

Lemon Tree Hotels Limited

Q4 FY21 Earnings Presentation
15th June, 2021



aurika
HOTELS & RESORTS

UPSCALE

lemon tree
PREMIER
UPPER MIDSCALE

lemon tree
HOTELS
MIDSCALE

red fox
BY LEMON TREE HOTELS
ECONOMY

keys
PRIMA HOTELS
UPPER MIDSCALE

keys
SELECT HOTELS
MIDSCALE

keys
LITE HOTELS
ECONOMY

Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Lemon Tree Hotels Limited (LTH) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



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Lemon Tree – Snapshot as on 15th June 2021



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

**8,309
rooms;
84 hotels**



Pipeline

**2,109
rooms;
21 hotels**



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

**10,418
rooms;
105 hotels**





Brand	Current	Pipeline	By FY23
Aurika	139 Rooms; 1 Hotel	669 Rooms; 1 Hotel [#]	808 Rooms; 2 Hotels
Lemon Tree Premier	2,514 Rooms; 18 Hotels	113 Rooms; 2 Hotels	2,627 Rooms; 20 Hotels
Lemon Tree Hotel	2,867 Rooms; 39 Hotels	1,207 Rooms; 16 Hotels	4074 Rooms; 55 Hotels
Red Fox Hotel	1,423 Rooms; 12 Hotels	80 Rooms; 1 Hotel	1,503 Rooms; 13 Hotels
Keys	1,366 Rooms; 14 Hotels	40 Rooms; 1 Hotel	1,406 Rooms; 15 Hotels

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

[#]Aurika, Mumbai International Airport is now approved to be built with 669 rooms in place of the earlier approval of 577 rooms



Key Statistics

		Q4 FY20	Q4 FY21	YoY Var (%)
	Cities	48	52	8%
	Hotels	80	84	5%
	Rooms	8,006	8,309	4%
	Loyalty Members	1.16 mn	1.30 mn*	12%

Notes: *Loyalty Members for Q4-FY21 is as of 31st January 2021

Chairman & Managing Director's Message



Commenting on the performance for Q4 FY21, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,

"The quarter gone by, started on a steady note for us, with a sustained recovery in markets and sequential improvement in consumption on the leisure front. Additionally, we saw improved demand coming in for weddings, staycations, and social events during the fourth quarter. Accordingly, our operating inventory increased from 91.2% of our total inventory in Q3 FY21 to 93.4% in Q4 FY21. Our occupancy on full inventory improved from 42.4% in Q3 FY21 to 56% in Q4 FY21. Total revenues from operations increased 39.1% QoQ to Rs 95.1 Cr in Q4 FY21.

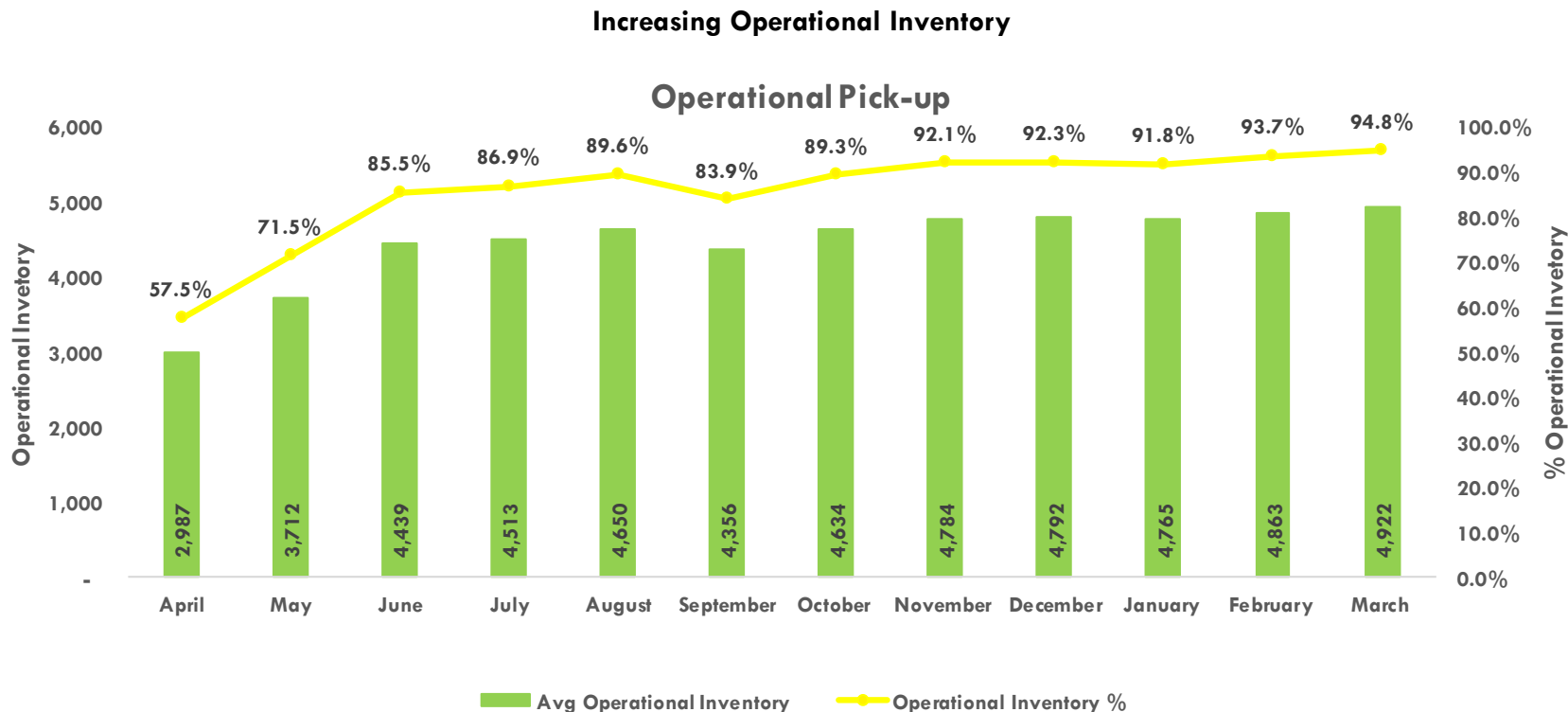
From an operating model perspective, there has been a concerted focus on cost management across verticals. We now operate a much leaner model backed by sustained cost-optimization measures, which enabled us to close the year with EBITDA of Rs. 30.4 Cr, EBITDA margins of 31.4% and net cash profit (PAT+ Depreciation) of Rs. (0.60) Cr in Q4 FY21, this was in spite of a reduction of 46% in revenue vis-à-vis Q4FY20. Gross debt at the end of FY21 stood at Rs. 1,685 Cr and after adjusting for about Rs 141 Cr cash, our net debt was Rs 1544 Cr or about 0.50% more than the net debt at the end of FY20. During this 12-month period, ie. end FY20 to end FY21, we also successfully lowered our average cost of borrowings by 130bps from 9.6% to 8.3%. and we are hopeful this will further reduce in this/coming quarters. In the face of adversity, we believe we have emerged stronger with a learning curve that has empowered us to be more resilient and cost-effective in our business approach.

During the quarter, we have expanded our managed hotels vertical through new launches in the domestic market such as Bhubaneswar, Aligarh and Vijayawada. I am also pleased to share that we have signed a License Agreement for an upcoming hotel at Biratnagar. This hotel will be our third property in Nepal. All these hotels are strategically located at famous tourist spots and are in sync with our strategy to go asset-light through the managed hotels vertical by leveraging our strong brand in the industry.

While we saw sustained momentum in demand and consumer sentiments in the quarter gone by, the environment has evolved now with the second wave of the pandemic. We have recently joined hands with the Government and hospitals by converting some of our hotels as quarantine facilities. Lemon Tree has allocated around 6 hotels to various hospitals in Gurugram, Delhi, Bengaluru, and Hyderabad for mild Covid patients. We believe we are better prepared this time and already have all the protocols in place to handle the impact to a certain extent.

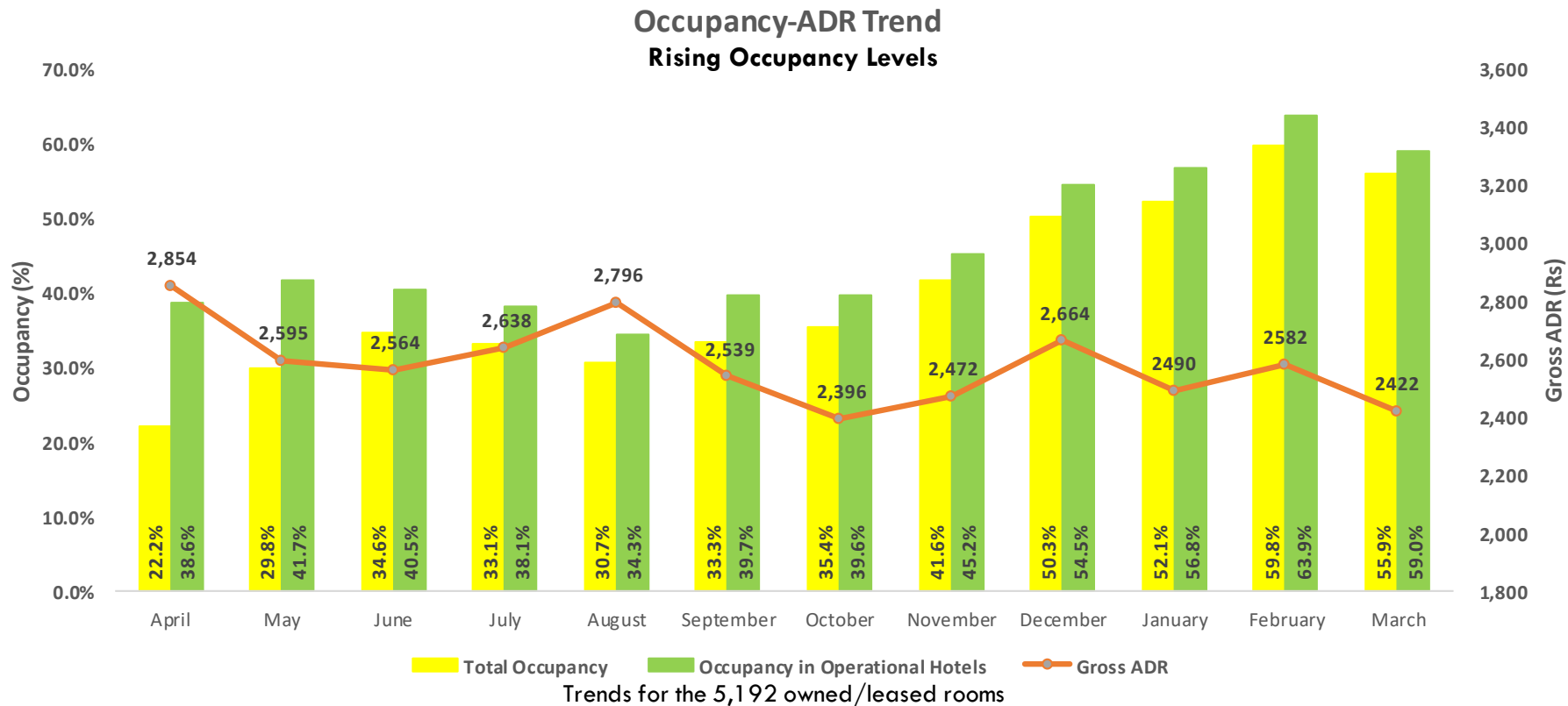
From an Industry standpoint, given the increasing consumer inclination for hygiene and safety, we are gradually seeing a structural shift towards a preference for branded hotel players. This should drive consolidation in the domestic space, boding well for organized and branded players, including Lemon Tree Hotels in the medium to longer term. Moreover, as cases across the country subside and with vaccination drives expected to accelerate in the coming months, we expect the demand environment to stabilize sooner than later. This should help drive a gradual and sustainable uptick in performance for Lemon Tree going forward."

FY21 Operating Performance Trends



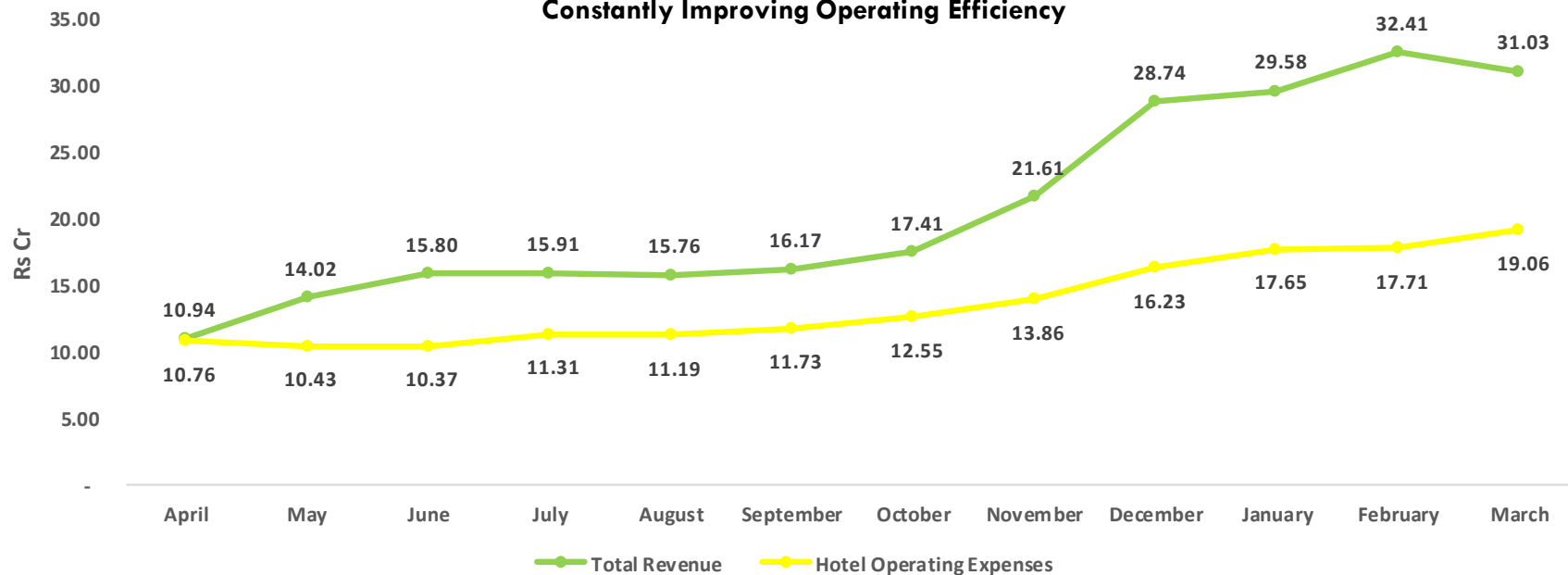
Trends for the 5,192 owned/leased rooms

FY21 Operating Performance Trends



FY21 Operating Performance Trends

Revenue vs OPEX Trend
Constantly Improving Operating Efficiency



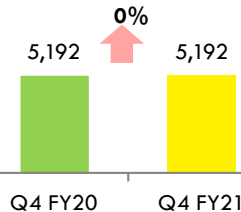
Notes:

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)

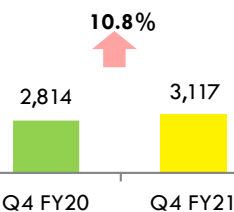
Q4 FY21 Performance Highlights – Operational Metrics (Consolidated)

Inventory

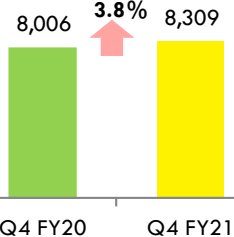
Owned/Leased rooms



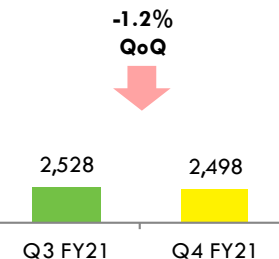
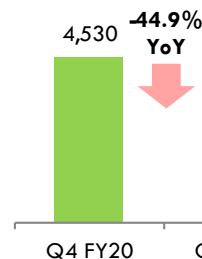
Managed rooms



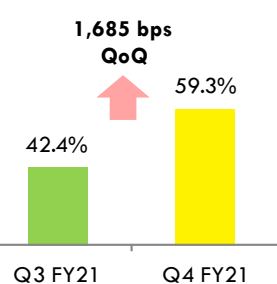
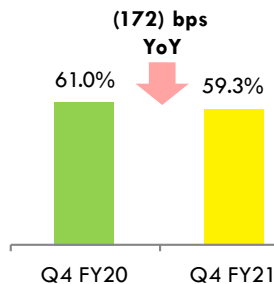
Total rooms



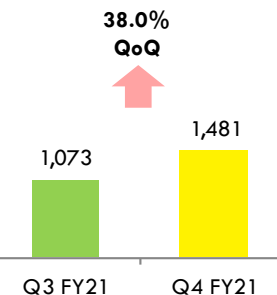
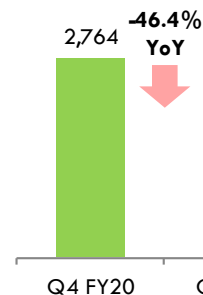
Average Daily Rate (Rs.)



Occupancy (%)



RevPAR (Rs.)

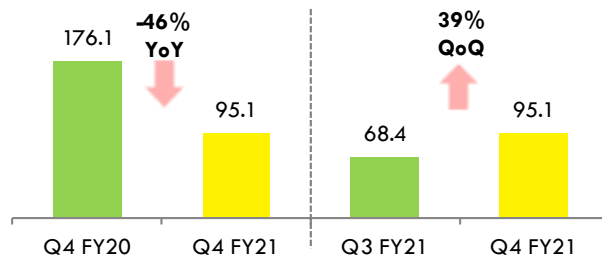


Notes:

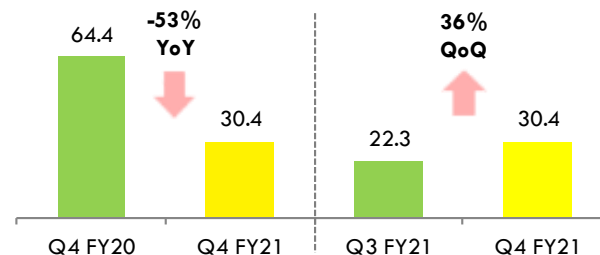
1. ADR, Occupancy and RevPAR are for our owned and leased hotels only.

Q4 FY21 Performance Highlights – Financial Metrics (Consolidated)

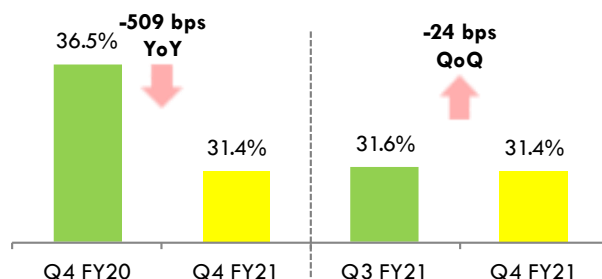
Revenue from Operations (Rs. Cr)



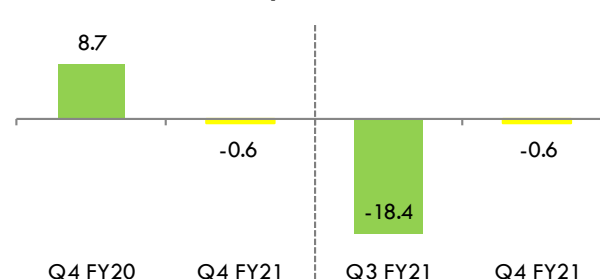
EBITDA (Rs. Cr)



EBITDA Margin (%)



Cash profit (Rs. Cr)



Notes: Cash Profit is calculated as PAT + Depreciation

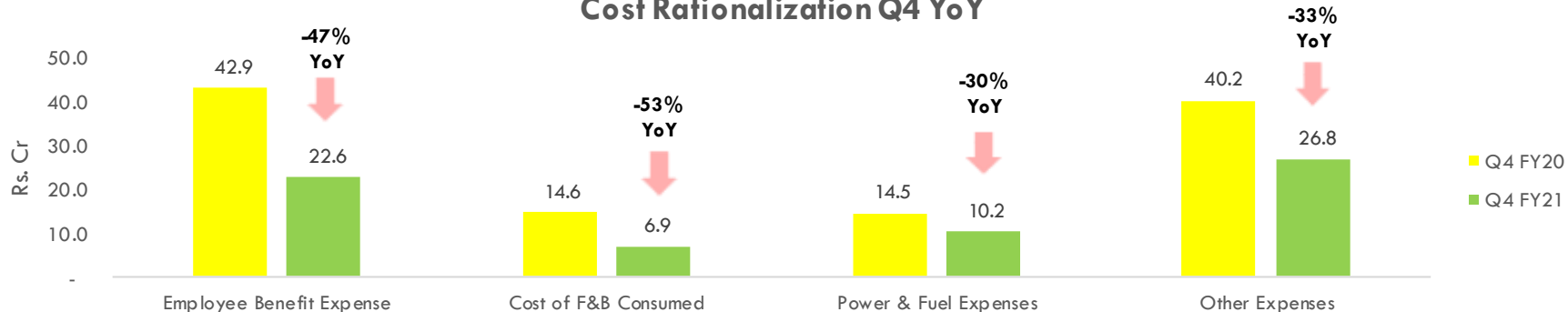
Consolidated Profit & Loss Statement – Q4 FY21

Rs. Cr	Q4 FY20	Q3 FY21	Q4 FY21	QoQ Change (%)	YoY Change (%)
Revenue from operations	176.1	68.4	95.1	39.1%	-46.0%
Other income	0.4	2.2	1.9	-15.4%	356.8%
Total expenses	112.2	48.3	66.6	37.8%	-40.7%
EBITDA	64.4	22.3	30.4	36.3%	-52.7%
EBITDA margin (%)	36.5%	31.6%	31.4%	(24)	(509)
EBITDA w/o Other Income	63.9	20.1	28.5	42.1%	-55.4%
EBITDA margin before Other Income (%)	36.3%	29.4%	30.0%	63	(630)
Finance costs	49.5	47.5	44.5	-6.3%	-10.0%
Depreciation & amortization	27.7	27.3	26.1	-4.5%	-5.9%
PBT	(13.5)	(50.5)	(40.9)	NA	NA
Tax expense	5.6	(4.8)	(14.2)	NA	NA
PAT	(19.0)	(45.7)	(26.7)	NA	NA
Cash Profit	8.7	(18.4)	(0.6)	NA	NA

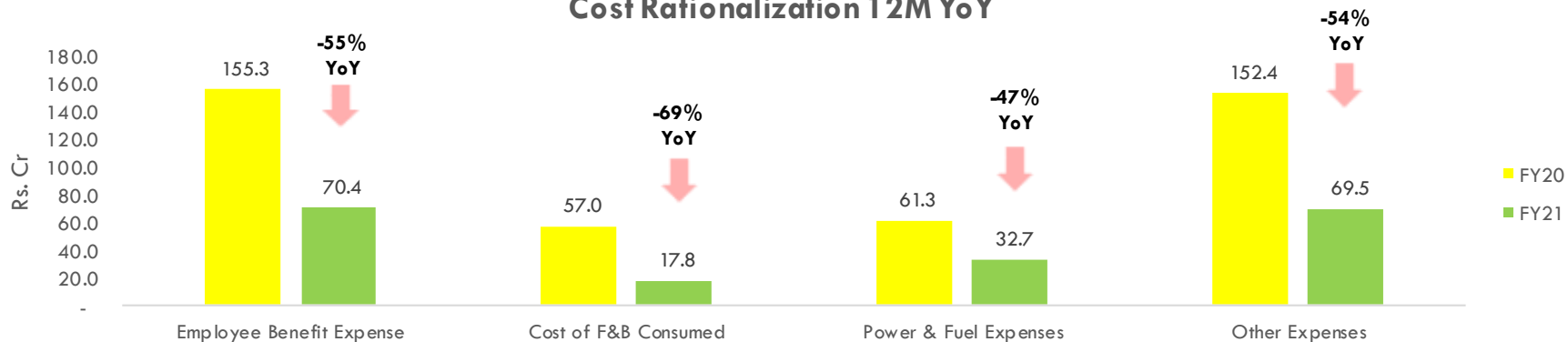
Note: Cash Profit is calculated as PAT + Depreciation

Consolidated Expenses – FY20 vs FY21

Cost Rationalization Q4 YoY



Cost Rationalization 12M YoY



Consolidated Profit & Loss Statement Breakup – Q4 FY21

Rs. Cr	Total without Keys Hotels			Keys Hotels			Total		
	Q4FY20	Q4FY21	YoY Change (%)	Q4FY20	Q4FY21	YoY Change (%)	Q4FY20	Q4FY21	YoY Change (%)
Inventory	4,256	4,256	0%	936	936	0%	5,192	5,192	0%
ADR	4,856	2,745	-43%	2,751	1,209	-56%	4,530	2,498	-45%
Occupancy	62.9%	60.7%	(222)	52.4%	53.0%	58	61.0%	59.3%	(172)
RevPAR	3,055	1,666	-45%	1,441	640	-56%	2,764	1,481	-46%
Revenue from Operations	158.7	86.8	-45.3%	17.5	8.3	-52.6%	176.1	95.1	-46.0%
Other Income	0.4	2.1	397.2%	0.0	(0.2)	NA	0.4	1.9	356.8%
Total expenses	96.7	59.1	-38.9%	15.5	7.5	-51.8%	112.2	66.6	-40.7%
EBITDA	62.4	29.8	-52.3%	2.0	0.6	-67.1%	64.4	30.4	-52.7%
EBITDA Margin (%)	39.2%	33.5%	(572)	11.2%	7.9%	(327)	36.5%	31.4%	(509)
EBITDA w/o Other Income	62.0	27.7	-55.3%	2.0	0.8	-58.5%	63.9	28.5	-55.4%
<i>EBITDA margin before Other Income (%)</i>	39.1%	31.9%	(714)	11.2%	9.8%	(141)	36.3%	30.0%	(630)
PBT	(7.9)	(36.5)	NA	(5.6)	(4.4)	NA	(13.5)	(40.9)	NA

Operational Performance by Brands & Region – Q4 FY20 vs. Q4 FY21 (On Full inventory basis)

Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
By Brand (#Rooms)	Q4 FY20	Q4 FY21	Change (bps)	Q4 FY20	Q4 FY21	Change (%)	Q4 FY20	Q4 FY21	Change (%)	Q4 FY20	Q4 FY21	Change (bps)
Aurika (139)	29.41%	45.11%	1,570	14,041	10,195	-27.40%	2.2	3.8	72.74%	40.47%	61.70%	2,123
Lemon Tree Premier (1,603)	63.36%	71.71%	834	5,683	2,624	-53.83%	2.0	0.6	-70.16%	48.08%	28.26%	-1,993
Lemon Tree Hotels (1562)	65.61%	56.81%	-881	4,455	2,791	-37.37%	1.5	0.6	-56.82%	41.40%	34.31%	-708
Red Fox Hotels (952)	62.62%	50.78%	-1,184	3,504	1,984	-43.38%	1.0	0.6	-43.81%	43.38%	51.97%	858
Keys Hotels (936)	52.39%	52.97%	58	2,751	1,209	-56.05%	0.3	0.2	-30.25%	14.08%	22.74%	866

Parameters	Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin		
By City (#Rooms)	Q4 FY20	Q4 FY21	Change (bps)	Q4 FY20	Q4 FY21	Change (%)	Q4 FY20	Q4 FY21	Change (%)	Q4 FY20	Q4 FY21	Change (bps)
Delhi (636)	72.13%	74.45%	231	5,169	2,382	-53.91%	2.0	0.6	-67.69%	44.22%	29.86%	-1,465
Gurugram (529)	64.61%	51.33%	-1,328	4,537	2,091	-53.92%	1.5	0.3	-80.35%	40.49%	20.29%	-2,020
Hyderabad (663)	64.28%	56.95%	-734	4,780	2,228	-53.40%	1.9	0.5	-72.67%	52.56%	35.76%	-1,681
Bengaluru (874)	57.08%	49.21%	-787	3,941	1,567	-60.23%	0.8	0.1	-85.30%	30.74%	13.68%	-1,706
Mumbai (303)	59.43%	80.82%	2,139	6,800	2,892	-57.47%	2.5	1.0	-59.55%	56.90%	41.87%	-1,503

Discussion on Consolidated Financial & Operational Performance – Q4 FY21

Revenue

- * Revenue from operations stood at Rs. 95.1 Cr in Q4 FY21, down 46.0% as compared to Rs. 176.1 Cr in Q4 FY20. On a sequential basis, revenue from operations increased 39.1% from Rs 68.4 Cr in Q3 FY21
- * ADR decreased by 44.9% from 4,530 in Q4 FY20 to 2,498 in Q4 FY21. On a sequential basis, ADR decreased by 1.2% from Rs 2,528 in Q3 FY21
- * Occupancy on full inventory decreased by 172 bps from 61.0% in Q4 FY20 to 59.3% in Q4 FY21. On a sequential basis, the occupancy on full inventory increased by 1,685 bps from 42.4% in Q3 FY21.

Cost

- * Total expenses stood at Rs. 66.5 Cr in Q4 FY21 down 40.7% as compared to Rs 112.2 Cr in Q4 FY20. On a sequential basis, expenses increased by 37.8% from Rs 48.3 Cr in Q3 FY21 due to higher operational inventory & better occupancy

Operating Margins

- * EBITDA decreased by 52.7% from Rs 64.4 Cr in Q4 FY20 to Rs 30.4 Cr in Q4 FY21. On a sequential basis, EBITDA increased 36.4% from Rs 22.3 Cr in Q3 FY21. EBITDA without other income increased 42.1% from Rs 20.1 Cr in Q3 FY21 to Rs 28.5 in Q4 FY21
- * EBITDA margin contracted by 509 bps from 36.5% in Q4 FY20 to 31.4% in Q4 FY21. On a sequential basis, the EBITDA margin has contracted by 24 bps from 31.6% in Q3 FY21. EBITDA margin without other income expanded by 63 bps to 30.0% in Q4 FY21 from 29.4% in Q3 FY21

Profit after tax

- * Profit after tax decreased from Rs (19.0) Cr in Q4 FY20 to Rs (26.7) Cr in Q4 FY21. The PAT in Q3 FY21 was Rs (45.7) Cr
- * Cash Profit for Q4 FY21 stood at Rs (0.6) Cr vs Rs 8.7 Cr in Q4 FY20. The Cash Profit in Q3 FY21 was Rs (18.4) Cr

Note: Cash Profit is calculated as PAT + Depreciation

Consolidated Profit & Loss Statement – FY21

Rs. Cr	FY20	FY21	YoY Change (%)
Revenue from operations	669.4	251.7	-62%
Other income	5.8	13.3	129%
Total Income	675.2	265.0	-61%
Total expenses	426.0	190.5	-55%
EBITDA	249.2	74.5	-70%
EBITDA w/o Other Income	243.4	61.3	-75%
EBITDA margin (%)	36.9%	28.1%	(878)
Finance costs	161.6	190.5	18%
Depreciation & amortization	92.2	107.6	17%
PBT	(2.2)	(218.7)	NA
Tax expense	10.9	(32.2)	NA
PAT	(13.1)	(186.5)	NA
Cash Profit	77.6	(20.8)	NA

Note: Cash Profit is calculated as PAT + Depreciation + Interest converted into loans

Consolidated Balance Sheet Snapshot – FY21

Rs. Cr	FY20	FY21	YoY Change (%)
Shareholder's Funds	988.9	917.6	-7%
Non-controlling interests	555.9	617.4	11%
Total Shareholder's equity	1,544.8	1,535.0	-1%
Total Debt	1,577.5	1,685.0	6.8%
Other Non-current liabilities	464.3	470.0	1%
Other Current liabilities	176.2	132.2	-25%
Total Equity & Liabilities	3,762.8	3,822.1	2%
Non-current assets	3,615.5	3,581.1	-1%
Current assets	147.3	241.0	64%
Total Assets	3,762.8	3,822.1	2%
Debt to Equity (x)	1.02	1.10	7%
Average cost of borrowing as of 31st March (%)	9.60%	8.28%	(132)

Expansion Plans – Hotels under Development

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

- * Total estimated project cost² is Rs. 10,060 Million
- * Total capital deployed/capital expenditure already incurred (i.e. CWIP + Security Deposit for leased assets under-development + Land Capitalised + Capital advances – Capital creditors) as on 31st March, 2021 is Rs. 3,700 Million

[#]Aurika, Mumbai International Airport is now approved to be built with 669 rooms in place of the earlier approval of 577 rooms.

Expansion Plans – Pipeline of Management Contracts (as on 15th June, 2021)

Management Contracts Pipeline	Rooms	Expected Opening date
Lemon Tree Premier, Coorg	63	Sept-21
Keys Prima, Dehradun	40	Aug-21
Red Fox Hotel, Neelkanth	80	July-21
Lemon Tree Hotel Kalina/BKC, Mumbai	70	Oct-21
Lemon Tree Hotel, Sonamarg	40	Nov-21
Lemon Tree Hotel, Rishikesh	102	Jan-22
Lemon Tree Resort, Mussoorie	40	Jan-22
Management Rooms to be Operational in FY23	435	
The Spectrum, Gurgaon (Lemon Tree Serviced apartment)	260	June-22
Lemon Tree Hotel, Bokaro	70	Aug-22
Lemon Tree Hotel, Gulmarg	35	Aug-22
Lemon Tree Hotel, Agra	62	Sept-22
Lemon Tree Hotel, Trivandrum	100	Jan-23
Lemon Tree Hotel, Darjeeling	55	Jan-23
Lemon Tree Hotel, Biratnagar, Nepal	80	Mar-23
Lemon Tree Hotel, Kathmandu, Nepal	75	Sep-23
Lemon Tree Bhangeri Durbar, Nepal	51	Sept-23
Lemon Tree Resort, Thimpu, Bhutan	38	Oct-23
Lemon Tree Premiere, Dindi	50	Uncertain
Lemon Tree Hotel, Ludhiana	60	Uncertain
Total Pipeline	936	

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 15th June 2021 - Operational

Operational Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
15.06.2021	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Aurika	1	139	0	0	0	0	1	139
Lemon Tree Premier	7	1442	2	161	9	911	18	2514
Lemon Tree Hotels	13	1241	4	321	22	1305	39	2867
Red Fox Hotels	5	759	2	193	5	471	12	1423
Keys Prima	0	0	0	0	0	0	0	0
Keys Select	4	633	3	303	5	383	12	1319
Keys Lite	0	0	0	0	2	47	2	47
Total	30	4214	11	978	43	3117	84	8309

Portfolio Breakup as on 15th June 2021 - Pipeline

Pipeline Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
15.06.2021	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Aurika [#]	1	669	0	0	0	0	1	669
Lemon Tree Premier	0	0	0	0	2	113	2	113
Lemon Tree Hotels	1	69	0	0	15	1138	16	1207
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	738	0	0	19	1371	21	2109

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%

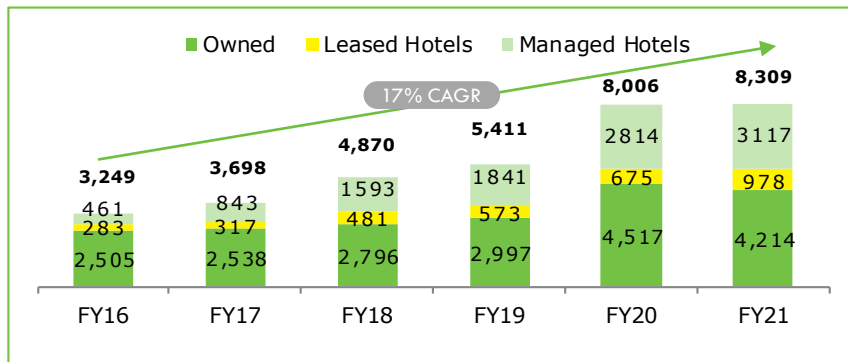
Source : Hotelivate Trends and Opportunities report 2019

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

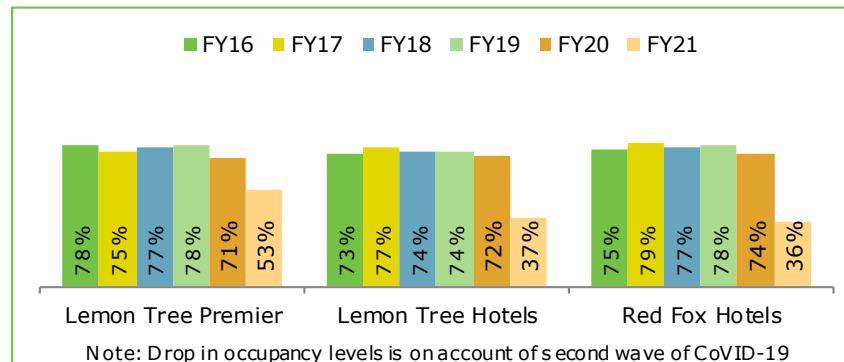
Map updated as of 30th April, 2021

Operating performance

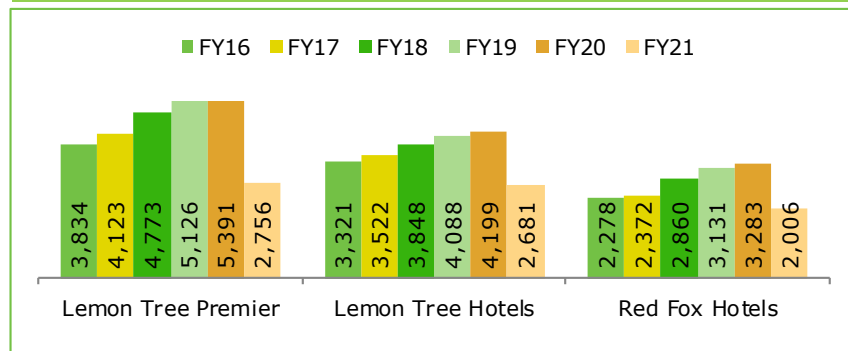
Rooms are being added



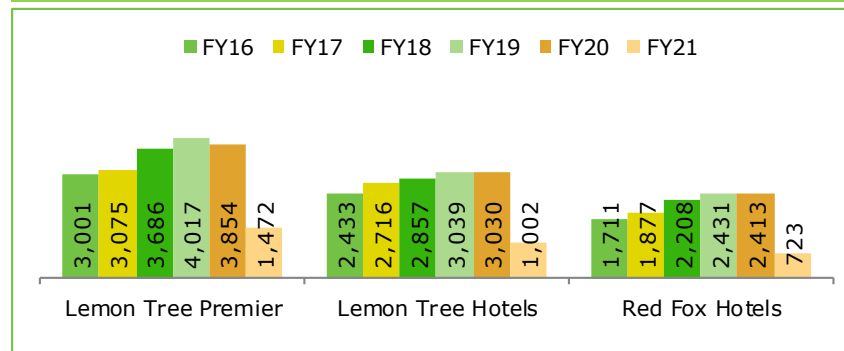
Occupancy



ADR

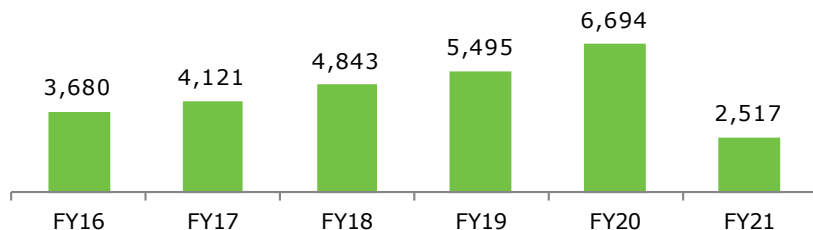


RevPAR

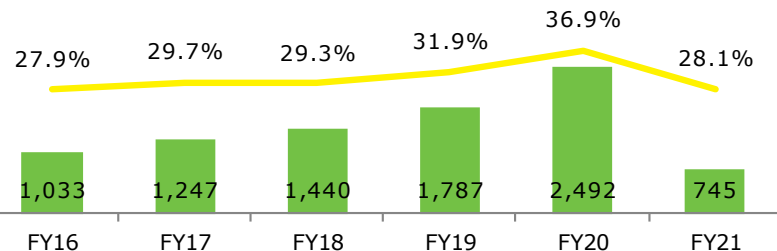


Operating margins

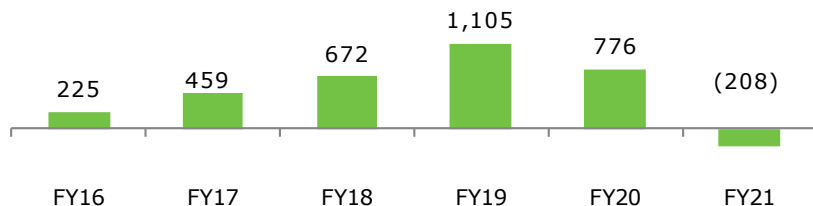
Revenue from operations (Rs. Million)



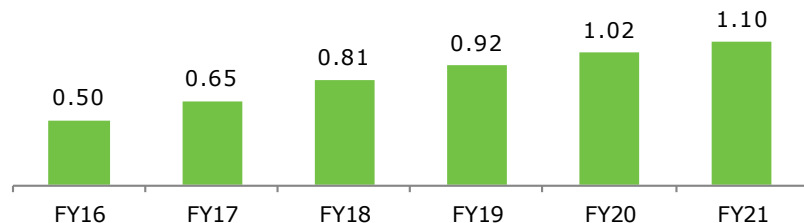
EBITDA (Rs. Million) & EBITDA margins



Cash profit



Debt to Equity Ratio



Note: FY16 figures are from Lemon Tree Prospectus. FY17, FY18, FY19, FY20 and FY21 figures are from audited balance sheet.
For FY20 and FY21: Cash Profit = PAT + Depreciation + Interest converted into loans; for all remaining years it is PAT + Depreciation

Consolidated Profit & Loss Statement – FY21

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

Note: Cash Profit is calculated as PAT + Depreciation + Interest converted into loans

Consolidated Balance Sheet Snapshot – FY21

Rs. Cr	FY19	FY20	FY21
Shareholder's Funds	875.0	988.9	917.6
Non-controlling interests	432.2	555.9	617.4
Total Shareholder's equity	1,307.2	1,544.8	1,535.0
Total Debt	1,204.2	1,577.5	1,685.0
Other Non-current liabilities	38.0	464.3	470.0
Other Current liabilities	222.4	176.2	132.2
Total Equity & Liabilities	2,771.8	3,762.8	3,822.1
Non-current assets	2,575.3	3,615.5	3,581.1
Current assets	196.6	147.3	241.0
Total Assets	2,771.8	3,762.8	3,822.1
Debt to Equity (x)	0.92	1.02	1.10
Average cost of borrowing as of 31 st March (%)	9.40%	9.60%	8.28%

Operational Performance by Ageing – FY21 vs. FY20

Parameters	Financial year	Adult Hotels (Stable - older than 3 years)	Toddler Hotels (Stabilizing - between 1-3 years old)	Infant Hotels (New - less than 1 year old)	Under-development hotels
Hotels ¹	FY20	24	6	11	2
	FY21	28	13	0	
Operating Rooms (year-end)	FY20	2,855	715	1,622	738
	FY21	3,278	1,914	-	
Occupancy Rate (%)	FY20	75.2%	67.1%	56.4%	Deep demand Markets (high occupancies)
	FY21	42.1%	35.9%	-	
Average Daily Rate (Rs.)	FY20	4,399	4,027	4,438	2.0x of Adult Hotels in that year*
	FY21	2,531	2,785	-	
Hotel level EBITDAR ² /room (Rs. Lacs)	FY20	6.9	5.5	2.3	High*
	FY21	1.4	1.6	-	
Hotel level EBITDAR ² Margin (%)	FY20	44%	39%	39%	High*
	FY21	30%	36%	-	
Hotel level ROCE ^{*3} (%)	FY20	12%	5%	2%	1.5x of Adult Hotels in that year*
	FY21	2%	1%	-	

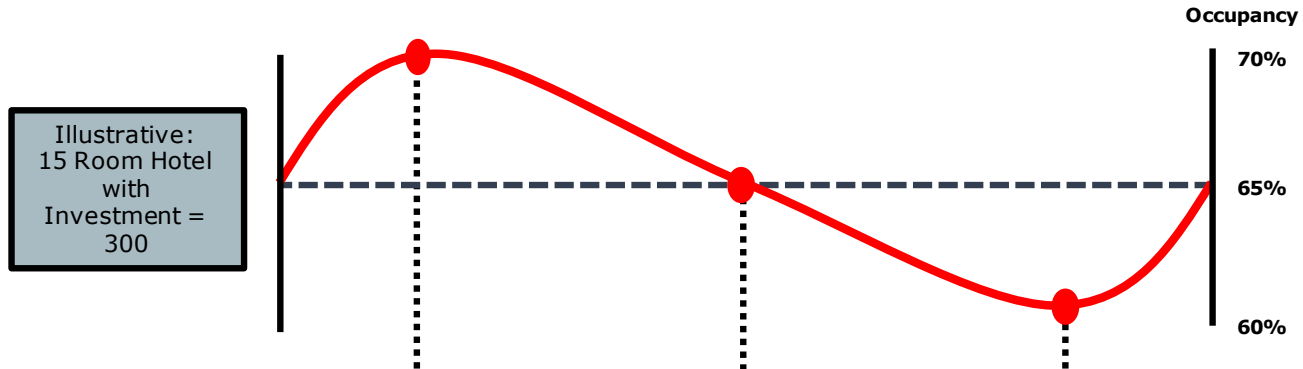
Notes:

1) During the year FY21 4 hotels moved from toddler to adult category, 11 hotels moved from infant to toddler category and no new hotels entered into the infant category

2) Hotel level EBITDAR measures hotel-level results before lease rentals, debt service, depreciation and corporate expenses of the owned/leased hotels, and is a key measure of company's profitability

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

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
Expenses	60	50	40
EBITDA	96	50	16
Hotel RoCE	32%	17%	5%
Sustainable Debt:Equity Coverage	Full Debt	1:1	No Debt

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

Lemon Tree Hotels Limited (LTH) Q4 and FY21 Earnings Conference Call

Time • 4:00 PM IST on Wednesday, June 16, 2021

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

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

International Toll Free Number

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

Pre-registration

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



Click here to
ExpressJoin the Call

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.

LTHL opened its first hotel with 49 rooms in May 2004 and currently operates ~8,300 rooms in 84 hotels across 52 destinations, in India and abroad, under its various brands viz. Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox Hotels, Keys Prima, Keys Select and Keys Lite. As the current pipeline becomes operational, LTHL will be operating ~10,400 rooms in 105 hotels across 64 destinations, in India and abroad.

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

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

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