



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: May 29, 2019

**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 May 28, 2019 please find enclosed herewith the presentation for conference call to be held today i.e. Wednesday, May 29, 2019 at 3:30 p.m. to discuss Q4/FY19 and FY19 results.

This is for the information and records of the Exchanges.

For **ROYAL ORCHID HOTELS LIMITED**

**RANABIR SANYAL
COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl: a/a

Royal Orchid Hotels Ltd

Q4 FY19 & FY19

Results Presentation



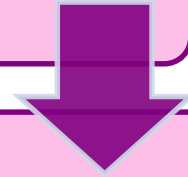
Disclaimer



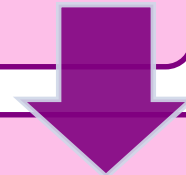
Statements made in this Presentation describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As 'forward-looking statements' are based on certain assumptions and expectations 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'.

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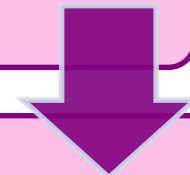
Industry Overview



Company Overview



Business Overview



Financial Overview

Industry Overview



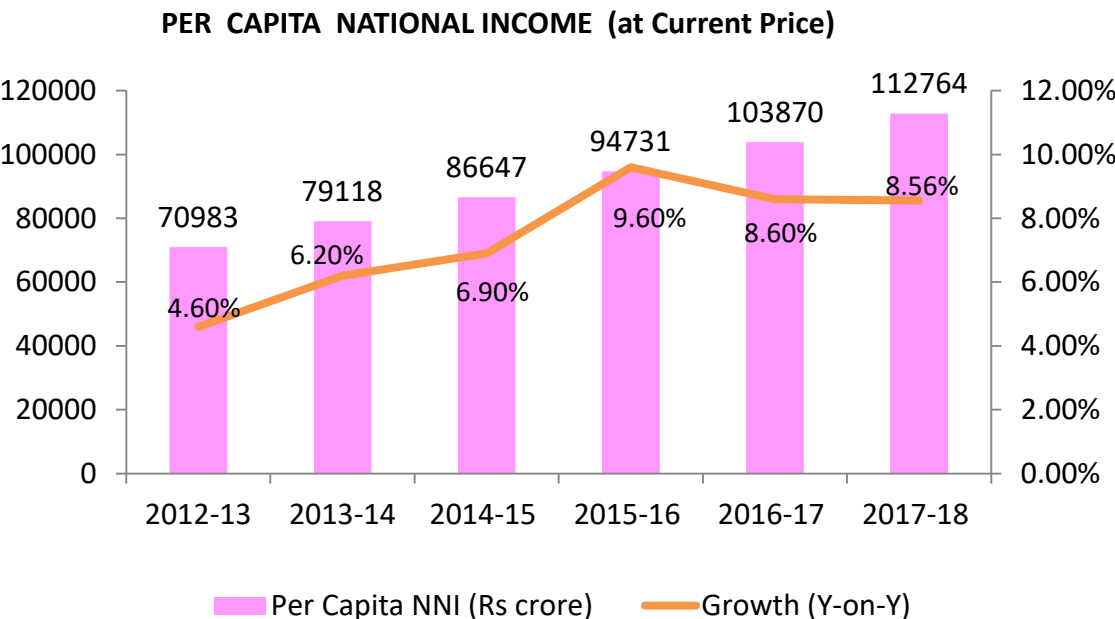
Industry Outlook

Growth Drivers

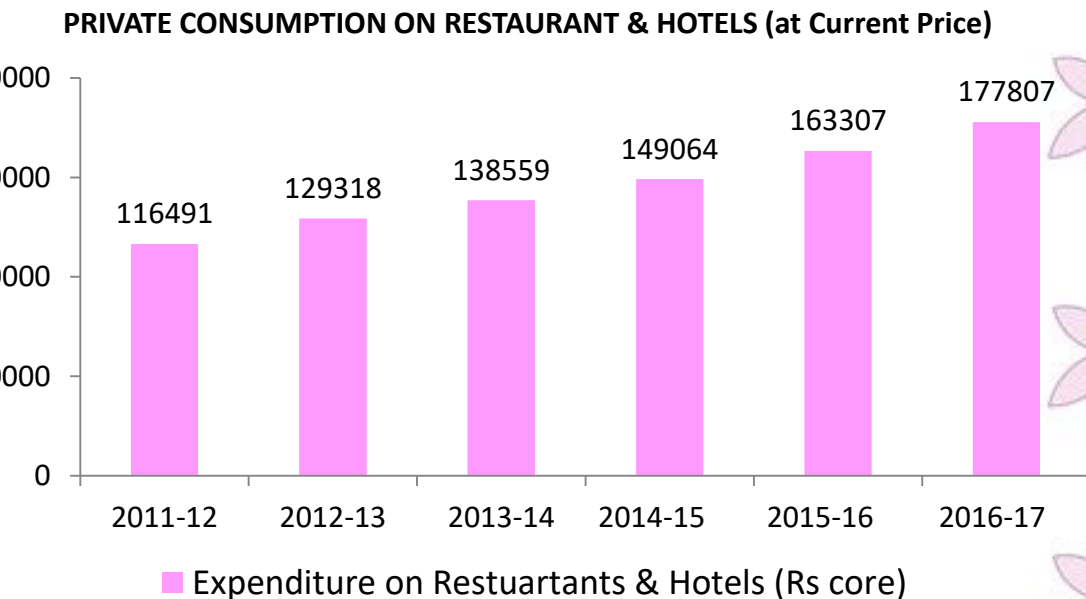
Key Challenges

Industry Outlook - Current Trend

1. Disposable income on the rise



Source: Central Statistics Office



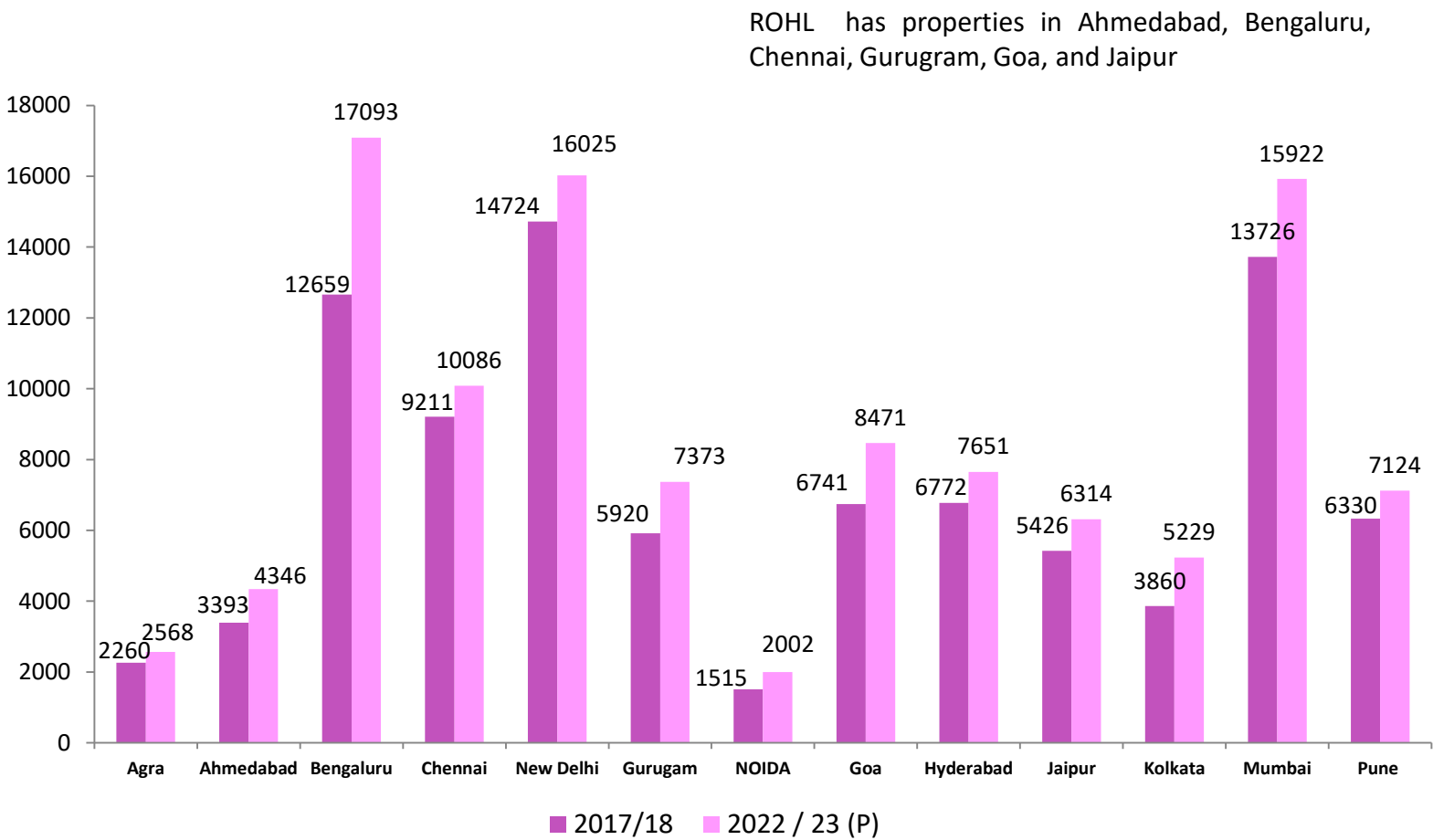
Source: Central Statistics Office

India's Per Capita National Income has increased at a CAGR of 9.26% over the last 5 years from 2013-14 to 2017-18

Private Final Consumption on Restaurants & Hotel has grown at a CAGR of 8.29% over the 5 years period 2012-13 to 2016-17 (2018 data not yet available)

Industry Outlook

2. PROPOSED BRANDED HOTEL ROOMS ACROSS MAJOR CITIES

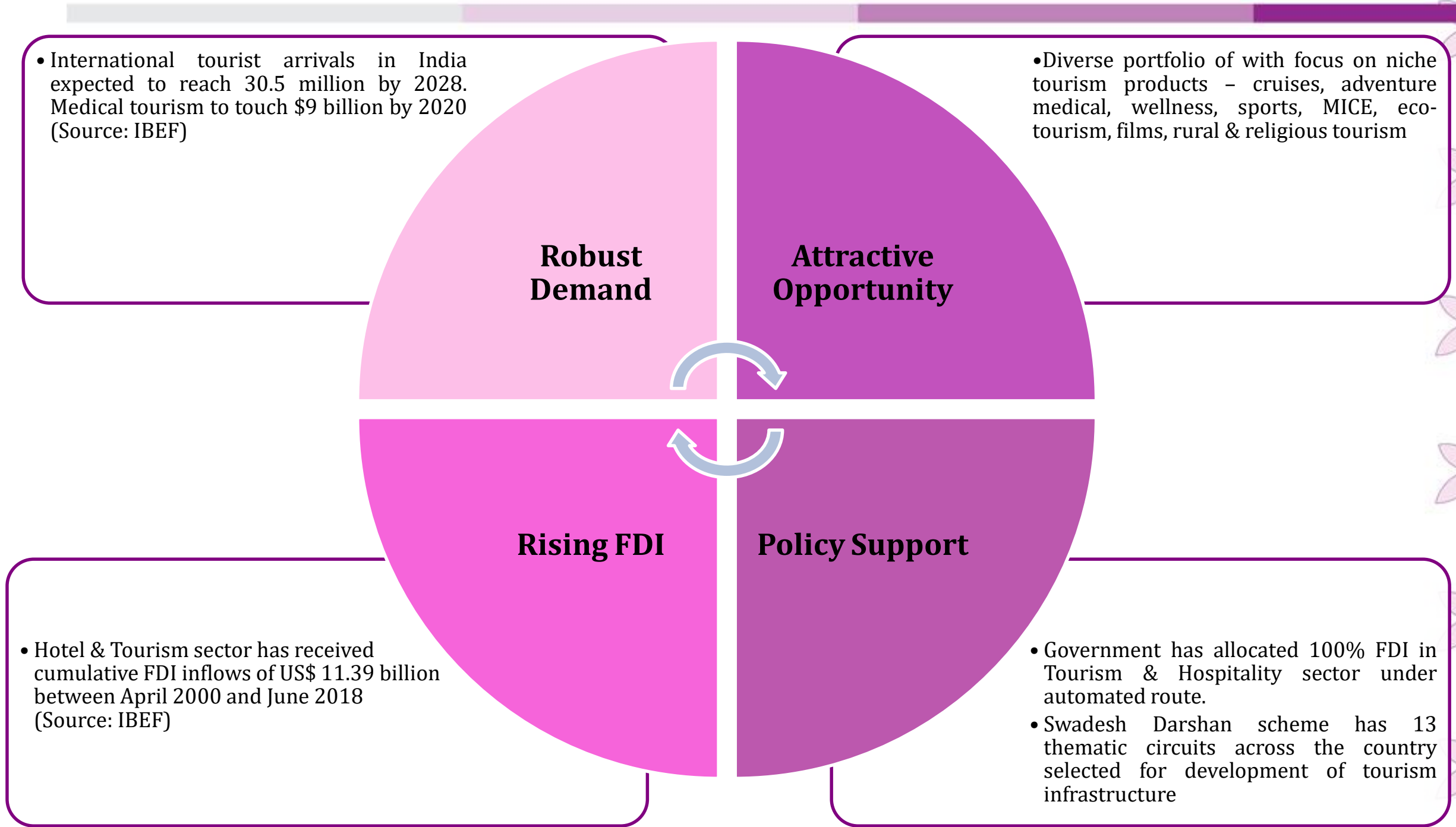


Source: 2018 India Hospitality Trends & Opportunity report by Hotelivate

Top 10 Busiest Airports in India by Passenger Traffic (2016/17 -2017/18)			
(Rs in Lakh)	2016/17	2017/18	% Change
Delhi (DIAL)	577.0	656.9	13.8%
Mumbai (MIAL)	451.5	485.0	7.4%
Bengaluru (BIAL)	228.8	269.10	17.6%
Chennai	183.6	203.60	10.9%
Kolkata	158.2	198.90	25.7%
Hyderabad (GHIAL)	151	181.60	20.2%
Cochin (CIAL)	86.6	101.70	13.6%
Ahmedabad	74.1	91.70	23.9%
Goa	68.6	76.10	11.0%
Pune	67.7	81.60	20.6%

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 49
- FY18 turnover at Rs. 199.84 crore

Present in **33** locations
11 states with **3,385** no
of keys and **2.23+** lakh
Royal Reward members

Our Brands

5 Star

Hotel Royal Orchid

4 Star

- Royal Orchid Central
- Regenta Central

**Service
Apartment**

Royal Orchid Suites

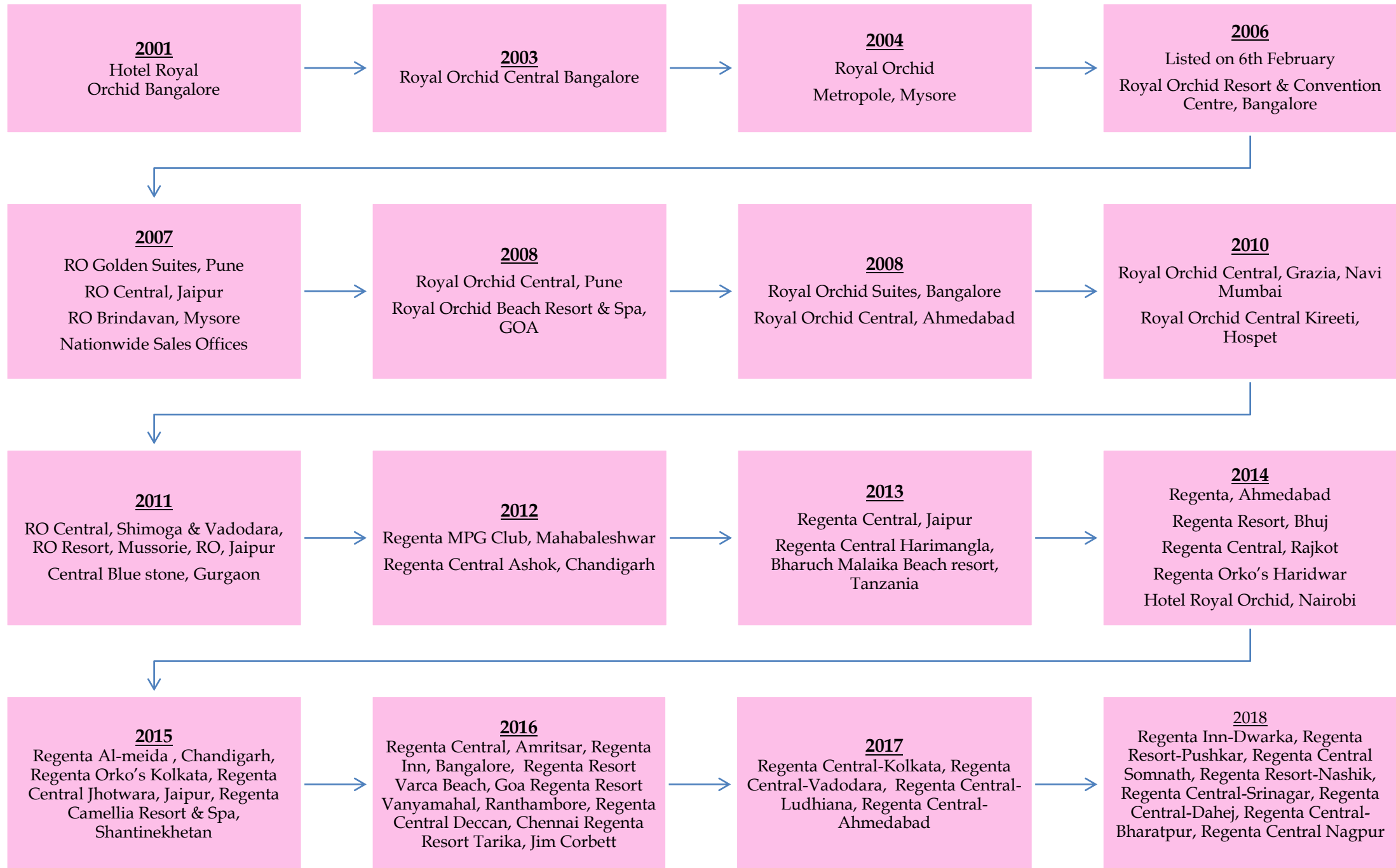
**Resorts/
Heritage**

- 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. Ranjan Gupta, Vice President Operations (South)

A Hotel Management graduate from IHM, Mumbai, having 30+ years of vast experience in hotel operations and development.



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.



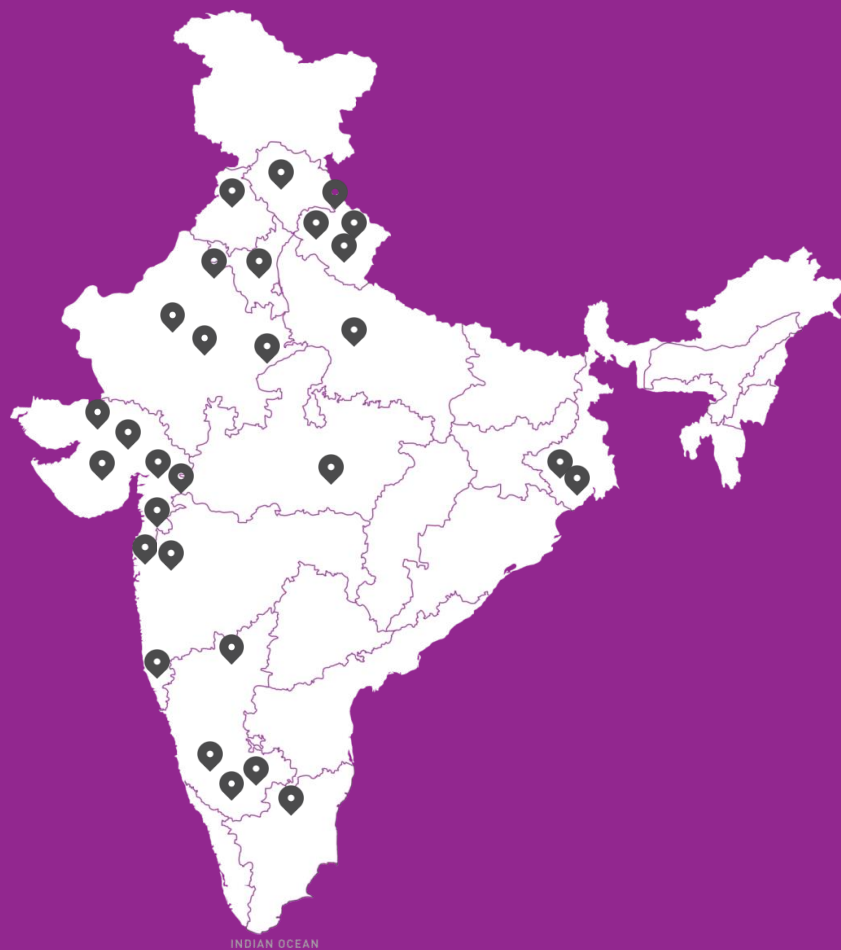
Mr. Perkin Rocha, Vice President Operations (North)

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

3400+
Luxury Rooms

49+
Hotels & Resorts

33+
Cities Across India
& growing...



INDIAN OCEAN

Royal Orchid & Regenta Hotels Across India

N
O
R
T
H

AJMER

Regenta Inn

AMRITSAR

Regenta Central

BHARATPUR

Regenta Resort

CHANDIGARH

Regenta Central
Regenta Central, Zirakpur*

DEHRADUN

Regenta Central

HARIDWAR

Regenta Central

JIM CORBETT

Regenta Resort

JAIPUR

Hotel Royal Orchid
Royal Orchid Central
Regenta Central, Jal Mahal
Regenta Central, Jhotwara

KANPUR

Regenta Central

LUDHIANA

Regenta Central

MUSSOORIE

Royal Orchid Fort Resort

PUSHKAR

Regenta Resort

RANTHAMBORE

Regenta Resort

SRINAGAR

Regenta Central

S
O
U
T
H

BANGALORE

Hotel Royal Orchid
Royal Orchid Central
Royal Orchid Suites
Regenta Place
Royal Orchid Resort
Regenta Inn

CHENNAI

Regenta Central
Regenta Centra RS, OMR*

HOSPET

Royal Orchid Central

MYSORE

Royal Orchid Brindavan Garden
Royal Orchid Metropole
Regenta Central

SHIMOGA

Royal Orchid Central

E
A
S
T

KOLKATA

Regenta Central
Regenta Inn

W
E
S
T

GUJARAT

Regenta Central, Ahmedabad
Regenta Central, Bharuch
Regenta Resort, Bhuj
Regenta Inn, Dwarka
Regenta Central, Dahej
Regenta Central, Rajkot
Royal Orchid Central, Vadodara
Regenta Inn, Vadodara
Regenta Central, Vapi

NASHIK

Regenta Resort

NAGPUR

Regenta Central

GOA

Royal Orchid Beach Resort & Spa
Regenta Resort Varca Beach
Regenta Inn

INDORE

Regenta Central

MAHABALESHWAR

Regenta MPG Club

NAVI MUMBAI

Royal Orchid Central

PUNE

Royal Orchid Central
Royal Orchid Golden Suites

*Opening Shortly

Ahmedabad, Chennai, Bangalore, Belgaum,
Bhimtal, Goa, Mahabaleshwar, Pench National Park,
Zirakpur, Ranchi, Kullu-Manali & Morbi

Business Overview



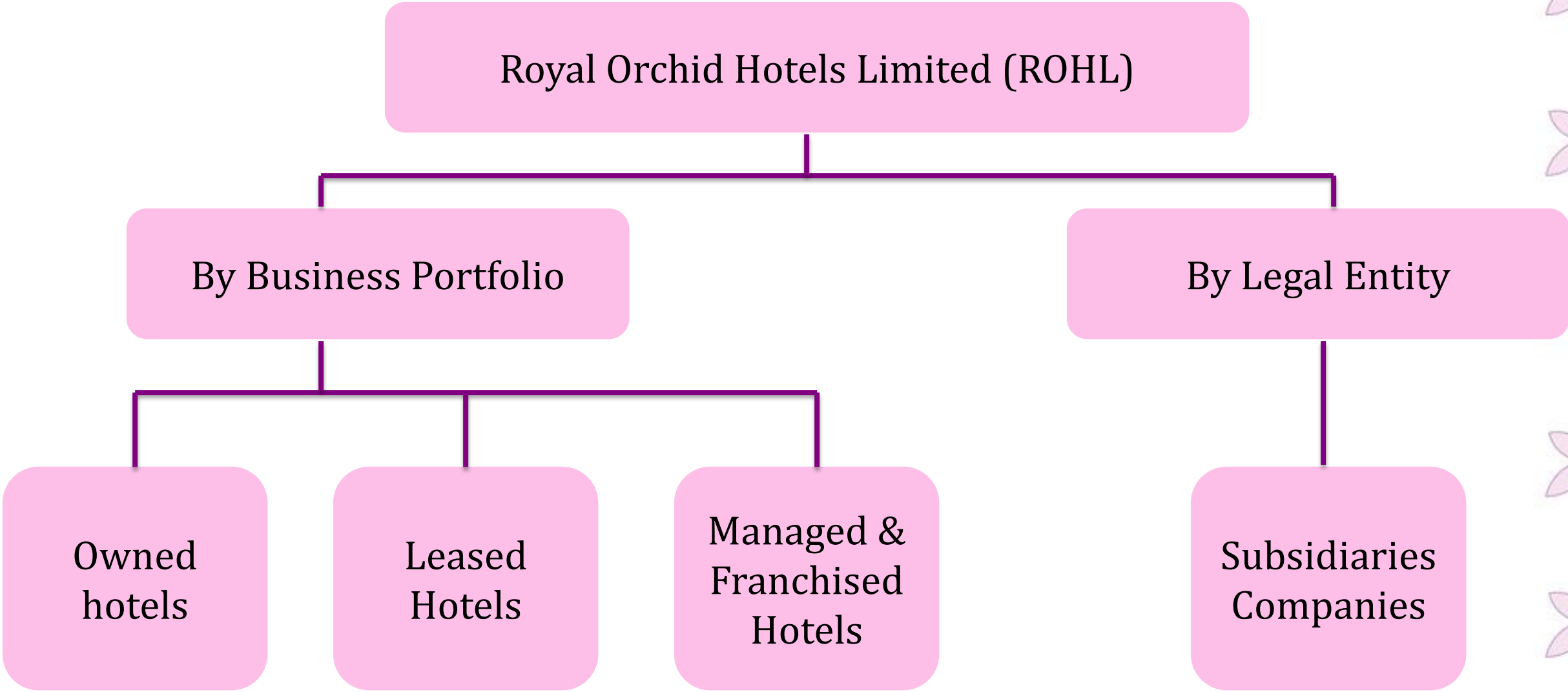
**Our Business
Structure**

**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 – Rs 1.5 cr
to 2 cr (approx)

Break even of
Operating profit in
just 1 year

Facilitates expansion
plans and ramping up
presence

Creates brand visibility
at a faster rate

Revenue Model

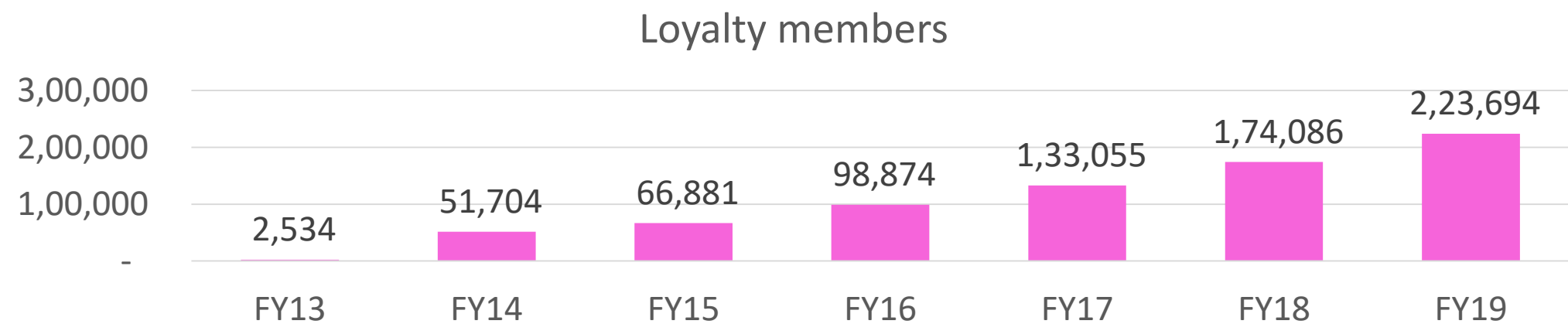
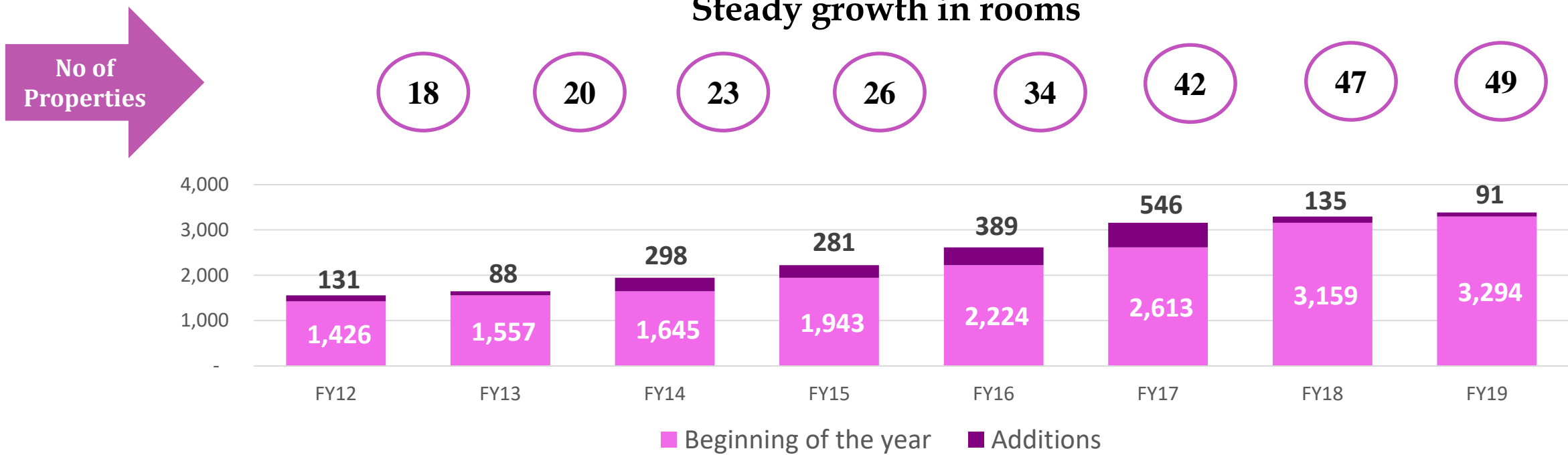
Category	FY 2018	FY2019	(%)
5 Star	334	334	0%
4 Star	1,840	1,861	1%
Service Apartment	159	159	0%
Resort/Heritage/MICE	961	1,031	7%
Total Keys	3,294	3,385	3%

Category	FY 2018	FY2019	(%)
Owned	195	195	0%
Leased	386	433	12%
JV	396	396	0%
Managed	2,317	2,361	2%
Total Keys	3,294	3,385	3%

Category	Owned	Leased	JV	Managed	Total
5 Star	195	-	139	-	334
4 Star	-	245	130	1,486	1,861
Service Apartment	-	-	-	159	159
Resort/Heritage/MICE	-	188	127	716	1,031
Total Keys	195	433	396	2,361	3,385

Asset
Portfolio

Growth in rooms and loyalty members



Property breakup with rooms

Adding No of Keys	FY18	FY19
Management Contracts	2,317	2,361
JV	396	396
Owned (Domestic)	195	195
Owned (Overseas)	-	-
Leased	386	433
Total KEYS	3,294	3,385
Average Occupancy rate (JLO)	78%	74%
Average Room Rate (JLO) (Rs)	3,853	4,204
Average Occupancy rate (Managed)	67%	69%
Average Room Rate (Managed) (Rs)	2,886	2,957



Business Hotels



Current Locations

- Bangalore
- Mysore
- Jaipur
- Shimoga
- Pune
- Bharuch
- Ahmedabad
- Rajkot
- Chennai
- Nagpur
- Chandigarh
- Kolkata
- Kanpur
- Ludhiana
- Vadodara



Leisure Destinations

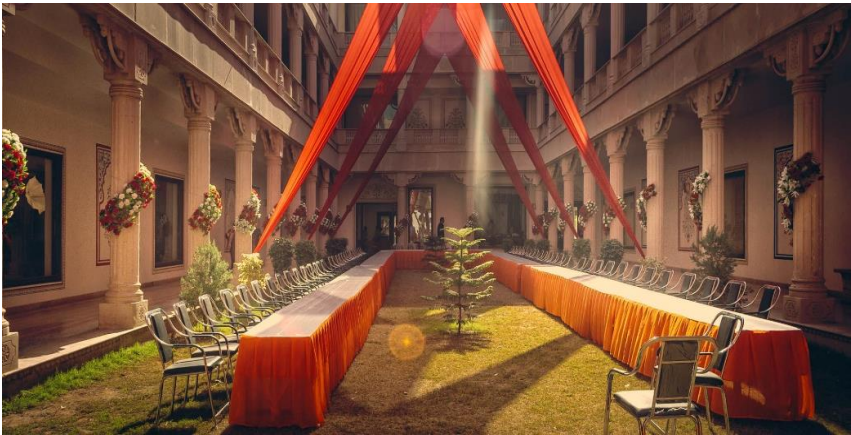


Current Locations

- | | | |
|---------------|-------------|-----------------|
| • Goa | • Mussoorie | • Pushkar |
| • Mysore | • Bangalore | • Hampi |
| • Ranthambore | • Jaipur | • Mahabaleshwar |
| • Jim Corbett | • Bhuj | |



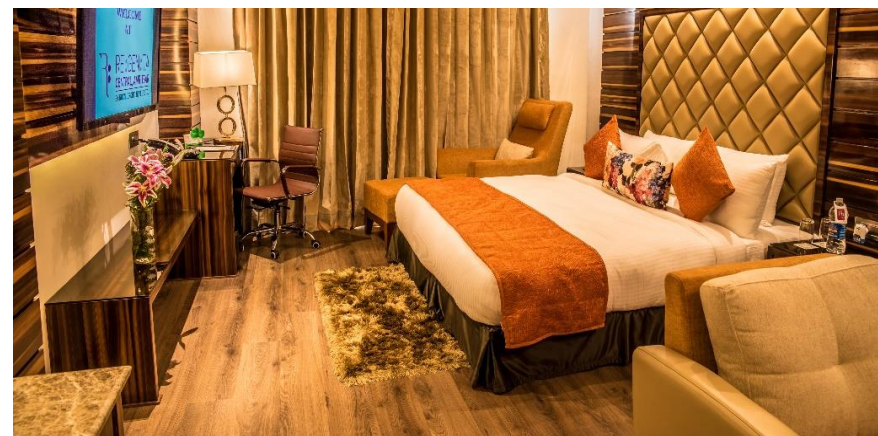
Wedding Destinations



Current Locations

- Bangalore
- Mysore
- Goa
- Mussoorie
- Nashik
- Jaipur
- Dehradun
- Amritsar
- Ranthambore
- Jim Corbett
- Bhuj
- Mahabaleshwar
- Ludhiana
- Nagpur

Religious Destinations



Current Locations

- Amritsar
- Ajmer
- Haridwar
- Dwarka
- Pushkar



Wild-life Tourism




Currently Located:

- Ranthambore
- Jim Corbett
- Haridwar

Opening Shortly

- Pench National Park

Competitive Advantage



Balanced portfolio having presence in
over 33 locations and 11 states

Strong sales presence across major source
markets in India

Affordable luxury having plethora of options for
modern travellers

Financial Overview



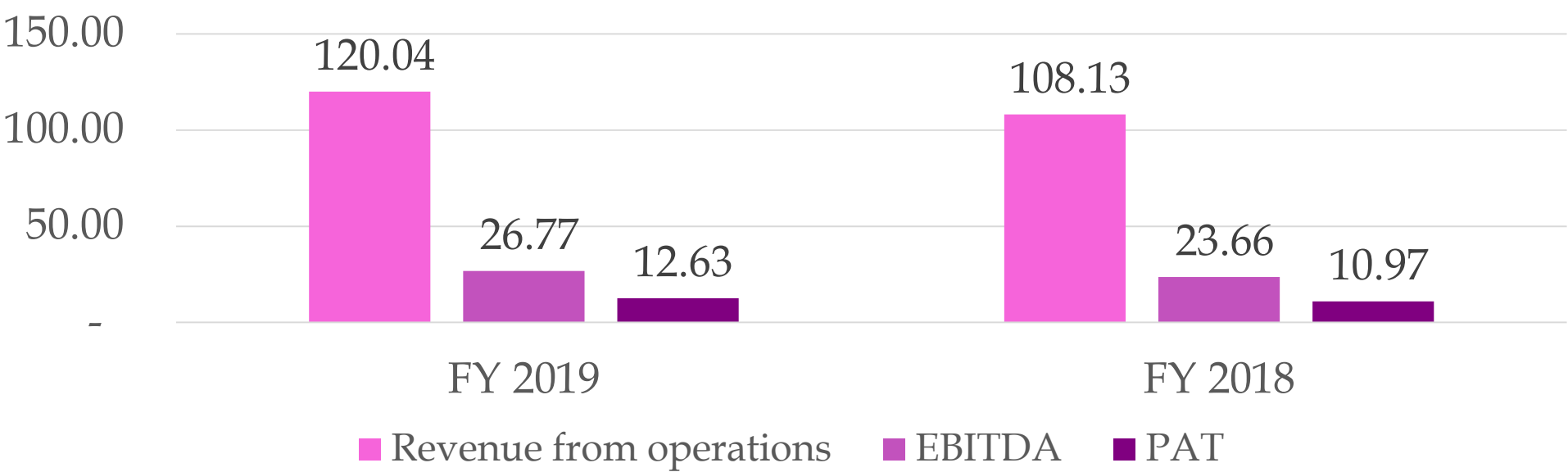
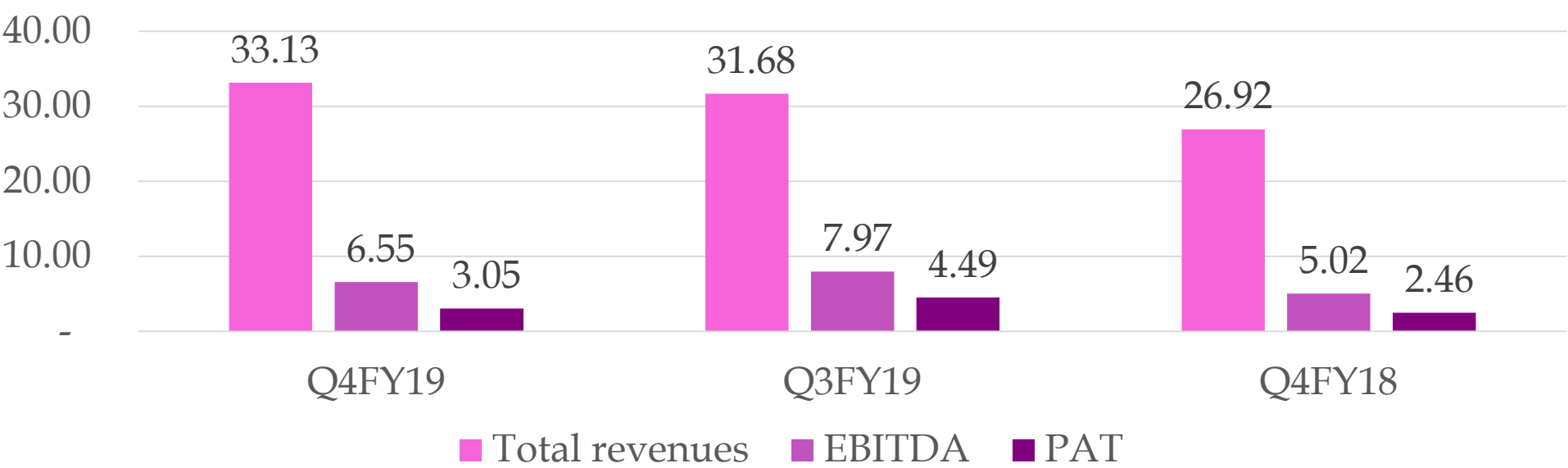
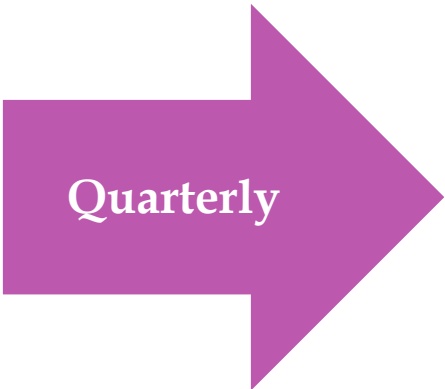
**Quarterly & Full Year
Highlights and
Financial results**

Margins

**Consolidated
Income Statement
& Balance Sheet
snapshot**

Shareholding

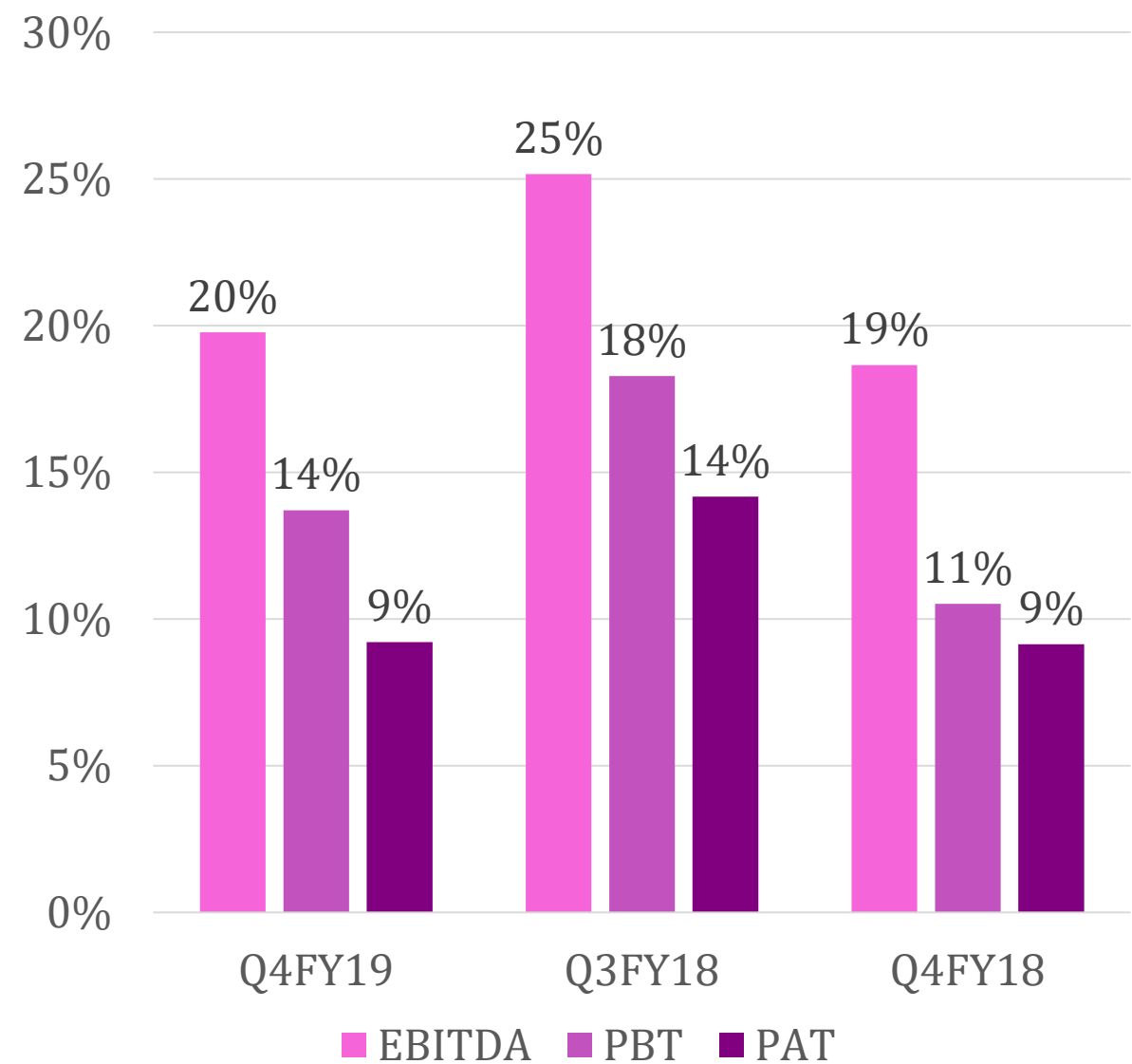
Quarter and Full Year highlights



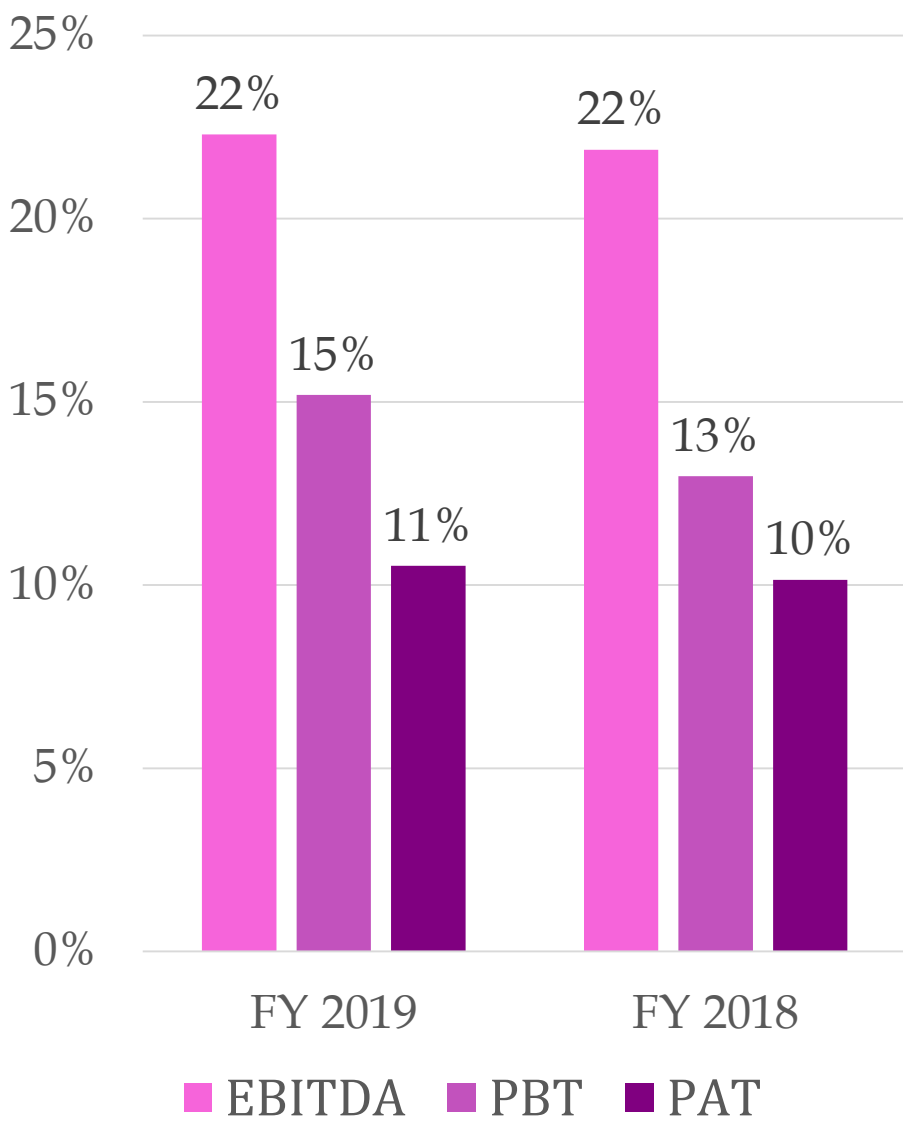
Rs. In crore

Margins

Quarterly Margins



Full Year Margins



Quarter ended Financial results

Particulars (Rs in Crs)	Q4FY19	Q3FY19	Q4FY18	Q-o-Q	Y-o-Y
Income from Operations	29.53	30.55	26.27	-3%	12%
Other Income	3.60	1.13	0.65	219%	454%
Total Income	33.13	31.68	26.92	5%	23%
Cost of Material Consumed	3.32	3.40	2.69	-2%	23%
Employee Benefits Expense	6.23	5.70	5.60	9%	11%
Power and fuel Expense	2.95	2.89	2.26	2%	31%
Rent Expense	3.48	3.47	3.07	0%	13%
Other Expenses	10.60	8.25	8.28	28%	28%
Total Expense	26.58	23.71	21.90	12%	21%
EBITDA	6.55	7.97	5.02	-18%	30%
<i>EBITDA Margin (%)</i>	20%	25%	19%	-21%	6%
Depreciation	0.87	1.07	1.11	-19%	-22%
EBIT	5.68	6.90	3.91	-18%	45%
Finance Cost	1.14	1.11	1.08	3%	6%
PBT	4.54	5.79	2.83	-22%	60%
Tax expense	1.49	1.31	1.81	14%	-18%
Exceptional Items	-	-	1.45	0%	-100%
PAT	3.05	4.49	2.46	-32%	24%
Other Comprehensive Income/(Loss)	-0.04	-	-0.00	0%	6567%
Total Comprehensive Income	3.01	4.49	2.46	-33%	22%
Net Profit Margin (%)	9%	14%	9%	-36%	-1%
EPS (In Rs)	1.10	1.64	0.90	-33%	22%

FY19 Financial results

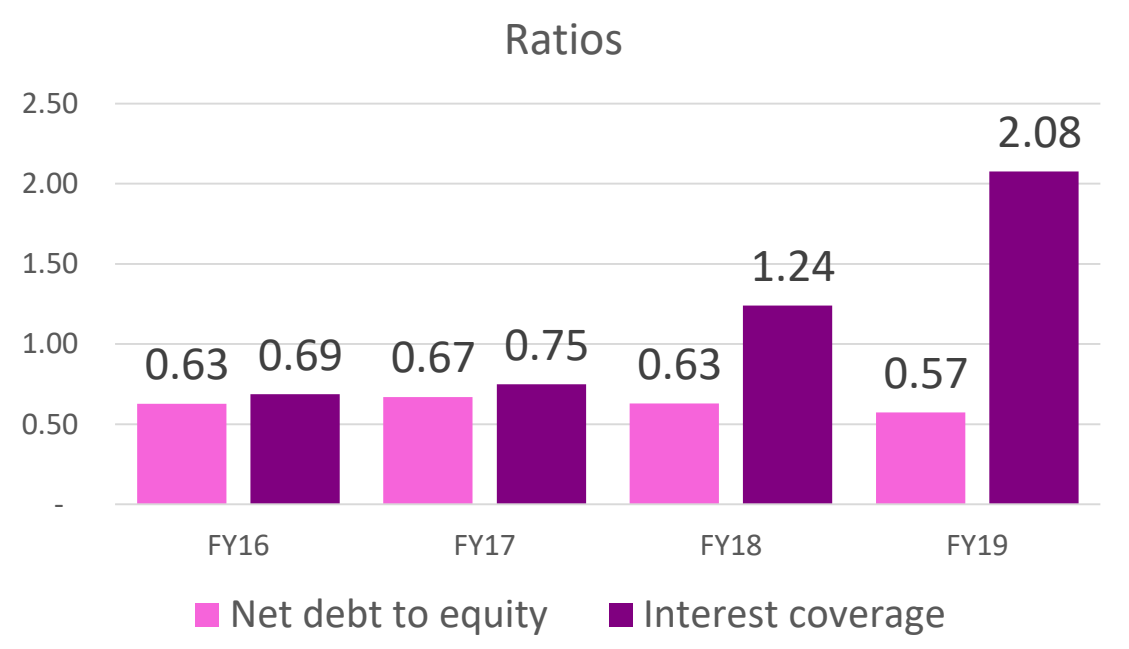
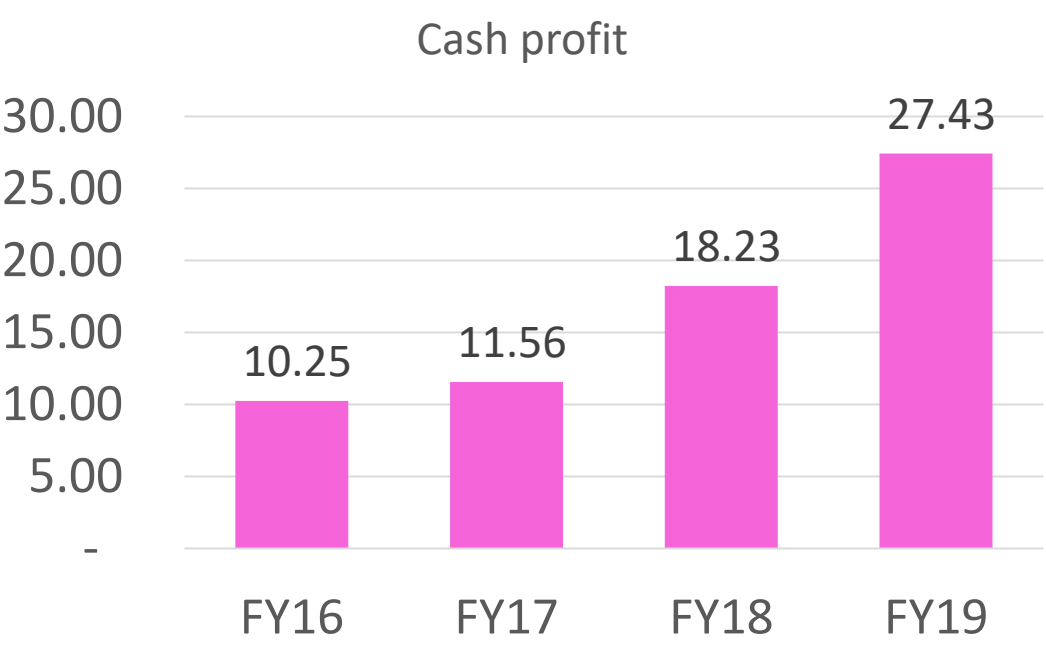
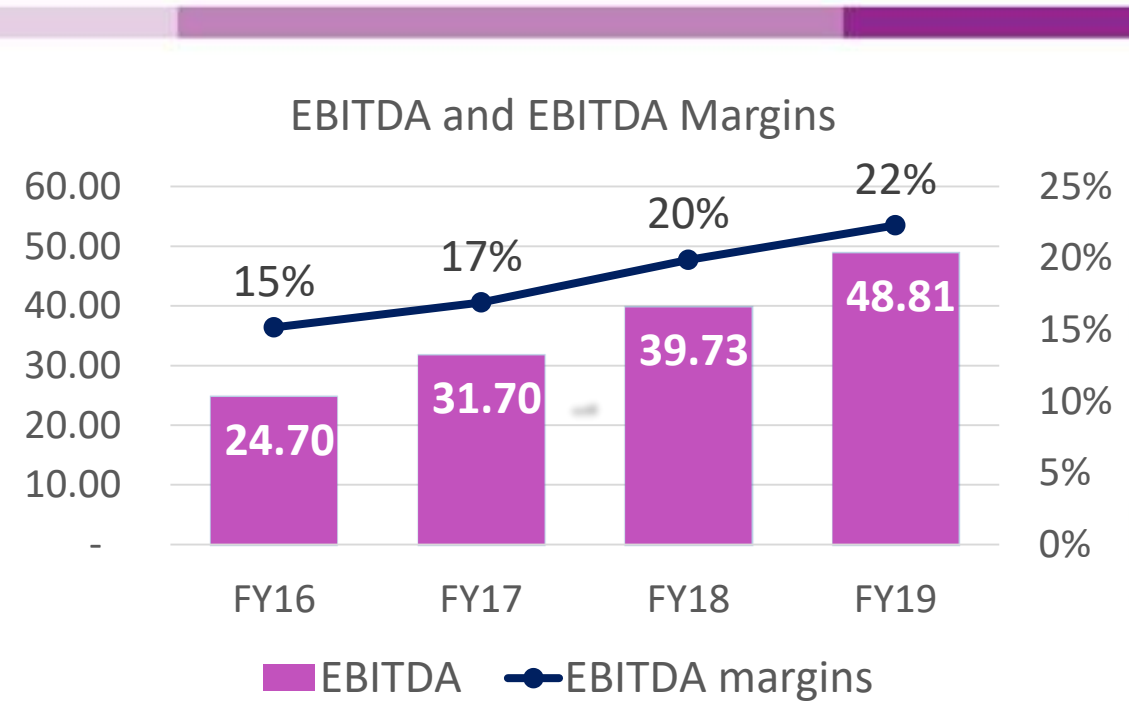
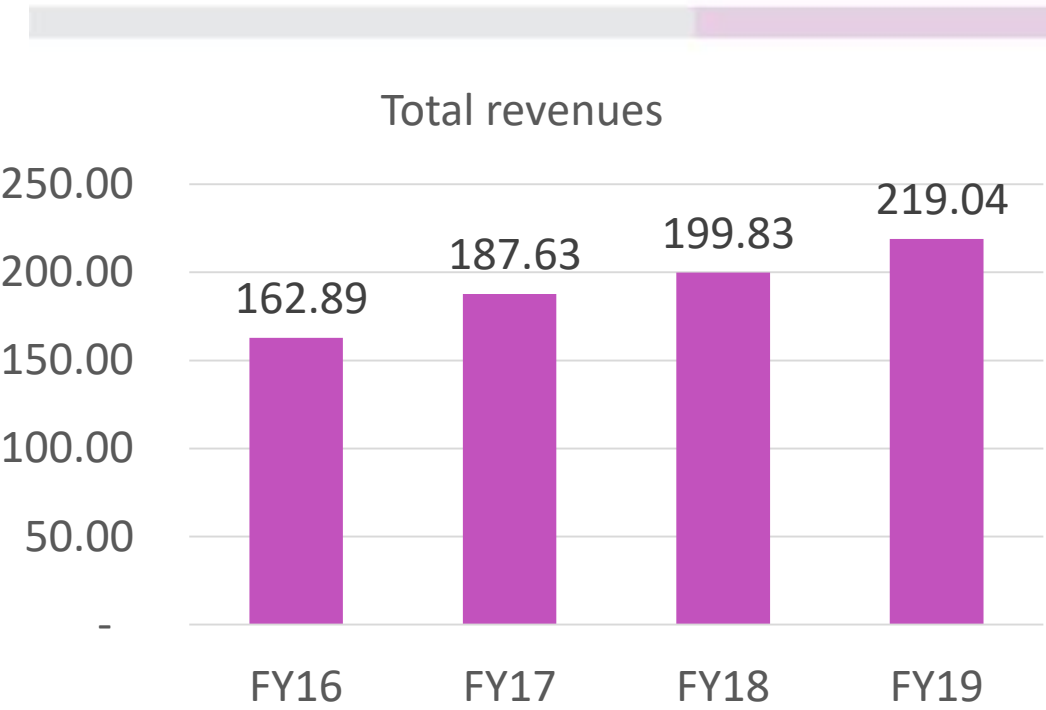
Particulars (Rs in Crs)	FY19	FY18	Y-o-Y
Income from Operations	112.60	102.14	10%
Other Income	7.44	5.99	24%
Total Income	120.04	108.13	11%
Cost of Material Consumed	11.89	10.56	13%
Employee Benefits Expense	22.80	21.16	8%
Power and fuel Expense	11.55	10.02	15%
Rent Expense	13.06	11.57	13%
Other Expenses	33.97	31.16	9%
Total Expense	93.27	84.47	10%
EBITDA	26.77	23.66	13%
<i>EBITDA Margin (%)</i>	22%	22%	2%
Depreciation	4.02	4.39	-8%
EBIT	22.75	19.27	18%
Finance Cost	4.52	5.24	-14%
PBT	18.23	14.03	30%
Tax expense	5.60	4.51	24%
Exceptional Items	-	1.45	-100%
PAT	12.63	10.97	15%
Other Comprehensive Income/(Loss)	-0.04	-0.00	6567%
Total Comprehensive Income	12.59	10.97	15%
Net Profit Margin (%)	10%	10%	3%
EPS (In Rs)	4.59	4.03	14%

Balance Sheet - Snapshot

Particulars (Rs in Crs)	FY 2019	FY 2018
Assets		
Property, plant and equipment	32.77	34.26
Capital work-in-progress	-	0.29
Other non-current assets	226.45	226.30
Total Non-current assets	259.22	260.85
Current Assets	39.87	31.89
Total assets	299.09	292.74

Equity and liabilities		
(a) Equity share capital	27.41	27.30
(b) Other equity	195.96	187.59
Total Networth	223.37	214.89
Secured Loan and other non current liabilities	40.78	43.83
Total Non-current liabilities	40.78	43.83
Current Liabilities	34.94	34.02
Total equity and liabilities	299.09	292.74

Sustainable Growth – Consolidated numbers



Rs. In crore

Consolidated Income Statement - Snapshot

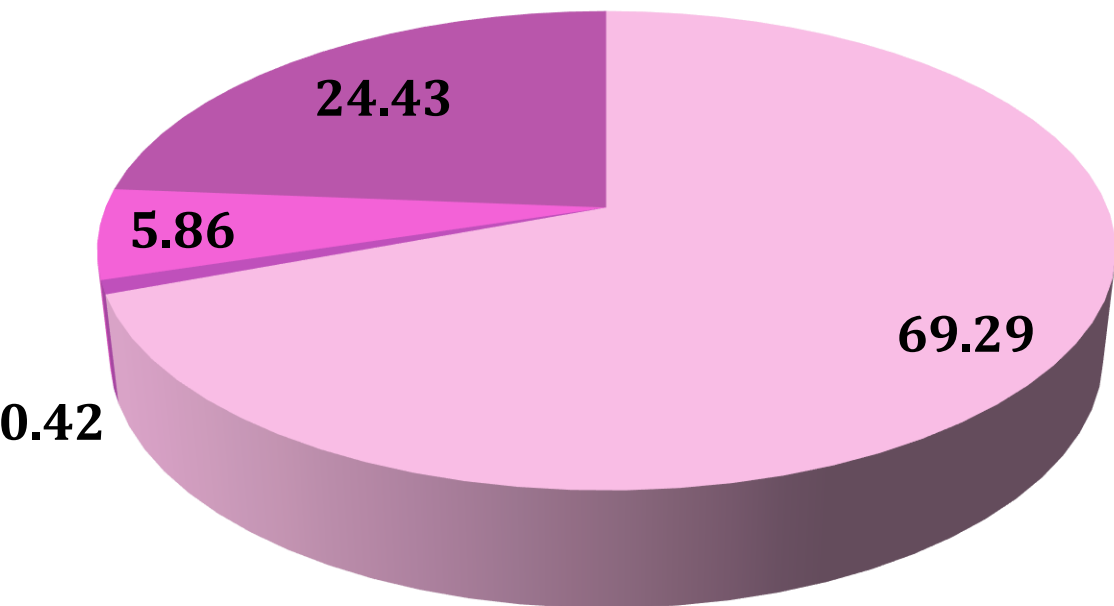
Particulars (Rs in Crs)	FY19	FY18
Total revenues	219.04	199.83
Total operating expenses	170.23	160.10
EBITDA	48.81	39.73
EBITDA Margin (%)	22%	20%
Finance Cost	13.21	14.69
Depreciation	14.32	15.82
PBT	21.28	9.22
PBT Margins (%)	10%	5%
Tax	8.17	6.81
PAT	13.11	2.41
PAT Margins (%)	6%	1%

Consolidated Balance Sheet - Snapshot

Particulars (Rs in Crs)	FY 2019	FY 2018
Assets		
Property, plant and equipment	246.35	254.69
Capital work-in-progress	20.93	21.49
Goodwill	17.75	17.75
Other Non-current assets	45.77	45.87
Total Non-current assets	330.80	339.80
Current Assets	72.72	62.30
Total assets	403.52	402.10
Equity and liabilities		
(a) Equity share capital	27.41	27.30
(b) Other equity	150.07	141.84
Total Net worth	177.48	169.14
Non-Controlling Interests	44.17	44.78
Secured Loan and other non current liabilities	94.48	104.58
Total Non-current liabilities	94.48	104.58
Current Liabilities	87.39	83.60
Total equity and liabilities	403.52	402.10

Shareholding

- Promoters
- Mutual Funds
- Foreign Portfolio Investors
- Others



Key Investors	Holding (%)
National Westminster Bank PLC as trustees of the Jupiter India Fund	4.36%
Jupiter South Asia Investment Company Limited - South Asia Access Fund	1.00%

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

