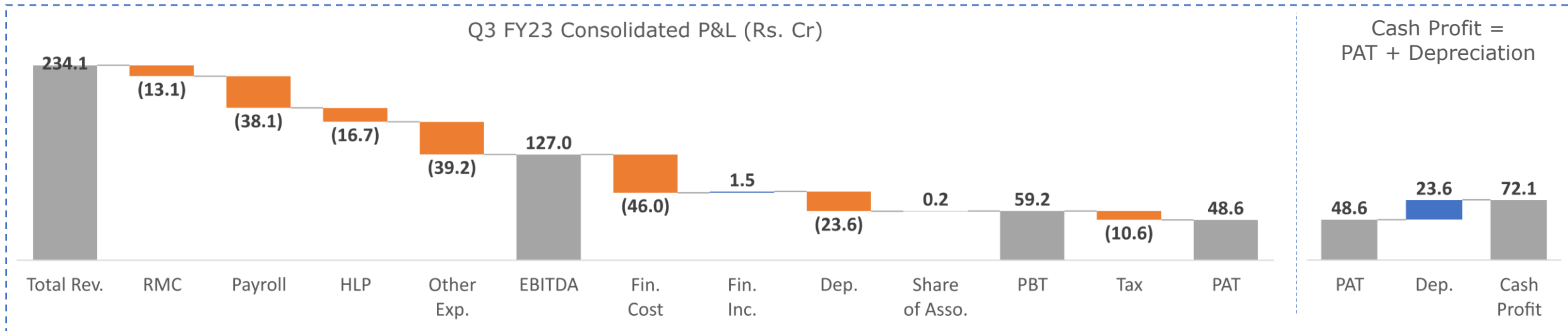
Lemon Tree Consolidated Profit & Loss Statement Breakup

Rs. Cr	Lemon Tree Consolidated ex. Keys Hotels					Keys Hotels*					Lemon Tree Consolidated				
	Q3 FY23	Q2 FY23	Q3 FY20	QoQ Change	YoY Change	Q3 FY23	Q2 FY23	Q3 FY20*	QoQ Change	YoY Change	Q3 FY23	Q2 FY23	Q3 FY20	QoQ Change	YoY Change
Inventory	4,154	4,154	4,256	0%	-2%	936	936	936	0%	0%	5,090	5,090	5,192	0%	-2%
Gross ARR	6,094	5,186	4,869	18%	25%	3,512	3,355	2,985	5%	18%	5,738	4,917	4,644	17%	24%
Occupancy %	71.4%	69.3%	72.0%	211	-66	50.6%	52.8%	66.3%	-214	-1,562	67.6%	66.2%	71.3%	133	-373
RevPAR	4,349	3,592	3,508	21%	24%	1,778	1,771	1,978	0%	-10%	3,877	3,257	3,311	19%	17%
Revenue from Operations	215.6	179.1	183.9	20%	17%	17.9	17.6	15.8	2%	14%	233.5	196.7	199.6	19%	17%
Other Income	0.1	0.4	3.1	-72%	-97%	0.5	0.3	0.0	36%	1438%	0.6	0.7	3.2	-22%	-82%
Total revenue	215.7	179.5	187.0	20%	15%	18.4	18.0	15.8	2%	16%	234.1	197.4	202.8	19%	15%
Total expenses	91.6	90.8	106.1	1%	-14%	15.4	12.3	12.3	26%	25%	107.1	103.1	118.4	4%	-10%
EBITDA	124.1	88.6	80.9	40%	53%	2.9	5.7	3.5	-48%	-15%	127.0	94.3	84.4	35%	51%
<i>EBITDA Margin (%)</i>	57.5%	49.4%	43.3%	813	1,426	16.0%	31.7%	22.0%	-1573	-597	54.3%	47.8%	41.6%	648	1,265
PBT	62.1	25.5	16.8	143%	270%	(2.9)	(0.6)	(1.2)	418%	150%	59.2	25.0	15.6	137%	279%

*Keys Hotels by Lemon Tree Hotels was acquired w.e.f 1st November 2019, hence Q3 FY20 performance includes only Nov-19 and Dec-19

* YoY change is Q3 FY23 vs Q3 FY20

Q3 FY23 Consolidated P&L: Waterfall to explain changes vis-a-viz Q3 FY20



Lemon Tree Consolidated Profit & Loss Statement – Q3 FY23

Rs. Cr	Q3 FY23	Q2 FY23	Q3 FY20	Q3 FY23 vs Q2 FY23 Change (%)	Q3 FY23 vs Q3 FY20 Change (%)
Revenue from operations	233.5	196.7	199.6	19%	17%
Other income	0.6	0.7	3.2	-22%	-82%
Total revenue	234.1	197.4	202.8	19%	15%
Total expenses	107.1	103.1	118.4	4%	-10%
Net EBITDA	127.0	94.3	84.4	35%	51%
Net EBITDA margin (%)	54.3%	47.8%	41.6%	648	1,265
Finance costs	46.0	45.5	45.9	1%	0%
Depreciation & amortization	23.6	25.0	22.7	-6%	4%
PBT	59.2	25.0	15.6	137.1%	278.6%
Tax expense	10.6	5.6	4.6	89.2%	133.0%
PAT	48.6	19.4	11.1	151.1%	338.4%
Cash Profit	72.1	44.4	33.8	63%	114%

Note: Revenue from Operations is inclusive of fee from managed hotels

Lemon Tree Consolidated Profit & Loss Statement – 9 Months FY23

9M FY23 EBITDA Margin % is >50% for LTH Consolidated

Rs. Cr	9M FY23	9M FY22	9M FY20	9M FY23 vs 9M FY22 Change	9M FY23 vs 9M FY20 Change
Revenue from operations	622.3	282.7	493.3	120%	26%
Other income	1.5	6.4	5.4	-76%	-71%
Total Income	623.8	289.1	498.7	116%	25%
Total expenses	309.8	185.6	318.9	67%	-3%
Net EBITDA	314.0	103.5	179.8	203%	75%
Net EBITDA margin (%)	50.3%	35.8%	36.0%	1454	1429
Finance costs	135.7	136.9	112.1	-1%	21%
Finance income	(3.7)	(5.3)	(4.3)	-31%	-16%
Depreciation & amortization	73.1	77.8	59.4	-6%	23%
Share of Profit/ (Loss) of associates	0.7	0.7	(1.3)	-1%	NA
PBT	104.9	(105.2)	11.3	NA	829%
Tax expense	23.4	(7.0)	5.3	NA	339%
PAT	81.5	(98.2)	6.0	NA	1266%
Cash Profit	154.6	(20.4)	65.4	NA	136%

Note:

Revenue from Operations is inclusive of fee from managed hotels

Cash Profit is calculated as PAT + Depreciation. However, for 9M FY23 Cash Profit is calculated as PAT + Depreciation + Stamp Duty Expense

9MFY23 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 4.8 Cr

Lemon Tree Consolidated Balance Sheet – 9 Months FY23

Rs. Cr	9M FY23	9M FY22	9M FY23 vs 9M FY22 Change
Shareholder's Funds	887.2	855.2	4%
Non-controlling interests	576.2	582.0	-1%
Total Shareholder's equity	1463.4	1437.2	2%
Total Debt	1670.3	1680.9	-1%
Other Non-current liabilities	431.3	474.1	-9%
Other Current liabilities	119.1	115.1	3%
Total Equity & Liabilities	3684.2	3707.4	-1%
Non-current assets	3530.5	3557.2	-1%
Current assets	153.7	150.2	2%
Total Assets	3684.2	3707.4	-1%
Debt to Equity (x)	1.14	1.17	-2%
Average cost of borrowing (%)*	8.65%	8.00%	65

* As of 31st December 2022

Discussion on Consolidated Financial & Operational Performance – Q3 FY23

Revenue

- * Revenue from operations stood at Rs. 233.5 Cr in Q3 FY23, up 17% as compared to Rs. 199.6 Cr in Q3 FY20. On a sequential basis, revenue from operations increased 19% from Rs. 196.7 Cr in Q2 FY23
- * Gross ARR increased by 24% from Rs. 4,644 in Q3 FY20 to Rs. 5,738 in Q3 FY23. On a sequential basis, Gross ARR increased by 17% from Rs. 4,917 in Q2 FY23
- * Occupancy on full inventory increased by 133 bps from 66.2% in Q2 FY23 to 67.6% in Q3 FY23. The occupancy fell by 373 bps in Q3 FY23 as compared to Q3 FY20

Cost

- * Total expenses stood at Rs. 107.1 Cr in Q3 FY23, down 9.6% as compared to Rs. 118.4 Cr in Q3 FY20 on back of cost optimization efforts. On a sequential basis, expenses increased by 3.9% from Rs. 103.1 Cr in Q2 FY23

Operating Margins

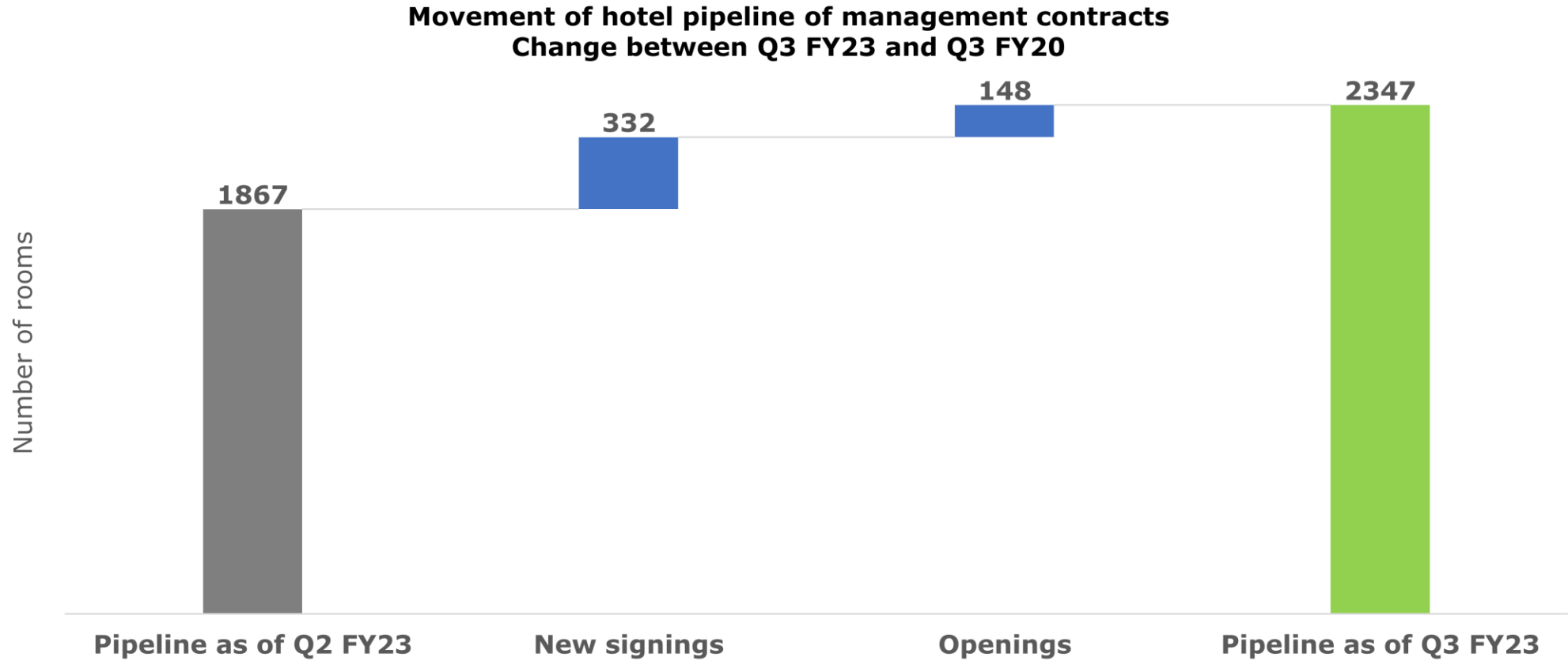
- * Net EBITDA increased by 51% from Rs. 84.4 Cr in Q3 FY20 to Rs. 127.0 Cr in Q3 FY23. EBITDA without other income increased from Rs. 81.2 Cr in Q3 FY20 to Rs. 126.5 Cr in Q3 FY23. On a sequential basis, Net EBITDA increased 35% from Rs. 94.3 Cr in Q2 FY23. EBITDA without other income increased from Rs. 93.6 Cr in Q2 FY23 to Rs. 126.5 Cr in Q3 FY23
- * Net EBITDA margin expanded by 1,265 bps from 41.6% in Q3 FY20 to 54.3% in Q3 FY23. EBITDA margin without other income increased from 40.7% in Q3 FY20 to 54.2% in Q3 FY23. On a sequential basis, the Net EBITDA margin has increased by 648 bps from 47.8% in Q2 FY23. EBITDA margin without other income increased by 656 bps from 47.6% in Q2 FY23

Profit after tax

- * Profit after tax improved from Rs. 11.1 Cr in Q3 FY20 to Rs. 48.6 Cr in Q3 FY23. The PAT in Q2 FY23 was Rs. 19.4 Cr
- * Cash Profit for Q3 FY23 stood at Rs. 72.1 Cr vs Rs. 33.8 Cr in Q3 FY20. The Cash Profit in Q2 FY23 was Rs. 44.4 Cr

Note: Cash Profit is calculated as PAT + Depreciation

Expansion Plans – Pipeline of Management Contracts



Expansion Plans – Pipeline of Management Contracts

#	Hotel Pipeline	City	Rooms	Opening date As of 30/09/2022 (Q2 FY23)	Opening date As of 31/12/2022 (Q3 FY23)
A (A1 to A28)	Total hotel pipeline as of 30/09/2022 (Q2 FY23)		1867		
A1	Lemon Tree Hotel, Tapovan, Rishikesh	Rishikesh	102	Q1 FY24	Q1 FY24
A2	The Spectrum, operated by Lemon Tree Hotels, Gurugram	Gurugram	260	Q1 FY24	Q1 FY24
A3	Lemon Tree Hotel, Hubli	Hubli	65	Q4 FY23	Q1 FY24
A4	Lemon Tree Hotel, Rajkot	Rajkot	45	Q4 FY23	Q1 FY24
A5	Lemon Tree Hotel, Sonmarg	Sonmarg	40	Q1 FY24	Q1 FY24
A6	Lemon Tree Premier, Biratnagar, Nepal	Biratnagar, Nepal	80	Q1 FY24	Q1 FY24
A7	Lemon Tree Hotel, Malad, Mumbai	Mumbai	93	Q4 FY23	Q2 FY24
A8	Lemon Tree Resort, Mussoorie	Mussoorie	40	Q4 FY23	Q2 FY24
A9	Lemon Tree Hotel, Agra	Agra	62	Q1 FY24	Q2 FY24
A10	Lemon Tree Hotel, Anjuna, Goa	Goa	51	Q4 FY23	Q2 FY24
A11	Lemon Tree Resort, Thimphu, Bhutan	Thimphu, Bhutan	38	Q3 FY24	Q3 FY24
A12	Lemon Tree Hotel, Thiruvananthapuram	Trivandrum	100	Q3 FY24	Q3 FY24
A13	Lemon Tree Hotel, Erode	Erode, Tamil Nadu	64	Q3 FY24	Q3 FY24
A14	Keys Select by Lemon Tree Hotels, Chirang	Chirang, Assam	40	Q3 FY24	Q3 FY24
A15	Lemon Tree Premier, Kanha	Kanha	15	Q3 FY24	Q3 FY24
A16	Keys Lite by Lemon Tree Hotels, Jaipur	Jaipur	47	Q3 FY24	Q3 FY24
A17	Lemon Tree Hotel, Darjeeling	Darjeeling	55	Q4 FY24	Q4 FY24
A18	Aurika, Rishikesh	Rishikesh	132	Q4 FY25	Q4 FY25
A19	Lemon Tree Hotel, Kharar	Kharar	60	Q4 FY25	Q4 FY25
A20	Lemon Tree Hotel, Gulmarg	Gulmarg	35	TBD	TBD
A21	Lemon Tree Hotel, McLeodganj	Dharamshala	39	Q1 FY24	TBD
A22	Lemon Tree Hotel, Bokaro	Bokaro	70	TBD	TBD
A23	Lemon Tree Hotel, Kathmandu	Kathmandu, Nepal	75	Q2 FY25	TBD
A24	Bhangeri Durbar Resort, operated by Lemon Tree Hotels, Nepal	Nagarkot, Nepal	51	TBD	TBD
A25	Lemon Tree Hotel, Ludhiana	Ludhiana	60	TBD	TBD
B (A26 to A28)	Hotels in pipeline which opened in Q3 FY23		148		
A26	Keys Lite by Lemon Tree Hotels, Sreekanya	Visakhapatnam	44	Q3 FY23	Now open
A27	Lemon Tree Hotel, Kalina	Mumbai	63	Q3 FY23	Now open
A28	Lemon Tree Hotel, Mukteshwar	Mukteshwar	41	Q3 FY23	Now open
C (C1 to C7)	New hotels signed in Q3 FY23		332		
C1	Keys Prima by Lemon Tree Hotel, Thekkady	Thekkady, Kerala	42	Q3 FY23 Signing	Q2 FY24
C2	Lemon Tree Hotel Haridwar	Haridwar	50	Q3 FY23 Signing	Q2 FY24
C3	Lemon Tree Hotel, Jameshedpur	Jamshedpur, Jharkhand	42	Q3 FY23 Signing	Q2 FY24
C4	Keys Lite by Lemon Tree Hotel Dehradun	Dehradun	32	Q3 FY23 Signing	Q3 FY24
C5	Lemon Tree Hotel Chandausi	Chaundausi, UP	70	Q3 FY23 Signing	Q1 FY25
C6	Keys Lite by Lemon Tree Hotels, Banswara	Banswara, Rajasthan	54	Q3 FY23 Signing	Q1 FY25
C7	Lemon Tree Hotel, Tejpur, Assam	Tejpur, Assam	42	Q3 FY23 Signing	Q4 FY25
A-B+C	Total hotel pipeline as of 31/12/2022 (Q3 FY23)		2051		

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

Expansion Plans – Hotels under Development

Under-development hotels	Type	Rooms	Expected Opening date	Ownership (%)
Aurika, Mumbai International Airport	Owned	669	CY23	58.91%
Lemon Tree Mountain Resort, Shimla	Owned	69	TBD	100.00%
Total		738		

* Total estimated project cost is Rs. 1,006 Cr

* 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 31st December 2022 is Rs. 509 Cr

ESG – FY22 Progress



Energy

15%

Reduction in Energy Consumption (intensity based) by FY26 over FY19 baseline

17%

Reduction in Energy Consumption (intensity based) in FY22 over FY19 baseline



Renewable Energy

50%

Renewable energy (RE) usage by FY26

15.25%

Renewable energy (RE) usage in FY22



Green Buildings

100%

Certified Green Buildings (hotels) by FY26

15%

Certified Green Buildings (hotels) in FY22



Diversity and Inclusion

30%

ODIs* in the workforce by FY26

13%

ODIs* in the workforce in FY22



GHG Emissions

40%

Reduction in GHG emissions (intensity based) by FY26 over FY19 baseline

20%

Reduction in GHG emissions (intensity based) in FY22 over FY19 baseline



Water

10%

Reduction in water consumption (intensity based) by FY26 over FY19 baseline

16%

Reduction in water consumption (intensity based) in FY22 over FY19 baseline



Gender Focus

15%

Women across the workforce by FY26

9%

Women across the workforce in FY22



Sustainable Development

₹ 7.20 CR

Investment for Sustainable Development

***Note:**

Opportunity Deprived Indians (ODIs) includes:

- Employees with Disability (**EWD**) – Speech & Hearing Impaired (**SHI**), Orthopedically Handicapped (**OH**), Low Vision (**LV**); Down Syndrome/Slow Learner/Intellectual and Developmental Disability (**IDD**), **Autism**
- Employees from Economically/Socially Marginalized (**EcoSoc**) backgrounds (widows, destitute woman, orphaned/abandoned girls, transgenders and person from states ranked low in education/employment opportunities)

Aurika, Mumbai Airport (MIAL) | Artistic Representation



Aurika, Mumbai Airport (MIAL) | Current Status



Aurika, Mumbai Airport (MIAL) | Mock-up room



Lemon Tree Mountain Resort, Shimla | Artistic Representation



Lemon Tree Mountain Resort, Shimla | Current Status





Annexures

Consolidated Profit & Loss Statement – FY22 vs FY21

Rs. Cr	FY22	FY21	FY22 vs FY21 YoY Change (%)
Revenue from operations	402.2	251.7	60%
Other income	14.0	13.3	6%
Total Income	416.3	265.0	57%
Total expenses	268.3	190.5	41%
EBITDA	147.9	74.5	99%
EBITDA margin (%)	35.5%	28.1%	741
Finance costs	180.9	190.5	-5%
Depreciation & amortization	104.3	107.6	-3%
PBT	(144.6)	(218.7)	NA
Tax expense	(7.2)	(32.2)	NA
PAT	(137.4)	(186.5)	NA
Cash Profit	(17.8)**	(20.8)*	NA

Note:

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

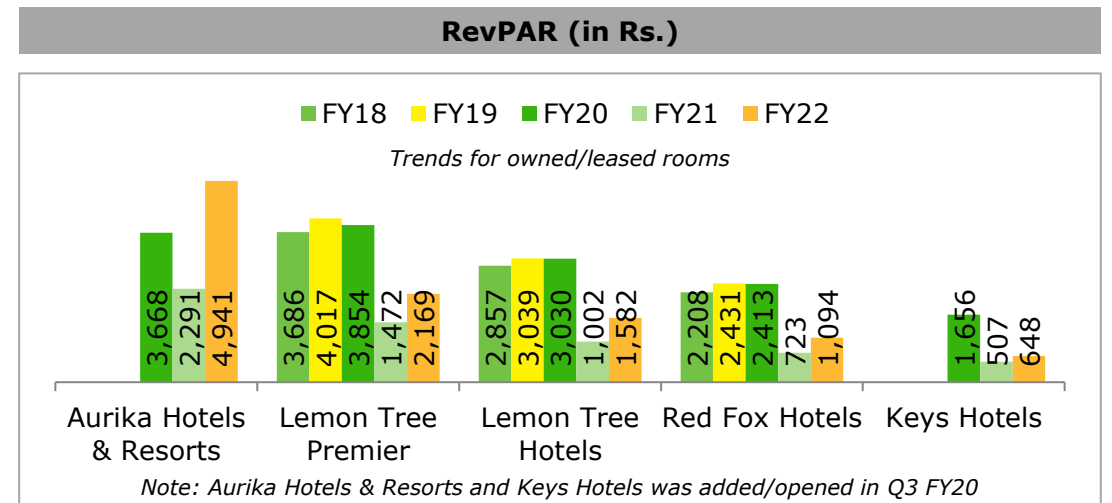
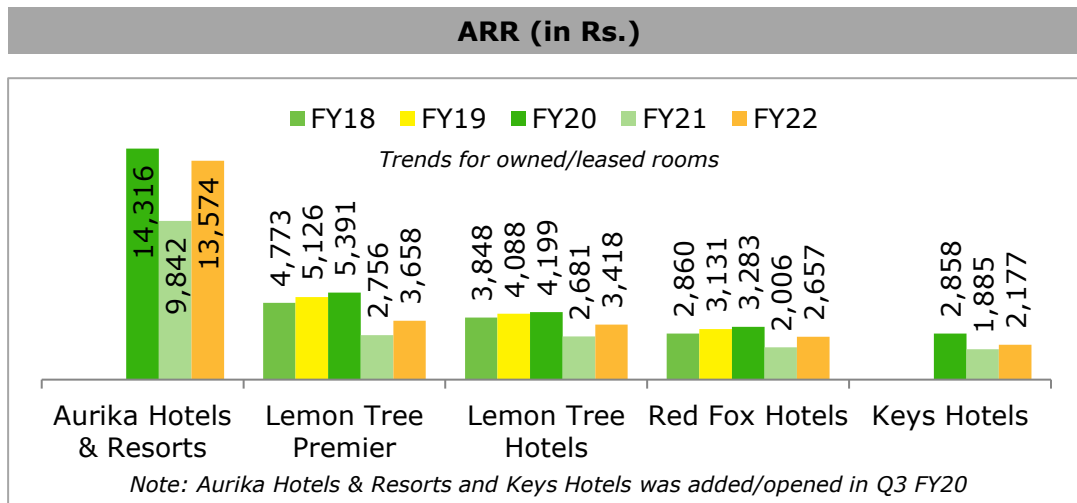
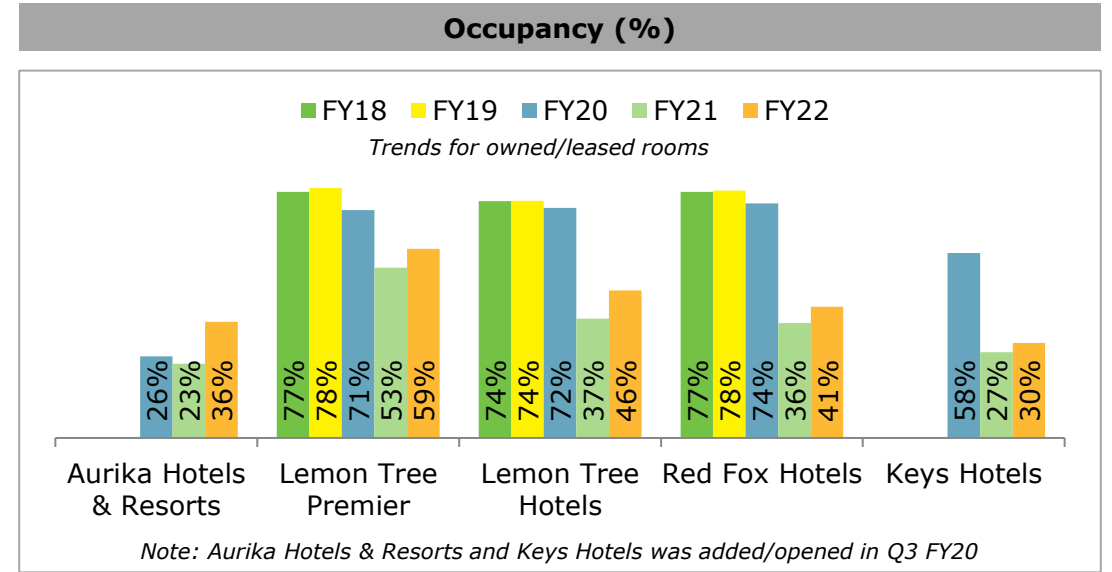
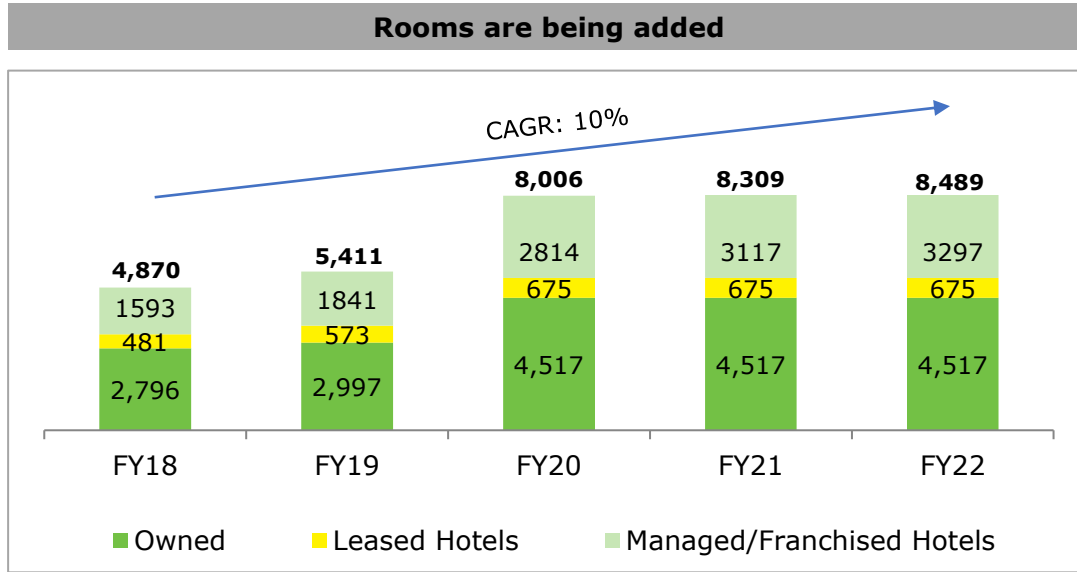
** For FY22, Cash Profit is calculated as PAT + Depreciation + Stamp Duty expense (i.e.. Rs. 15.3 cr)

FY22 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 15.3 Cr

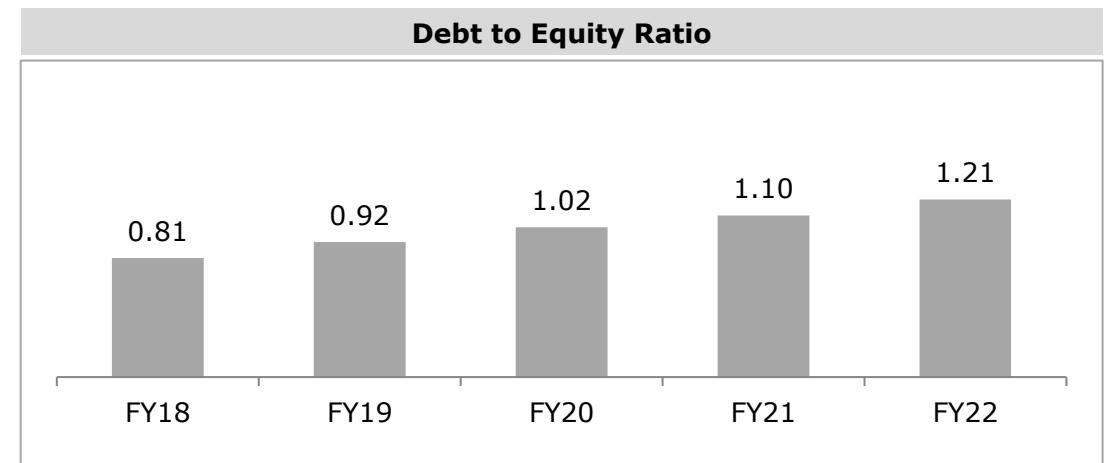
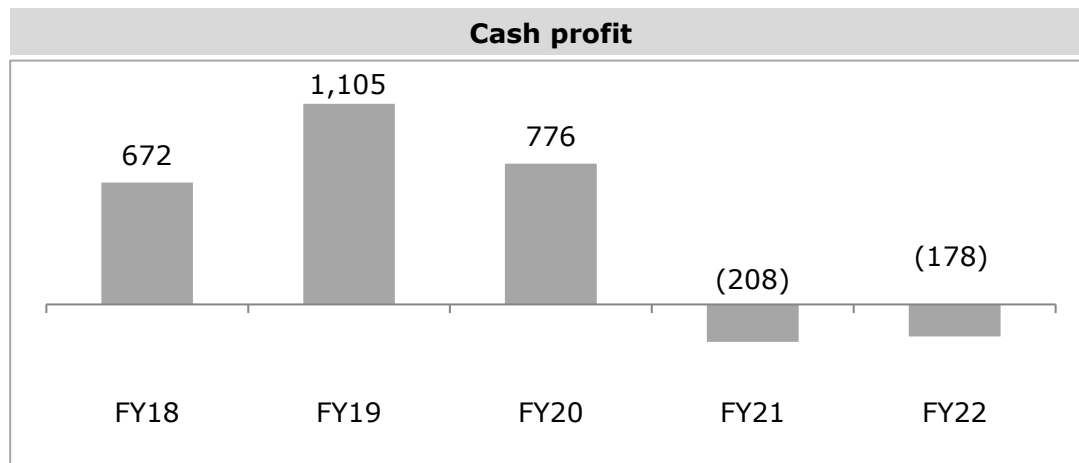
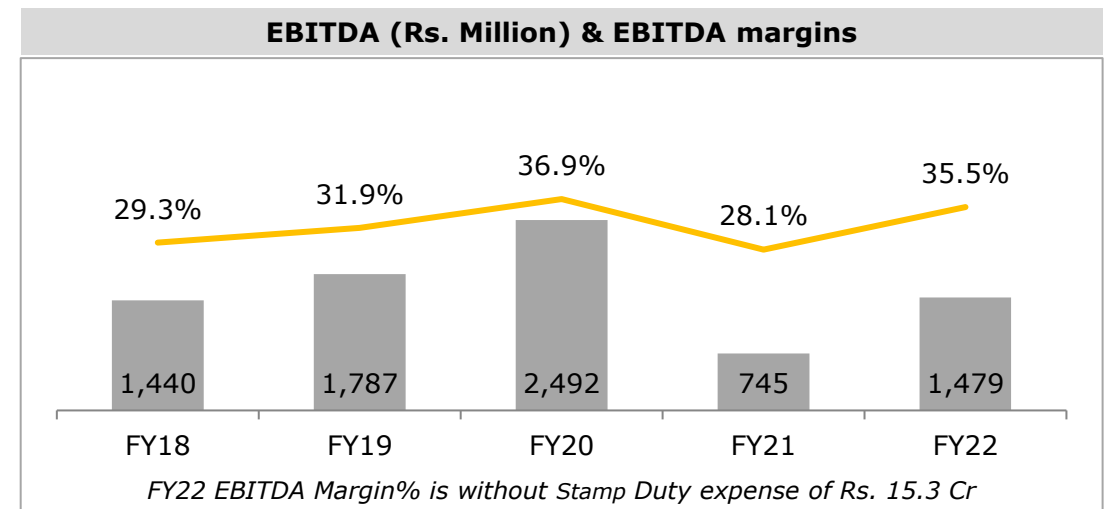
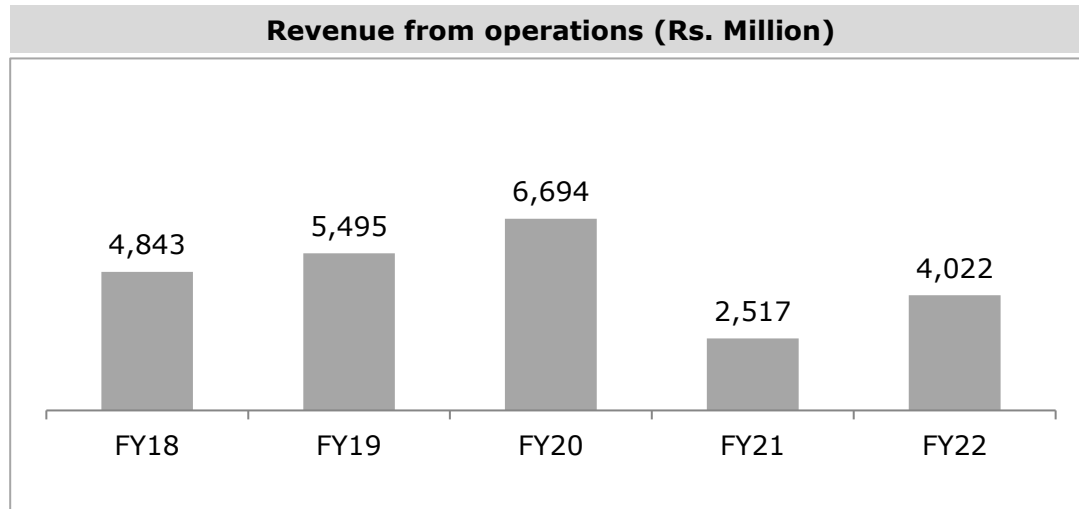
Consolidated Balance Sheet – FY22 vs FY21

Rs. Cr	FY22	FY21	FY22 vs FY21 YoY Change (%)
Shareholder's Funds	831.1	917.6	-9%
Non-controlling interests	567.7	617.4	-8%
Total Shareholder's equity	1,398.9	1,535.0	-9%
Total Debt	1,698.6	1,685.3	0.8%
Other Non-current liabilities	433.0	473.7	-9%
Other Current liabilities	104.5	124.6	-16%
Total Equity & Liabilities	3,635.0	3,818.5	-5%
Non-current assets	3,504.1	3,588.3	-2%
Current assets	131.0	230.2	-43%
Total Assets	3,635.0	3,818.5	-5%
Debt to Equity (x)	1.21	1.10	11%
Average cost of borrowing (%)	8.00%	8.28%	(28)

Operating performance over 5 years



Operating Performance over 5 years



Notes: FY18, FY19, FY20, FY21 and FY22 figures are from audited balance sheet. For FY20 and FY21: Cash Profit = PAT + Depreciation + Interest converted into loans, for FY22: Cash Profit = PAT + Depreciation + Stamp Duty Expense; for all remaining years it is PAT + Depreciation. FY22 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 15.3 Cr

Environment Social Governance (ESG) – Vision FY26



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

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



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

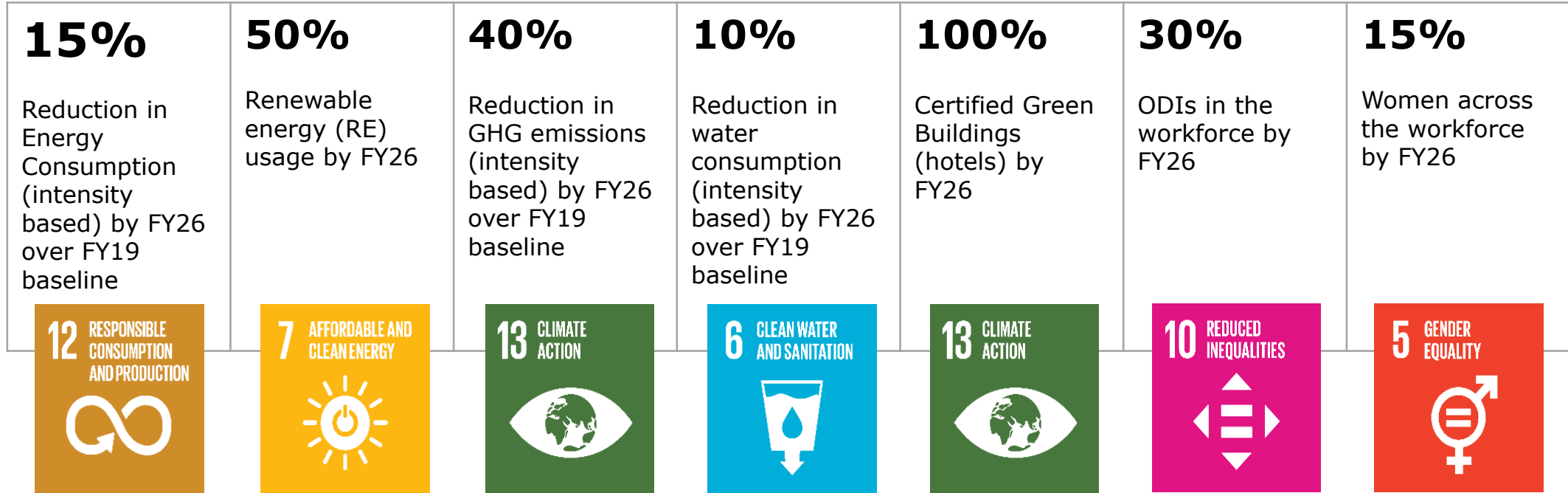
Vision FY26 reflects our belief that our business operations are inherently integrated with delivering social and environmental impact.



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

ESG – Vision FY26 linked to Sustainable Development Goals

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



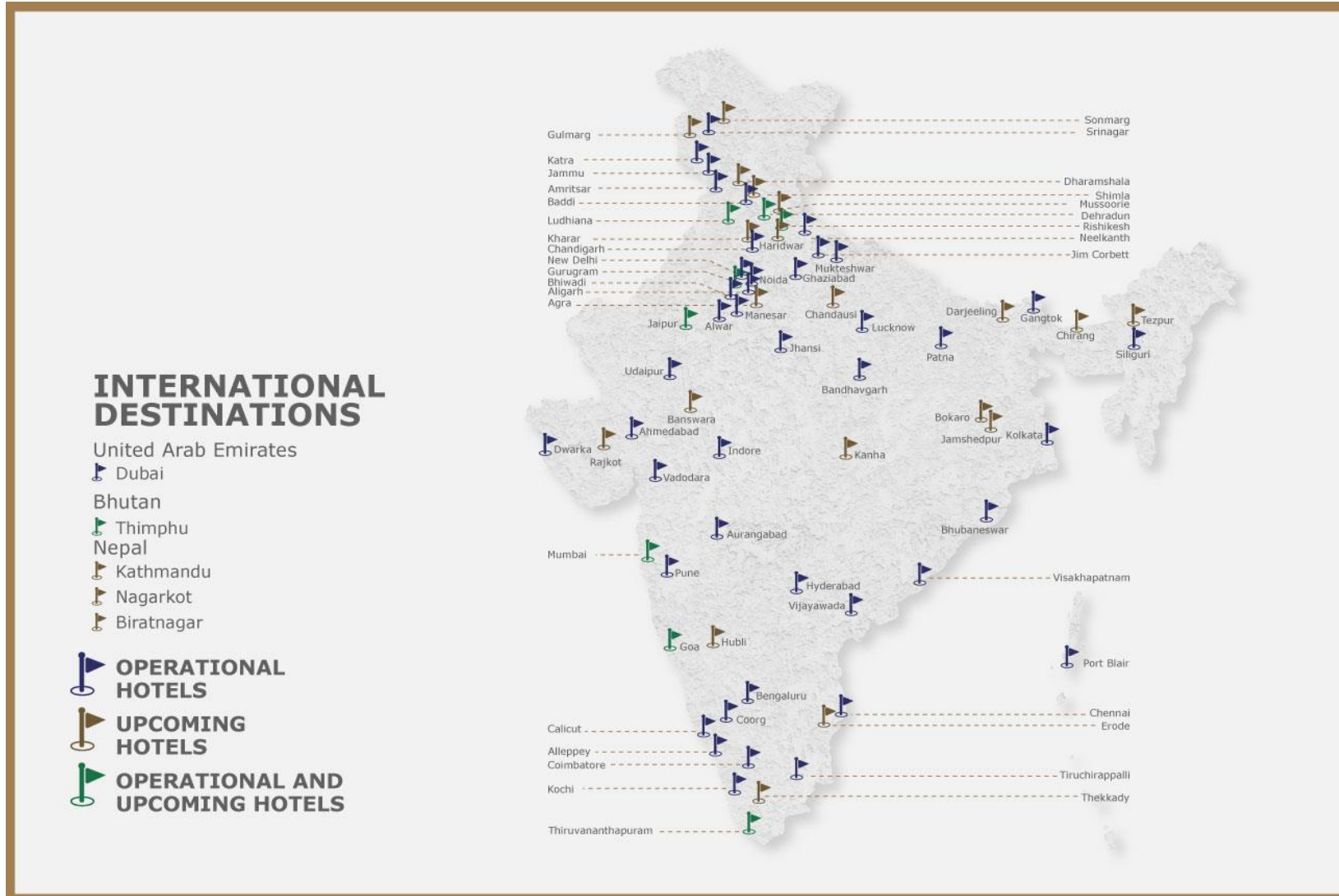
Portfolio Breakup as on 31st Dec 2022 - Operational

Operational Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Aurika Hotels & Resorts	1	139	0	0	1	55	2	194
Lemon Tree Premier	7	1442	2	161	9	911	18	2514
Lemon Tree Hotels	13	1241	4	321	24	1409	41	2971
Red Fox by Lemon Tree Hotels	5	759	1	91	6	551	12	1401
Keys Prima by Lemon Tree Hotels	0	0	0	0	1	40	1	40
Keys Select by Lemon Tree Hotels	7	936	0	0	4	287	11	1223
Keys Lite by Lemon Tree Hotels	0	0	0	0	3	108	3	108
Total	33	4517	7	573	48	3361	88	8451

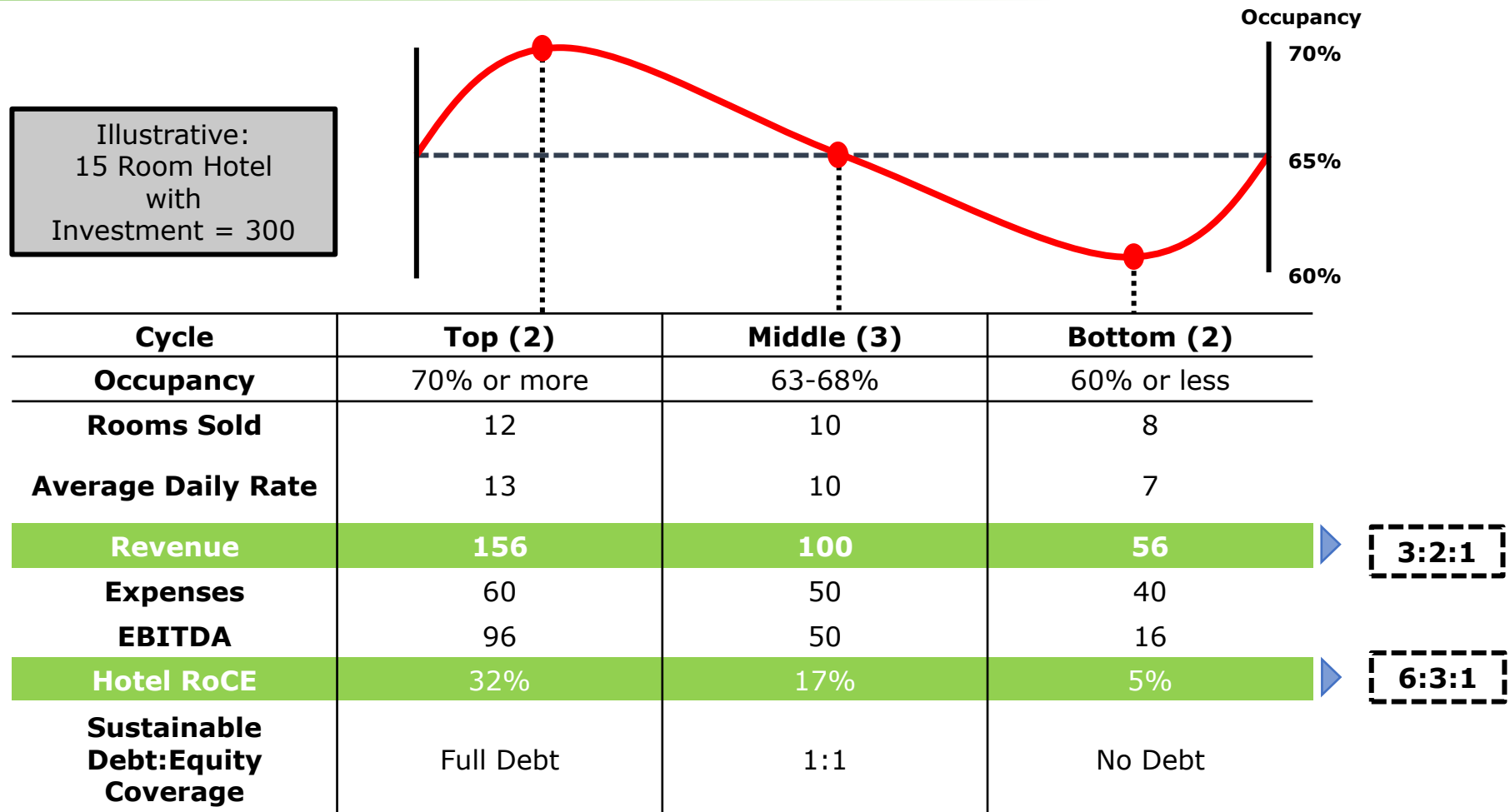
Portfolio Breakup as on 31st Dec 2022 - Pipeline

Pipeline Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Aurika Hotels & Resorts	1	669	0	0	1	132	2	801
Lemon Tree Premier	0	0	0	0	2	95	2	95
Lemon Tree Hotels	1	69	0	0	24	1609	25	1678
Red Fox by Lemon Tree Hotels	0	0	0	0	0	0	0	0
Keys Prima by Lemon Tree Hotels	0	0	0	0	1	42	1	42
Keys Select by Lemon Tree Hotels	0	0	0	0	1	40	1	40
Keys Lite by Lemon Tree Hotels	0	0	0	0	3	133	3	133
Total	2	738	0	0	32	2051	34	2789

Strategically positioned in key geographies



The hotel business cycle



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

Conference Call Details

Time

- 02:00 PM IST on Monday, February 13, 2022

Conference dial-in Primary number

- Primary number: +91 22 6280 1141 / +91 22 7115 8042

Local access number

- +91 70456 71221 (Available all over India)

International Toll Free Number

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

Pre-registration

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



About Lemon Tree Hotels

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

LTHL opened its first hotel with 49 rooms in May 2004 and currently operates ~8,450 rooms in 88 hotels across 53 destinations, in India and abroad, under its various brands viz. Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox Hotels, Keys Prima, Keys Select and Keys Lite. As the current pipeline becomes operational, LTHL will be operating ~11,250 rooms in 122 hotels across 70+ destinations, in India and abroad shall be operated under LTHL brands.

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

To know more, visit lemontreehotels.com | aurikahotels.com | keyshotels.com

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

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