

November 11, 2022

**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: Outcome of the Board Meeting**

Dear Sir

We wish to inform you that the Board of Directors of Lemon Tree Hotels Limited (the "Company") at its meeting held today at 06.30 p.m and concluded at 8.20 p.m, has, inter-alia, approved the Unaudited (Standalone & Consolidated) Financial Results for the quarter and half year ended September 30, 2022 and took on record the limited review report thereon.

A copy of:

A) Unaudited financial results (Standalone & Consolidated) for the quarter and half year ended September 30, 2022; 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, along with Investor presentation are enclosed herewith.

This is for your information and record.

Thanking You

For **Lemon Tree Hotels Limited**

Nikhil Sethi  
Digitally signed  
by Nikhil Sethi  
Date: 2022.11.11  
20:16:49 +05'30'

**Nikhil Sethi**  
**AVP Legal & Group Company Secretary**  
**and Compliance Officer**

**Lemon Tree Hotels Limited**

(CIN No. L74899DL1992PLC049022)

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

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## 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 firms and its subsidiaries (the Parent, firms and its subsidiaries together referred to as "the Group"), and its share of net profit after tax and total comprehensive income of its associates for the quarter and half year ended September 30, 2022 ("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
6.	Sukhsagar Complexes Private Limited	Wholly owned subsidiary company
	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.	Carnation Hotels Private Limited	Wholly owned subsidiary company
16.	Manakin Resorts Private Limited	Wholly owned Subsidiary company
17.	Valerian Management Services Private Limited	Wholly owned Subsidiary company
18.	Hamstede Living Private Limited	Wholly owned Subsidiary company
19.	Berggruen Hotels Private Limited	Subsidiary company
20.	Celsia Hotels Private Limited	Subsidiary company
21.	Inovoa Hotels and Resorts Limited	Subsidiary company
22.	Iora Hotels Private Limited	Subsidiary company
23.	Ophrys Hotels Private Limited	Subsidiary company
24.	Bandhav Resorts Private Limited	Subsidiary company
25.	Mind Leaders Learning India Private Limited	Associate company
26.	Pelican Facilities Management Private Limited	Associate company
27.	Glendale Marketing Services Private Limited	Associate company
28.	Mezereon Hotels LLP	Limited Liability Partnership Firm
29.	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 other auditors 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.
6. We did not review the interim financial results of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the standalone interim unaudited financial statement of the Parent included in the Group, whose interim financial statement reflects total assets of Rs. 209 lakhs as at September 30, 2022, total revenues of Rs. Nil for the quarter and half year ended September 30, 2022 respectively, total net loss after tax of Rs. 0.02 lakhs and Rs. 0.07 lakhs for the quarter and half year ended September 30, 2022 respectively, total comprehensive loss of Rs. 0.02 lakhs and Rs. 0.07 lakhs for the quarter and half year ended September 30, 2022 respectively, and net cash inflows of Rs. 18.17 lakhs for the half year ended September 30, 2022 as considered in the standalone unaudited interim financial results of the Parent included in the Group. The interim financial statement of the trust have been reviewed by the other auditor whose reports have been furnished to us by the management 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 20 subsidiaries and 1 Limited liability partnership firm included in the consolidated unaudited financial results, whose interim financial statements reflects total assets of Rs. 87,162.13 lakhs as at September 30, 2022, total revenues of Rs. 4,328.18 lakhs and Rs. 8.818 lakhs for the quarter and half year ended September 30, 2022 respectively, total net profit after



**Deloitte  
Haskins & Sells LLP**

tax of Rs. 342.47 lakhs and Rs. 522.07 lakhs for the quarter and half year ended September 30, 2022 respectively, total comprehensive income of Rs. 348.01 lakhs and Rs. 536.37 lakhs for the quarter and half year ended September 30, 2022 respectively, and net cash outflows of Rs. 599.45 lakhs for the half year ended September 2022 as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 25.13 lakhs and Rs. 52.96 lakhs for the quarter and half year ended September 30, 2022 respectively and total comprehensive income of Rs. 24.60 lakhs and Rs. 51.91 lakhs for the quarter and half year ended September 30, 2022 respectively, as considered in the Statement, in respect of 3 associates, whose interim financial statements have not been reviewed by us. These interim financial statements 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 is not modified in respect of this matter.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in black ink, appearing to read "Rajesh Kumar Agarwal".

**Rajesh Kumar Agarwal**  
Partner

(Membership No. 105546)

UDIN: 22105546BC00JQ7931

New Delhi  
November 11, 2022

Lemon Tree Hotels Limited

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

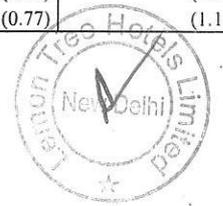
Tel.: 011-46050101; Fax.: 011-46050110; E-Mail:sectdept@lemonreehotels.com;Website: www.lemonreehotels.com

CIN: L74899DL1992PLC049022

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year ended September 30, 2022

(₹ In Lakhs, except per share data)

	Quarter ended			Half Year ended		Year Ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Income</b>						
Revenue from operations	19,671.53	19,203.98	9,689.54	38,875.51	13,904.87	40,224.01
Other income	71.86	25.13	192.27	96.99	404.95	1,402.99
<b>Total income</b>	<b>19,743.39</b>	<b>19,229.11</b>	<b>9,881.81</b>	<b>38,972.50</b>	<b>14,309.82</b>	<b>41,627.00</b>
<b>2 Expenses</b>						
Cost of food and beverages consumed	1,229.02	1,159.73	648.34	2,388.75	968.39	2,785.37
Employee benefit expenses	3,607.39	3,453.63	2,308.21	7,061.02	4,049.23	9,731.64
Other expenses:						
- Power and fuel	1,810.55	1,798.63	1,182.57	3,609.18	1,940.48	4,375.38
- Stamp duty expense	-	478.42	-	478.42	-	1,525.03
- Others	3,661.92	3,554.95	2,163.63	7,216.87	3,567.84	9,940.34
<b>Total expenses</b>	<b>10,308.88</b>	<b>10,445.36</b>	<b>6,302.75</b>	<b>20,754.24</b>	<b>10,525.94</b>	<b>28,357.76</b>
<b>3 Profit before depreciation and amortization, finance cost, finance income and tax (1-2)</b>	<b>9,434.51</b>	<b>8,783.75</b>	<b>3,579.06</b>	<b>18,218.26</b>	<b>3,783.88</b>	<b>13,269.24</b>
4 Finance cost	4,553.22	4,410.80	4,628.85	8,964.02	9,148.22	18,093.70
5 Finance income	(93.38)	(119.72)	(169.02)	(213.10)	(371.59)	(695.92)
6 Depreciation and amortization expense	2,502.74	2,449.77	2,624.99	4,952.51	5,240.86	10,434.75
<b>7 Net Profit/(loss) before tax and share of associates (3-4-5-6)</b>	<b>2,471.93</b>	<b>2,042.90</b>	<b>(3,505.76)</b>	<b>4,514.83</b>	<b>(10,233.61)</b>	<b>(14,563.29)</b>
8 Add: Share of Profit/ (Loss) of associates	24.60	27.31	45.59	51.91	38.55	104.06
<b>9 Profit/(loss) before tax (7+8)</b>	<b>2,496.53</b>	<b>2,070.21</b>	<b>(3,460.17)</b>	<b>4,566.74</b>	<b>(10,195.06)</b>	<b>(14,459.23)</b>
10 Tax expense:						
- Current tax (including MAT)	503.21	332.82	-	836.03	-	25.24
- Deferred tax (including of MAT credit)	57.81	379.85	(143.25)	437.66	(897.37)	(748.30)
<b>11 Net profit/(loss) after tax (9-10)</b>	<b>1,935.51</b>	<b>1,357.54</b>	<b>(3,316.92)</b>	<b>3,293.05</b>	<b>(9,297.69)</b>	<b>(13,736.17)</b>
12 Other Comprehensive Income/(loss)						
Items that will not be reclassified to profit and loss						
Remeasurements of defined benefit plans	9.43	12.84	0.02	22.27	0.03	45.26
Income tax effect	(0.51)	(0.70)	0.34	(1.21)	0.68	(2.29)
<b>13 Total Comprehensive Profit/(Loss)</b>	<b>1,944.43</b>	<b>1,369.68</b>	<b>(3,316.56)</b>	<b>3,314.11</b>	<b>(9,296.98)</b>	<b>(13,693.20)</b>
<b>14 Net profit/loss after tax</b>	<b>1,935.51</b>	<b>1,357.54</b>	<b>(3,316.92)</b>	<b>3,293.05</b>	<b>(9,297.69)</b>	<b>(13,736.17)</b>
Attributable to:						
Equity holders of the parent	1,676.84	1,385.16	(2,081.89)	3,062.00	(6,093.92)	(8,743.39)
Non-controlling interests	258.67	(27.62)	(1,235.03)	231.05	(3,203.77)	(4,992.78)
<b>15 Total Comprehensive Profit/(Loss)</b>	<b>1,944.43</b>	<b>1,369.68</b>	<b>(3,316.56)</b>	<b>3,314.11</b>	<b>(9,296.98)</b>	<b>(13,693.20)</b>
Attributable to:						
Equity holders of the parent	1,682.46	1,392.53	(2,081.53)	3,074.99	(6,093.22)	(8,717.22)
Non-controlling interests	261.97	(22.85)	(1,235.03)	239.12	(3,203.76)	(4,975.98)
<b>16 Total Comprehensive Profit/(Loss) for the year/ period after non-controlling interest</b>	<b>1,682.46</b>	<b>1,392.53</b>	<b>(2,081.53)</b>	<b>3,074.99</b>	<b>(6,093.22)</b>	<b>(8,717.22)</b>
17 Paid-up equity share capital (Face value of the share ₹ 10/-)	79,145.78	79,128.87	79,057.70	79,145.78	79,057.70	79,081.33
18 Other Equity( including non-controlling interest)	-	-	-	-	-	60,806.55
19 Earnings/(Loss) per share (Face value of the share ₹ 10/-) (EPS for quarter and half year ended periods are not annualised)						
Basic EPS	0.21	0.18	(0.26)	0.39	(0.77)	(1.11)
Diluted EPS	0.21	0.18	(0.26)	0.39	(0.77)	(1.11)



Notes:

## 1. Statement of Consolidated Assets and Liabilities

Particulars	(₹ In Lakhs)	
	As at September 30, 2022 (Unaudited)	As at March 31, 2022 (Audited)
<b>Assets</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	2,47,820.20	2,50,957.65
(b) Capital work-in-progress	34,250.66	29,455.09
(c) Investment Property	178.11	179.90
(d) Intangible assets	1,018.26	1,469.76
(e) Intangible assets under development	227.91	227.91
(f) Right of use asset		
(g) Goodwill on consolidation	41,677.99	42,987.60
(h) Financial assets	9,508.43	9,508.44
(i) Investments	418.98	367.13
(ii) Loans	28.49	41.21
(iii) Other non-current financial assets	8,086.42	7,585.79
(i) Deferred tax assets (net)	4,231.04	4,607.62
(j) Non-current tax assets (net)	2,372.21	2,445.80
(k) Other non-current assets	1,042.87	571.43
	<b>3,50,861.57</b>	<b>3,50,405.33</b>
<b>Current assets</b>		
(a) Inventories	984.60	812.31
(b) Financial assets		
(i) Trade receivables	5,269.56	2,905.75
(ii) Cash and Cash equivalents	2,144.27	5,428.61
(iii) Investments	96.46	594.73
(iv) Other current financial assets	237.93	237.72
(c) Other current assets	4,290.44	3,118.89
	<b>13,023.26</b>	<b>13,098.01</b>
<b>Total Assets</b>	<b>3,63,884.83</b>	<b>3,63,503.34</b>
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Share capital	79,145.78	79,081.33
(b) Other Equity	5,555.10	4,043.55
Equity attributable to owners of the parent	84,700.88	83,124.88
(c) Non-controlling interests	56,754.66	56,763.00
Total Non-controlling interests	56,754.66	56,763.00
<b>Total Equity</b>	<b>1,41,455.54</b>	<b>1,39,887.88</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,53,583.60	1,55,348.77
(ii) Lease liability	42,561.75	42,473.49
(b) Long term provisions	261.90	261.67
(c) Deferred tax liabilities (net)	256.70	200.53
	<b>1,96,663.95</b>	<b>1,98,284.46</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	14,504.44	14,516.18
(ii) Lease liability	496.06	458.13
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	1,165.24	627.81
- total outstanding dues of creditors other than micro enterprises and small enterprises	6,149.94	5,223.31
(iv) Other current financial liabilities	625.14	619.11
(b) Provisions	572.32	1,977.54
(c) Other current liabilities	2,252.20	1,908.92
	<b>25,765.34</b>	<b>25,331.00</b>
<b>Total Liabilities</b>	<b>2,22,429.29</b>	<b>2,23,615.46</b>
<b>Total Equity and Liabilities</b>	<b>3,63,884.83</b>	<b>3,63,503.34</b>



2. Statement of Consolidated Cash flow

(₹ In Lakhs)

Particulars	Half year ended September 30, 2022 (Unaudited)	Half year ended September 30, 2021 (Unaudited)
<b>A. Cash flow from operating activities</b>		
<b>Profit/(Loss) before tax</b>	<b>4,566.74</b>	<b>(10,195.06)</b>
Non-cash adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expenses	4,952.51	5,240.86
Waiver of lease rent	-	(325.37)
Share of Profit of associate	(51.91)	(38.55)
Finance income (including fair value change in financial instruments at amortised cost)	(203.07)	(350.17)
Finance costs	8,742.21	9,071.86
Provision for gratuity	34.86	(29.90)
Provision for leave encashment	10.04	14.43
Excess provision/ credit balances written back	(48.81)	(26.89)
Provision for litigations	11.06	11.05
Provision for doubtful debts	5.76	15.52
Net gain on sale of property, plant and equipment	(6.15)	-
Net gain on sale of current investments	(2.43)	-
Operating profit before working capital changes:	<b>18,010.81</b>	<b>3,387.78</b>
Movements in working capital:		
Decrease in trade receivables	(2,369.57)	616.29
Decrease/(Increase) in loans and advances and other current assets	(1,596.23)	149.27
(Increase)/Decrease in inventories	(172.29)	14.75
Decrease in liabilities and provisions	250.62	(1,266.47)
<b>Cash generated from operations</b>	<b>14,123.34</b>	<b>2,901.62</b>
Direct taxes paid (net of refunds)	(768.56)	(88.28)
<b>Net cash flow generated from operating activities (A)</b>	<b>13,354.78</b>	<b>2,813.34</b>
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment including adjustment of CWIP, capital advances and capital creditors	(4,739.12)	(2,103.73)
Proceeds from sale of property, plant and equipment	12.79	24.55
Receipt/(Investment) from Fixed Deposits (net)	(278.72)	1,413.58
Proceeds from sale of current investments (net)	502.93	-
Purchase of shares from minority interest	(1,885.01)	-
Interest received	280.00	555.77
<b>Net Cash flow used in investing activities (B)</b>	<b>(6,107.13)</b>	<b>(109.83)</b>
<b>Cash flows used in financing activities</b>		
Proceeds from issuance of share capital	138.56	33.45
Payment of lease liability	(1,858.73)	(1,320.05)
Proceeds from long term borrowings	6,605.28	12,434.92
Repayment of long term borrowings	(5,690.35)	(11,620.63)
(Repayment)/Proceeds of short term borrowings (net)	(2,691.84)	374.92
Interest paid	(7,034.91)	(7,105.72)
<b>Net Cash flow used in financing activities (C)</b>	<b>(10,531.99)</b>	<b>(7,203.11)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(3,284.34)</b>	<b>(4,499.60)</b>
Cash and cash equivalents at the beginning of the year	5,428.61	12,745.72
<b>Cash and cash equivalents at the end of year</b>	<b>2,144.27</b>	<b>8,246.12</b>
<b>Components of cash and cash equivalents</b>		
Cash on Hand	93.93	81.33
Balances with Scheduled Banks in		
- Current accounts	1,160.24	1,889.59
- Deposits with original maturity of less than three months	890.10	6,275.20
<b>Total cash and cash equivalents</b>	<b>2,144.27</b>	<b>8,246.12</b>



3. The above consolidated financial results of the Company ("Parent Company"), its subsidiaries and limited liability partnership firm (the Group) were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 10, 2022 and November 11, 2022 respectively. The statutory auditors have carried out a limited review of the above standalone financial results.

4. The above consolidated financial results have been prepared in accordance with the recognition and measurement principles as laid down in the Indian Accounting Standard "Interim Financial Reporting" ("IND AS 34") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended and other accepted accounting principles generally accepted in India.

5. The paid up share capital of the Company excludes 788,641 (March 31, 2022: 1,433,091) equity shares held by the ESOP Trust which has been consolidated in accordance with the requirement of IND AS 110 "Consolidated Financial Statements".

6. The Board of Directors of the Parent Company at their meeting held on February 10, 2022 has approved the Scheme of Amalgamation ("Scheme") of Wholly Owned Subsidiary(ies) of the Company viz. Valerian Management Services Private Limited ("Transferor Company No. 1"), Grey Fox Project Management Company Private Limited ("Transferor Company No. 2"), PSK Resorts & Hotels Private Limited ("Transferor Company No. 3") and Dandelion Hotels Private Limited ("Transferor Company No. 4") with Lemon Tree Hotels Limited ("Transferee Company"). On July 30, 2022, the First motion application of the Scheme has been filed with National Company Law Tribunal, New Delhi(NCLT). On the approval of Scheme by NCLT, Transferor Company(ies) shall be amalgamated with the Company w.e.f April 1, 2022 (Appointed date of Scheme).

7. During the previous quarter ended June 30, 2022, the Parent Company had acquired 25.10% stake (234,580 shares) in Carnation Hotels Private Limited at an aggregate consideration of Rs. 1,885.01 lakhs on May 4, 2022 and accordingly Carnation Hotels Private Limited has become wholly owned subsidiary of the Parent Company.

8. The Code on Wages, 2019 and Code on Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Group will assess the impact of the codes when the rules are notified and will record any related impact in the period in which the Codes become effective.

9. The unaudited consolidated financial results for the quarter and half year ended September 30, 2021 were materially impacted by the COVID 19 pandemic and therefore are not comparable with those of quarter and half year ended September 30, 2022. Further, due to seasonal nature of the Indian hotel industry, the Group's consolidated financial results for the current quarter are not indicative of a full year's operation

10. The Group is into Hoteliering business and operates in a single operating segment therefore it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments.

By order of the Board  
for Lemon Tree Hotels Limited



**Patanjali G. Keswani**  
(Chairman & Managing Director)



Place : New Delhi  
Date : November 11, 2022

## 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 and half year ended **September 30, 2022** ("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 reports of other auditors as referred in paragraph 5 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.
5. We did not review the interim financial statement of Krizm Hotel Private Limited Employee Welfare Trust (the "Trust") included in the Statement, whose interim financial statement reflect total assets of Rs 209 lakhs as at September 30, 2022, total revenues of Rs. Nil for the quarter and half year ended September 30, 2022 respectively, total net loss after tax of Rs. 0.02 lakhs and Rs 0.07 lakhs for the quarter and half year ended September 30, 2022 respectively, total comprehensive loss of Rs. 0.02



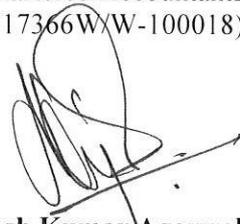
**Deloitte  
Haskins & Sells LLP**

lakhs and Rs 0.07 lakhs for the quarter and half year ended September 30, 2022 respectively, and net cash outflows of Rs. 18.17 lakhs for the half year ended September 30, 2022 as considered in this Statement. The interim financial statement 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)



  
**Rajesh Kumar Agarwal**  
Partner

(Membership No. 105546)

UDIN: 22-105546BCURTW4132

New Delhi  
November 11, 2022

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 and Half Year ended September 30, 2022

(₹ In Lakhs, except per share data)

	Quarter ended			Half Year Ended		Year Ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Income</b>						
Revenue from operations	6,798.32	6,536.43	3,326.52	13,334.75	4,579.27	12,918.90
Other income	10.40	10.51	13.02	20.91	55.62	298.51
<b>Total income</b>	<b>6,808.72</b>	<b>6,546.94</b>	<b>3,339.54</b>	<b>13,355.66</b>	<b>4,634.89</b>	<b>13,217.41</b>
<b>2 Expenses</b>						
Cost of food and beverages consumed	307.06	289.38	159.62	596.44	220.07	643.69
Employee benefit expenses	1,299.70	1,243.05	912.38	2,542.75	1,599.01	3,768.07
Power and fuel	510.37	522.98	367.72	1,033.35	583.60	1,295.16
Other expenses	1,310.16	1,091.19	737.58	2,401.35	1,209.29	3,213.33
<b>Total expenses</b>	<b>3,427.29</b>	<b>3,146.60</b>	<b>2,177.30</b>	<b>6,573.89</b>	<b>3,611.97</b>	<b>8,920.25</b>
<b>3 Profit before depreciation and amortization, finance cost, finance income, and tax (1-2)</b>	<b>3,381.43</b>	<b>3,400.34</b>	<b>1,162.24</b>	<b>6,781.77</b>	<b>1,022.92</b>	<b>4,297.16</b>
4 Finance cost	1,123.97	1,118.59	1,225.01	2,242.56	2,415.59	4,794.36
5 Finance income	(61.74)	(67.71)	(96.24)	(129.45)	(180.94)	(339.73)
6 Depreciation and amortization expense	498.39	501.00	536.04	999.39	1,070.90	2,103.29
<b>7 Profit/(loss) before tax (3-4-5-6)</b>	<b>1,820.81</b>	<b>1,848.46</b>	<b>(502.57)</b>	<b>3,669.27</b>	<b>(2,282.63)</b>	<b>(2,260.76)</b>
8 Tax expense:						
- Current tax (under MAT)	366.78	179.79	-	546.57	-	-
- Deferred Tax (including of MAT credit)	160.49	357.33	(143.98)	517.82	(663.94)	(654.98)
<b>9 Net profit/(loss) after tax (7-8)</b>	<b>1,293.54</b>	<b>1,311.34</b>	<b>(358.59)</b>	<b>2,604.88</b>	<b>(1,618.69)</b>	<b>(1,605.78)</b>
<b>10 Other Comprehensive Income/(loss)</b>						
(i) Items that will not be reclassified to profit and Re-measurement gain/(loss) on defined benefit	1.63	1.62	(1.17)	3.25	(2.35)	6.49
Income tax effect on above	(0.47)	(0.47)	0.34	(0.94)	0.68	(1.89)
<b>11 Total Comprehensive Income/(Loss)</b>	<b>1,294.70</b>	<b>1,312.49</b>	<b>(359.42)</b>	<b>2,607.19</b>	<b>(1,620.36)</b>	<b>(1,601.18)</b>
12 Paid-up equity share capital (Face value of the share ₹ 10/-)	79,145.78	79,128.87	79,057.70	79,145.78	79,057.70	79,081.33
13 Other Equity	-	-	-	-	-	19,725.69
14 Earnings/(loss) per share (Face value of the share ₹ 10/-) (EPS for quarter and half year ended periods are not annualised)						
Basic EPS	0.16	0.17	(0.05)	0.33	(0.20)	(0.20)
Diluted EPS	0.16	0.17	(0.05)	0.33	(0.20)	(0.20)



## Notes:

## 1. Statement of Standalone Assets and Liabilities

(₹ In Lakhs)

Particulars	As at	As at
	September 30, 2022 (Unaudited)	March 31, 2022 (Audited)
<b>Assets</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	39,142.17	39,487.86
(b) Capital work-in-progress	1,961.68	1,766.94
(c) Investment Property	225.95	228.15
(d) Intangible assets	198.33	228.04
(e) Right of use assets	14,918.16	15,322.47
(f) Financial assets		
(i) Investments	82,405.41	80,505.37
(ii) Loans	28.49	41.21
(iii) Other non-current financial assets	1,990.93	1,922.77
(g) Deferred tax assets (net)	4,518.93	5,037.70
(h) Non-Current tax assets (net)	1,024.89	1,155.30
(i) Other non-current assets	111.64	112.29
	<b>1,46,526.58</b>	<b>1,45,808.10</b>
<b>Current assets</b>		
(a) Inventories	239.88	207.78
(b) Financial assets		
(i) Trade receivables	4,515.70	3,819.32
(ii) Cash and Cash equivalents	667.73	1,566.64
(iii) Investments	-	500.44
(iv) Loans	1,103.65	489.09
(v) Other current financial assets	19.23	19.23
(c) Other current assets	2,324.93	1,695.70
	<b>8,871.12</b>	<b>8,298.20</b>
<b>Total Assets</b>	<b>1,55,397.70</b>	<b>1,54,106.30</b>
<b>Equity And Liabilities</b>		
<b>Equity</b>		
(a) Share capital	79,145.78	79,081.33
(b) Other Equity	22,406.99	19,725.69
<b>Total Equity</b>	<b>1,01,552.77</b>	<b>98,807.02</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	27,591.90	30,094.22
(ii) Lease liability	16,783.80	16,783.88
(b) Provisions	131.61	131.61
	<b>44,507.31</b>	<b>47,009.71</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	4,680.65	4,078.79
(ii) Lease liability	324.86	300.25
(iii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	340.74	206.18
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,158.49	2,657.70
(iv) Other current financial liabilities	31.53	104.63
(b) Provisions	206.90	186.81
(c) Other current liabilities	594.45	755.21
	<b>9,337.62</b>	<b>8,289.57</b>
<b>Total Liabilities</b>	<b>53,844.93</b>	<b>55,299.28</b>
<b>Total Equity and Liabilities</b>	<b>1,55,397.70</b>	<b>1,54,106.30</b>



2. Statement of Standalone Cash flow

(₹ In Lakhs)

Particulars	For the half year ended September 30, 2022 (Unaudited)	For the half year ended September 30, 2021 (Unaudited)
<b>Cash flow from operating activities</b>		
<b>Profit/(Loss) before tax</b>	3,669.27	(2,282.63)
Non-cash adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expenses	999.39	1,070.90
Waiver of lease rent	-	(42.90)
Finance income (including fair value change in financial instruments)	(129.45)	(180.94)
Finance costs	2,176.75	2,393.47
Provision for gratuity	13.19	(48.47)
Provision for leave encashment	6.76	8.04
Provision for loyalty programme	1.00	1.96
Provision for litigation	4.51	4.51
Net gain on sale of property plant, equipment	(0.35)	(2.98)
Net gain on sale of investments	(2.44)	-
<b>Operating profit before working capital changes:</b>	<b>6,738.63</b>	<b>920.96</b>
Movements in working capital:		
(Increase)/ Decrease in trade receivables	(696.38)	620.52
Increase in loans and advances and other current assets	(697.49)	(7.60)
(Increase)/ Decrease in inventories	(32.10)	10.13
Increase/ (Decrease) in liabilities and provisions	439.04	(1,288.69)
<b>Cash Generated from Operations</b>	<b>5,751.70</b>	<b>255.32</b>
(Direct taxes paid)/Refund(net)	(416.16)	(102.58)
<b>Net cash flows generated from operating activities (A)</b>	<b>5,335.54</b>	<b>152.74</b>
<b>Cash flows (used in)/from investing activities</b>		
Purchase of Property, plant and equipment (adjustment of CWIP, capital advances and capital creditors)	(457.90)	(185.71)
Proceeds from sale of property plant and equipment	6.07	2.98
Purchase of investment in subsidiary	(1,885.01)	-
Proceeds from sale of current investments	502.88	-
Short term loans (given)/repaid (to)/by subsidiaries (net)	(614.56)	(54.83)
Net proceeds from maturity/liquidation of fixed deposits	15.60	133.84
Interest received	112.56	265.81
<b>Net Cash flow (used in)/ from investing activities (B)</b>	<b>(2,320.36)</b>	<b>162.09</b>
<b>Cash flows used in financing activities</b>		
Proceeds from issuance of share capital	138.56	33.45
Payment of lease liabilities	(767.41)	(707.75)
Proceeds from long term borrowings	81.10	5,262.52
Repayment of long term borrowings	(2,002.11)	(4,065.44)
(Repayment)/Proceeds of short term borrowings (net)	(0.19)	980.51
Interest paid	(1,364.04)	(1,581.07)
<b>Net Cash flow used in financing activities (C)</b>	<b>(3,914.09)</b>	<b>(77.78)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(898.91)</b>	<b>237.05</b>
Cash and cash equivalents at the beginning of the year	1,566.64	3,641.12
<b>Cash and cash equivalents at the end of the year</b>	<b>667.73</b>	<b>3,878.17</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	21.03	21.73
Balances with scheduled banks in		
- Current accounts	86.70	646.44
- Deposits with original maturity of less than three months	560.00	3,210.00
<b>Total cash and cash equivalents</b>	<b>667.73</b>	<b>3,878.17</b>



3. The Audit Committee has reviewed the above results and the Board of Directors has approved the above standalone financial results at their respective meetings held on November 10, 2022 and November 11, 2022 respectively. The statutory auditors have carried out a limited review of the above standalone financial results.
4. The above financial results have been prepared in accordance with the recognition and measurement principles as 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 Companies (Indian Accounting Standards) Rules as amended and other accepted accounting principles generally accepted in India.
5. The paid up share capital of the Company excludes 788,641 (March 31, 2022: 1,433,091) equity shares held by the ESOP Trust which has been consolidated in accordance with the requirement of IND AS 110 "Consolidated Financial Statements".
6. During the previous quarter ended June 30, 2022, the Company had acquired 25.10% stake (234,580 shares) in Carnation Hotels Private Limited at an aggregate consideration of Rs. 1,885.01 lakhs on May 4, 2022 and accordingly Carnation Hotels Private Limited had become wholly owned subsidiary of the Company.
7. The Code on Wages, 2019 and Code on Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period in which the Codes become effective.
8. The Board of Directors of the Company at their meeting held on February 10, 2022 has approved the Scheme of Amalgamation ("Scheme") of Wholly Owned Subsidiary(ies) of the Company viz. Valerian Management Services Private Limited ("Transferor Company No. 1"), Grey Fox Project Management Company Private Limited ("Transferor Company No. 2"), PSK Resorts & Hotels Private Limited ("Transferor Company No. 3") and Dandelion Hotels Private Limited ("Transferor Company No. 4") with Lemon Tree Hotels Limited ("Transferee Company"). On July 30, 2022, the First motion application of the Scheme has been filed with National Company Law Tribunal, New Delhi(NCLT). On the approval of Scheme by NCLT, Transferor Company(ies) shall be amalgamated with the Company w.e.f April 1, 2022 (Appointed date of Scheme).
9. The unaudited standalone financial results for the quarter and half year ended September 30, 2021 were materially impacted by the outbreak of COVID 19 pandemic and therefore are not comparable with those of quarter and half year ended September 30, 2022. Further, due to seasonal nature of the Indian hotel industry, the Company's standalone financial results for the current quarter are not indicative of a full year's operation
10. The Company is into Hoteliering business and operates in a single operating segment therefore it did not give rise to different operating segments in accordance with Ind AS 108 - Operating Segments.

By order of the Board  
for Lemon Tree Hotels Limited



A handwritten signature in black ink, appearing to read "Patanjali G. Keswani".

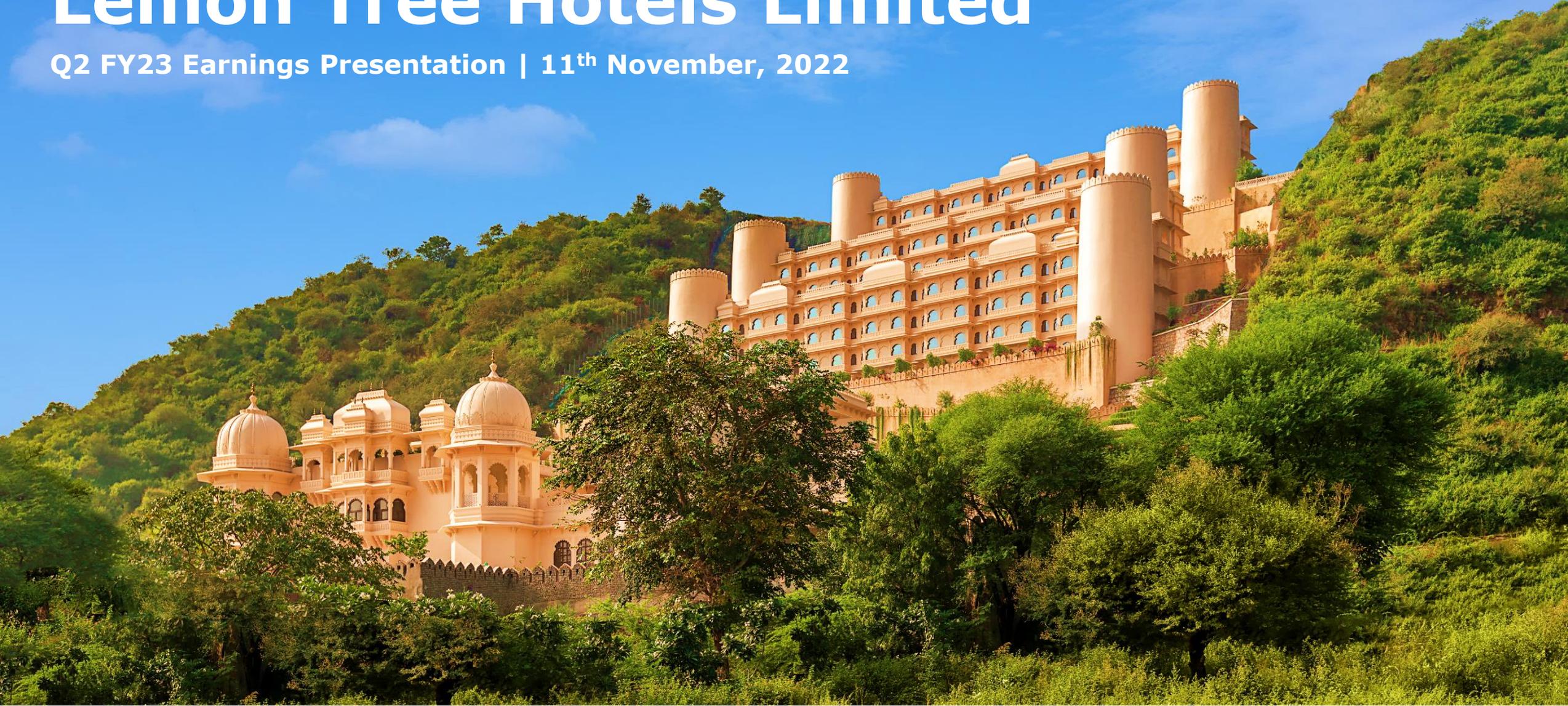
**Patanjali G. Keswani**  
(Chairman & Managing Director)

Place: New Delhi  
Date : November 11, 2022



# Lemon Tree Hotels Limited

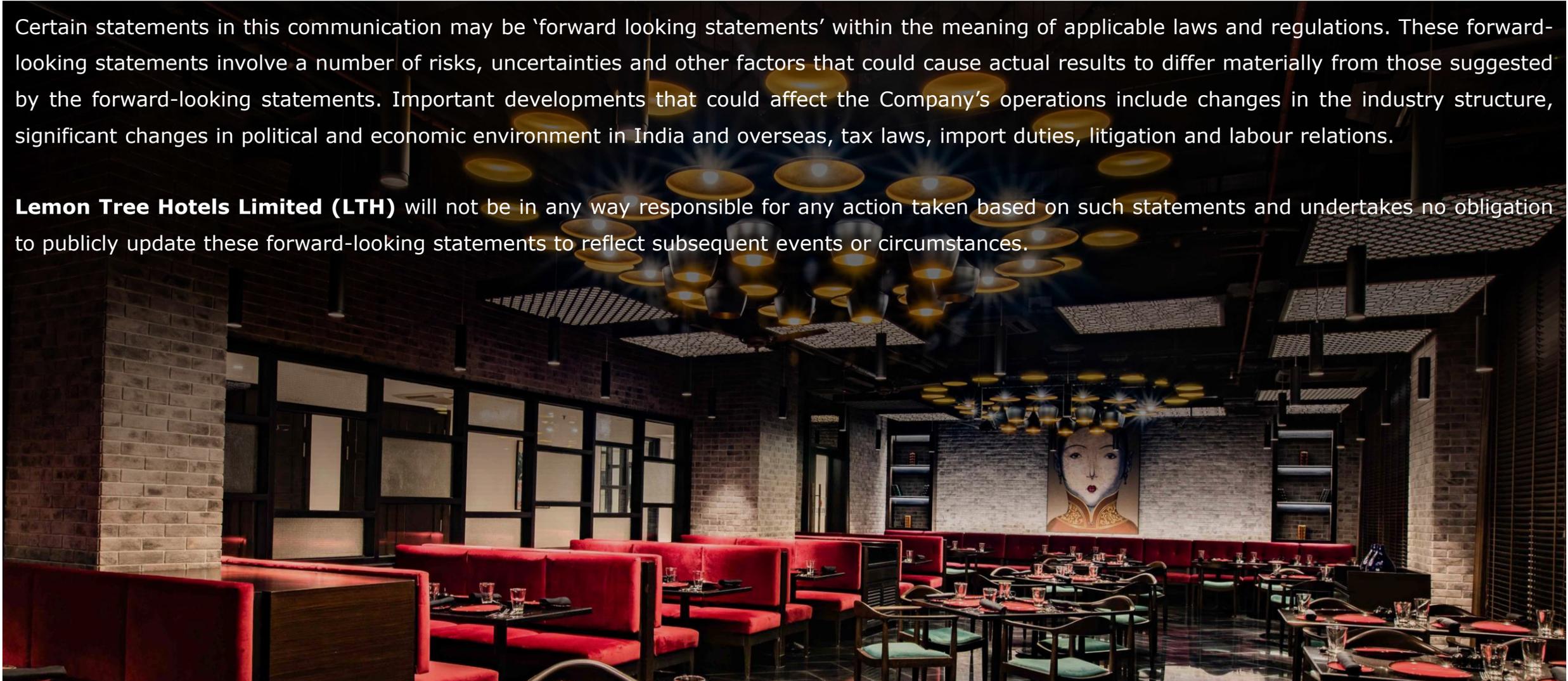
Q2 FY23 Earnings Presentation | 11<sup>th</sup> November, 2022



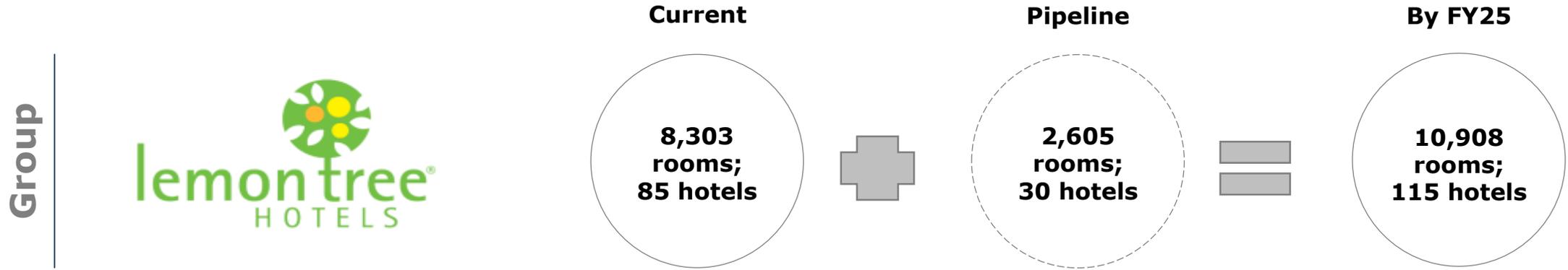
# Disclaimer

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 30<sup>th</sup> September 2022



**Brands**

Brand	Current	Pipeline	By FY25
<b>Aurika Hotels &amp; Resorts</b>	194 Rooms; 2 Hotels	801 Rooms; 2 Hotels	995 Rooms; 4 Hotels
<b>Lemon Tree Premier</b>	2,514 Rooms; 18 Hotels	95 Rooms; 2 Hotels	2,609 Rooms; 20 Hotels
<b>Lemon Tree Hotels</b>	2,867 Rooms; 39 Hotels	1,578 Rooms; 23 Hotels	4,445 Rooms; 62 Hotels
<b>Red Fox by Lemon Tree Hotels</b>	1,401 Rooms; 12 Hotels	--	1,401 Rooms; 12 Hotels
<b>Keys by Lemon Tree Hotels</b>	1,327 Rooms; 14 Hotels	131 Rooms; 3 Hotels	1,458 Rooms; 17 Hotels

# Chairman & Managing Director's Message

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## **Commenting on the performance for Q2 FY23, Mr. Patanjali Keswani, Chairman & Managing Director – Lemon Tree Hotels Limited said,**

"This quarter, we have centered our presentation around a comparison from Q2 FY20 to highlight the true impact of the structural changes in the costs that have been implemented post CoVID. Q2 FY23 saw further rise in ARR's while occupancy remained in line with previous quarter due to the normal seasonal nature of the hotel business. Total revenue for Q2 FY23 stood at Rs. 197.4 Cr which is 28% up vs Q2 FY20 and 3% up on a Q-o-Q basis. Net EBITDA margin remained at 47.8% which is 1567 bps up vs Q2 FY20 and down 38 bps on a Q-o-Q basis. The slight fall was due to a rise in payroll cost as the hotels ramp up to prepare for H2 FY23 which typically has higher occupancy. The PAT for the quarter stands at Rs. 19.4 Cr which is up 742% when compared to Q2 FY20 and 43% up on a Q-o-Q basis. Despite occupancy not recovering to Pre-CoVID level, Q2 FY23 recorded the best Gross ARR, EBITDA and PAT in the last 14 preceding quarters.

Demand from corporate travel remains robust and it continues to be the highest contributor to room nights sold ie. 44% and revenue share of 41%. Corporate along with Airline and Travel Trade contributes 55% of room nights sold and 52% to the revenue. The contribution of the retail segment has grown significantly, retail's contribution towards room nights sold is up 5 pp to 45% vs Q2 FY20 and revenue share is 7 pp up to 48% vs Q2 FY20. In terms of future demand, we see a significant improvement in consumer sentiment. Leisure and corporate travel continue to gain traction. We anticipate that consumption will strengthen even further in the coming quarters.

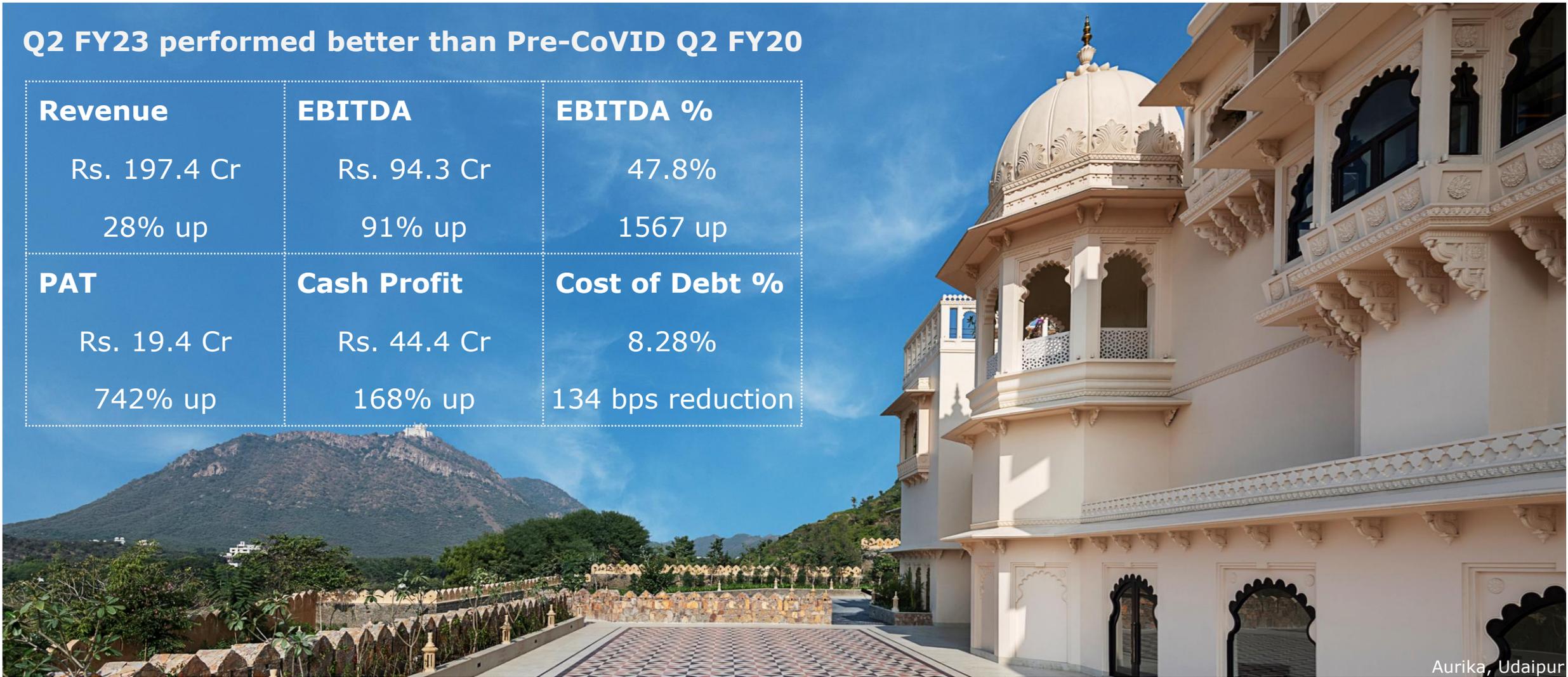
The Gross ARR stands at Rs. 4,917 which is up 19% vs Q2 FY20 and 2% on a Q-o-Q basis. Our focus on cost optimization has translated into an expansion of EBITDA by 1,567 bps vs Q2 FY20, owing reduction of 557 bps in payroll, 239 bps in raw material costs, 127 bps in HLP and 643 bps in other expenses.

We are happy to share that we have expanded our presence with the signing of 5 new hotels in Hubli, Rajkot, Goa, Erode (Tamil Nadu) and Kanha and 2 hotels - Keys Lite in Vishakhapatnam and Lemon Tree Hotel in Kalina were operationalized in Oct'22. Our current operational inventory comprises 85 hotels and 8,303 rooms with 2,605 rooms in the pipeline. Hence, based on the current pipeline by FY25 our total operational inventory will be 10,908 rooms and 115 hotels. Compared to industry, Lemon Tree same store hotels RevPAR grew 14% vs Q2 FY20 while the industry grew 7% for the same period. Lemon Tree same store hotels recovered faster than the industry in Q2 FY23 vs Q2 FY20 in Mumbai, Hyderabad, Delhi, Bengaluru, Pune, Gurugram and Chennai."

# Strong Q2 FY23 performance across key financial metrics

## Q2 FY23 performed better than Pre-CoVID Q2 FY20

Revenue	EBITDA	EBITDA %
Rs. 197.4 Cr	Rs. 94.3 Cr	47.8%
28% up	91% up	1567 up
PAT	Cash Profit	Cost of Debt %
Rs. 19.4 Cr	Rs. 44.4 Cr	8.28%
742% up	168% up	134 bps reduction



Aurika, Udaipur

# Q-o-Q performance

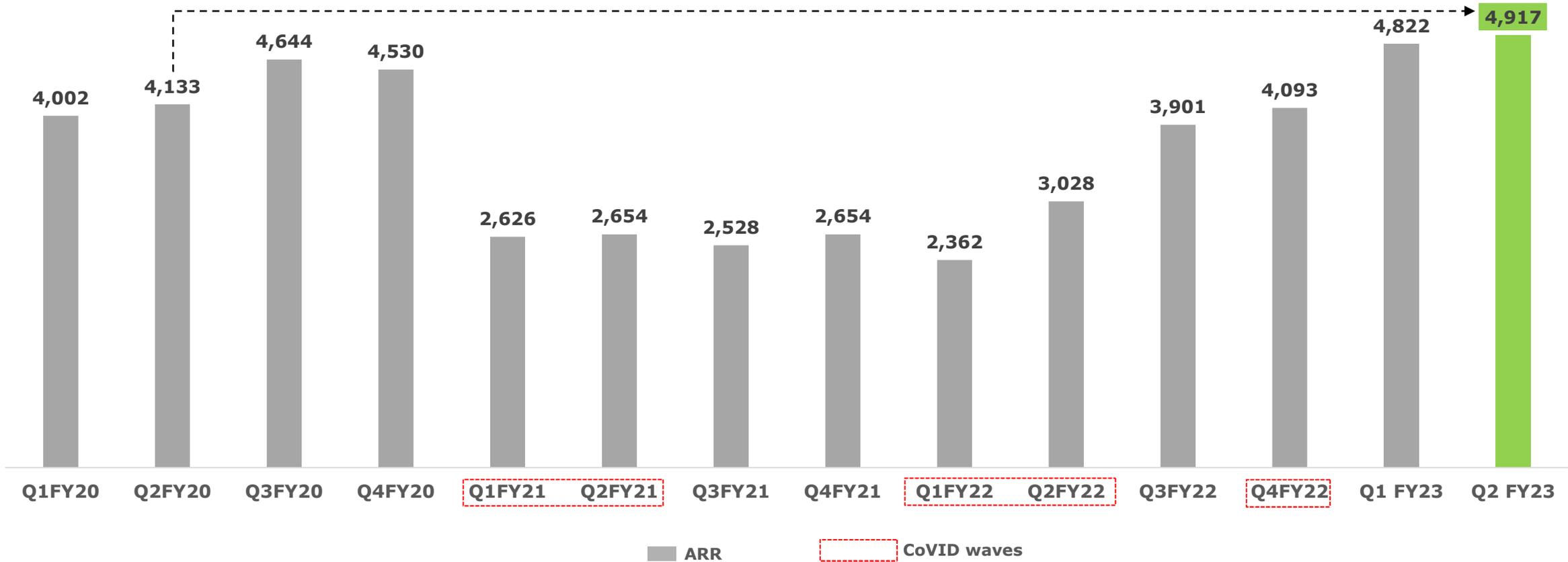
Despite occupancy not being at Pre-CoVID levels, Q2 FY23 recorded the best Gross ARR, EBITDA, PBT, and PAT in the last 14 quarters:

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

  Highest in the last 14 quarters

# Q-o-Q ARR Recovery

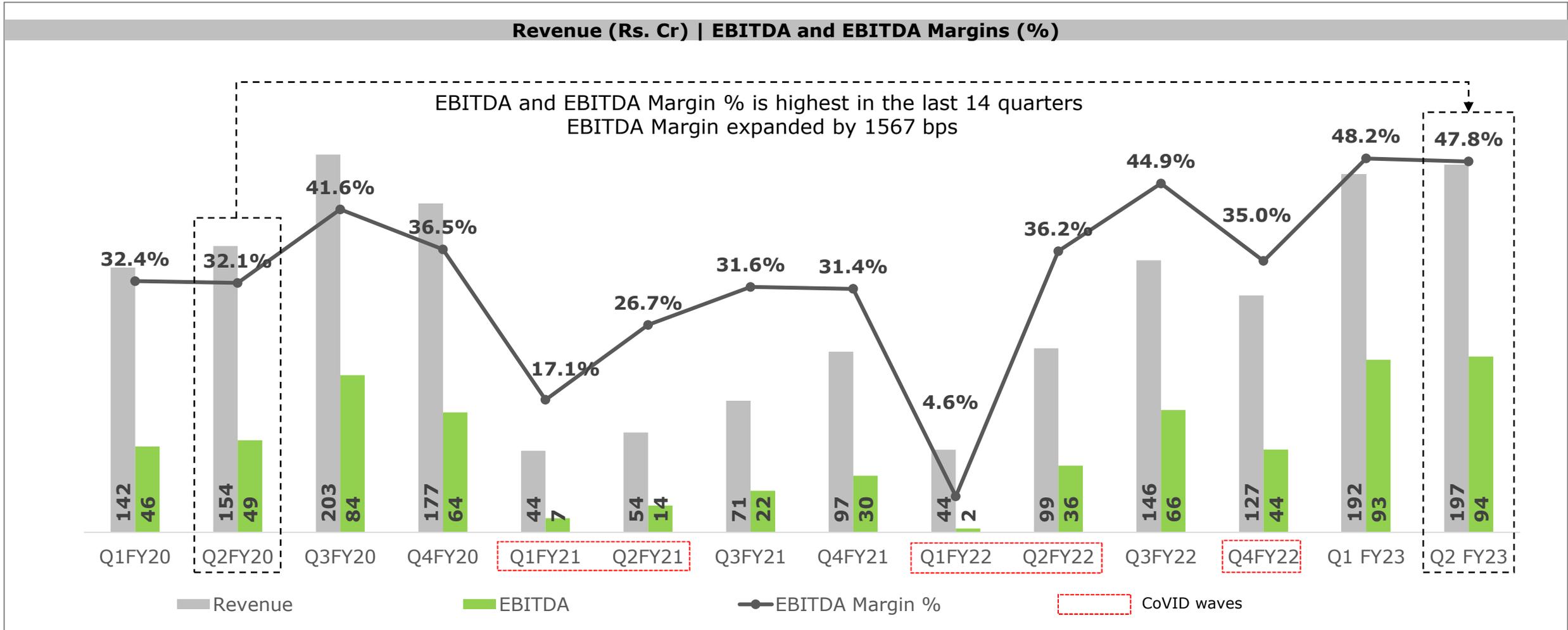
**ARR in Q2 FY23 is highest ever since listing and 19% higher than same quarter Pre-CoVID ie. Q2 FY20**



Trends for owned/leased rooms

Trends for owned/leased rooms

# EBITDA Margin Expansion driven by permanent cost rationalization



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

# Q2 FY23 Brand level performance

**Despite occupancy not being at Pre-CoVID levels, our brands in Q2 FY23 recorded improved Gross ARR, RevPAR, EBITDA, EBITDA % compared to Pre-CoVID ie. Q2 FY20:**

Q2 FY23 vs Q2 FY20	Aurika Hotels & Resorts	Lemon Tree Premier	Lemon Tree Hotels	Red Fox by Lemon Tree Hotels	Keys by Lemon Tree Hotels
<b>Gross ARR</b>	*	16% Up	22% Up	23% Up	*
<b>Occ %</b>	*	94 bps Up	-716 bps Down	-949 bps Down	*
<b>RevPAR</b>	*	18% Up	10% Up	8% Up	*
<b>EBITDAR/Room</b>	*	44% Up	42% Up	23% Up	*
<b>EBITDAR Margin %</b>	*	1,183 bps Up	1253 bps Up	776 bps Up	*

\* Aurika Hotels & Resorts and Keys by Lemon Tree Hotels operationalized in Q3 FY20

Trends for owned/leased rooms

# Q2 FY23 City level performance

**Overall, all the key cities in Q2 FY23 recorded an improved EBITDA Margin % compared to Pre-CoVID ie. Q2 FY20:**

Particulars	Delhi	Gurugram	Hyderabad	Bengaluru	Mumbai	Pune	Rest of India
<b>Gross ARR</b>	15% Up	14% Up	26% Up	7% Up	14% Up	17% Up	31% Up
<b>Occ %</b>	-650 bps Down	-1330 bps Down	-279 bps Down	-1186 bps Down	2689 bps Up	198 bps Up	-1549 bps Down
<b>RevPAR</b>	6% Up	-5% Down	21% Up	-9% Down	75% Up	20% Up	1% Up
<b>EBITDAR/Room</b>	23% Up	29% Up	34% Up	-1% Down	187% Up	55% Up	44% Up
<b>EBITDAR Margin %</b>	760 bps Up	958 bps Up	990 bps Up	1185 bps Up	2286 bps Up	1476 bps Up	1287 bps Up

Trends for owned/leased rooms

## Q2 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 %		
	Q2 FY23	Q2 FY20	Change (%)	Q2 FY23	Q2 FY20	Change (bps)	Q2 FY23	Q2 FY20	Change (%)	Q2 FY23	Q2 FY20	Change (%)	Q2 FY23	Q2 FY20	Change (bps)
By Brand (#Rooms)															
Aurika Hotels & Resorts (139)*	4682	-	-	39%	-	-	11,896	-	-	2.85	-	-	49%	-	-
Lemon Tree Premier (1,603)	4496	3824	18%	76%	75%	94	5,887	5,069	16%	2.84	1.97	44%	54%	43%	1,183
Lemon Tree Hotels (1562)	3163	2872	10%	66%	73%	-716	4,823	3,948	22%	1.77	1.24	42%	47%	35%	1253
Red Fox by Lemon Tree Hotels (952)	2496	2321	8%	68%	77%	-949	3,697	3,014	23%	1.30	1.05	23%	49%	42%	776
Keys by Lemon Tree Hotels (936)*	1771	-	-	53%	-	-	3,355	-	-	0.98	-	-	52%	-	-

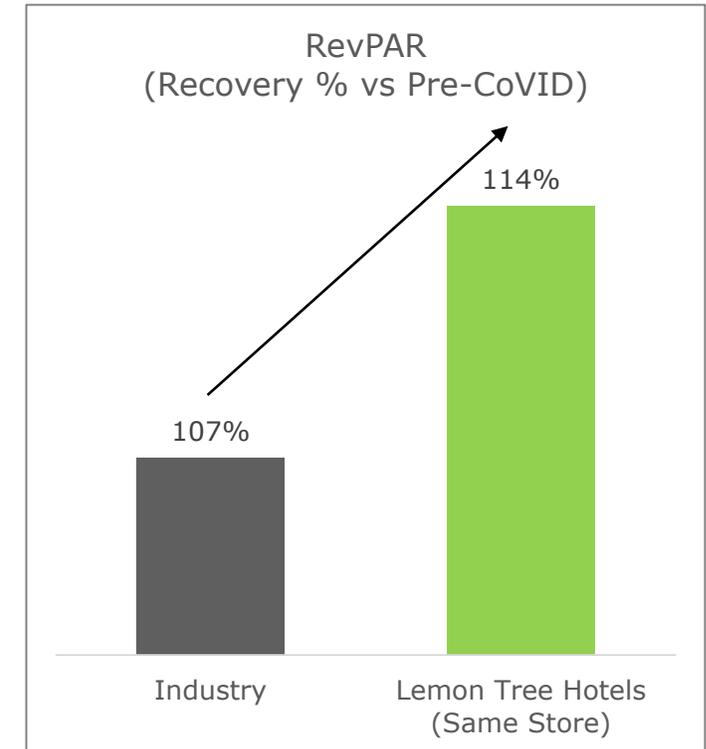
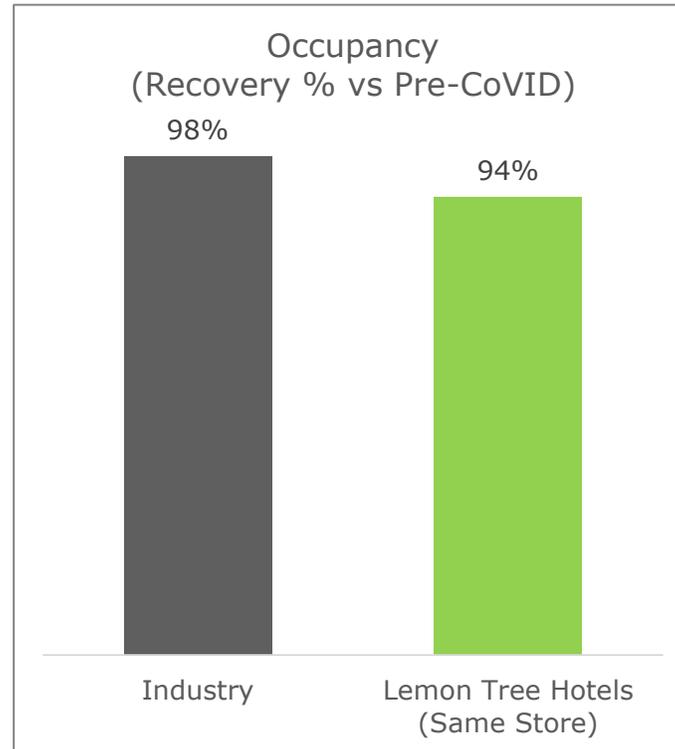
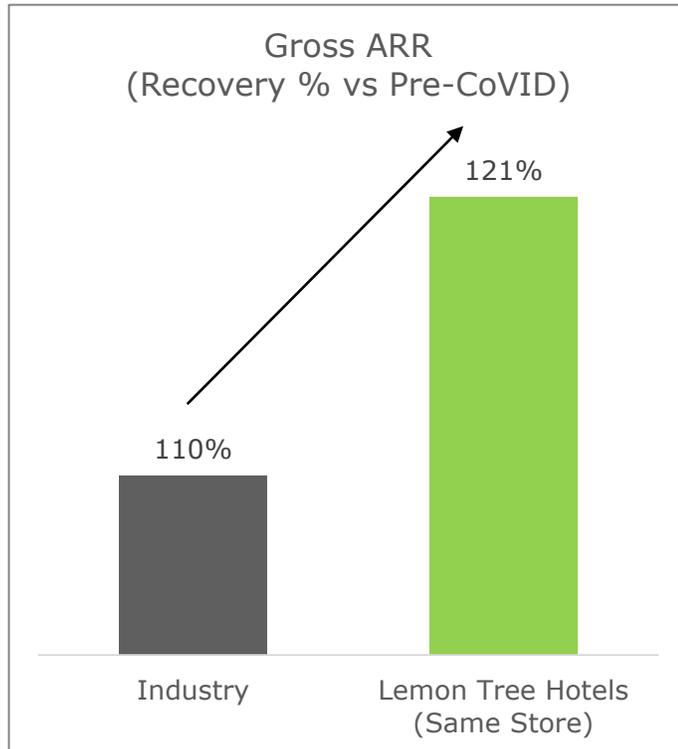
Parameters	RevPAR (Rs.)			Occupancy Rate (%)			Average Daily Rate (Rs.)			Hotel level EBITDAR/room (Rs. Lacs)			Hotel level EBITDAR Margin %		
	Q2 FY23	Q2 FY20	Change (%)	Q2 FY23	Q2 FY20	Change (bps)	Q2 FY23	Q2 FY20	Change (%)	Q2 FY23	Q2 FY20	Change (%)	Q2 FY23	Q2 FY20	Change (bps)
By Region (#Rooms)															
Delhi (636)	3928	3708	6%	79%	86%	-650	4,941	4,312	15%	2.13	1.73	23%	46%	39%	760
Gurugram (529)	3005	3176	-5%	65%	78%	-1,330	4,654	4,078	14%	1.57	1.21	29%	41%	31%	958
Hyderabad (663)	4361	3593	21%	81%	84%	-279	5,390	4,293	26%	3.00	2.25	34%	61%	51%	990
Bengaluru (874)	3178	3498	-9%	68%	80%	-1,186	4,661	4,370	7%	2.07	2.08	-1%	59%	48%	1185
Mumbai (303)	5483	3130	75%	77%	50%	2,689	7,101	6,219	14%	3.62	1.26	187%	59%	37%	2286
Pune (426)	3225	2681	20%	69%	67%	198	4,703	4,026	17%	1.87	1.21	55%	51%	37%	1476
Rest of India (1,659)	2282	2259	1%	52%	68%	-1,549	4,374	3,338	31%	1.12	0.78	44%	42%	30%	1287
<b>Total (5090)</b>	<b>3257</b>	<b>3090</b>	<b>5%</b>	<b>66%</b>	<b>75%</b>	<b>-852</b>	<b>4,917</b>	<b>4,133</b>	<b>19%</b>	<b>1.91</b>	<b>1.47</b>	<b>30%</b>	<b>51%</b>	<b>39%</b>	<b>1171</b>

\* Aurika Hotels & Resorts and Keys by Lemon Tree Hotels operationalized in Q3 FY20

Trends for owned/leased rooms

# LTH vs Industry - Q2 FY23 vs Q2 FY20 (Pre-CoVID)

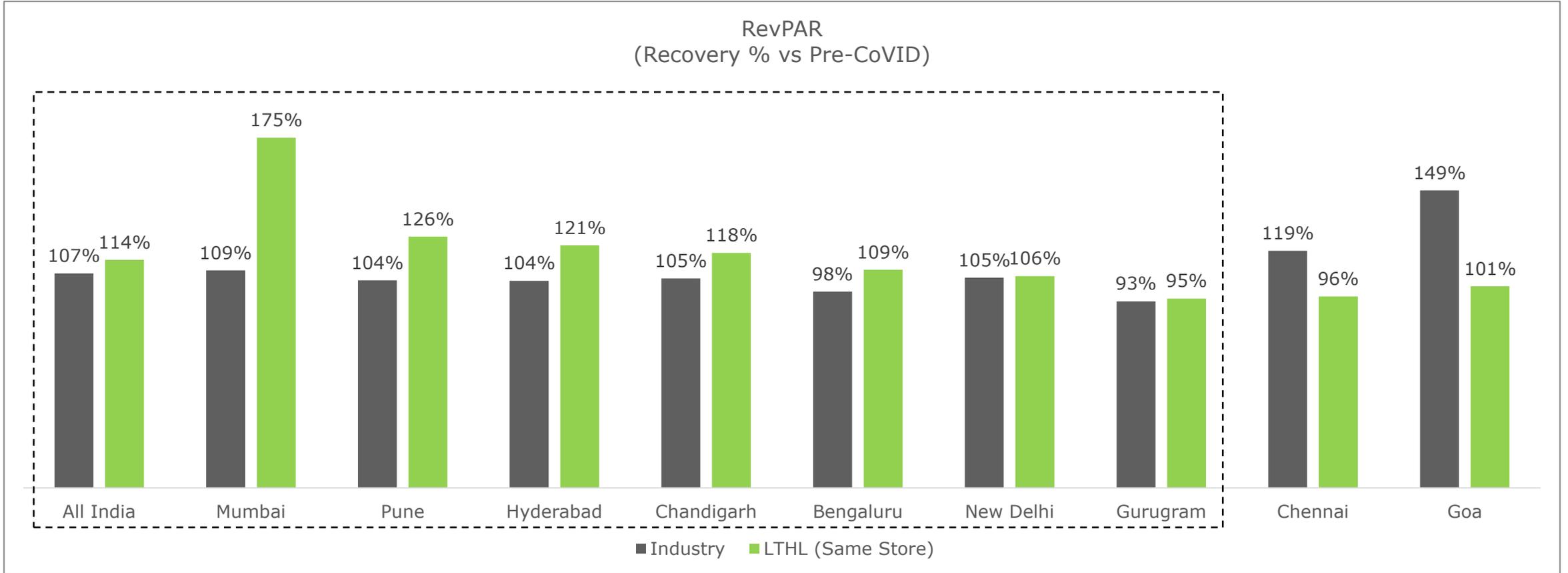
## LTH same store hotels recovered faster than the industry in Q2 FY23 vs Q2 FY20 (Pre-CoVID)



Source: STR India

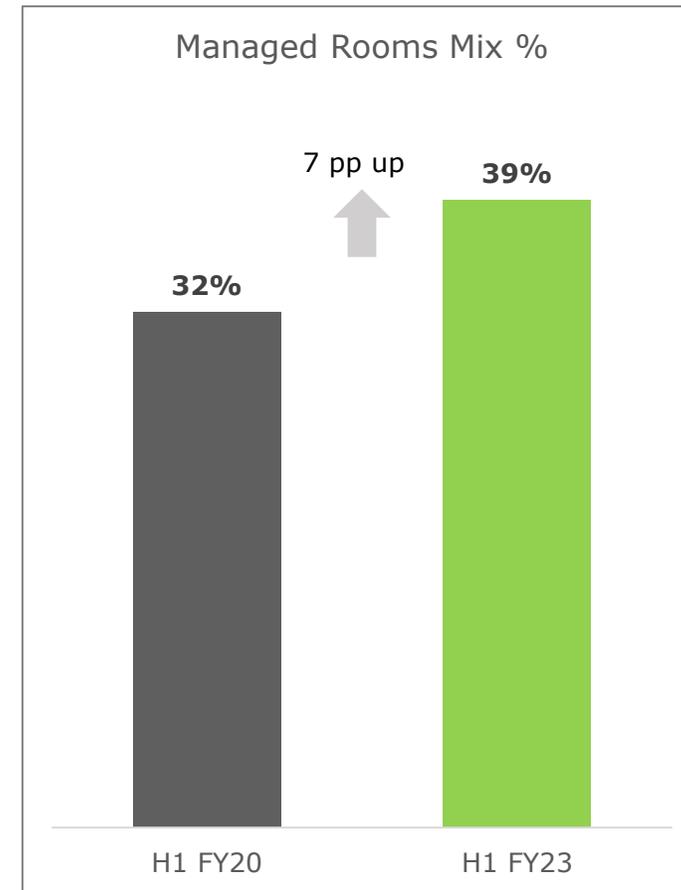
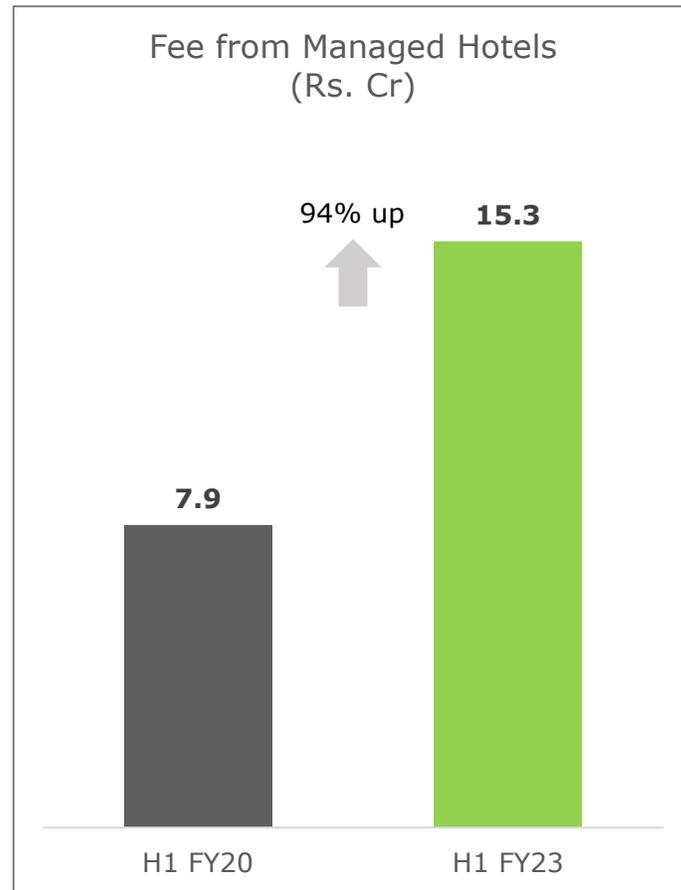
# City level: LTH vs Industry - Q2 FY23 vs Q2 FY20 (Pre-CoVID)

**In 7 out of 9 key cities, LTH same store hotels recovered faster than the industry in Q2 FY23 vs Q2 FY20**

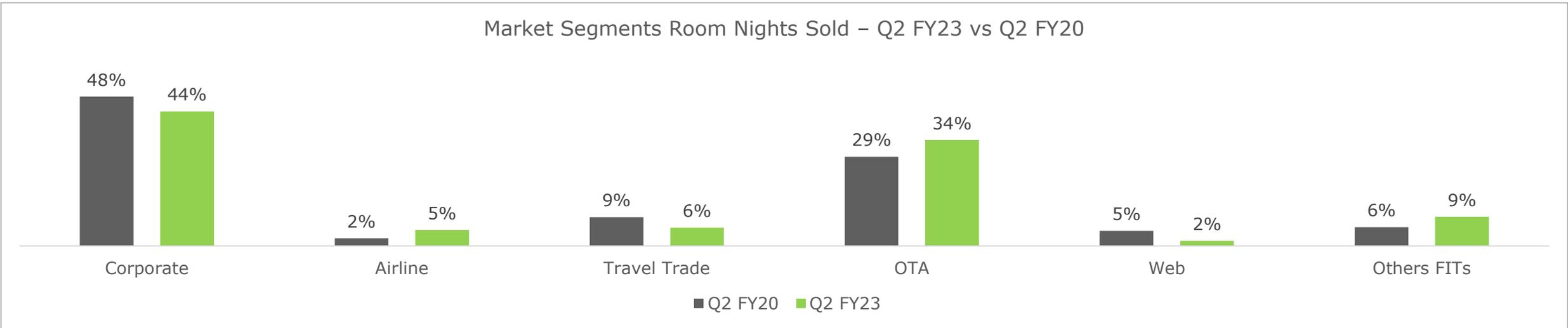
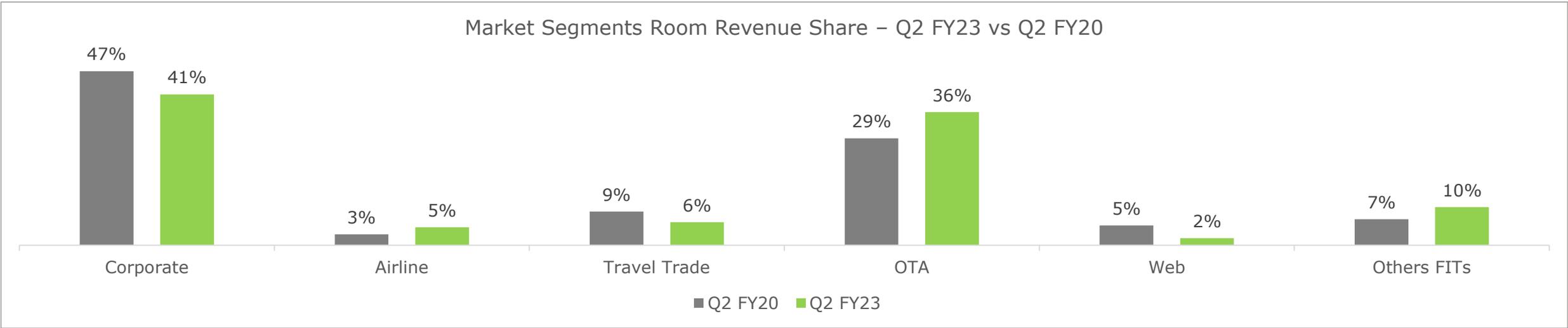


Source: STR India

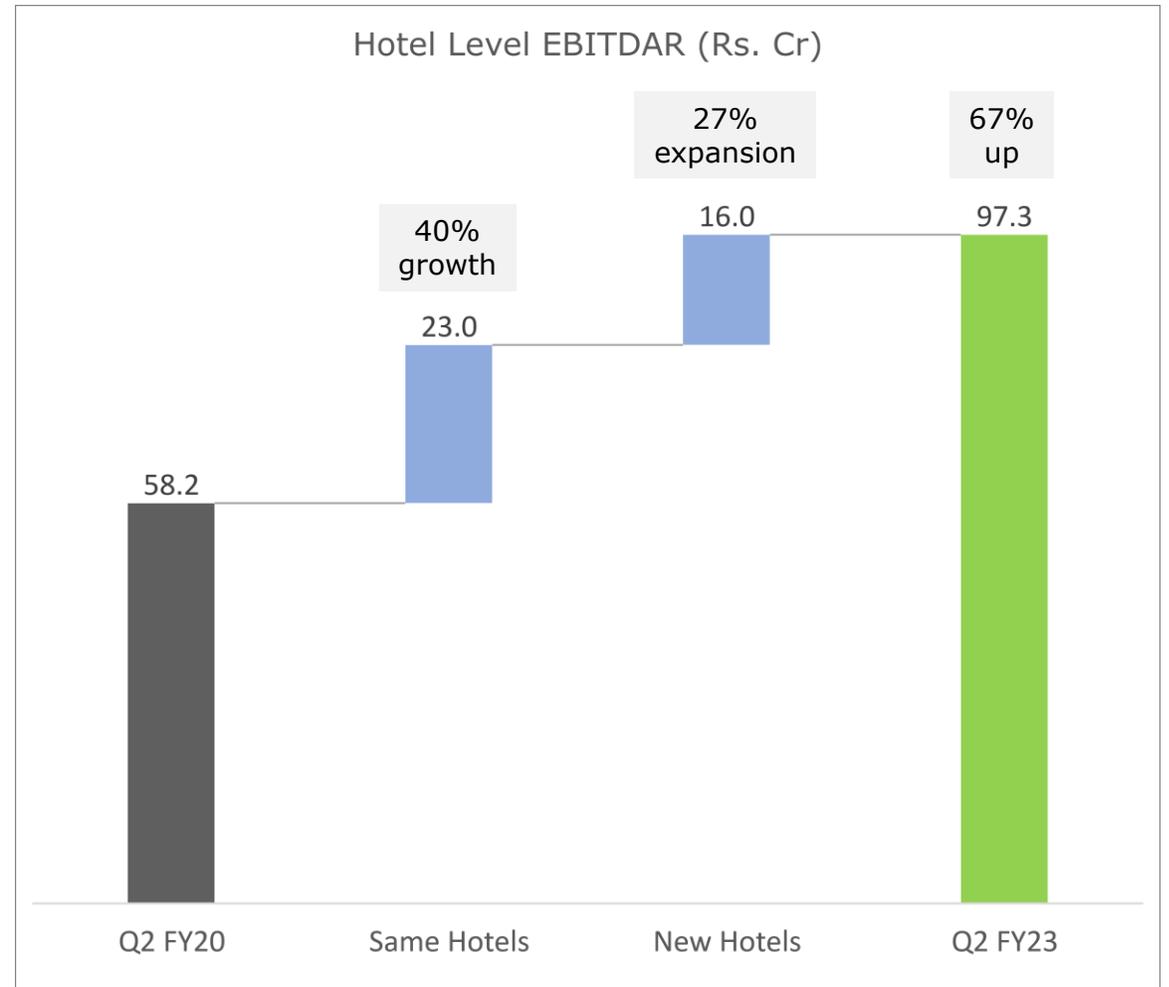
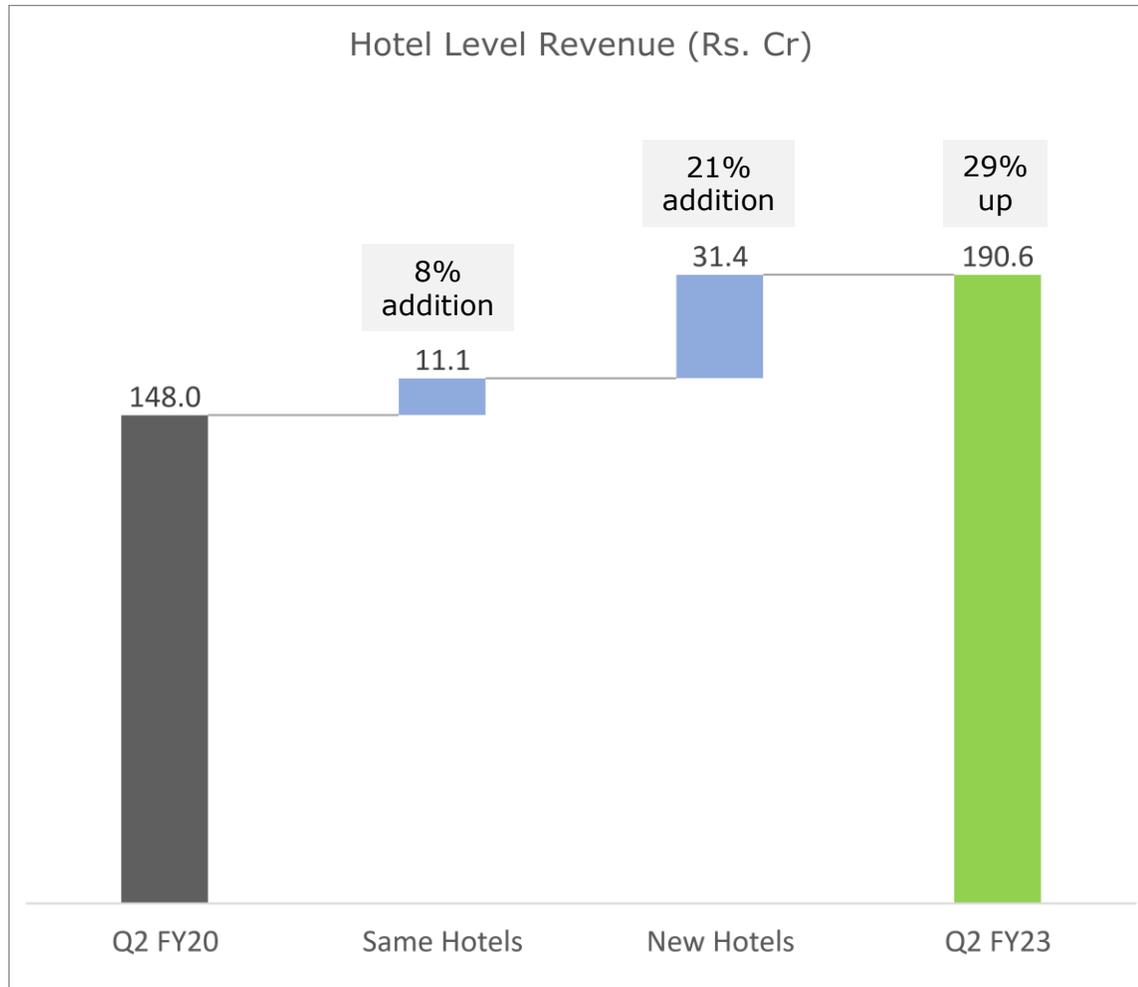
# Asset Light Growth: Fee and Rooms Mix



# Market Segments: Q2 FY23 vs Q2 FY20 (Pre-CoVID)

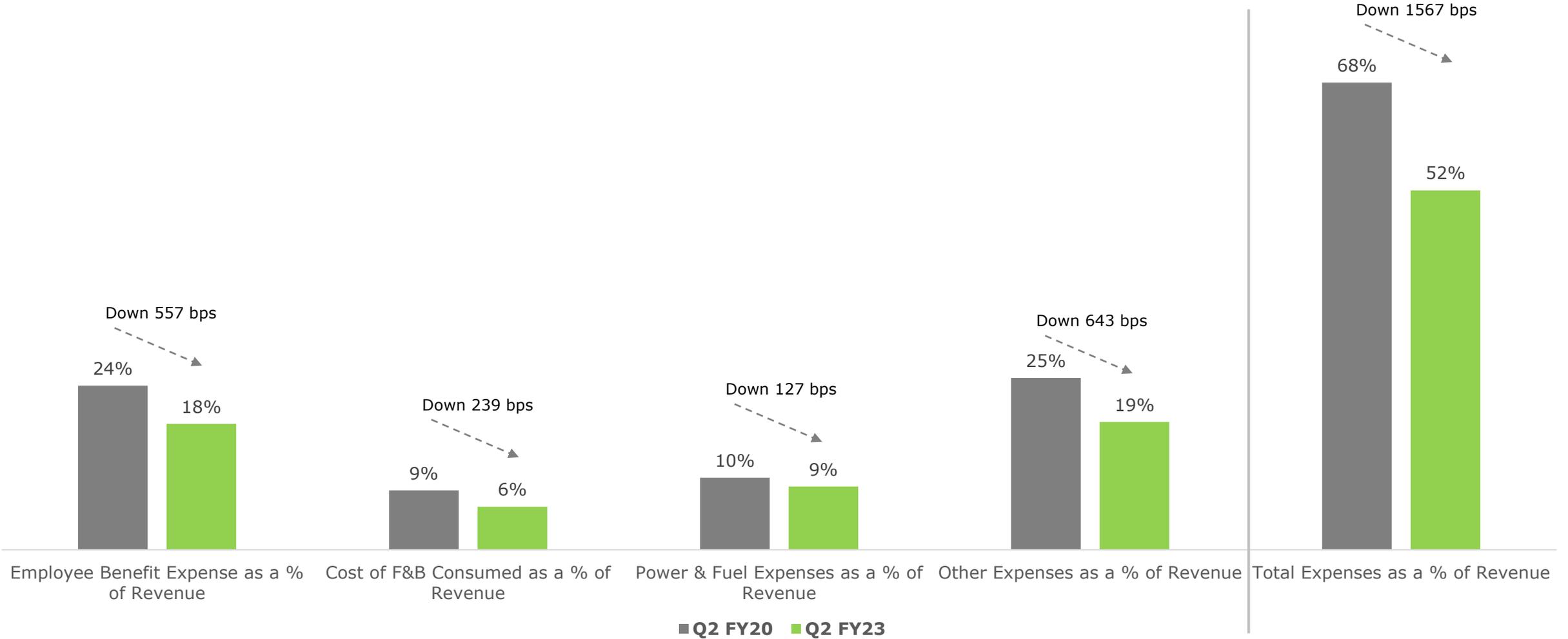


# Hotel level Revenue and EBITDAR expansion: Q2 FY23 vs Q2 FY20 (Pre-CoVID)



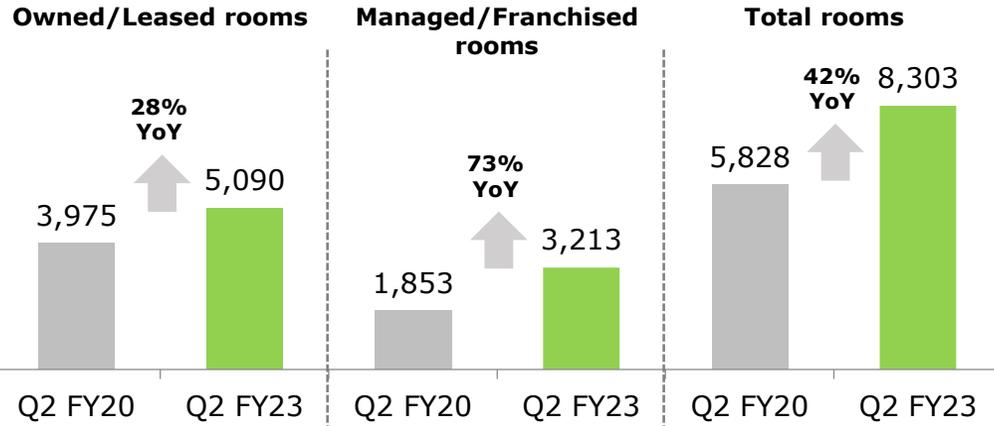
\* New Hotels includes 9 hotels: Aurika Hotels & Resorts - Udaipur, Lemon Tree Premier - Kolkata and 7 Keys by Lemon Tree Hotels

# Cost Optimization: Q2 FY23 vs Q2 FY20 (Pre-CoVID)

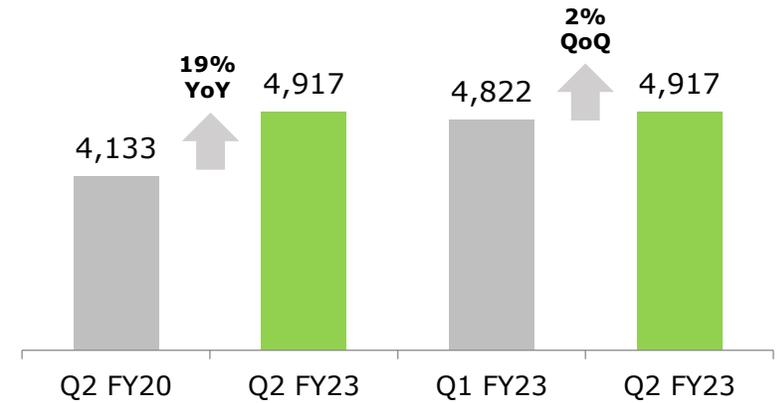


# Q2 FY23 Performance Highlights – Operational Metrics (Consolidated)

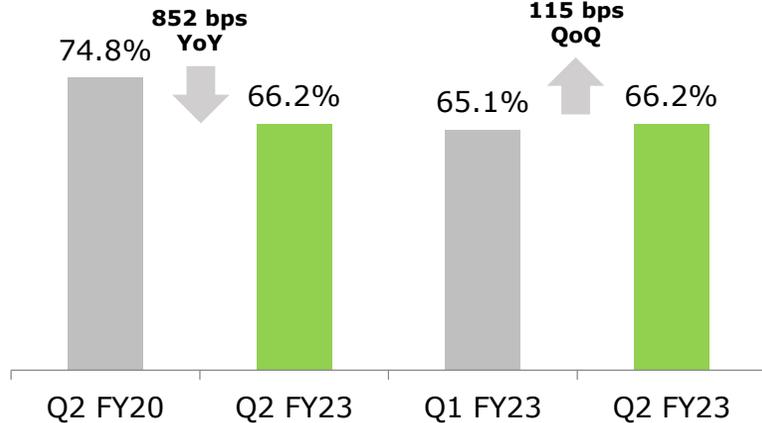
## Inventory



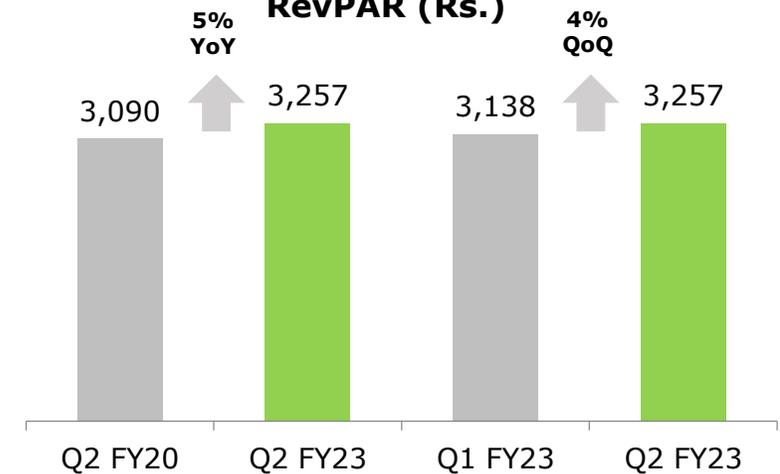
## Average Room Rate (Rs.)



## Occupancy (%)



## RevPAR (Rs.)



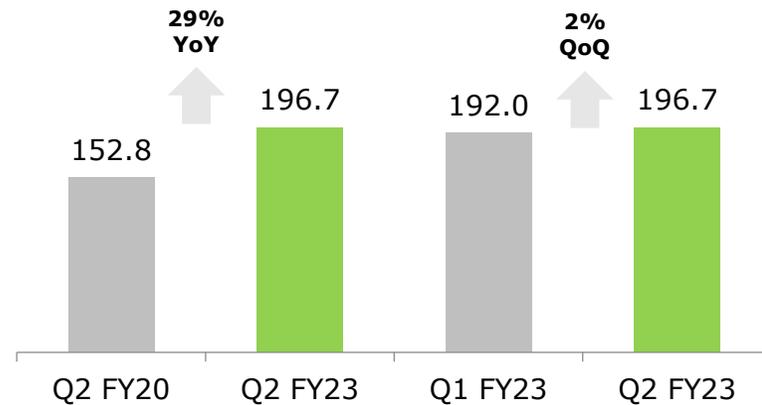
Notes: ARR, Occupancy and RevPAR are for our owned and leased hotels only

Trends for owned/leased rooms

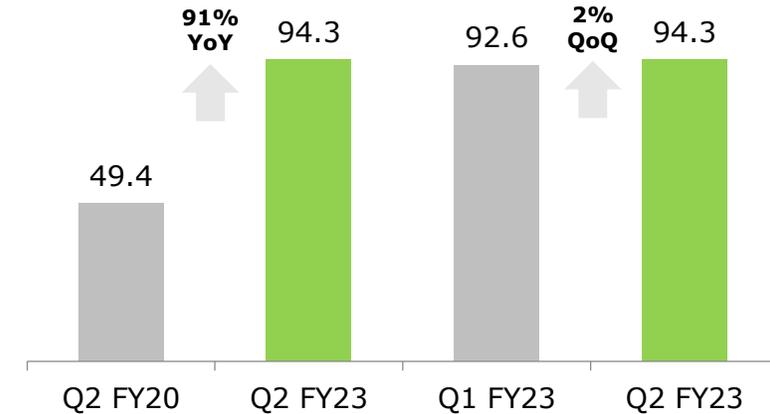


# Q2 FY23 Performance Highlights – Financial Metrics (Consolidated)

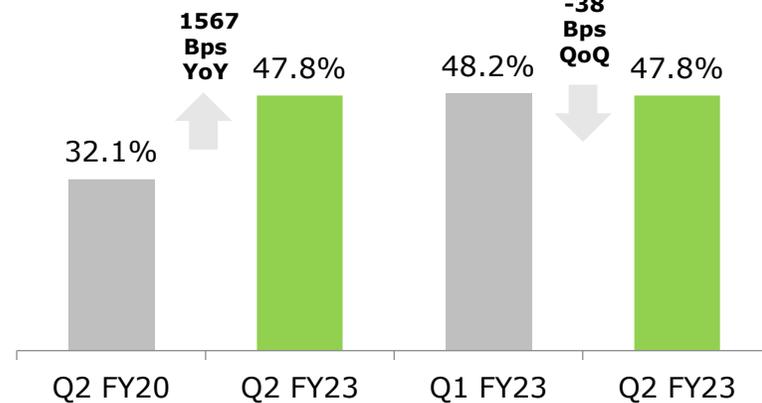
### Revenue from Operations (Rs. Cr)



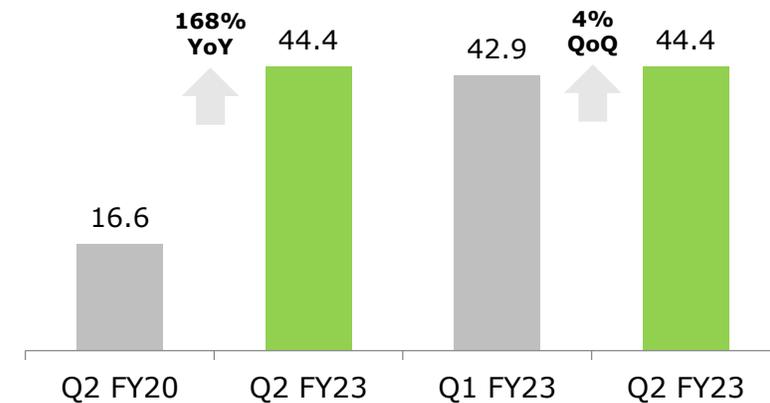
### EBITDA (Rs. Cr)



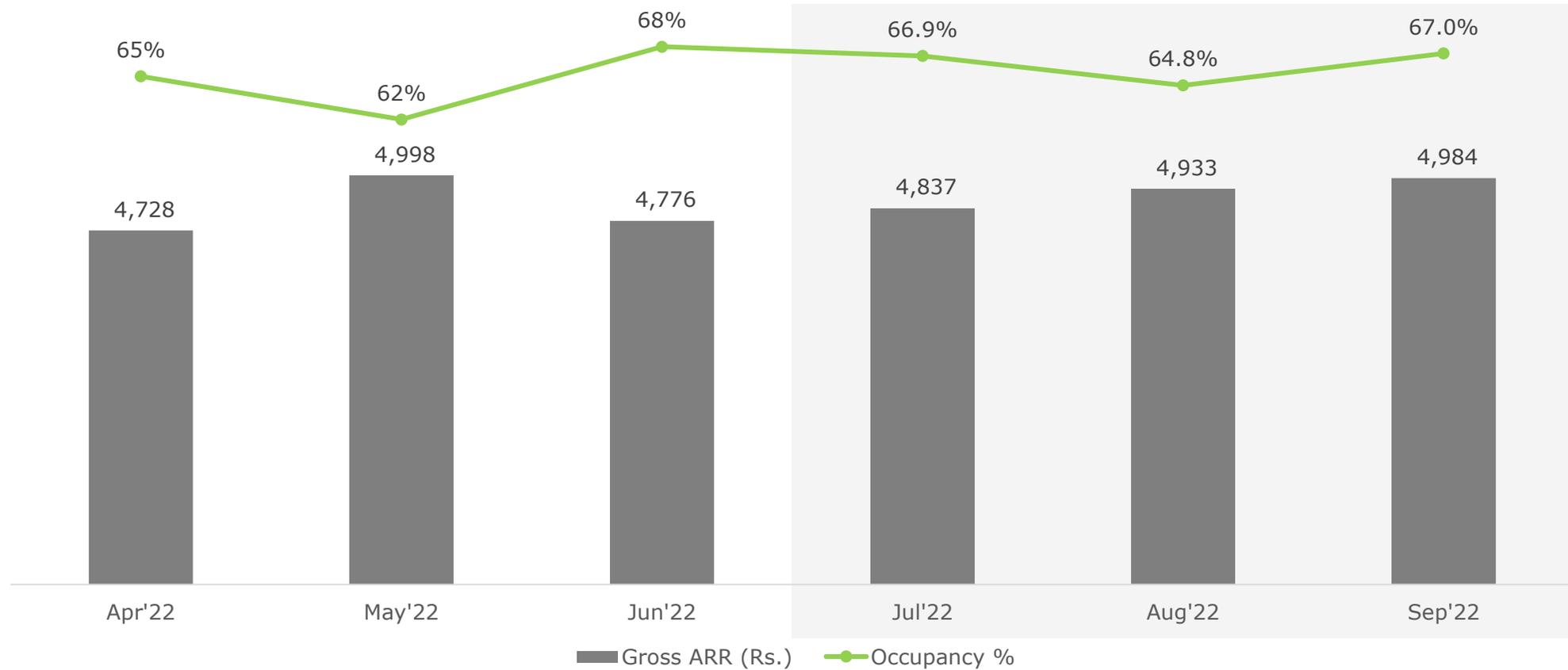
### EBITDA Margin (%)



### Cash profit (Rs. Cr)



# Month on Month Occupancy % and Gross ARR Trend



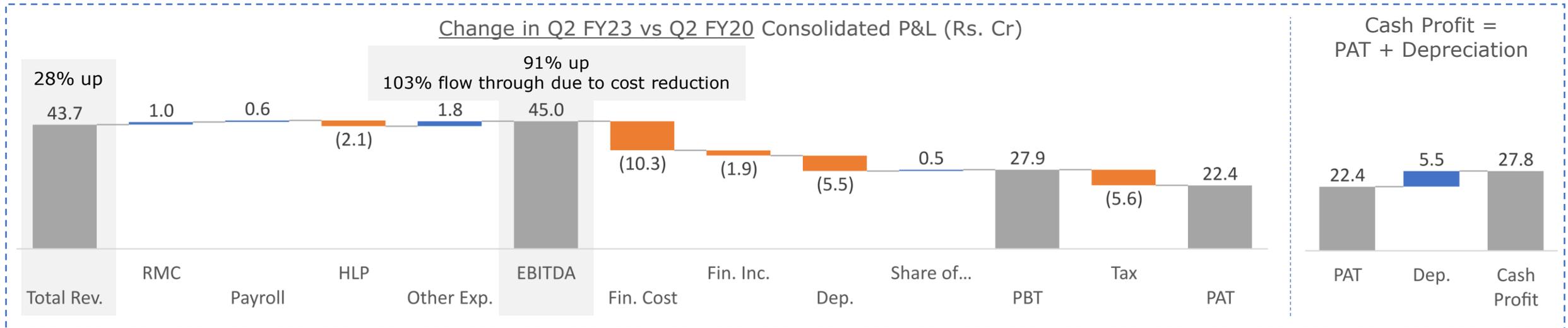
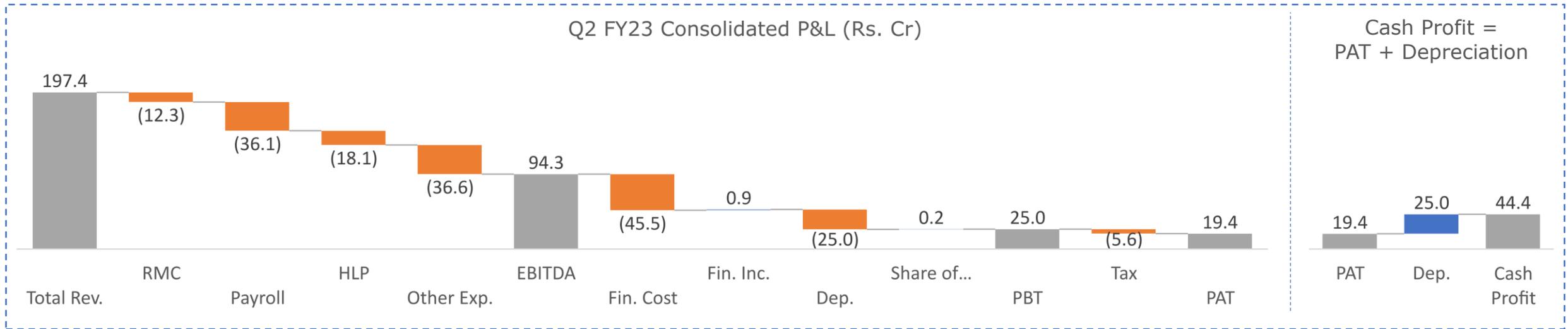
# Lemon Tree Consolidated Profit & Loss Statement Breakup

Rs. Cr	Total without Keys Hotels					Keys Hotels					Total				
	Q2 FY23	Q1 FY23	Q2 FY20	QoQ Change	YoY Change*	Q2 FY23	Q1 FY23	Q2 FY20	QoQ Change	YoY Change*	Q2 FY23	Q1 FY23	Q2 FY20	QoQ Change	YoY Change*
Inventory	4,154	4,154	4,256	0%	-2%	936	936	*	0%	-	5,090	5,090	5,192	0%	-2%
ARR	5,186	5,119	4,133	1%	25%	3,355	3,211	*	4%	-	4,917	4,822	4,133	2%	19%
Occupancy %	69.3%	67.2%	74.8%	206	(549)	52.8%	55.6%	*	-279	-	66.2%	65.1%	74.8%	115	(852)
RevPAR	3,592	3,440	3,090	4%	16%	1,771	1,784	*	-1%	-	3,257	3,138	3,090	4%	5%
<b>Revenue from Operations</b>	<b>179.1</b>	<b>175.0</b>	<b>152.8</b>	<b>2%</b>	<b>17%</b>	<b>17.6</b>	<b>17.1</b>	<b>*</b>	<b>3%</b>	<b>-</b>	<b>196.7</b>	<b>192.0</b>	<b>152.8</b>	<b>2%</b>	<b>29%</b>
Other Income	0.4	0.1	0.9	447%	-59%	0.3	0.2	*	85%	-	0.7	0.3	0.9	186%	-23%
<b>Total revenue</b>	<b>179.5</b>	<b>175.0</b>	<b>153.7</b>	<b>3%</b>	<b>17%</b>	<b>18.0</b>	<b>17.3</b>	<b>*</b>	<b>4%</b>	<b>-</b>	<b>197.4</b>	<b>192.3</b>	<b>153.7</b>	<b>3%</b>	<b>28%</b>
Total expenses	90.8	86.2	104.3	5%	-13%	12.3	13.5	*	-9%	-	103.1	99.7	104.3	3%	-1%
<b>EBITDA</b>	<b>88.6</b>	<b>88.9</b>	<b>49.4</b>	<b>0%</b>	<b>80%</b>	<b>5.7</b>	<b>3.8</b>	<b>*</b>	<b>52%</b>	<b>-</b>	<b>94.3</b>	<b>92.6</b>	<b>49.4</b>	<b>2%</b>	<b>91%</b>
<i>EBITDA Margin (%)</i>	<i>49.4%</i>	<i>50.8%</i>	<i>32.1%</i>	<i>-138</i>	<i>1,727</i>	<i>31.7%</i>	<i>21.8%</i>	<i>*</i>	<i>998</i>	<i>-</i>	<i>47.8%</i>	<i>48.2%</i>	<i>32.1%</i>	<i>-38</i>	<i>1,567</i>
<b>PBT</b>	<b>25.5</b>	<b>23.0</b>	<b>(3.0)</b>	<b>11%</b>	<b>NA</b>	<b>(0.6)</b>	<b>(2.3)</b>	<b>*</b>	<b>NA</b>	<b>-</b>	<b>25.0</b>	<b>20.7</b>	<b>(3.0)</b>	<b>21%</b>	<b>NA</b>

Note: Q1FY23 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 4.8 Cr Keys by Lemon Tree Hotels operationalized in Q3 FY20

\* YoY change is Q2 FY23 vs Q2 FY20

# Q2 FY23 Consolidated P&L: Waterfall to explain changes vis-a-viz Q2 FY20



# Lemon Tree Consolidated Profit & Loss Statement – Q2 FY23

Rs. Cr	Q2 FY23	Q1 FY23	Q2 FY22	Q2 FY20	Q2 FY23 vs Q1 FY23 Change (%)	Q2 FY23 vs Q2 FY22 Change (%)	Q2 FY23 vs Q2 FY20 Change (%)
<b>Revenue from operations</b>	<b>196.7</b>	<b>192.0</b>	<b>96.9</b>	<b>152.8</b>	<b>2%</b>	<b>103%</b>	<b>29%</b>
Other income	0.7	0.3	1.9	0.9	186%	-63%	-23%
<b>Total revenue</b>	<b>197.4</b>	<b>192.3</b>	<b>98.8</b>	<b>153.7</b>	<b>3%</b>	<b>100%</b>	<b>28%</b>
<b>Total expenses</b>	<b>103.1</b>	<b>99.7</b>	<b>63.0</b>	<b>104.3</b>	<b>3%</b>	<b>64%</b>	<b>-1%</b>
<b>Net EBITDA</b>	<b>94.3</b>	<b>92.6</b>	<b>35.8</b>	<b>49.4</b>	<b>2%</b>	<b>164%</b>	<b>91%</b>
<b>Net EBITDA margin (%)</b>	<b>47.8%</b>	<b>48.2%</b>	<b>36.2%</b>	<b>32.1%</b>	<b>(38)</b>	<b>1,157</b>	<b>1,567</b>
Finance costs	45.5	44.1	46.3	35.3	3%	-2%	29%
Depreciation & amortization	25.0	24.5	26.2	19.6	2%	-5%	28%
<b>PBT</b>	<b>25.0</b>	<b>20.7</b>	<b>(34.6)</b>	<b>(3.0)</b>	<b>20.6%</b>	<b>NA</b>	<b>NA</b>
Tax expense	5.6	7.1	(1.4)	0.1	-21%	NA	9573%
<b>PAT</b>	<b>19.4</b>	<b>13.6</b>	<b>(33.2)</b>	<b>(3.0)</b>	<b>43%</b>	<b>NA</b>	<b>NA</b>
<b>Cash Profit</b>	<b>44.4</b>	<b>42.9</b>	<b>(6.9)</b>	<b>16.6</b>	<b>4%</b>	<b>NA</b>	<b>168%</b>

Note:

Revenue from Operations is inclusive of fee from managed hotels

Cash Profit is calculated as PAT + Depreciation. However, for Q1 FY23 Cash Profit is calculated as PAT + Depreciation + Stamp Duty Expense

Q1 FY23 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 4.8 Cr

# Lemon Tree Consolidated Profit & Loss Statement – H1 FY23

Rs. Cr	H1 FY23	H1 FY22	H1 FY20	H1 FY23 vs H1 FY22 Change	H1 FY23 vs H1 FY20 Change
<b>Revenue from operations</b>	<b>388.8</b>	<b>139.0</b>	<b>293.7</b>	<b>180%</b>	<b>32%</b>
Other income	1.0	4.0	2.2	-76%	-56%
<b>Total Income</b>	<b>389.7</b>	<b>143.1</b>	<b>295.9</b>	<b>172%</b>	<b>32%</b>
<b>Total expenses</b>	<b>202.8</b>	<b>105.3</b>	<b>200.5</b>	<b>93%</b>	<b>1%</b>
<b>Net EBITDA</b>	<b>187.0</b>	<b>37.8</b>	<b>95.4</b>	<b>394%</b>	<b>96%</b>
<b>Net EBITDA margin (%)</b>	<b>48.0%</b>	<b>26.4%</b>	<b>32.2%</b>	<b>2153</b>	<b>1573</b>
Finance costs	89.6	91.5	66.2	-2%	35%
Depreciation & amortization	49.5	52.4	36.7	-6%	35%
<b>PBT</b>	<b>45.7</b>	<b>(102.0)</b>	<b>(4.3)</b>	<b>-145%</b>	<b>-1151%</b>
Tax expense	12.7	(9.0)	0.8	-242%	1564%
<b>PAT</b>	<b>32.9</b>	<b>(93.0)</b>	<b>(5.1)</b>	<b>-135%</b>	<b>-744%</b>
<b>Cash Profit</b>	<b>82.5</b>	<b>(40.6)</b>	<b>31.6</b>	<b>-303%</b>	<b>161%</b>

Note:

Revenue from Operations is inclusive of fee from managed hotels

Cash Profit is calculated as PAT + Depreciation. However, for Q1 FY23 Cash Profit is calculated as PAT + Depreciation + Stamp Duty Expense

H1 FY23 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 4.8 Cr

# Lemon Tree Consolidated Balance Sheet – H1 FY23

Rs. Cr	H1 FY23	H1 FY22	H1 FY20	H1 FY23 vs H1 FY22 Change	H1 FY23 vs H1 FY20 Change
Shareholder's Funds	847.0	857.0	824.7	-1%	3%
Non-controlling interests	567.5	585.4	430.9	-3%	32%
<b>Total Shareholder's equity</b>	<b>1414.6</b>	<b>1442.3</b>	<b>1255.6</b>	<b>-2%</b>	<b>13%</b>
Total Debt	1680.9	1697.2	1334.9	-1%	26%
Other Non-current liabilities	430.8	472.6	381.4	-9%	13%
Other Current liabilities	112.6	112.4	258.5	0%	-56%
<b>Total Equity &amp; Liabilities</b>	<b>3638.8</b>	<b>3724.4</b>	<b>3230.4</b>	<b>-2%</b>	<b>13%</b>
Non-current assets	3508.6	3560.3	2979.4	-1%	18%
Current assets	130.2	164.1	251.0	-21%	-48%
<b>Total Assets</b>	<b>3638.8</b>	<b>3724.4</b>	<b>3230.4</b>	<b>-2%</b>	<b>13%</b>
<b>Debt to Equity (x)</b>	<b>1.19</b>	<b>1.18</b>	<b>1.06</b>	<b>1%</b>	<b>12%</b>
<b>Average cost of borrowing (%)*</b>	<b>8.28%</b>	<b>8.10%</b>	<b>9.62%</b>	<b>18</b>	<b>-134</b>

\* As of 30<sup>th</sup> September 2022

# Discussion on Consolidated Financial & Operational Performance – Q2 FY23

## Revenue

- \* Revenue from operations stood at Rs. 196.7 Cr in Q2 FY23, up 29% as compared to Rs. 152.8 Cr in Q2 FY20. On a sequential basis, revenue from operations increased 2% from Rs. 192 Cr in Q1 FY23
- \* ARR increased by 19% from 4,133 in Q2 FY20 to 4,917 in Q2 FY23. On a sequential basis, ARR increased by 2% from Rs. 4,822 in Q1 FY22
- \* Occupancy on full inventory increased by 110 bps from 65.1% in Q1 FY23 to 66.2% in Q2 FY23. The occupancy fell by 860bps in Q2 FY23 as compared to Q2 FY20.

## Cost

- \* Total expenses stood at Rs. 103.1 Cr in Q2 FY23, down 1% as compared to Rs. 104.3 Cr in Q2 FY20 on back of better cost optimization efforts. On a sequential basis, expenses increased by 3% from Rs. 99.7 Cr in Q1 FY23

## Operating Margins

- \* Net EBITDA increased by 91% from Rs. 49.4 Cr in Q2 FY20 to Rs. 94.3 Cr in Q2 FY23. EBITDA without other income increased from Rs. 48.4 Cr in Q2 FY20 to Rs. 93.6 Cr in Q2 FY23. On a sequential basis, Net EBITDA increased 2% from Rs. 92.6 Cr in Q1 FY23. EBITDA without other income increased from Rs. 92.4 Cr in Q1 FY23 to Rs. 93.6 Cr in Q2 FY23
- \* Net EBITDA margin expanded by 1,567 bps from 32.1% in Q2 FY20 to 47.8% in Q2 FY23. EBITDA margin without other income increased from 31.7% in Q2 FY20 to 47.6% in Q2 FY23. On a sequential basis, the Net EBITDA margin has contracted by 38 bps from 48.2% in Q1 FY23. EBITDA margin without other income contracted by 50 bps from 48.1% in Q4 FY22

## Profit after tax

- \* Profit after tax improved from Rs. -3.0 Cr. in Q2 FY20 to Rs. 19.4 Cr in Q2 FY23. The PAT in Q1 FY23 was Rs. 13.6 Cr
- \* Cash Profit for Q2 FY23 stood at Rs. 44.4 Cr vs Rs. 16.6 Cr in Q2 FY20. The Cash Profit in Q1 FY23 was Rs. 42.9 Cr

Note: Cash Profit is calculated as PAT + Depreciation. However, for Q1 FY23 Profit is calculated as PAT + Depreciation + Stamp Duty Expense. Q1 FY23 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 4.8 Cr.

# Expansion Plans – Pipeline of Management Contracts

#	Hotel Pipeline as of 30/09/2022 (Q2 FY23)	City	Rooms		Opening date As of 30/09/2022 (Q2 FY23)
1	Keys Lite by Lemon Tree Hotels, Sreekanya	Visakhapatnam	44		Oct-22 (Now open)
2	Lemon Tree Hotel, Kalina	Mumbai	63		Oct-22 (Now open)
3	Lemon Tree Hotel, Mukteshwar	Mukteshwar	41		Dec-22
<b>4</b>	<b>Lemon Tree Hotel, Hubli</b>	<b>Hubli</b>	<b>65</b>	<b>Added in Q2 FY23</b>	<b>Feb-23</b>
<b>5</b>	<b>Lemon Tree Hotel, Rajkot</b>	<b>Rajkot</b>	<b>45</b>	<b>Added in Q2 FY23</b>	<b>Feb-23</b>
6	Lemon Tree Hotel, Malad, Mumbai	Mumbai	93		Mar-23
7	Lemon Tree Resort, Mussoorie	Mussoorie	40		Mar-23
<b>8</b>	<b>Lemon Tree Hotel, Anjuna, Goa</b>	<b>Goa</b>	<b>51</b>	<b>Added in Q2 FY23</b>	<b>Mar-23</b>
9	Lemon Tree Hotel, Tapovan, Rishikesh	Rishikesh	102		Apr-23
10	Lemon Tree Hotel, McLeodganj	Dharamshala	39		Apr-23
11	The Spectrum, operated by Lemon Tree Hotels, Gurugram	Gurugram	260		Apr-23
12	Lemon Tree Hotel, Agra	Agra	62		Apr-23
13	Lemon Tree Hotel, Sonmarg	Sonmarg	40		Apr-23
14	Lemon Tree Premier, Biratnagar, Nepal	Biratnagar, Nepal	80		Apr-23
15	Lemon Tree Hotel, Thiruvananthapuram	Thiruvananthapuram	100		Jul-23
16	Keys Lite by Lemon Tree Hotels, Jaipur	Jaipur	47		Oct-23
17	Lemon Tree Resort, Thimphu, Bhutan	Thimphu, Bhutan	38		Oct-23
18	Keys Select by Lemon Tree Hotels, Chirang	Chirang, Assam	40		Dec-23
<b>19</b>	<b>Lemon Tree Hotel, Erode</b>	<b>Erode, Tamil Nadu</b>	<b>64</b>	<b>Added in Q2 FY23</b>	<b>Dec-23</b>
<b>20</b>	<b>Lemon Tree Premier, Kanha</b>	<b>Kanha</b>	<b>15</b>	<b>Added in Q2 FY23</b>	<b>Dec-23</b>
21	Lemon Tree Hotel, Darjeeling	Darjeeling	55		Mar-24
22	Lemon Tree Hotel, Kathmandu	Kathmandu, Nepal	75		Sep-24
23	Aurika, Rishikesh	Rishikesh	132		Mar-25
24	Lemon Tree Hotel, Kharar	Kharar	60		Apr-25
25	Lemon Tree Hotel, Gulmarg	Gulmarg	35		TBD
26	Lemon Tree Hotel, Bokaro	Bokaro	70		TBD
27	Lemon Tree Hotel, Ludhiana	Ludhiana	60		TBD
28	Bhangeri Durbar Resort, operated by Lemon Tree Hotels	Nagarkot, Nepal	51		TBD
	<b>Total</b>		<b>1867</b>		

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%
<b>Total</b>		<b>738</b>		

\* 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 30<sup>th</sup> September 2022 is Rs. 468 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

# Aurika, Mumbai Airport (MIAL) | Artistic Representation



# Lemon Tree Mountain Resort, Shimla | Artistic Representation



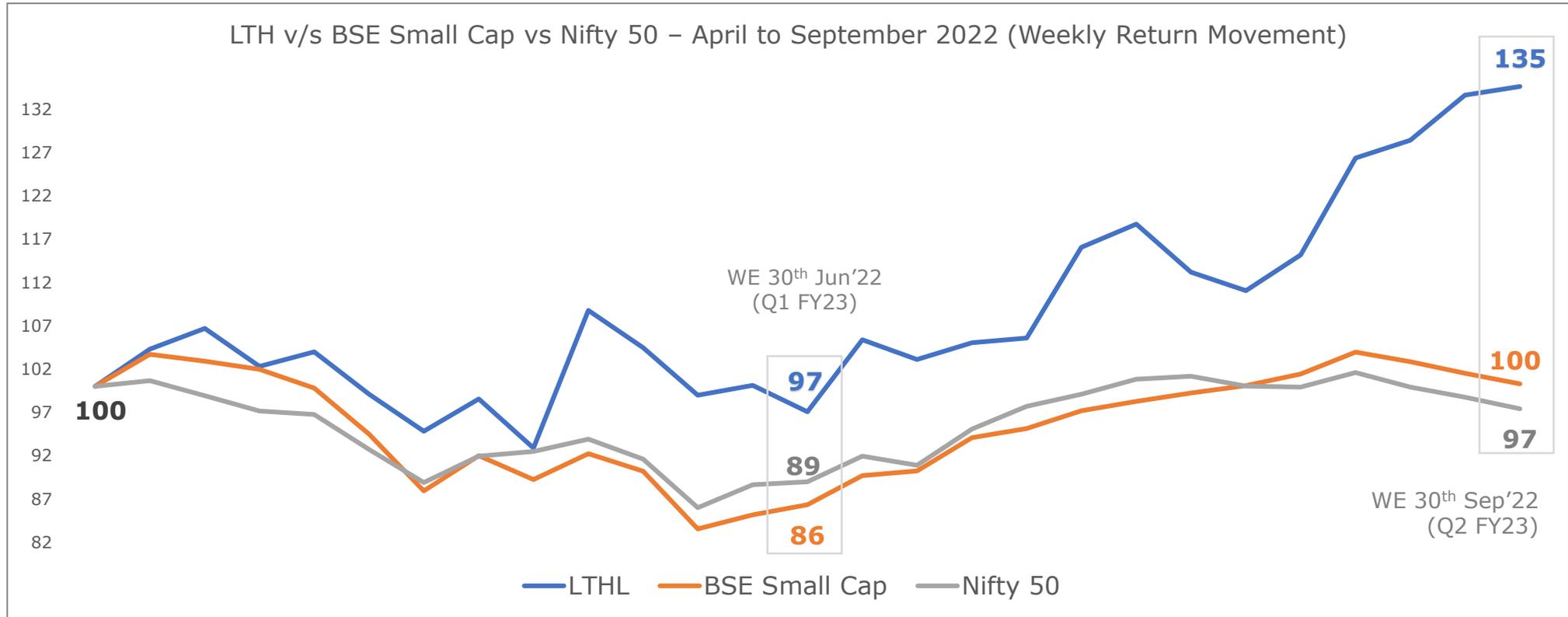
# Annexures

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# Share return

## LTHL has outperformed BSE Small Cap and Nifty 50 in H1 FY23



# Consolidated Profit & Loss Statement – FY22 vs FY21

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

Note:

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

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

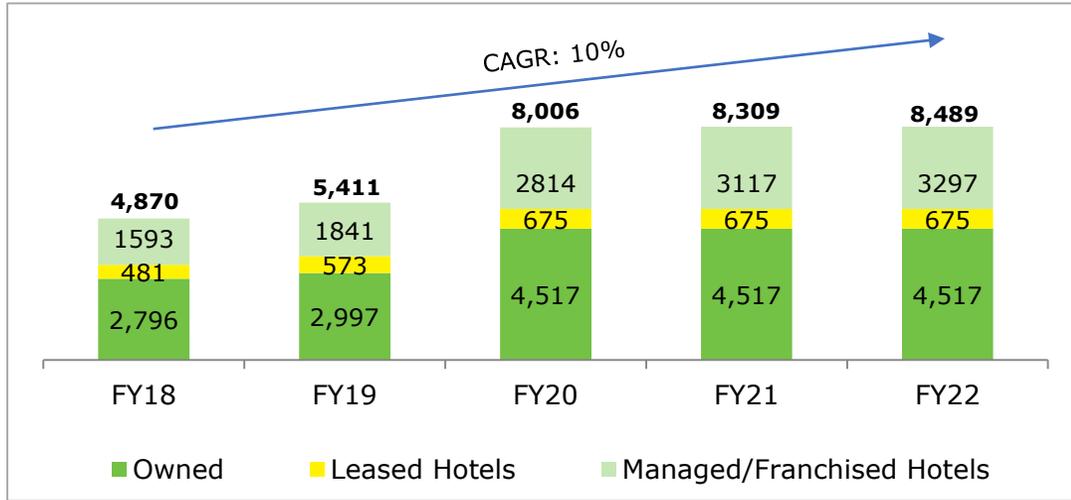
FY22 EBITDA and EBITDA Margin% is adjusted for Stamp Duty expense of Rs. 15.3 Cr

# Consolidated Balance Sheet – FY22 vs FY21

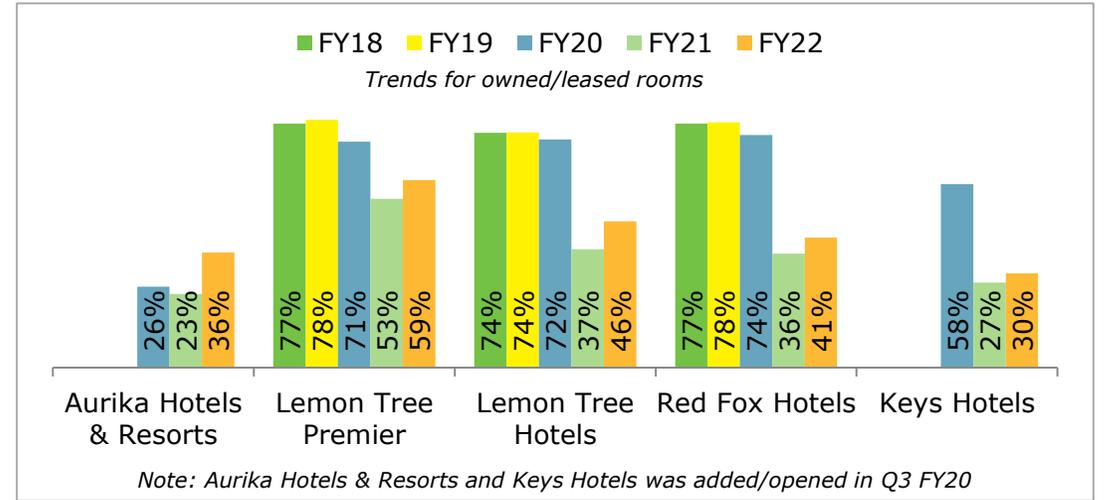
Rs. Cr	FY22	FY21	FY22 vs FY21 YoY Change (%)
Shareholder's Funds	831.1	917.6	-9%
Non-controlling interests	567.7	617.4	-8%
<b>Total Shareholder's equity</b>	<b>1,398.9</b>	<b>1,535.0</b>	<b>-9%</b>
Total Debt	1,698.6	1,685.3	0.8%
Other Non-current liabilities	433.0	473.7	-9%
Other Current liabilities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

# Operating performance over 5 years

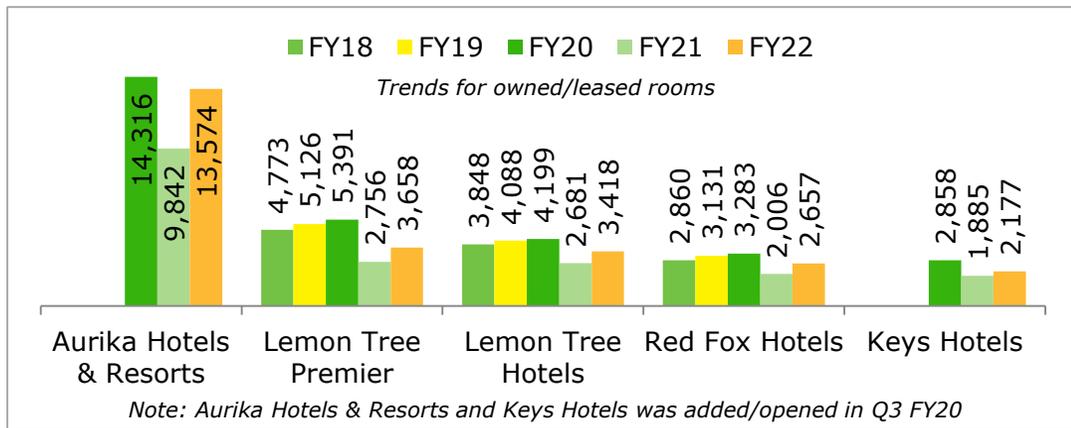
**Rooms are being added**



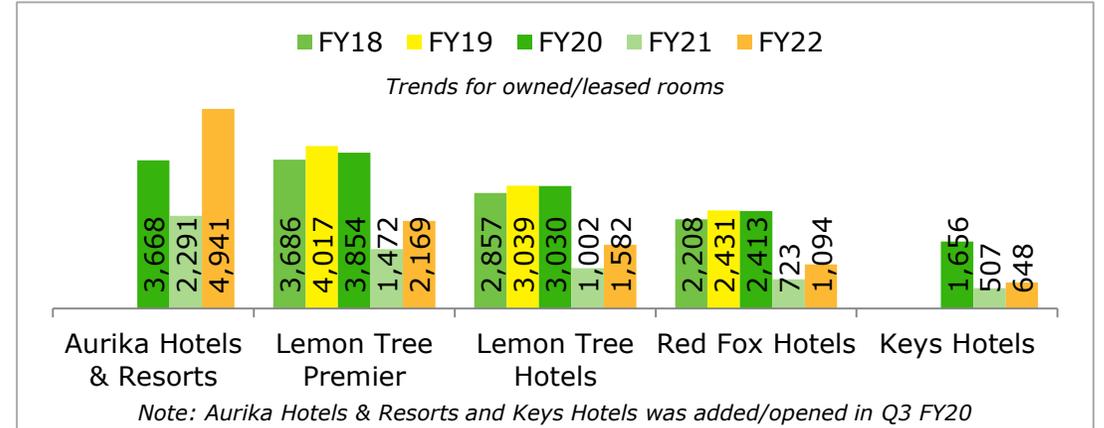
**Occupancy (%)**



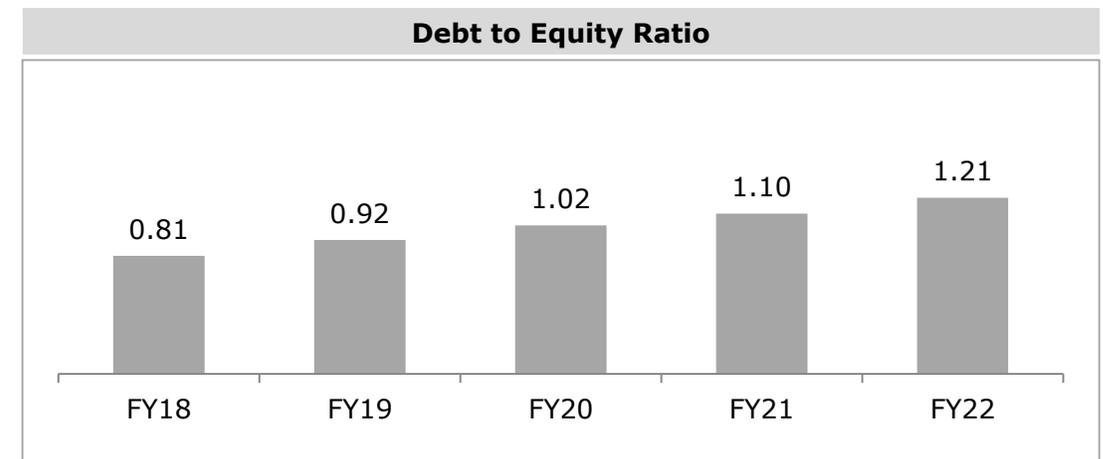
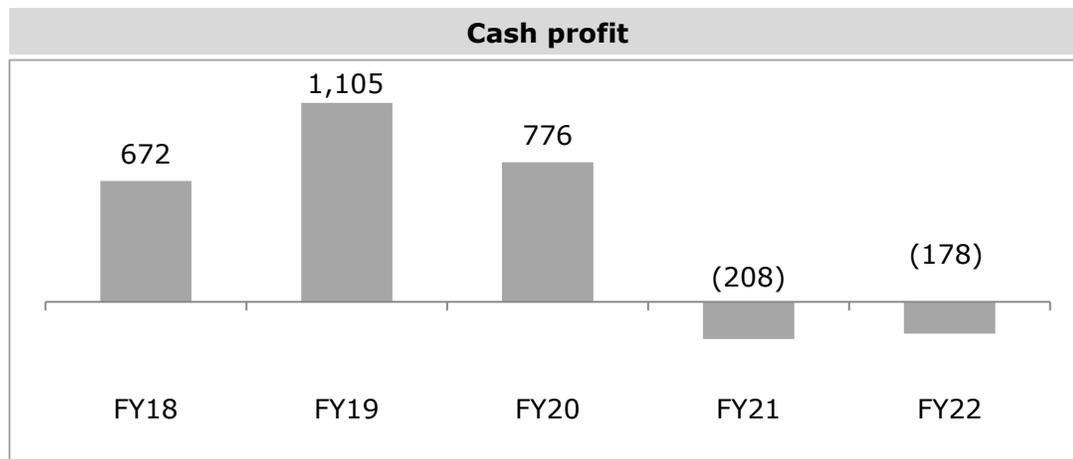
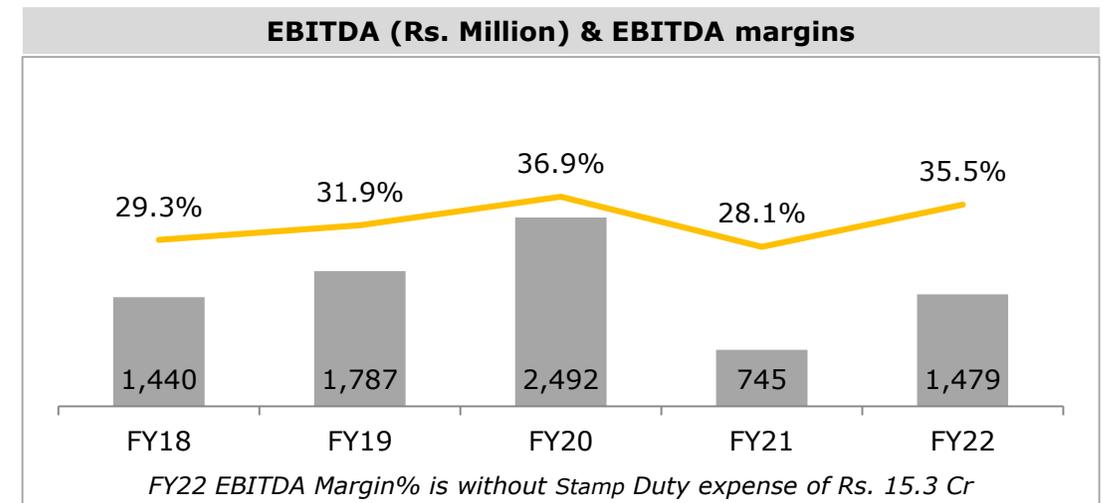
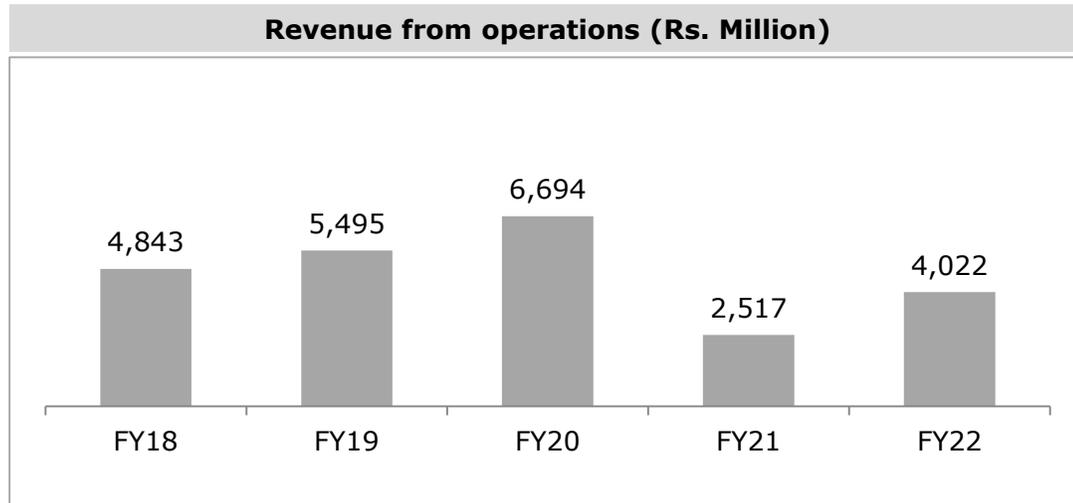
**ARR (in Rs.)**



**RevPAR (in Rs.)**



# 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

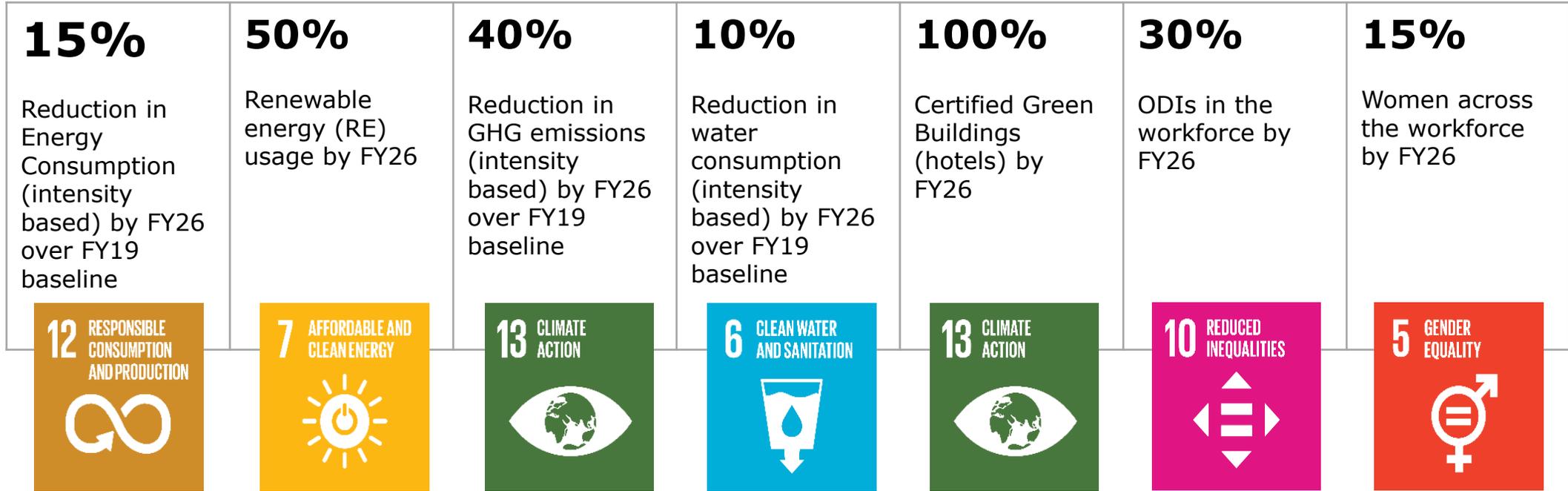
**Vision FY26** reflects our belief that our business operations are inherently integrated with delivering social and environmental impact.



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 30<sup>th</sup> Sep 2022 - Operational

Operational Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
<b>Aurika Hotels &amp; Resorts</b>	1	139	0	0	1	55	2	194
<b>Lemon Tree Premier</b>	7	1442	2	161	9	911	18	2514
<b>Lemon Tree Hotels</b>	13	1241	4	321	22	1305	39	2867
<b>Red Fox by Lemon Tree Hotels</b>	5	759	1	91	6	551	12	1401
<b>Keys Prima by Lemon Tree Hotels</b>	0	0	0	0	1	40	1	40
<b>Keys Select by Lemon Tree Hotels</b>	7	936	0	0	4	287	11	1223
<b>Keys Lite by Lemon Tree Hotels</b>	0	0	0	0	2	64	2	64
<b>Total</b>	<b>33</b>	<b>4517</b>	<b>7</b>	<b>573</b>	<b>45</b>	<b>3213</b>	<b>85</b>	<b>8303</b>

# Portfolio Breakup as on 30<sup>th</sup> Sep 2022 - Pipeline

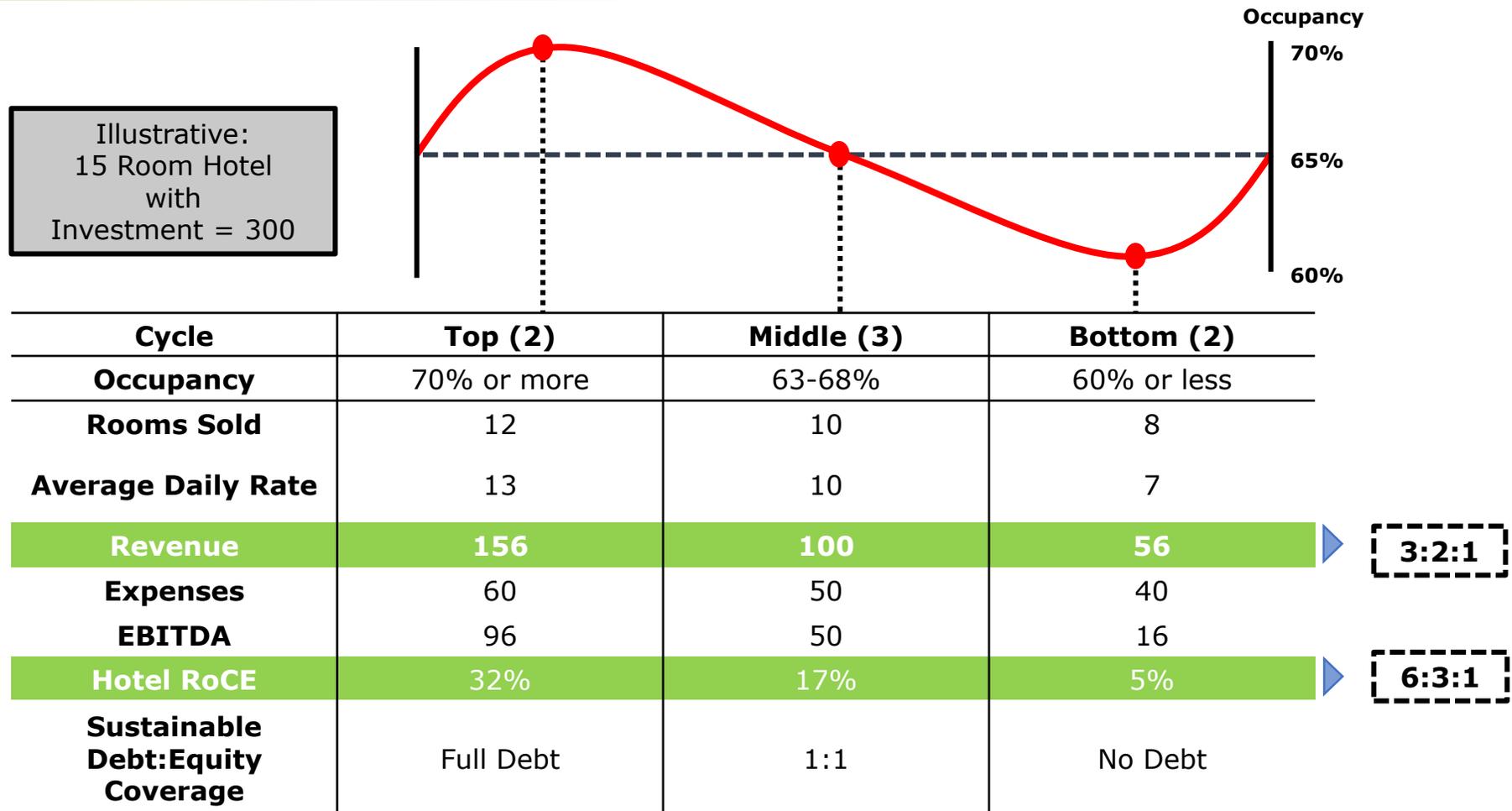
Pipeline Portfolio	Owned (incl. on leased land)		Leased		Managed/ Franchised		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
<b>Aurika Hotels &amp; Resorts</b>	1	669	0	0	1	132	2	801
<b>Lemon Tree Premier</b>	0	0	0	0	2	95	2	95
<b>Lemon Tree Hotels</b>	1	69	0	0	22	1509	23	1578
<b>Red Fox by Lemon Tree Hotels</b>	0	0	0	0	0	0	0	0
<b>Keys Prima by Lemon Tree Hotels</b>	0	0	0	0	0	0	0	0
<b>Keys Select by Lemon Tree Hotels</b>	0	0	0	0	1	40	1	40
<b>Keys Lite by Lemon Tree Hotels</b>	0	0	0	0	2	91	2	91
<b>Total</b>	<b>2</b>	<b>738</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>1867</b>	<b>30</b>	<b>2605</b>

# Strategically positioned in key geographies



Map is updated as of 10<sup>th</sup> November 2022

# The hotel business cycle



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

# Conference Call Details

**Time**

- 12:30 PM IST on Monday, November 14, 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 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 ~8,400 rooms in 87 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, ~10,900 rooms in 115 hotels across 70 destinations, in India and abroad shall be operated under the 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 tiers 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](http://lemontreehotels.com) | [aurikahotels.com](http://aurikahotels.com) | [keyshotels.com](http://keyshotels.com)

*For more information about us, please visit [www.lemontreehotels.com](http://www.lemontreehotels.com) or contact:*

Kapil Sharma (Chief Financial Officer)

**Lemon Tree Hotels Ltd.**

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