



**ROYAL ORCHID HOTELS LTD.,**

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HAL Airport Road, Kodihalli, Bangalore - 560 008, India.  
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www.royalorchidhotels.com  
CIN : L55101KA1986PLC007392  
email : investors@royalorchidshotels.com

**Date: November 01, 2018**

**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 letter dated October 30, 2018 please find enclosed herewith the presentation for conference call to be held today i.e Thursday, November 01, 2018 at 3:30 p.m. to discuss Q2&H1FY19 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

## Q2FY19

## Results Presentation



Expect more from Royal Orchid Hotels

# Presentation Structure

1

Royal Orchid Hotels Limited • An Overview

2

Financial Performance • Q2FY19





# **Royal Orchid Hotels Ltd**

## **An Overview**



# Discussion Outline

1

## ROHL BUSINESS CARD

- Background, Management
- Business Structure
- Journey so far

2

## BUSINESS MODEL

- Asset Light Model,
- Generate FCF, High Growth

3

## FINANCIAL NUMBERS

- Q2FY19 Standalone Results
- H1FY19 Standalone Results
- Growth strategy
- Roadmap – FY19



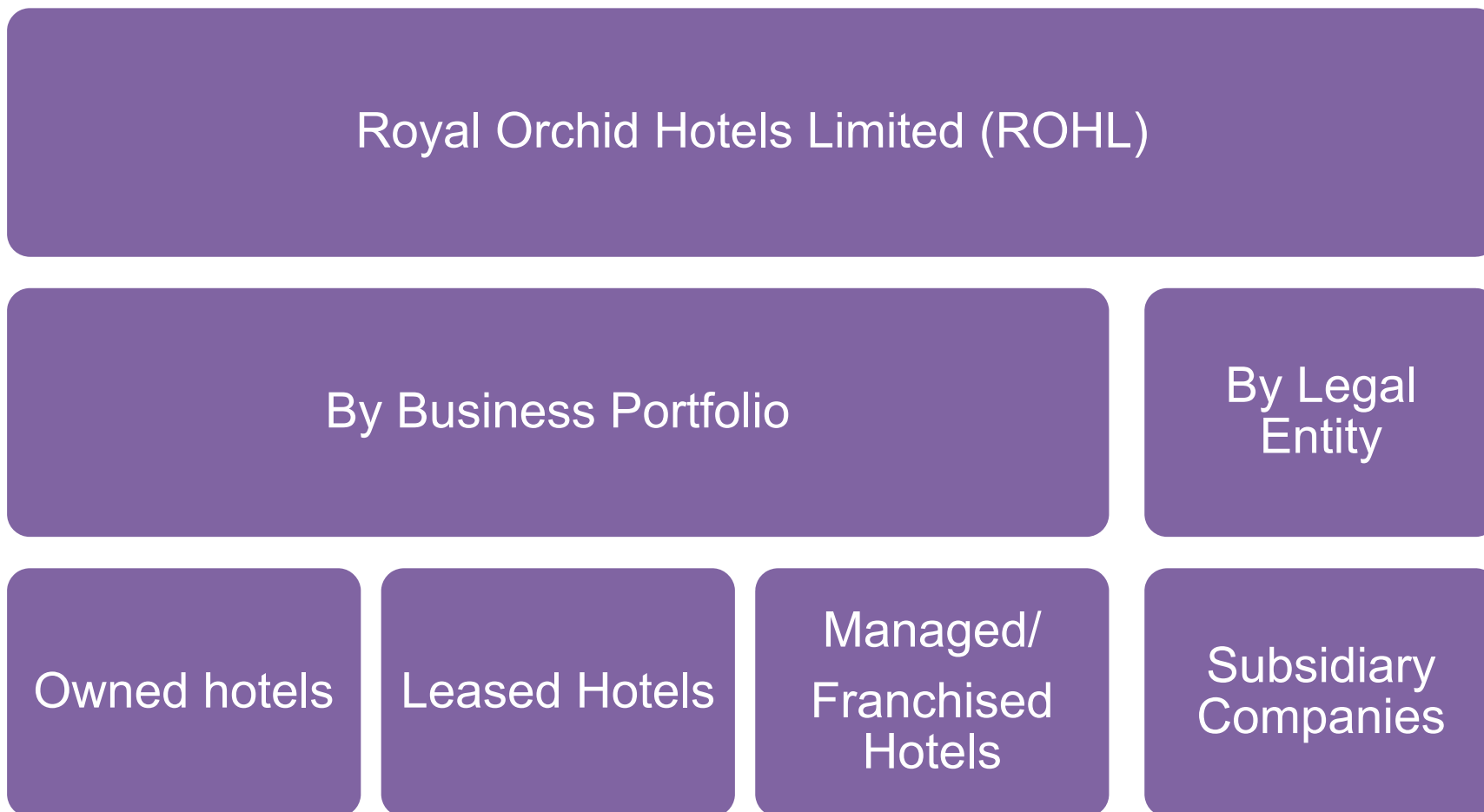
# ROHL – Business Card

- Royal Orchid Hotel Ltd was incorporated in 1986 under the name of Universal Resorts Ltd.
- Promoted by Mr. Chander K Baljee, Managing Director
- Engaged in business of Managing Hotels with an annual turnover of Rs. 199.84 crores in FY18. The no of hotels managed by the management in Q2FY19 is 49.
- Operates under flagship brands – Royal Orchid, Royal Orchid Central, Royal Orchid Suites, Regenta Hotels & Regenta Inn

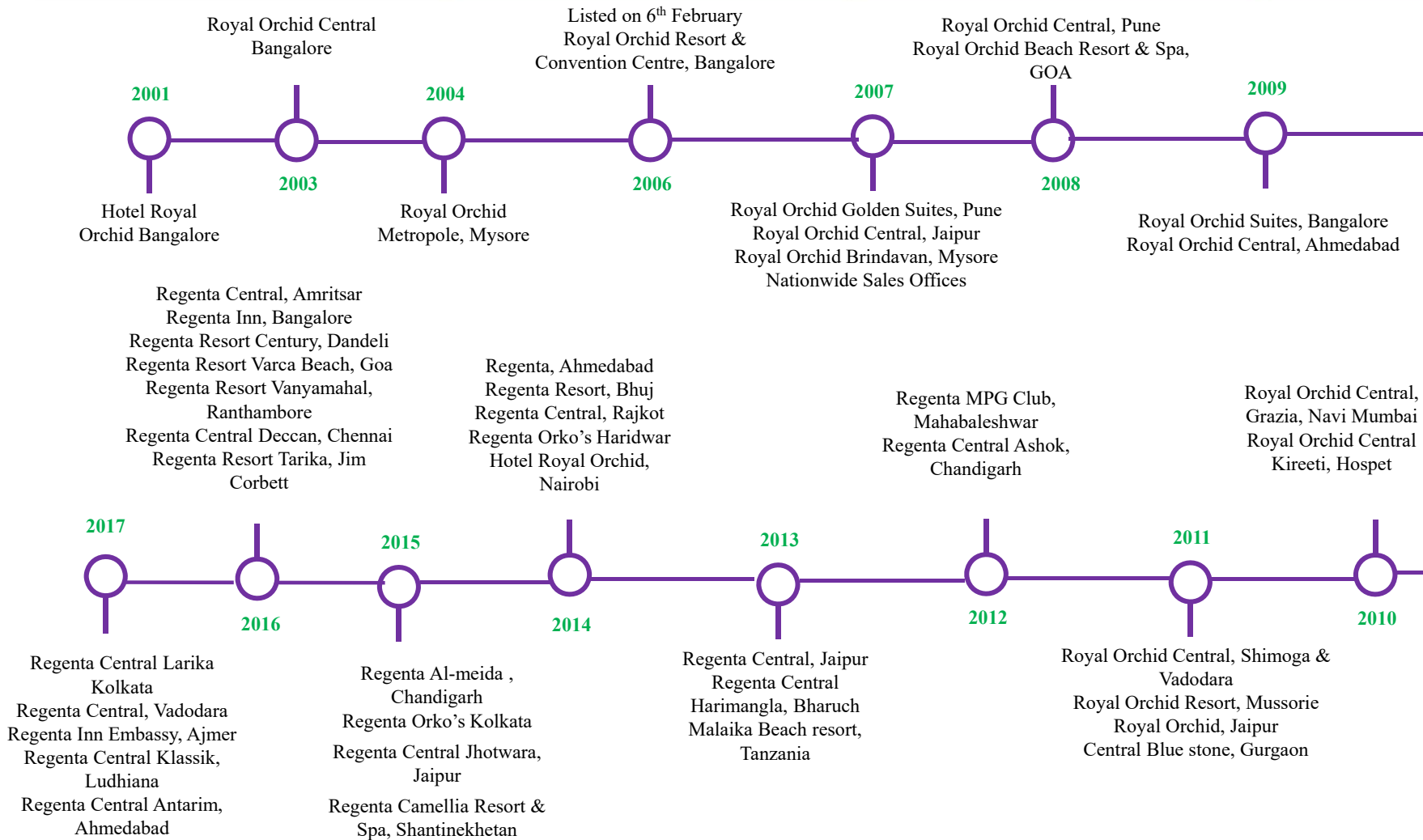
Present in **35** locations  
**11** states with  
**3,414** no of Keys  
**2.05+** lakh Royal Reward members.

<b>5 Star</b>	<b>4 Star</b>	<b>Service Apartment</b>	<b>Budget Hotel</b>
<b>Hotel Royal Orchid</b>	<ul style="list-style-type: none"><li>• <b>Royal Orchid Central</b></li><li>• <b>Regenta Hotels</b><ul style="list-style-type: none"><li>- Regenta Central</li><li>- Regenta Resorts</li></ul></li></ul>	<b>Royal Orchid Suites</b>	<b>Regenta Inn</b>

# Business Structure



# Journey so far...





# Management Team

## **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. Pushpinder Kumar, Executive Director**

A graduate from IHM, Mumbai and OCLD (Gold medalist) with 28+ years of experience with Marriott Renaissance, Oberoi hotels & Park Plaza Hotels. Previously recognized as the CEO for Fern Hotels and Resorts.

## **Mr. Vikas Passi, Vice President Operations**

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. Ranjan Gupta, Vice President Operations (South)**

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



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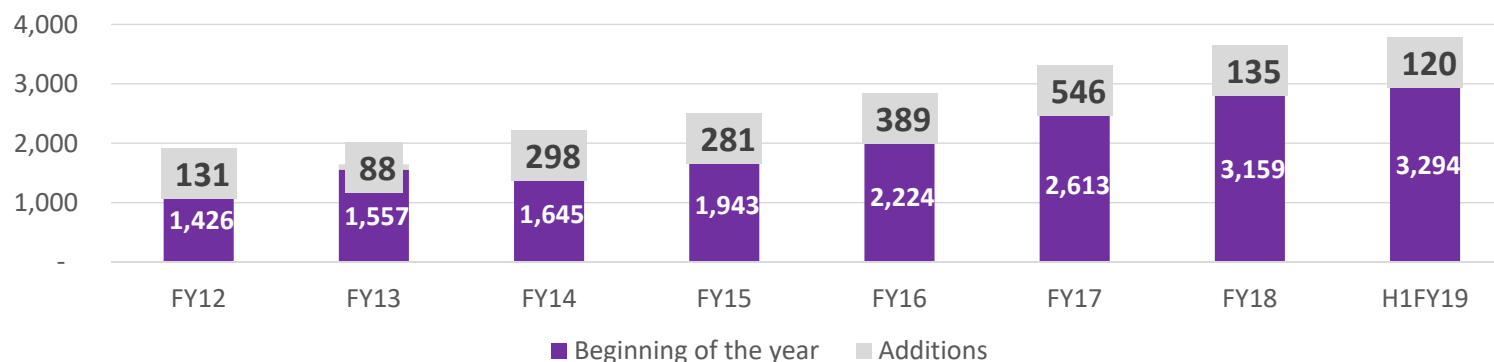
# High Growth – Focusing on Management Contracts

<b>Adding No of Keys</b>	<b>FY18</b>	<b>Q2FY18</b>	<b>Q2FY19</b>
Management Contracts	2,317	2,292	2,437
JV	396	396	396
Owned (Domestic)	195	195	195
Owned (Overseas)	-	-	-
Leased	386	386	386
<b>Total KEYS</b>	<b>3,294</b>	<b>3,269</b>	<b>3,414</b>
<b>Average Occupancy rate (JLO)</b>	<b>78%</b>	<b>76%</b>	<b>75%</b>
<b>Average Room Rate (JLO) (Rs)</b>	<b>3,853</b>	<b>3,543</b>	<b>3,869</b>
<b>Average Occupancy rate (Managed)</b>	<b>67%</b>	<b>62%</b>	<b>63%</b>
<b>Average Room Rate (Managed) (Rs)</b>	<b>2,886</b>	<b>2,682</b>	<b>2,714</b>

- No upfront Capex required for Management Contracts model
- Maintenance Capex required – Rs 1.5 to 2 crores
- Break even of Operating profit in just 1 year

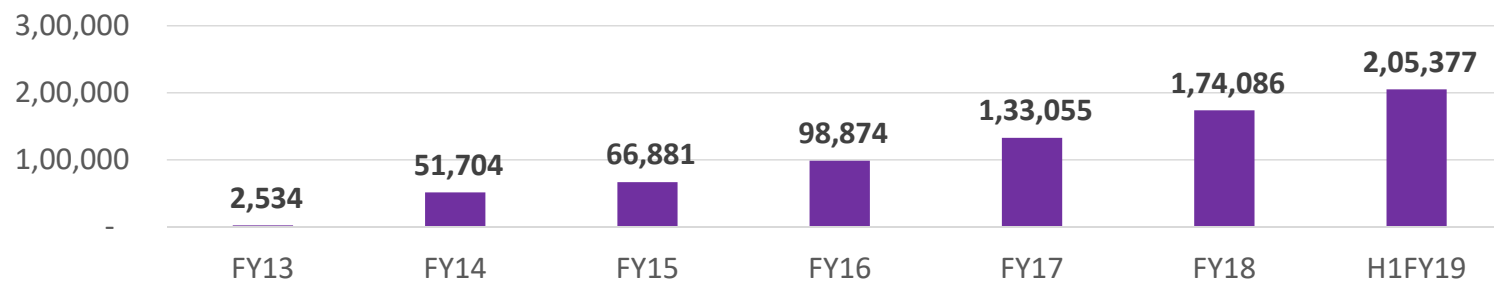
# Growth – Rooms & Members

No of Properties



■ Beginning of the year ■ Additions

Loyalty members



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# Standalone Results – Q2FY19

Ind-AS compliant

Particulars (Rs in Crs)	Q2FY19	Q1FY19	Q2FY18	Q2FY19 vs Q1FY19	Q2FY19 vs Q2FY18
Income from Operations	26.96	25.50	24.72	6%	9%
<b>Total Income</b>	<b>26.96</b>	<b>25.50</b>	<b>24.72</b>	<b>6%</b>	<b>9%</b>
Cost of Material Consumed	2.67	2.51	2.50	6%	7%
Employee Benefits Expense	5.54	5.33	5.26	4%	5%
Power and fuel Expense	2.95	2.76	2.60	7%	13%
Rent Expense	3.11	3.01	2.75	3%	13%
Other Expenses	7.80	7.64	7.54	2%	3%
<b>Total Expense</b>	<b>22.07</b>	<b>21.25</b>	<b>20.65</b>	<b>4%</b>	<b>7%</b>
<b>EBITDA</b>	<b>4.89</b>	<b>4.25</b>	<b>4.07</b>	<b>15%</b>	<b>20%</b>
<i>EBITDA Margin (%)</i>	<i>18%</i>	<i>17%</i>	<i>16%</i>	<i>9%</i>	<i>10%</i>
Other Income	1.83	1.26	2.31	45%	-21%
Depreciation	1.04	1.05	1.13	-1%	-8%
<b>EBIT</b>	<b>5.68</b>	<b>4.46</b>	<b>5.25</b>	<b>27%</b>	<b>8%</b>
Finance Cost	1.14	1.12	1.35	1%	-16%
<b>PBT</b>	<b>4.54</b>	<b>3.34</b>	<b>3.90</b>	<b>36%</b>	<b>16%</b>
Tax					
Current Tax	1.47	0.90	0.93	63%	58%
Deferred Tax	0.04	0.38	-0.18	-90%	-121%
<b>Total Tax</b>	<b>1.51</b>	<b>1.28</b>	<b>0.75</b>	<b>18%</b>	<b>101%</b>
Exceptional Items	-	-	-	0%	0%
<b>Net Profit</b>	<b>3.03</b>	<b>2.06</b>	<b>3.15</b>	<b>48%</b>	<b>-4%</b>
Other Comprehensive Income/(Loss)	-	-	-	0%	0%
<b>Total Comprehensive Income</b>	<b>3.03</b>	<b>2.06</b>	<b>3.15</b>	<b>48%</b>	<b>-4%</b>
Net Profit Margin (%)	11%	8%	13%	40%	-12%
<b>EPS (In Rs)</b>	<b>1.11</b>	<b>0.75</b>	<b>1.16</b>	<b>48%</b>	<b>-4%</b>

# Standalone Results – H1FY19

Ind-AS compliant

Particulars (Rs in Crs)	H1FY19	H1FY18	H1FY19 vs H1FY18
Income from Operations	52.47	46.89	12%
<b>Total Income</b>	<b>52.47</b>	<b>46.89</b>	<b>12%</b>
Cost of Material Consumed	5.18	4.94	5%
Employee Benefits Expense	10.87	10.39	5%
Power and fuel Expense	5.70	5.49	4%
Rent Expense	6.12	5.44	13%
Other Expenses	15.44	14.45	7%
<b>Total Expense</b>	<b>43.31</b>	<b>40.71</b>	<b>6%</b>
<b>EBITDA</b>	<b>9.16</b>	<b>6.18</b>	<b>48%</b>
<i>EBITDA Margin (%)</i>	<i>17%</i>	<i>13%</i>	<i>32%</i>
Other Income	3.09	4.37	-29%
Depreciation	2.09	2.19	-5%
<b>EBIT</b>	<b>10.16</b>	<b>8.36</b>	<b>22%</b>
Finance Cost	2.28	2.88	-21%
<b>PBT</b>	<b>7.88</b>	<b>5.48</b>	<b>44%</b>
<b>Tax</b>			
Current Tax	2.37	1.42	67%
Deferred Tax	0.42	-0.24	-275%
<b>Total Tax</b>	<b>2.79</b>	<b>1.18</b>	<b>136%</b>
Exceptional Items	-	-	0%
<b>Net Profit</b>	<b>5.09</b>	<b>4.30</b>	<b>19%</b>
Other Comprehensive Income/(Loss)	-	-	0%
<b>Total Comprehensive Income</b>	<b>5.09</b>	<b>4.30</b>	<b>19%</b>
Net Profit Margin (%)	10%	9%	6%
<b>EPS (In Rs)</b>	<b>1.86</b>	<b>1.58</b>	<b>18%</b>

# Growth Strategy



Come up with lease hotels to enhance top line

Diverse geographically and expand into Tier II & III cities

Plan to be a 75 hotel group by 2020

ROHL will continue to bring Luxury rooms at lower rates across country

**Our Vision – Create value for all our stakeholders**



# Roadmap - FY19



## Business plan

- 15 hotels is expected to be added under management model in the next 12 months.
- Management is also planning to add few hotels under revenue share/lease model in the current financial year.

## Expectations on overall business performance

- Revenues are expected to grow at 20% year on year on account of aforementioned business plan.
- EBITDA margins are expected to improve substantially.

# Thank You



## For further information, please contact:

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