



ROYAL ORCHID HOTELS LTD.,

Regd. Office :
1, Golf Avenue, Adjoining KGA Golf Course,
HAL Airport Road, Kodihalli, Bangalore - 560 008, India.
T +91 80 41783000, F : +91 80 252 03366
www.royalorchidhotels.com
CIN : L55101KA1986PLC007392
email : investors@royalorchidshotels.com

Date: February 13, 2020

**To,
The Manager,
Listing Compliance,
Department of Corporate Services,
BSE Limited,
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400 001
BSE Scrip Code: 532699**

**To,
The Manager,
Listing Compliance,
Department of Corporate Services,
National Stock Exchange of India
Limited,
Exchange Plaza, Plot no. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
NSE Scrip Symbol: ROHLTD**

Dear Sir/Madam,

Subject: Investors Presentation

In continuation to our intimation letter dated February 12, 2020 please find enclosed herewith the presentation for conference call to be held on Thursday, February 13, 2020 at 02:30PM to discuss Q3 & 9M FY 20 results.

This is for the information and records of the Exchanges.

For **ROYAL ORCHID HOTELS LIMITED**

**RANABIR SANYAL
COMPANY SECRETARY & COMPLIANCE OFFICER
FCS: 7814**

Encl: a/a

Royal Orchid Hotels Ltd

Q3 FY20

Results Presentation



Disclaimer



Statements made in this Presentation describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As 'forward-looking statements' are based on certain assumptions and expectations of future events over which the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments or events or for any loss any investor may incur by investing in the shares of the Company based on the 'forward-looking statements'.

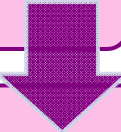
Table of Contents



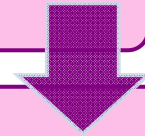
Industry Overview



Company Overview



Business Overview



Financial Overview

Industry Overview



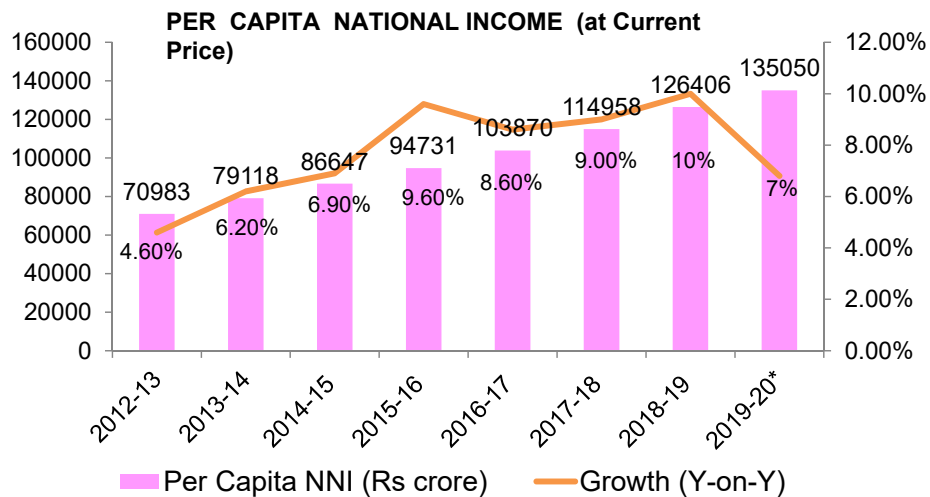
Industry Outlook

Growth Drivers

Key Challenges

Industry Outlook - Current Trend

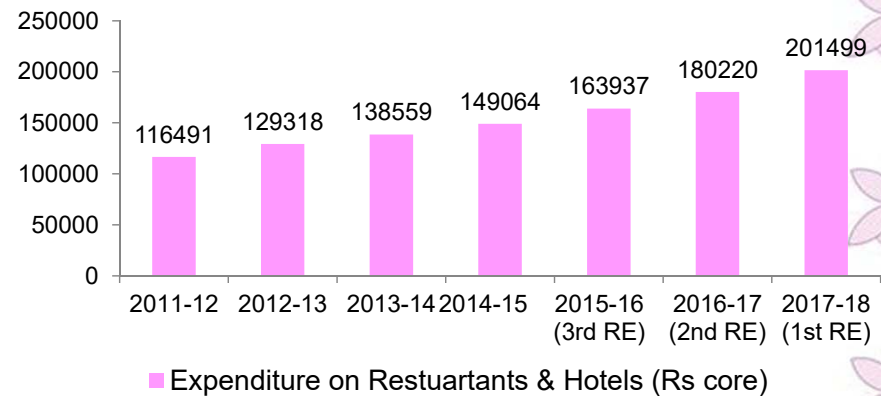
1. Disposable income on the rise



Source: First Advance Estimates of National Income, 2019-20

* Estimated per capita national income for 2019-20

PRIVATE CONSUMPTION ON RESTAURANT & HOTELS (at Current Price)



Source: Central Statistics Office

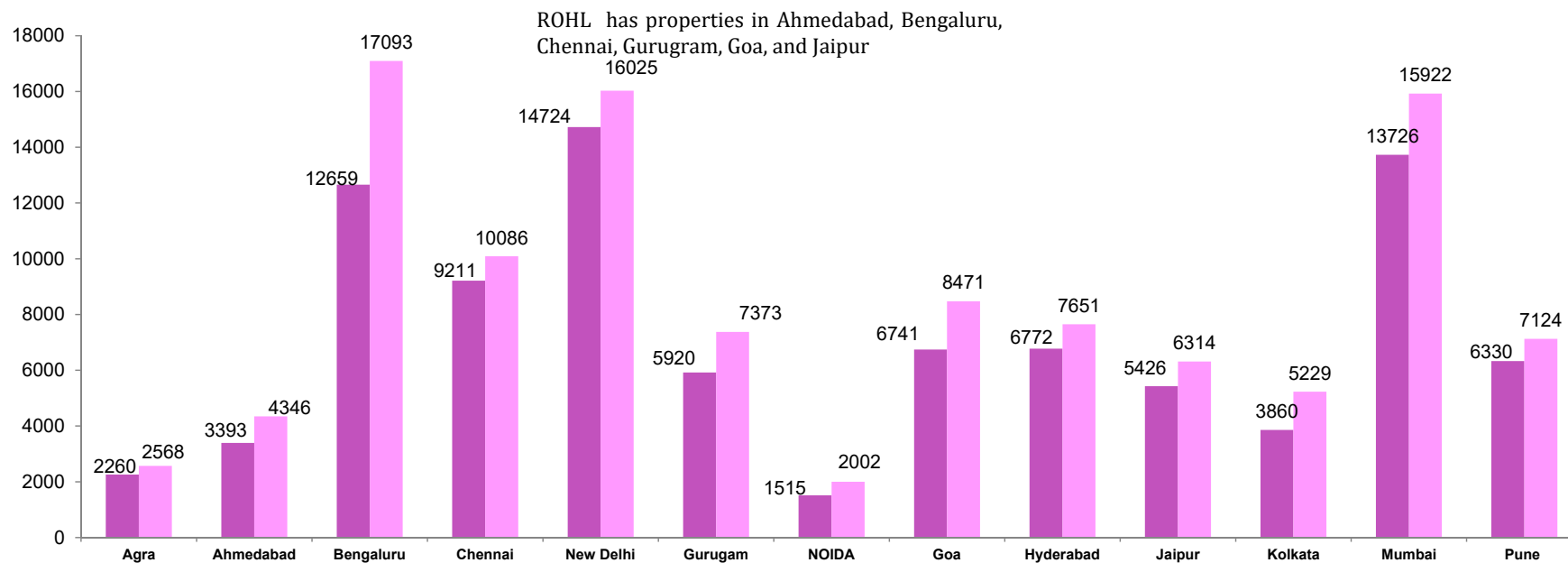
Press Release dated as on 31st May, 2019 (FY17, FY18 and FY 19)

India's Per Capita National Income grew at 6.8% to Rs. 1,35,050 during 2019-20

Private Final Consumption on Restaurants & Hotel has grown at a CAGR of 9.56% over the 6 years period 2011-12 to 2017-18

Industry Outlook

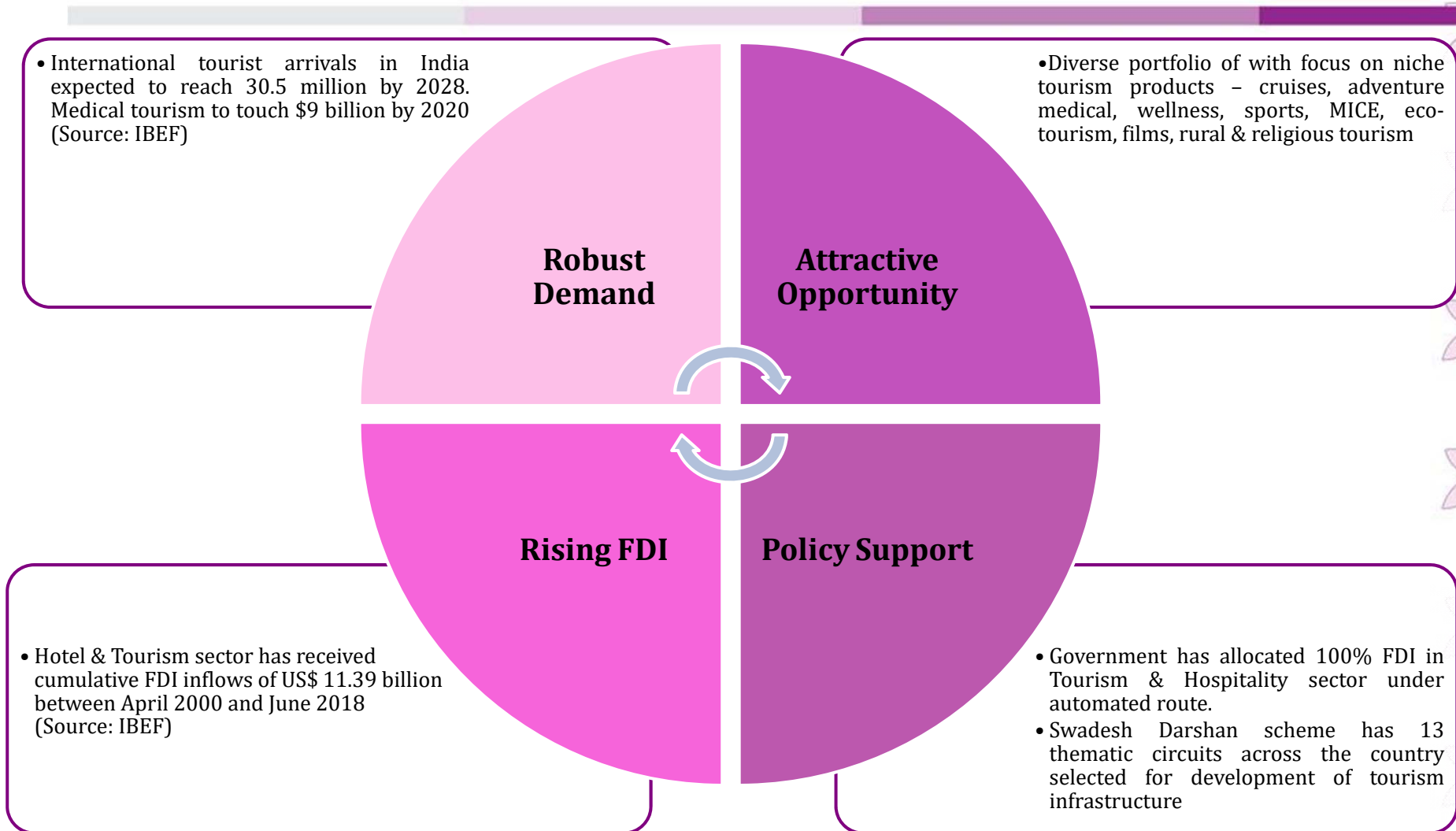
2. PROPOSED BRANDED HOTEL ROOMS ACROSS MAJOR CITIES



Source: 2018 India Hospitality Trends & Opportunity report by Hotelivate ■ 2017/18 ■ 2022 / 23 (P)

A report by hospitality consulting firm Hotelivate shows expected rise in branded hotel rooms by 2023 given the increasing trend in the per capita income.

Key Growth Drivers



Key Industry Challenges



INFRASTRUCTURE

- Limited land availability at the desired location
- Rising property prices

FUNDING

- Increasing cost of debt
- Medium to small size hotels, not favorable to PE, VC funding

REGULATORY

- Delays in getting approvals and licenses leading to increasing project cost

COMPETITION

- Entry of Travel aggregators intensifies competitive landscape

Company Overview



Who we are?

Our Journey

**Management
Team**

Our Presence

Who we are?

- Royal Orchid Hotel Ltd (ROHL) was incorporated in 1986 under the name of Universal Resorts Ltd.
- Promoted by Mr. Chander K Baljee
- ROHL is engaged in business of managing hotels under flagship brands – Royal Orchid, Royal Orchid Central, Royal Orchid Suites, Regenta Central, Regenta Resort, Regenta Place & Regenta Inn
- The no of hotels managed as of April is 51

Present in **37** locations
11 states with **3,906** no
of keys and **2.46+** lakh
Royal Reward members

Our Brands

5 Star

Hotel Royal Orchid

4 Star

- Royal Orchid Central
- Regenta Central

Service Apartment

Royal Orchid Suites

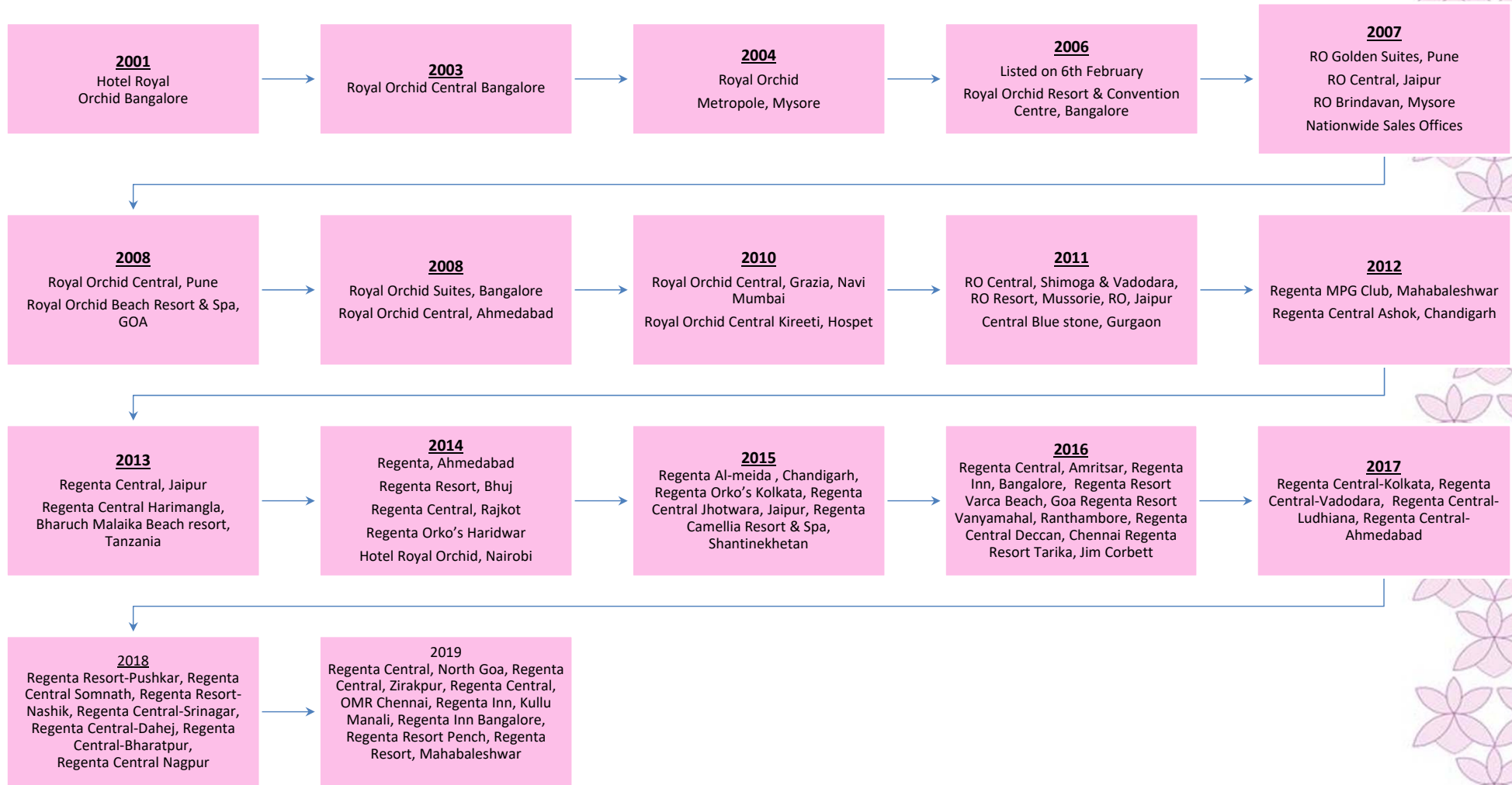
Resorts/ Heritage

- Royal Orchid Resorts
- Regenta Resorts

Budget

- Regenta Place
- Regenta Inn

Our Journey



Key Management



Mr. Chander Baljee, Managing Director

Royal Orchid Hotels is promoted by **Mr. Chander K Baljee**, a P.G Graduate from **Indian Institute of Management (Ahmedabad)** with over 4 decades of experience in the hospitality industry



Mr. Amit Jaiswal, Chief Financial Officer

Mr. Amit Jaiswal is a Commerce graduate from Calcutta University MBA, BA LLB. He has vast experience of 25 years in different industries including Finance, Manufacturing and Hotels.



Mr. Chetan Tiwari, Vice President Operations (South)

Over 23 years experience with Taj Group of Hotels, ITC Fortune & Hilton Graduate from IHM Bhubaneswar & IGNOU



Mr. Vikas Passi, Vice President Operations (West)

A Hotel Management graduate from Mangalore University and MBA in Sales & Marketing from Pune University, having 16+ years of vast experience in hotel operations and sales.



Mr. Perkin Rocha, Vice President Operations (North)

Mr. Perkin Rocha Graduate from IIAS, Darjeeling with 20 years experience with Lemon Tree Hotels, Duet Hotels, Park Royal International Hotel & Hotel Royal Orchid

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N O R T H	AMRITSAR Regenta Central	S O U T H	BANGALORE Hotel Royal Orchid Royal Orchid Central Royal Orchid Suites Regenta Place Royal Orchid Resort Regenta Inn Regenta Inn, Indiranagar	T O U R I S M	GUJARAT Regenta Central, Ahmedabad Regenta Inn, Ahmedabad Regenta Central, Bharuch Regenta Resort, Bhuj Regenta Central, Dahej Regenta Central, Rajkot Royal Orchid Central, Vadodara Regenta Inn, Vadodara Regenta Central, Vapi
	BHARATPUR Regenta Resort		BELAGAVI Regenta Resort		NASHIK Regenta Resort
	CHANDIGARH Regenta Central Regenta Central Cassia		CHENNAI Regenta Central Regenta Centra RS, OMR		NAGPUR Regenta Central
	DEHRADUN Regenta Central		HOSPET Royal Orchid Central		Pench Regenta Place
	HARIDWAR Regenta Central		MYSORE Royal Orchid Brindavan Garden Royal Orchid Metropole Regenta Central		GOA Royal Orchid Beach Resort & Spa Regenta Resort Varca Beach Regenta Central, North Goa Regenta Place, Mandrem Beach Resort
	JIM CORBETT Regenta Resort		SHIMOGA Royal Orchid Central		INDORE Regenta Central
	JAIPUR Hotel Royal Orchid Royal Orchid Central Regenta Central, Jal Mahal Regenta Central, Jhotwara		KOLKATA Regenta Central Regenta Inn		MAHABALESHWAR Regenta MP6 Club Regenta Place Green Leaf
	KANPUR Regenta Central				NAVI MUMBAI Royal Orchid Central
	LUDHIANA Regenta Central				PUNE Royal Orchid Central Royal Orchid Golden Suites
	MANALI Regenta Inn				
E A S T	MUSSOORIE Royal Orchid Fort Resort				
	PUSHKAR Regenta Resort				
	RISHIKESH Regenta Inn				
	RANTHAMBORE Regenta Resort				
	SRINAGAR Regenta Central				

*Opening Shortly
Vithlapur, Bhimtal, Haldwani
Ranchi, Morbi & Noida

Business Overview



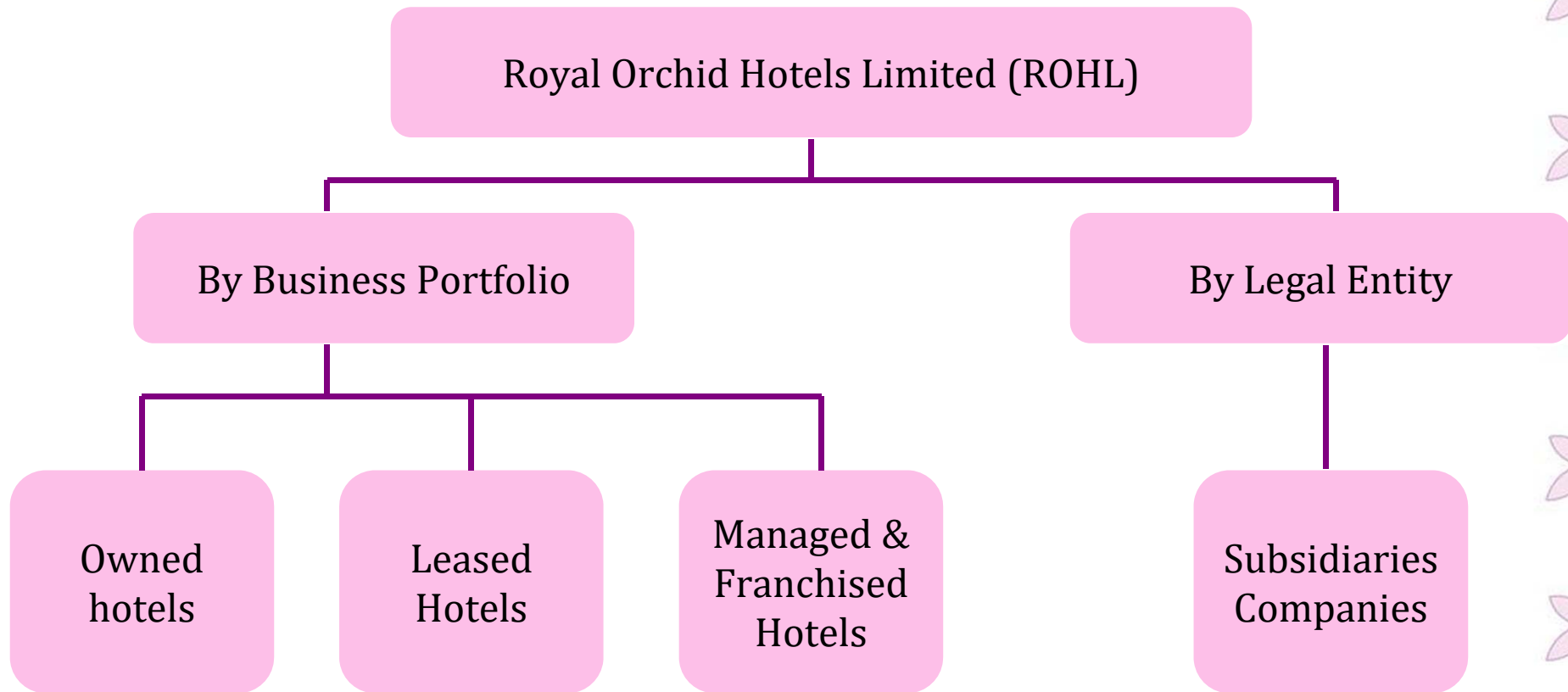
**Our Business
Structure**

**Our Business
Model**

Our Offerings

**Competitive
Advantage**

Our Business Structure



Our Business Model -Asset Light Model

Steadily gaining strong foothold through focus on Management contracts which will lead to high growth

Key factors

No upfront
requirement of capex

Maintenance Capex
required – Nil

Break even of
Operating profit in
just 1 year

Facilitates expansion
plans and ramping up
presence

Creates brand
visibility at a faster
rate

Growth in rooms and loyalty members

No of
Properties

20

23

26

34

42

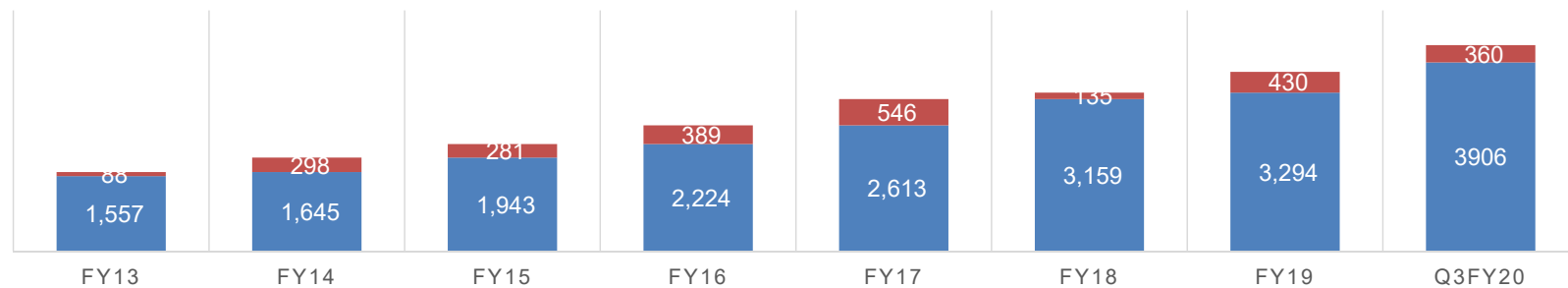
47

49

57

Steady growth in rooms

■ Beginning of the year ■ Additions



Loyalty members





BIRTHDAYS



ANNIVERSARIES

HONEYMOON

PILGRIMAGE



VACATIONS



Holiday Destinations

Goa • Bangalore • Mysore • Hampi
Belagavi • Nashik • Bharatpur • Bhuj
Jaipur • Mahabaleshwar • Mussoorie
Manali • Pushkar • Ranthambore
Jim Corbett • Srinagar • Rishikesh
Haridwar

Wedding Destinations

Goa • Bangalore
Ranthambore • Jim Corbett
Dehradun • Jaipur • Mussoorie
Mahabaleshwar • Nagpur
Pushkar • Bharatpur • Bhuj



Complimentary
Honeymoon
Package
& Bridal Suite



Business Destinations

Ahmedabad • Bangalore • Bharuch
Chandigarh • Chennai • Dehradun
Dahej • Indore • Jaipur • Kolkata
Kanpur • Ludhiana • Mysore • Nashik
Navi Mumbai • Nagpur • Pune
Rajkot • Shimoga • Vadodara • Vapi

Wildlife Destinations

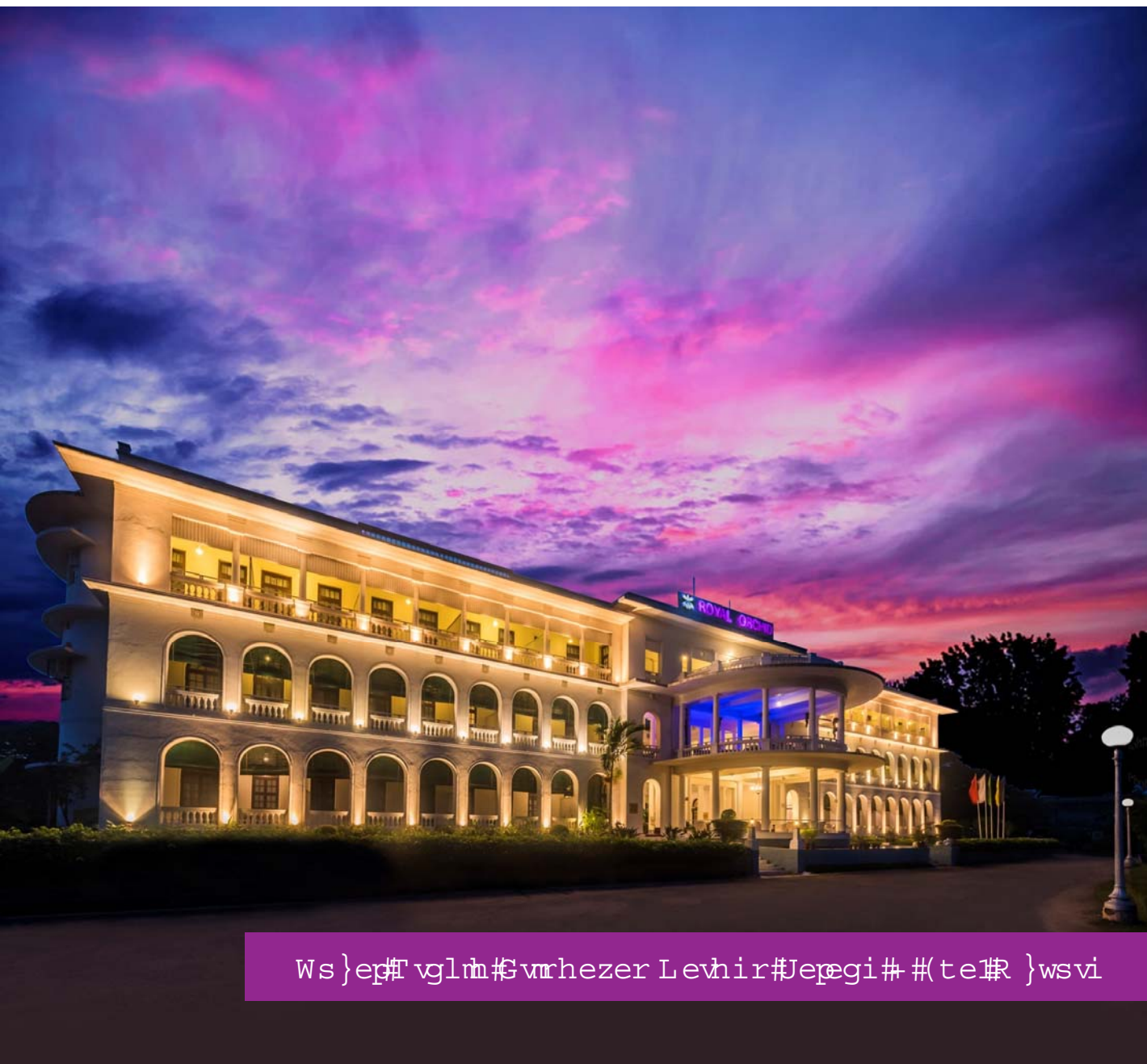
Ranthambore • Jim Corbett
Pench National Park

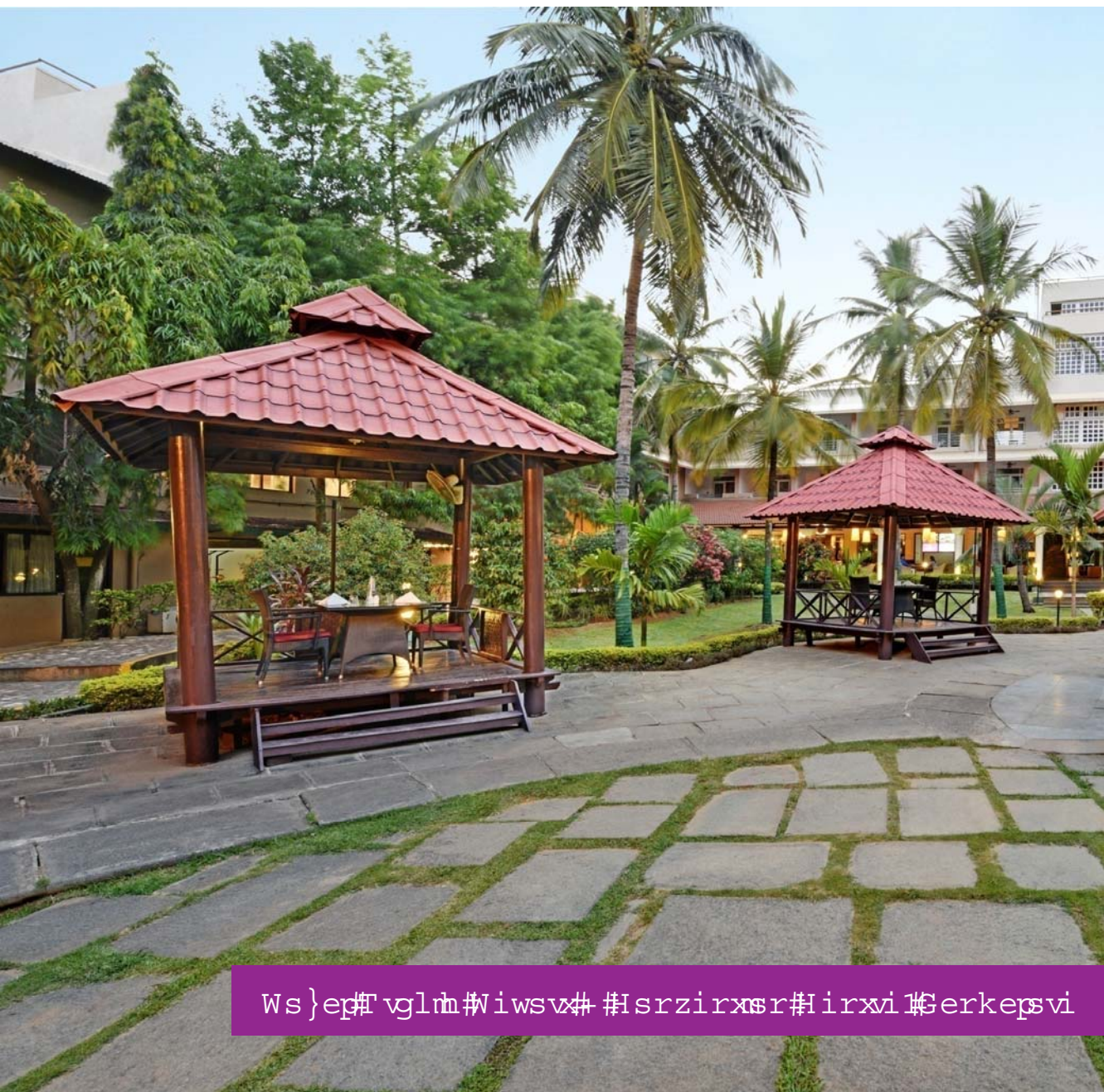




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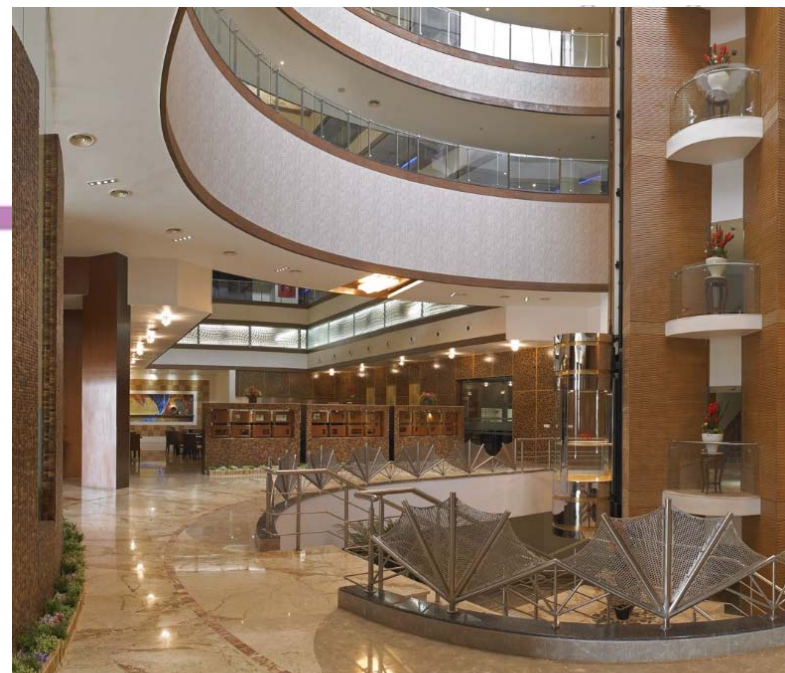




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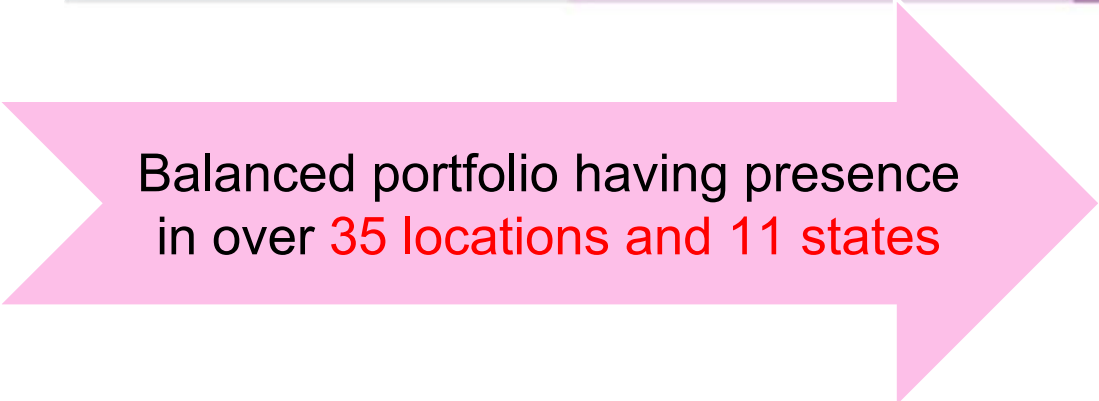




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Competitive Advantage



Balanced portfolio having presence
in over 35 locations and 11 states

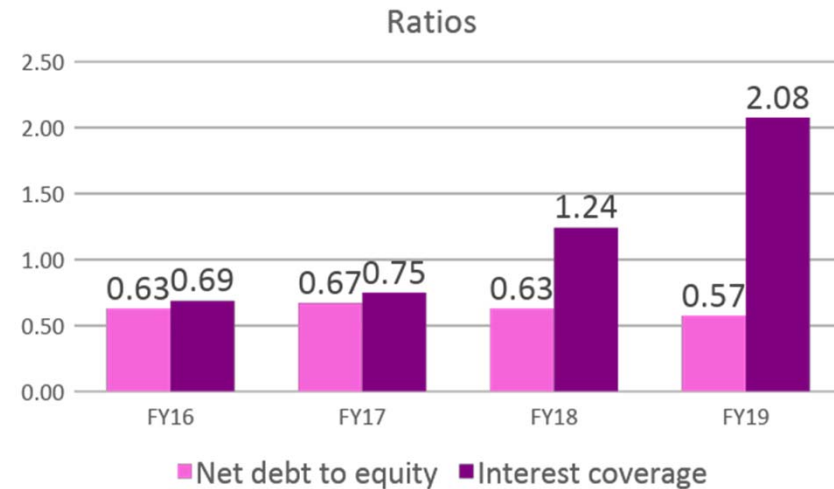
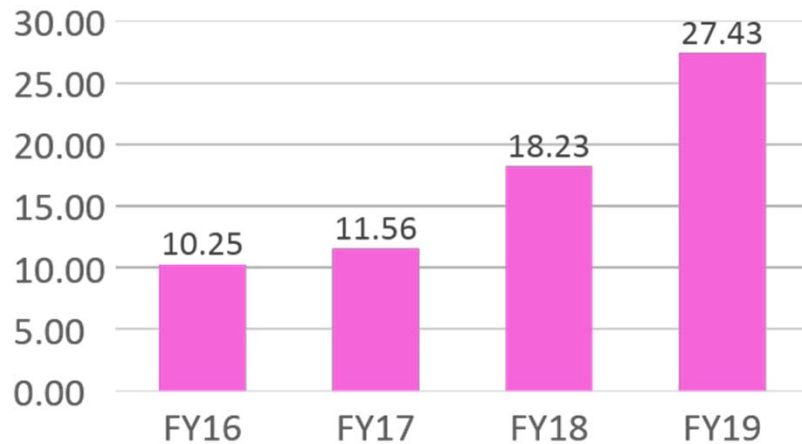
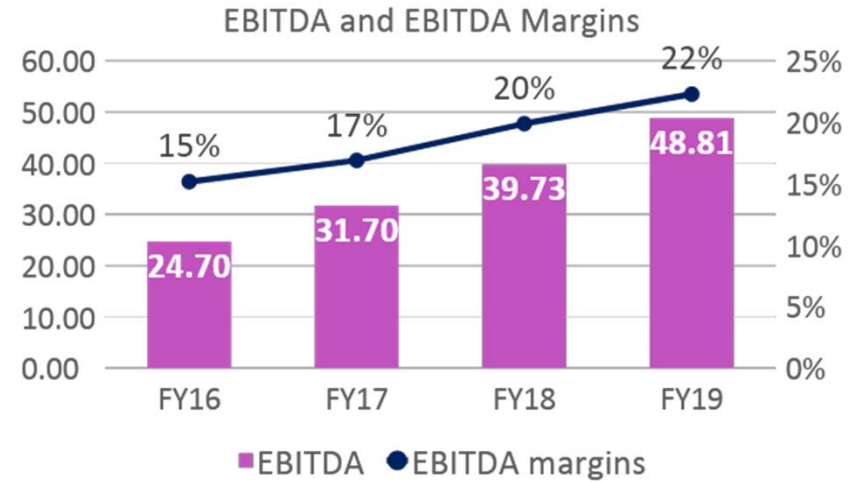
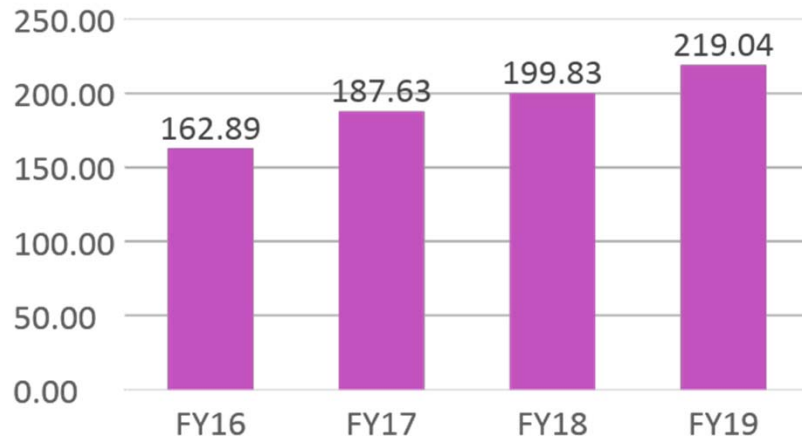


Strong sales presence across major source
markets in India



Affordable luxury having plethora of options
for modern travellers

Sustainable Growth – Yearly Consolidated numbers



Rs. In crore

Revenue Model

Category	FY2019	9MFY20	(%)
5 Star	334	334	
4 Star	1,861	1,927	
Service Apartment	159	159	
Resort / Heritage / MICE	935	1017	
Budget Hotels	389	469	
Total Keys	3,714	3906	

Category	FY 2019	9MFY20	(%)
Owned	195	195	
Leased	517	517	
JV	313	313	
Managed	1928	2084	
Franchised	761	801	
Total Keys	3714	3906	

Asset
Portfolio

Category	Owned	Leased	JV	Managed	Franchised	Total
5 Star	195		139			334
4 Star		380		906	641	1927
Service Apartment				159		159
Resort/Heritage/MICE		54	174	789		1017
Budget Hotels		83		301	85	469
Total Keys	195	517	313	2,155	726	3906

Property breakup with rooms

No of Keys	FY19	FY20*
Management / Franchise	2689	2881
JV	313	313
Owned (Domestic)	195	195
Owned (Overseas)	-	-
Leased	517	517
Total KEYS	3,714	3906
Average Occupancy rate (JLO)	74%	70%
Average Room Rate (JLO) (Rs)	3,937	4,061
Average Occupancy rate (Managed)	66%	68%
Average Room Rate (Managed) (Rs)	2,836	3,054

*Expected

Financial Overview



**Quarterly & Nine
Month Highlights and
Financial results**

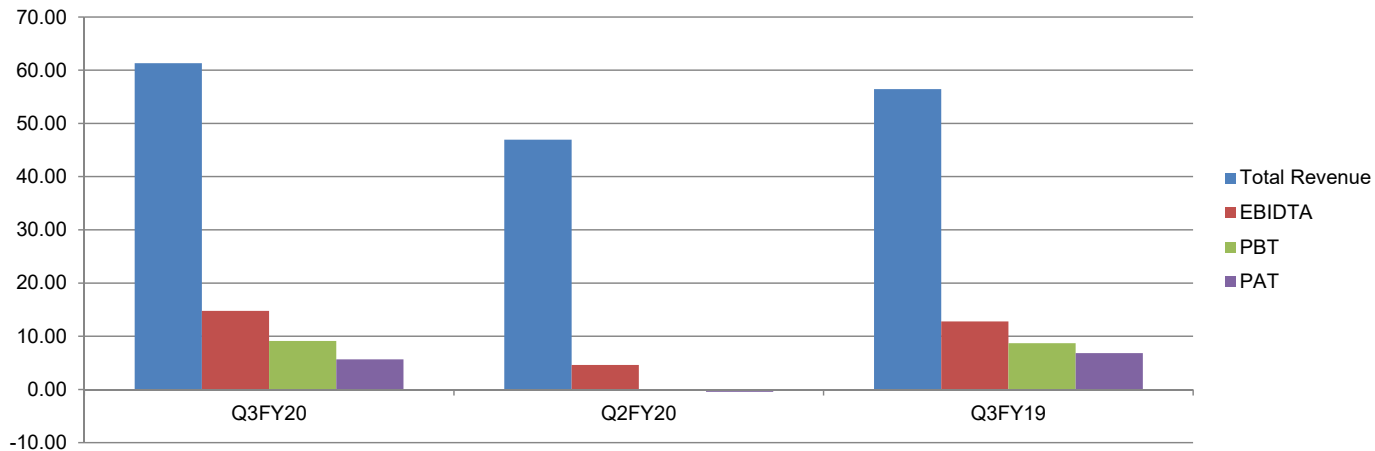
Margins

**Consolidated
Income Statement
& Balance Sheet
snapshot**

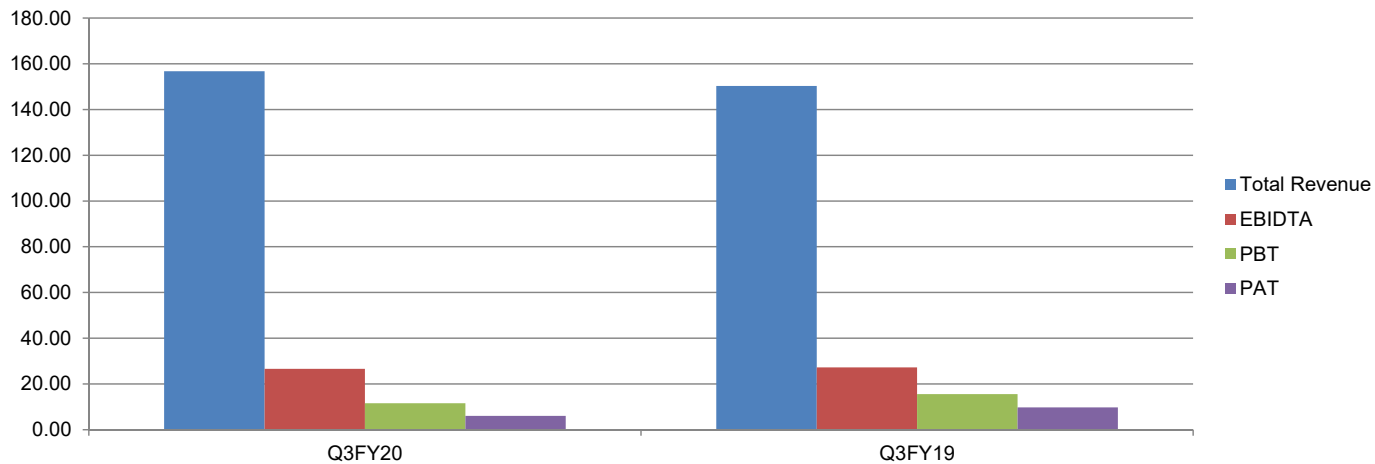
Shareholding

Consolidated Quarter and Nine Month highlights

Quarterly



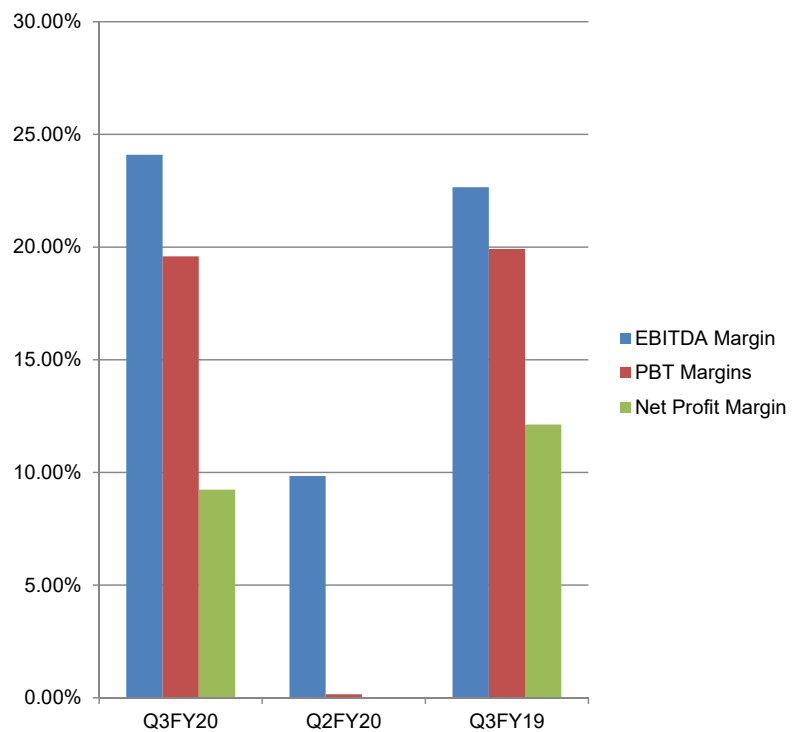
Nine Month



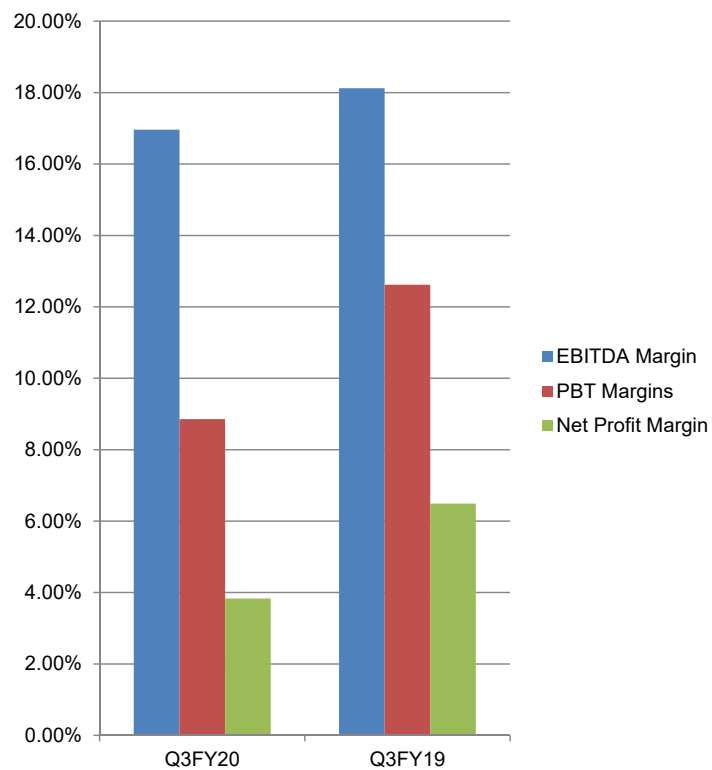
Rs. In crore

Margins

Quarterly Margins



Nine Month Margins



Standalone Q3 & 9MFY20 Financial results

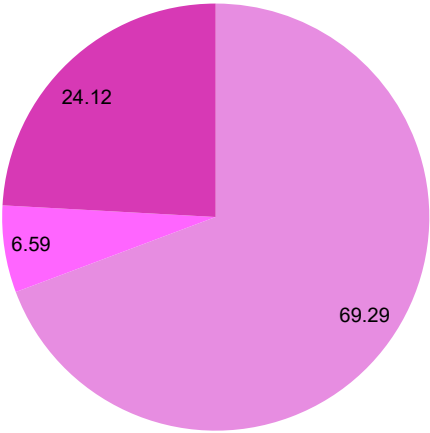
Particulars (Rs in Crs)	Q3FY20	Q2FY20	Q3FY19	Q-o-Q (%)	Y-o-Y (%)	9MFY20	9MFY19	% Change
Income from Operations	34.11	26.37	30.55	29.37%	11.66%	87.91	83.01	5.90%
Total Income	34.11	26.37	30.55	29.37%	11.66%	87.91	83.01	5.90%
Cost of Material Consumed	4.54	2.95	3.40	53.91%	33.56%	10.79	8.57	25.83%
Employee Benefits Expense	6.45	6.57	5.70	-1.84%	13.21%	19.70	16.57	18.87%
Power and fuel Expense	3.31	2.99	2.89	10.67%	14.62%	10.15	8.60	18.08%
Rent Expense	2.60	2.20	3.47	18.23%	-24.91%	7.16	9.59	-25.34%
Other Expenses	8.44	7.23	8.25	16.80%	2.38%	23.01	23.69	-2.88%
Total Expense	25.35	21.95	23.71	15.51%	6.95%	70.81	67.03	5.65%
EBITDA	8.76	4.42	6.84	98.22%	27.99%	17.10	15.99	6.96%
<i>EBITDA Margin (%)</i>	<i>25.67</i>	<i>16.76</i>	<i>22.40</i>	53.22%	14.62%	<i>19.45</i>	<i>19.26</i>	1.00%
Other Income	0.91	1.94	1.13	-52.84%	-19.39%	5.00	4.22	18.37%
Depreciation	1.86	1.80	1.07	2.92%	73.27%	5.44	3.15	72.48%
EBIT	7.82	4.55	6.91	71.65%	13.19%	16.66	17.06	-2.33%
Finance Cost	1.94	1.73	1.11	12.12%	75.55%	5.61	3.38	66.06%
PBT	5.88	2.82	5.80	108.13%	1.31%	11.05	13.68	-19.22%
<i>PBT Margins (%)</i>	<i>17.23</i>	<i>10.71</i>	<i>18.99</i>	60.88%	-9.27%	<i>12.57</i>	<i>16.48</i>	-23.72%
Tax	0.00	0.00	0.00			0.00	0.00	
Current Tax	2.13	1.06	1.23	100.94%	73.65%	4.03	3.60	11.94%
Deferred Tax	0.58	-0.45	0.09	227.98%	565.78%	-0.23	0.51	-145.28%
Total Tax	2.71	0.61	1.31	343.59%	106.07%	3.80	4.11	-7.50%
Exceptional Items	0.00	0.00	0.00			0.00	0.00	
Net Profit	3.17	2.21	4.49	43.24%	-29.35%	7.25	9.57	-24.26%
Other Comprehensive Income/(Loss)	0.02	0.02	0.00	0.00%		0.06	0.00	
Total Comprehensive Income	3.15	2.19	4.49	43.62%	-29.78%	7.19	9.57	-24.87%
Net Profit Margin (%)	9.29	8.39	14.69	10.72%	-36.73%	8.25	11.53	-28.48%
EPS (In Rs)	1.15	0.80	1.64	43.75%	-29.88%	2.62	3.50	-25.14%

Consolidated Q3FY20 Statement - Snapshot

Particulars (Rs in Crs)	Q3FY20	Q2FY20	Q3FY19	Q-o-Q (%)	Y-o-Y (%)	9MFY20	9MFY19	% Change
Income from Operations	61.33	46.93	56.44	30.68%	8.66%	156.78	150.30	4.31%
Total Income	61.33	46.93	56.44	30.68%	8.66%	156.78	150.30	4.31%
Cost of Material Consumed	7.74	5.57	6.19	38.94%	25.19%	18.88	16.07	17.48%
Employee Benefits Expense	14.13	13.82	12.83	2.23%	10.17%	41.61	36.93	12.68%
Power and fuel Expense	4.93	4.79	4.64	3.03%	6.27%	15.46	13.94	10.86%
Rent Expense	2.90	2.46	3.94	17.75%	-26.55%	8.00	10.98	-27.17%
Other Expenses	16.85	15.67	16.06	7.50%	4.90%	46.24	45.14	2.43%
Total Expense	46.55	42.32	43.66	10.01%	6.63%	130.19	123.06	5.79%
EBITDA	14.78	4.62	12.79	220.14%	15.59%	26.59	27.24	-2.37%
<i>EBITDA Margin (%)</i>	<i>24.10</i>	<i>9.84</i>	<i>22.65</i>	144.99%	6.38%	<i>16.96</i>	<i>18.12</i>	-6.40%
Other Income	2.76	3.72	2.98	-25.86%	-7.53%	9.91	9.44	5.06%
Depreciation	4.55	4.47	3.77	1.99%	20.80%	13.33	11.23	18.76%
EBIT	12.98	3.87	12.00	235.67%	8.21%	23.17	25.45	-8.93%
Finance Cost	3.86	3.80	3.30	1.70%	17.03%	11.64	9.91	17.42%
PBT	9.12	0.07	8.70	13056.42%	4.86%	11.53	15.53	-25.75%
<i>PBT Margins (%)</i>	<i>19.59</i>	<i>0.16</i>	<i>19.92</i>	11859.40%	-1.66%	<i>8.86</i>	<i>12.62</i>	-29.82%
Tax	0.00	0.00	0.00			0.00	0.00	
Current Tax	2.93	1.19	2.05	145.74%	43.09%	5.71	5.48	4.32%
Deferred Tax	0.52	(0.69)	-0.20	175.83%	164.28%	-0.19	0.30	-164.72%
Total Tax	3.45	0.51	1.85	581.30%	86.40%	5.52	5.77	-4.42%
Exceptional Items	0.00	0.00	0.00			0.00	0.00	
Net Profit	5.67	(0.44)	6.84	1396.57%	-17.20%	6.01	9.76	-38.38%
Other Comprehensive Income/(Loss)	0.01	0.02	0.00	-55.43%		0.02	0.00	
Total Comprehensive Income	5.68	(0.42)	6.84	1452.50%	-17.08%	6.04	9.76	-38.14%
Net Profit Margin (%)	9.24	(0.93)	12.13	1092.18%	-23.79%	3.84	6.49	-40.92%
EPS (In Rs)	2.07	(0.16)	2.50	1393.75%	-17.20%	2.19	3.57	-38.66%

Shareholding

- Promoters
- Foreign Portfolio Invesors
- Others



KEY INVESTORS	Holding %
JUPITER INDIA FUND	5.38
GEOSPHERE INDIA FUND	0.34
JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED - SOUTH ASIA ACCESS FUND	0.87
Total	6.59

Vision 2022

“

Our Vision for 2022 is to operate 100+ profitable and responsible hotels where guests love to stay, dine and celebrate. We wish to create hotels which have a soul, a reflection of our distinctly warm Indian Hospitality.

In this journey towards 100 hotels, we will also empower the youth of our country. The ones who wish to join hospitality industry, but are limited by financial means. We will provide skill development training to 10,000+ students over the next three years, thereby making them employable, and so they can in turn strengthen the Indian hospitality workforce.”

”



Thank You

