November 17, 2026

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

Name of Scrip: LEMONTREE

BSE Scrip Code: 541233

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Outcome of Conference Call with Analysts/Institutional Investors

Dear Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in continuation to the disclosure made on November 11, 2026 w.r.t. the audio recording of the conference call on Unaudited Financial Results for the quarter and half year ended September 30, 2026 held on Wednesday, November 11, 2026 at 4:00 PM IST, please find enclosed herewith the transcript of the conference call with Investors/Analysts.

This is for your information and record.

Thanking You

For Lemon Tree Hotels Limited

Pawan Kumar Kumawat

Digitally signed by Pawan Kumar Kumawat
Date: 2026.11.17 21:06:30 +05'30'

Pawan Kumar Kumawat
Company Secretary
& Compliance Officer
M. No: A25377

Encl: a/a

Lemon Tree Hotels Limited
Q2 & H1 FY27 Earnings Conference Call Transcript
November 11, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Lemon Tree Hotels Limited Earnings Conference Call. I now hand the conference over to Mr. Mitesh Jain from CDR India. Thank you and over to you, sir.

Mitesh Jain: Thank you. Good evening, everyone and thank you for joining us on Lemon Tree Hotels Q2 FY27 earnings conference call.

We have with us Mr. Patanjali Keswani, Executive Chairman, Lemon Tree Hotels, Mr. Neelendra Singh, Managing Director, Lemon Tree Hotels, Mr. Kapil Sharma, Executive Director and CFO of Lemon Tree Hotels, Mr. Saurabh Shatdal, Managing Director and CEO of Fleur Hotels, Mr. Mayank Sharma, CFO of Fleur Hotels, Mr. Vishwapreet Singh Cheema, President, Lemon Tree Hotels and Mr. Vaibhav Jain, Senior Vice President, Sales, Lemon Tree Hotels. We would like to begin the call with opening remarks from the management, following which we have the forum open for an interactive question and answer session.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the earnings presentation that was shared with you all earlier.

I would now request Mr. Keswani to make his opening remarks.

Patanjali Keswani: Thank you. Good afternoon, everyone and thank you for joining us today. Neel, our Managing Director, will cover the business highlights and financial performance for Q2 FY27. Post that, Saurabh, the Managing Director of Fleur, will share an update on Fleur's owned portfolio and hotels under development. Lastly, Kapil Sharma, our CFO and I will share an update on the demerger scheme. We will then open the forum for your questions and suggestions. Over to you, Neel.

Neelendra Singh: Thanks, Patu. Hi, good afternoon, everyone. Let me take you through the key highlights of the quarter. Q2 FY27 was our best-ever second quarter, with the highest Q2 ARR, revenue, EBITDA, PBT, PAT and cash profit.

For the quarter, our Gross ARR stood at Rs. 6,751, up 8% YoY and occupancy was at 76.1%, up 633 basis points YoY. As a result, RevPAR grew at 18% to Rs. 5,137. Total revenue stood at Rs. 363.8 crore, up 18% YoY. Net EBITDA stood at Rs. 162.2 crore, up 22%. PAT grew at 90% to Rs. 79.8 crore. Cash profit grew at 28% to Rs. 97.2 crore. Our net EBITDA margin for Q2 FY27 stood at 44.6%, 157 basis points higher than 43%, which we achieved last quarter in Q2 last year. We delivered this despite the provision for SAR and GST impact, which together increased our expenses by 3.2% of total revenue in this quarter. On a like-to-like basis, our margins, therefore, was at 47.7%, up 474 basis points.

Our gross debt as on 30th September 2026 stood at Rs. 1,429.2 crore, down 11% from Rs. 1,610.2 crore a year ago. Our cost of debt reduced to 7.44%, down 28 basis points versus a year ago.

Fees from management and franchise contracts for third-party owned hotels increased 30% YoY. Total management fees from Lemon Tree stood at Rs. 40.8 crore, an increase of 19% YoY. In Q2 FY27, on the asset-light side, we opened 8 managed and franchised hotels with 523 rooms. We also signed 11 managed and franchised hotels with 825 rooms, about 1.6x of the inventory we opened during the quarter.

Our combined operational and pipeline inventory now stands at 24,061 rooms across 285 hotels in 170+ cities, of which 130 hotels with 12,131 rooms across 80+ cities are already operational. Now I hand over the forum to Saurabh to give us an update on Fleur.

Saurabh Shatdal: Thank you, everyone, for joining us on the call. Our owned hotels grew Q2 FY27 revenue by 15% YoY to Rs. 337 crore and their hotel EBITDAR margin percentage rose 112 basis points to 53%. RevPAR grew in double digits across every brand and every region, ranging from 11% in Mumbai to 25% in Delhi. Aurika and Lemon Tree Premier together earned 63% of hotel EBITDAR on 58% of revenue.

Our Keys portfolio continues to improve. Keys RevPAR in Q2 FY27 was up 29% YoY to Rs. 3,109 on the back of a 976 basis points improvement in occupancy to 69.7% and 11% growth in ARR to Rs. 4,460. Keys hotel EBITDAR margin rose 748 basis points to 50%. Now on our hotels under development. This quarter, we acquired land in Bandra East, Mumbai, adjoining BKC, for about Rs. 120 crore to develop Lemon

Tree Premier Bandra. An owned upscale hotel with approximately 172 rooms, expected to open in FY30. It will be our seventh hotel in Mumbai and our first in Bandra. Our own 90-room hotel, Aurika Shimla, is scheduled to open in Q3 this year. Aurika Shillong, our 165-room leased hotel, is progressing well and is expected to open in FY28. At Aurika Varanasi, our 47-room leased heritage hotel, piling work has begun and is expected to open in FY29. Lastly, for Aurika Nehru Place, DDA has extended the letter of award till August 2027, which gives us ample time to secure all approvals and we expect to open the hotel in CY31. Now I hand over the forum back to Patu.

Patanjali Keswani: Thank you, Saurabh. This quarter also, we have shared pro forma financials in the earnings presentation for the first half of FY27 for both Lemon Tree and Fleur, as they would appear upon the scheme becoming effective. Kapil, would you like to speak on the scheduled timeline of the demerger?

Kapil Sharma: Yes, thank you. As you are aware, we got the CCI approval earlier and post which we have also received the stock exchange and the SEBI approval. After receiving that, last month we have filed the scheme of arrangement with NCLT and for which the first hearing has already happened and now we are looking at proceedings to go on further. Then we reach a stage where we seek the shareholders' approval for the scheme. We expect, as we discussed earlier, that within next calendar year, which is CY27, we list Fleur Hotels on the stock exchanges.

Patanjali Keswani: With this, we come to the end of our opening remarks and I will ask the moderator to open the forum for any questions and suggestions that you may have.

Moderator: We have the first question from the line of Karan Khanna from Ambit Capital.

Karan Khanna: Congrats on the sharp rebound in RevPAR growth after four or five quarters. First question, Patu, with the global geopolitical situation hopefully easing out, how should we think about early signs of FIT demand revival that you are picking up? Any notable changes in booking behaviors or travel trends that you are seeing? As a follow-up, how should we think about 2H, which typically accounts for about 55% of your full-year revenue and 60% of your EBITDA? What sort of an upside risk do you see to your numbers if FIT comes back in a meaningful manner, especially for your Aurika portfolio?

Patanjali Keswani: Karan, we will stick to that it should be 55/45 and 60/40. The point is that we are sanguine that this war will get over, or at least the impact of the war, if it goes into stasis, will be positive for us. But I am still not 100% sure that there will be a meaningful jump in demand. Really, the impact we are hoping for. See, what is

affecting India is oil prices, inflation and the current account deficit. All this uncertainty is leading to a drop in discretionary demand in the corporate side. Surprisingly, the non-negotiated side of the business, as you will see in one of our slides, has gone up. But the corporate demand is still muted and within corporate demand, one of the main segments we depend on in certain cities like Gurgaon is new hirings, joinees and this is very large business from the IT sector that has not, frankly, yet picked up.

I would say there is compensation through non-negotiated business, well, let me say that the corporate side has not picked up as much as it would if the uncertainty of the war and inflation reduced and the uncertainty of the war actually disappeared. That would still be a conversation we will probably have after Q3 results.

Karan Khanna: Sure. Second question to you, Neel, is on the hotel openings. Last quarter, you mentioned about 2,000 Keys will be opened this year. But if I look at last quarter number of 334 keys and this quarter's net addition of 185 keys, you are still at about 550-odd keys net addition during 1H. Then on Slide Number 88, you are guiding about 900+ keys opening in 2H. Effectively, net addition will be closer to 1,500 keys this year. Given this, how should we think about risk to the net additions of about 2,500+ pipeline starting from FY28 onwards?

Neelendra Singh: Hi, Karan. Typically, the net additions are interesting one, it happened largely in Q1 and Q2 this year. It is not an ongoing phenomena. We had challenges with some hotels with compliance with challenges and therefore we had to resort to deflagging them. But from a gross opening of 2,000, which is what I had mentioned last time, we are absolutely on track.

I will go back to what I had mentioned again, mentioned to you earlier, that our signing acceleration started sometime 2024 calendar year last year and that starts showing up in the rate of opening as well. If you reckon last year, we opened about 1,523 rooms odd, this year gross, we will end up opening 2,000-ish. There is nothing on the paper for deflagging in Q3 and Q4. Therefore, our opening rate will also accelerate, going at almost the same rate as we started accelerating the openings next year onwards.

Karan Khanna: Sure. Last question, Saurabh, around Aurika Nehru Place. Is there a change of plan here? Until last quarter, this was 572 keys and now it is 610 keys. Also, in terms of timelines, earlier we were looking at FY 2030, but now it is CY 2031 end. Can you help explain what is driving these delays from DDA side? On Bandra East, how are you thinking about ARRs for this asset? Will it be similar to the Lemon Tree Premier at Andheri? That will be my last question.

Saurabh Shatdal: Thanks, Karan. On Aurika Nehru Place, as you know, we are taking the land from DDA. DDA had certain approvals to provide it to us, which is basically getting approval from the Ridge Management Board and the CEC, which is the Empowered Committee. Once that is done, DDA has to get the tree felling approval and actually removing the trees from that site. Depending on their performance, the delay is happening from there because of those two processes not yet completed. However, we have got one more year extension from August 26 to August 27 now, purely from the fact that we have readied the building plans and everything. However, we are waiting for the approvals, which is a condition precedent in our bid with DDA.

Patanjali Keswani: See, what has happened, Karan, is a very interesting thing. Obviously, DDA is very keen to do this. It is a big deal for them. It is the first time, last year, they started leasing land rather than selling land. They were very happy with our bid and were very keen to execute it. However, this being Delhi and this being specifically within the ridge of the Aravallis, it requires specific approvals.

The specific approvals required relate to the tree cutting, basically and the fact that it is, as I said, part of the Aravallis ridge. Now the process is fairly lengthy. It has been going back and forth. A couple of meetings have happened. We are now told that there will be another meeting this month and then there will be perhaps another meeting next month, after which they will take 2-3 months to remove the trees. This is unfortunately not in our hands, but we are given to understand that this will occur in the next few months. Once it happens, then the FSI available and the height available, we have got greater clarity on it and we feel we can build about 610 rooms, not 570 as we had earlier planned. Those drawings are ready.

We are simply waiting for the following, that the minute the Ridge Management Board gives the formal go-ahead, we will immediately submit the plans and Delhi Development Authority has identified the land where they will plant 10x the number of trees. They have to basically plant 3,500 trees to remove these 350 trees. That will take three months. In that time, we hope to get the approval. These things will happen concurrently and hopefully and I am again, of course, not clear when this will happen, but hopefully in the next few months, we should be able to start construction.

Karan Khanna: Great. That is all. Thank you, team and all the best.

Patanjali Keswani Yes, but we will construct very fast. We have worked out the entire process. We are doing Mivan, floor plating, so on and so forth. We hope that once we get approvals, the loss of time will be a little made up, at least half made up in the speed at which we construct it.

Saurabh Shatdal: I think Karan had a question regarding Bandra East from an ARR underwriting. I am sure, Karan, Bandra East is next to BKC, so our focus would be a deep demand market of Bandra-Kurla Complex and get the clients coming from Bandra-Kurla Complex rather than being dependent on them. Our view is currently when the hotel opens, which is FY30, we are looking at around Rs. 12,000 approx as an ARR to start with and then we build it up from there.

Moderator: We have the next question from the line of Achal Kumar from HSBC.

Achal Kumar: Hi, thanks for taking my question. Kindly excuse me if the previous guy has asked this question and has dropped off. I mean, it is regarding the land acquisition at BKC, where you plan to build a hotel. I just want to understand, would you be able to sort of justify this investment in terms of ARR? Why I am asking is because your Aurika Mumbai hotel, which is a very posh hotel, it is a great hotel and I met Patu there a few months back. Still, I was checking, it is selling for like Rs. 8,900 for November, December, while many other hotels are selling for Rs. 25,000 - Rs. 30,000 and even Ginger is selling for Rs. 8,000.

I mean, if that kind of rate is there and I believe Lemon Tree is going to manage the BKC property and you are not thinking about any fancy names like Marriott and all. I just want to understand, what are your thought process behind opening hotel at such an expensive place and BKC is very expensive and any color on that would be helpful, please.

Patanjali Keswani: I will answer that. Forget for a moment the ARR and occupancy. The average EBITDA that we do in Mumbai is about Rs. 22 lakh to Rs. 25 lakh a key. Make it very simple. Our investment, which will fructify three years later, will be at roughly Rs. 2 crore a key. Now, BKC is a very different market to Andheri. Let me give you an example, we have a very small hotel there with rooms at an average of 120 square feet a room, which is like the smallest rooms in India. That hotel does Rs. 7,500 to Rs. 8,000 ARR today at 80% occupancy. It is in Kalina, quite close to where we are building this hotel. I think we can say with great certainty that we will achieve 12%-13% ROCE immediately in this hotel. If we are lucky, it could be significantly more. If we hit this target of Rs. 12,000, which I think will happen, it will be much higher. I would not be optimistic by saying we will achieve 12%-13% definitely and better hopefully.

Achal Kumar: Okay. Understood. Then my second question is about the ARR growth of 8%. I think previously, we have been saying that because of the renovations, we are getting some boost for ARRs. Now 8%, do you think it is quite a lot is because of the renovations? Would be really helpful if you can break this 8% into how much was

because of underlying growth in the underlying increase the ARRs, or how much was because of the renovations and all? That would be very helpful, please.

Neelendra Singh: Hi, Achal. Very fundamentally difficult to isolate how much of that is renovation and what is not. I will answer this differently for you, Achal. In the last quarter, we had said we will start, we will balance out the RevPAR growth between ARR and occupancy. If you see Q1, because of the West Asia conflict, our RevPAR growth was skewed more towards occupancy. We had a stronger retail play, our ARR growth was muted. This quarter, where demand was better emerging out of Q1, if you can see the Slide 24, you will see that the RevPAR growth is quite consistent across all our brands and most of our cities. That is driven largely through the 8% on an average ARR growth and occupancy growth, which is 633 basis points. Certainly there is an element of renovation here for some of our key properties. The biggest example of which is Keys, where 80% of our renovation is now complete and you can see the development of ARR and occupancy, because we are not only able to get fill the hotels better, but we are also able to drive higher ARRs.

The other example is our hotel, like the hotel in Delhi, where again, after having now been renovated, you can see a significant increase in ARR and occupancy. I can isolate it from a property-to-property perspective, but it is difficult to aggregate or disaggregate the 8% ARR growth. All I would say is it is a healthy balance between occupancy and ARR and hence 18% is a very strong result coming out of Q1.

Achal Kumar: Then, I remember last quarter, I think you said that you have been sort of following a bit of a ARR active load, occupancy level passive strategy, so where you are keeping your ARRs low to boost your occupancy. Was that also a factor in your sort of 8% ARR growth, but the occupancy was so high?

Neelendra Singh: Not as much, Achal. I think that was a tactical move in Q1. Therefore occupancy growth was significantly higher than ARR growth. You will see that Q2 is far more balanced in that sense.

Patanjali Keswani: I think there is another point. If you look at the slides that was referenced to you, you see where did we not do much renovation, where we did not see much upside was in the Red Fox portfolio. If you notice there, the focus was refurbishment, not high cost and drive occupancy because we did not see a significant improvement in pricing there. You will notice in Red Fox, there was an occupancy growth, but not a significant ARR growth. But the RevPAR grew because of occupancy. Whereas if you look at, say Keys, the RevPAR grew because both the occupancy and the ADR grew in certain of the Keys that were completely renovated. It is a combination.

By uplifting a hotel, basically, you try to get a more demand. If it is a price-sensitive market, then the focus is more demand, less pricing. If it is a deep market like Delhi, where BRICS occurred but, BRICS did not matter to the airport side, it mattered to the central Delhi side. Without BRICS also, Lemon Tree Premier Delhi and Red Fox, which has now become Lemon Tree Hotel Delhi, these have grown north of 30% and that is because we have been able to reprice the completely renovated portfolio.

It is a combo. Where you can, you will reprice significantly, but the purpose of renovation was to come up to standards which led to an improvement in price/occupancy/both. Does it kind of make sense?

Achal Kumar: Yes, absolutely. Understood. Fair enough. My final question is on the color in the second half. I guess, especially we are in the middle of November, so I guess you must have got a very good visibility, especially in third quarter. Would really appreciate if you could give us a bit of a color in terms of how the trading has been in terms of ARR occupancy and sort of EBITDA. Definitely, you know, any color, I think it is too early, but any color on Q4 would also be helpful. Thank you.

Neelendra Singh: Yes. Great, Achal. This is where it gets difficult because this is the next two big quarters. However, I would say that we are yet not in the middle of Q3 and the effect of Diwali between October and November is still getting played out. We are just coming out of Diwali, so we are measuring how Diwali impact has been.

Difficult for us to explain how will the H2 go from here. All I can say is that the momentum that we built up in Q2, we see that momentum on the retail side for sure. Like Patu said right in the beginning of the call, corporates are slightly tepid to pick up. But generally speaking, this is the time when corporate and retail demand starts picking up anyway.

I guess the real, let us say, gauge will be after this week when Diwali, Bhai Dooj, Chhath Puja, all of that gets over. Then we will get to figure out how H2 plays out. However, we believe purely from a delivery perspective, we will still be in the 55/45 share between H2 and H1, like we have broadly been on that frame every year. Given that H1 is over, you can almost estimate how H2 will go given the ratios are in that order, 55/45.

Moderator: We have the next question from the line of Vaibhav Muley from Haitong Securities.

Vaibhav Muley: My first question was on our F&B revenue growth. Given RevPAR growth has been in the range of 18% and top-line growth is also in the range of 18%, that implies that F&B revenue growth has also been very strong in this quarter. Just wanted to

understand what has led to this growth and would this be a sustainable growth rate going forward as well here?

Neelendra Singh: Hi, Vaibhav. Simple answer is yes, it is similar to the overall RevPAR growth, largely driven by MICE and banqueting. These are critical businesses for us in many of our properties. As this season starts, we generally start seeing around the middle of Q2 sometimes, the uptake in MICE activity, group activity and sometimes wedding as well, though weddings start peaking, usually weddings start peaking in Q3 and Q4. I would say nothing extraordinary, but expecting MICE, wedding and just the buoyancy of Q3, Q4 take place this quarter as well, this quarter and the next quarter as well.

Vaibhav Muley: Understood. Secondly, on our management fee income, our Fleur Hotels revenue has grown by 15% in Q2, but Fleur fee income has grown by 11%. I just wanted to understand why is there a divergence in the fee income that is being received by Lemon Tree with respect to the revenue growth supported by Fleur?

Patanjali Keswani: It is very simple. While Fleur as a portfolio has grown to 53% GOP. Our management fee income, about one-third of it to 40% is a function of GOP margins. If the margin is affected by 2%-3% as it has this year because of the renovation beyond normal, then the fees come down proportionately. Think of it this way, when you look at Fleur portfolio, the two things that are impacting our margins is GST, which was not there last year in H1 and the renovation, which anyway affected the margins.

Now GST is an ongoing thing, but renovation will drop to, you know, 1.2% of revenue next year and that will itself improve the margins by about 1.5%. We expect that the management fee income in Fleur will start accelerating with the rate of growth of Fleur as the EBITDA margins start paying us incentive fees. Is that clear?

Vaibhav Muley: Yes, understood. My last question was on our ADR. So for this quarter we have reported 8% on ADR growth. Under Aurika, again, the ADR growth has been at around 9%. Just wanted to get a sense of our revenue management strategy since there is a GST impact below Rs. 7,500 ADR. Are we not strategically trying to raise the ADR rather than focusing on the occupancy and secondly, related to Aurika specifically, again, occupancy has stabilized in the range of 75%. Can we expect ADR growth to be higher from H2 onwards?

Neelendra Singh: Good point, Vaibhav and I will answer the second question first. Yes, Aurika, I did say last time as well that I do feel, we all feel that Aurika is now mature and occupancy is relatively stable. It is a well-known brand now across the board and therefore, going forward, we will certainly want to take the ARR route to improve

Aurika's performance. That is also visible in Q1 versus Q2. I mean at 9% ARR growth, this is the highest ARR growth in the Aurika portfolio in many quarters from the past. You can start seeing this already that we are pricing Aurika to its potential and to its positioning. Coming back in your first question around revenue management and GST, I mean, what exactly was the point, Vaibhav?

Vaibhav Muley: I was trying to understand, are we not trying to focus on increasing the ADR above Rs. 7,500 threshold in order to reduce the GST impact rather than focussing on others?

Neelendra Singh: There are two ways, Vaibhav, to look at it. First, I think the real performance is RevPAR and therefore, depending on how the season goes, where we are, which month we are in and how the demand plays out, we use both the levers, occupancy and ARR to drive the RevPAR. That is principle number one, that RevPAR is the major metric and with our kind of volume we use both levers, ARR and occupancy.

The other thing, I think, on GST or the Rs. 7,500 mark is interesting, that many of our hotels are significantly above Rs. 7,500 mark and therefore GST the question on GST does not arise. Similarly, a bunch of our portfolio is significantly below Rs. 7,500, where it will not be possible to raise the price to cross the Rs. 7,500 mark because the product is not like that, AKA, a Red Fox or a Keys Hotel. The logic of getting past the Rs. 7,500 mark applies to all those hotels which are ballpark in that ARR range, which are few. On those hotels, of course, through a combination of pricing strategies, segment strategies, we have been trying to get over the Rs. 7,500 mark and that plays out every day, actually. So therefore, from a revenue management perspective to your point, it is important for us as a chain to make sure that any hotel which is potentially on that line of Rs. 7,500 over a period of time goes past it so that we do not have the GST impact like we had in the previous times. Anybody who is way above Rs. 7,500 does not apply. Any hotel that is way below Rs. 7,500, we cannot reprice them overnight to be over Rs. 7,500.

Patanjali Keswani: You will see a slight change that I think last year, our percentage of revenue over Rs. 7,500 was 48% or something. And this year it is 50%. I think we mentioned this in some earlier earnings calls that gradually, this percentage of revenue, which is over Rs. 7,500 will keep increasing as we reprice. But remember that repricing a Rs. 5,000 hotel will not lead to a reduction in GST. Because it will go to Rs. 5,355. But repricing a Rs. 7,000 hotel will lead to a reduction in GST. So, within a Rs. 7,000 hotel, again there is a percentage of the business over Rs. 7,500 and a percentage of the business below 7,500. This is very specific to some hotels, but we are generally sure that over time, this percentage, which is now 50% of the revenue will

start inching up and the impact of GST, therefore, will keep reducing as a percentage of revenue.

Moderator: We have the next question from the line of Jinesh Joshi from PL Capital.

Jinesh Joshi: My first question is the reduction in our owned key count to about 5,600-odd rooms that we have seen in this quarter, I believe. It is predominantly due to the lease termination contract at Gurgaon. Any reason for discontinuation of the lease? That is question one. The related follow-up is that even on the management contract side, I think there were about 250-odd keys that got deflagged in the quarter. I think in the opening remarks, you mentioned that there were some compliance-led challenges. If you can maybe elaborate a bit on that and the related follow-up will also be that the guidance of 2,500-odd keys that we are giving from FY28 and beyond, is it a gross number or a net number?

Patanjali Keswani: What happened in Gurgaon was that it had 2 basements. Earlier, one basement was approved for banquets. Then recently, after a fire somewhere, they withdrew that approval and they said you cannot any longer have banquets there. As a result, it significantly affected the performance of that hotel because about 30% of the business that hotel got came from either banquet income or the conferences that it used to get, this was a large banquet. This was a force majeure clause. We asked the owner of the asset to try and get this approval. They tried for 2-3 months and after which we terminated it. So, we terminated it in August. Apple to apple, that income disappeared actually from our owned portfolio. I will ask Kapil, will you explain why there is that exceptional item of profit, which I am sure would be a question?

Kapil Sharma: Yes, sure. There are three elements to it. One is, as Mr. Keswani has just explained, that there is a termination of the lease agreement. Due to this termination, there is reversal of lease liability and right-to-use asset, which are accounted for a lease asset. Due to that reversal, there is a result of a revenue actually, which is an exceptional revenue in the P&L account, which is one of the major exceptional item, which is roughly Rs. 41 crore.

Then there are two exceptional item which is relating to expenses. One is the provision for which we have made as a conservative accounting based on outcome of a similar case relating to property tax for some other hotel chain. We have provided around Rs. 16 crore towards that liability and then there is a small Rs. 3 crore adjustment, which is diminution in the value of investment in one of the associate company of Lemon Tree. So net-net, it is coming Rs. 41 crore is the revenue, Rs. 16

crore plus Rs. 3 crore is the expense. So net Rs. 22 crore positive impact, which is exceptional revenue coming in the P&L this quarter.

Patanjali Keswani: Now, I want to also add one thing. On and off, I think one thing we have to recognize is that various agencies in India raise various demands on us. At any given time, there is always some pending demand on GST or on property tax, so on and so forth and these are often, by nature, arbitrary. It is impossible for us to actually anticipate which state will suddenly make a demand on property tax or X, Y, Z.

While we report it as an exceptional thing, it is actually that. We do not know who will raise what demand when. I just want to alert those who are listening that this is why we try and clarify these are exceptional. What happened in Delhi last year was an exceptional demand. Again, it came with back effect. It went to court. Other hotels who went through this demand took this matter to court. The court then struck it down, then they appealed, so on and so forth. In our case, what we always try and do is we are conservative, we try and provision for it and if it does not happen, of course, balle balle. But if it happens, as Kapil said, this is in Bangalore, we have accounted for it. But what I want to say is that this entire Rs. 41 crore is non-cash. So, we have also clarified this in our presentation that it is not part of our cash profit, so on and so forth. It is just on account of this accounting thing, which is where the exceptional came in.

Jinesh Joshi: Sure, sir. The second part of the question, de-flagging issue, the compliance argument.

Patanjali Keswani: Yes. You are right. That is why we de-flagged that 80-room hotel, which is from the owned portfolio. As far as the other hotels go, these are again rent. These issues come because suddenly the authorities will raise a compliance issue and if we feel it is relevant in any form, we give a notice, we give a cure period and if the owner is unable to get the relevant approvals, then we de-flag.

Your question was, will this continue? By and large, no, because in our business development, you know, assessment, before we sign a hotel operating agreement, we have a list of condition precedents which include all necessary compliances. But it is possible that going forward in some hotel at some time, like happened in Gurgaon, there could be a sudden event that makes it non-compliant.

Now, the 530 rooms that we deflagged, if I exclude the Gurgaon one, the 450 rooms, these were an ongoing thing, by the way. It was not that it was deflagged just in one quarter. We had given various time periods based on the requirements to various asset owners and then we took a call that we would deflag these. It is possible,

however and not that we have line of sight on it, that some owner may actually get it corrected and come back to us, as has happened in one case.

But we will be very conservative in this matter, because as you know, compliance relating to fire, life, safety, these are issues which have very grave consequences. So, you know, we deflag where required. But next year, the 2,500 which Neel has committed to you, please note, not me. I do not expect, Neel, that there will be any deflagging, or if it will be, it will be very not material.

Neelendra Singh: Yes. I was about to say that Jinesh. These hotels because they are concentrated across Q1 and Q2, it looks like we should start reporting net of deflagging, but there is no line of sight of any significant deflagging. And if there were to be any, we will, of course, announce that at the right time. But these are exceptional moves.

Jinesh Joshi: Understood. One last question from my side. Sir, I think we have also formed a wholly owned subsidiary in Maldives. Just wanted to get some sense. Are we kind of looking out for an operating asset over there, or are we kind of willing to take the construction risk? Also, any color on ticket size or indicative inventory that we are targeting over here?

Patanjali Keswani: So, we were looking at some acquisitions there too. These were operating assets. This was not construction. We do not feel we want to construct anything. This was purely a play to acquire an asset which we felt was underperforming and where we could push more Indian customers, which was a specific asset.

However, it was a large ticket size and a large EBITDA acquisition. But recently, the Maldivian government has said that 40% of the revenue of a hotel must be kept in Maldivian currency. This has made this project completely unviable, in our opinion, because everything is paid for in US dollars. But if we are forced to keep 40% of the revenue in Maldivian currency, then the project absolutely does not make sense, nor does any debt on it make sense. It is right now in cold storage, but we are very interested in Maldives and if this government policy changes, which may happen, then we will evaluate this again.

Moderator: We have the next question from the line of Sameet Sinha from Macquarie.

Sameet Sinha: Couple of questions. Patu, we have discussed several times, we will look at airline data, look at air traffic data, number of passengers. That number continues to weaken, but we did have a good quarter. Any learnings from that? Are you already seeing this sort of divergence?

The second thing is, the last few years have been quite tumultuous between renovations and things coming from that field, wars, etcetera. I just wanted to understand, you know, what sort of learning have you, as management team, got over the last 2 years that will feed into your strategy or your tactical approach over the next few years? Thank you.

Patanjali Keswani: Let me first talk about revenue. Revenue is in the hands of God. What affects a hotel starts from supply-demand in a micro-market, then in the segments it gets business from, then the impact in each of those segments with external factors, like, we all know what happened with hiring in the IT sector. Then it continues on to, at the national level, into how the economy is doing. Even the airline sector is a proxy for travel, but it is not a direct proxy, it is an indirect proxy for hotel demand. For example, an interesting statistic would be, Sameet, to look at how many same-day air trips happen. If airline traffic grows 10%, but 4% of that is same-day trips, then really overnight stays only the 6%. Then, the second thing is, how much of that is double occupancy?

If it is a couple traveling, it requires one room, but it is actually shown as growth of two airline seats. There are multiple factors is what I am trying to say. What have we learned? Airline travel is a proxy. We continue to track it. But what we have seen is the impact of other stuff, geopolitical conflict, as I said earlier, inflation, companies cutting down on discretionary travel out of a desire to control their costs. All these play out into our sector. The other thing is that we are in the mid-market, so we get demand from companies which is, A, more discretionary, because the CEO may continue to travel and stay in a five-star, or the Senior Vice President, but the manager, which is a larger volume, may stop traveling or may reduce traveling.

What we have seen is that our plan was very clear. Renovation was a catch-up. It had nothing to do initially with anything other than the fact that for over 3 years, we had not done any renovation and the Keys portfolio was languishing because it was an extremely old worn-down portfolio. The entire renovation catch-up, think of it that we spend 1.2%-1.3% a year in renovation. For 3 years, we had not spent that. That was 4%. Then, there was an improvement that we wanted to achieve in the high-price hotels, which we felt we could reprice. All these factors led to our investment in renovation and we will, by next year, go back to 1.2% of revenue as our ongoing renovation and that will go on forever. The war had an impact linked to what I had said earlier.

What is our learning? Our learning is that at all times, we must be cost warriors. So, our biggest moat is that we have built nearly 6,000 rooms, built or we leased 6,000

rooms. They are in very high-demand markets. I know supply is growing in India, but it is not growing in these high-demand markets. It is actually growing in the Tier 2, Tier 3, Tier 4, where we are absolutely asset-light. Our intent is that, at the end of this year, we will have more or less fully upgraded our portfolio.

We should be able to reprice/increase occupancy. We should be best in class in pricing, in cost, so that the operating leverage plays out for us. Now, the rest, of course, is in the hands of God. When will this war get over? When will oil prices come to $70? These are things we cannot answer, but we want to be future-ready. I think I can say with some degree of confidence, we are there. You will start seeing this play out now quarter by quarter.

Moderator: We have the next question from the line of Prachi Agarwal from Axis Capital.

Prachi Agarwal: My question is on the overall supply which is coming in the luxury segment. We are seeing players like IHCL and ITC aggressively expanding in the luxury segment. This is also accompanied by multiple international brands as well. Taking this into consideration, do you see a supply risk, supply outpacing demand, which could potentially impact the RevPAR growth model?

Neelendra Singh: Yes. Prachi, well, simple answer, no. Structurally, what is happening to India is there is a clear deficit between supply and demand. Like just Patu said, while in the deep demand, let us say, districts of the country, there is little supply coming up. Most of the supply is coming in Tier 2, Tier 3 markets, where while there is competition, but I guess there is enough demand.

Also, one, because of the structural reasons. Secondly, there are new destinations getting developed. There are new reasons to go to these destinations. There are more highways getting developed. Demand generally is on a structural high and given where India is heading with all its development, we believe that demand will continue like this. It is difficult to believe at this point of time that supply will outstrip demand.

In certain areas, we might get competitive, but that is bound to happen, Prachi, here as Tier 2 cities get lucrative for hotel brands, as it happens in consumer brands as well. Competition is okay. Will supply outstrip demand? We do not think so.

Patanjali Keswani: But even if it does, Prachi, this is not a winner-take-all game. So, when we said supply is growing in Tier 2, Tier 3, Tier 4 markets, the supply growth is actually an opportunity for us to increase our network. Surely, I mean, ITC is a reputable brand,

Marriott is a reputable brand, Taj and so on. All these guys will increase their footprint, but so will we. That is visible, because 50% of our portfolio is not open yet.

I would not worry about it. If I was a capital allocator, I would question it, but we are not allocating capital to these markets. We are simply going after building our network there, which is the fee income side.

Moderator: We have the next question from the line of Dikshi Jain from InCred Research.

Dikshi Jain: My first question is regarding the Omaxe deal that we signed during the quarter. Can you give us a little more information about the investment that we are about to do and also, when will this be operational? Also, for Fleur Hotels, the total 2,500 rooms that are expected to be operational by FY30, what is the timeline looking like for that?

Neelendra Singh: Hi, Dikshi. I will answer the Omaxe part and I will invite Saurabh to do the Fleur part. The partnership with Omaxe or the MoU with Omaxe, Dikshi, it is asset-light. They, as developers, are developing townships and hotels and remodeling bus transit points or bus stations. We do not have any investment. We will be managers and brand owners for those properties.

So, from our perspective, this is in line with our asset-light strategy as we go into, let us say, deeper markets. The reason it is an interesting partnership is because there are two kinds of development Omaxe is doing. One is clearly their townships, which are very well located and very large, they are over hundreds of acres and therefore there is a fair amount of both resident and transit demand in those areas because of the location and the density of population where they come from.

The other kind of development that they are doing is through PPPs out with the government, where they are remodeling bus stations in a few Tier 2, Tier 3 cities. As you know, many of these bus addas are very well located at the center or the heart of the city. Usually, the cities come around the bus addas and therefore as a part of that development, when a hotel comes up next to a bus transit point it is right in the thick of demand.

We thought going to Lucknow, let us say Lucknow, Varanasi, Ghaziabad, Greater Noida and such cities is in line with where their development is happening and hence the MoU with them. Therefore, they have 4,000 rooms ballpark in 10 properties. 9 out of these 10 properties, Dikshi, are greenfield. So, expect the same timeline, around 3-3.5 years to fructify. These are large townships, so it might take slightly longer, if you will. So, one of them, which is in Greater Noida, might come in the next

12 to 18 months. The others will take the usual 3+ years. That is on Omaxe and Saurabh can help you with the Fleur.

Saurabh Shatdal: Hi, Dikshi. On 2,500 rooms operational by FY30 - FY31, we are working towards this. We said that by the time we list, we should have a sight of these 2,500 rooms. We are working towards this, but given that these are all acquisitions and because of diligence of, legal, technical, soil testing, plus if there is an operational hotel, the financial diligence, all that, because we are dependent on various consultants and the client, it takes a time more than what we might envisage at this point of view.

So long story short, 2,500 rooms, we are still very hopeful that we should be able to achieve that between operational brownfield and greenfield assets in the next 9 to 12 months, by the time we get listed. And FY30 - FY31, we are quite hopeful that we should be able to do that, given the construction timelines and challenges. Like in Delhi, during wintertime now, you get the GRAP down, so it might shift the construction timeline. Depending which city or which country we are taking this asset in, we will abide by those laws and some time here and there might happen. And quarter-wise, we will keep the group posted.

Dikshi Jain: So currently, there are no additions planned in FY27 - FY28?

Patanjali Keswani: There are some acquisitions we are looking at and they are going through due diligence. I mean, somebody earlier asked about Maldives. There are always ups and downs. But as Saurabh said, we will hopefully achieve these 2,500 rooms and part of it is acquisition, so that will have a direct and immediate impact on the EBITDA of Fleur.

Moderator: We have the next question from the line of Murtuza Arsiwalla from Kotak.

Murtuza Arsiwalla: Hi, just an extension to those additional Keys question. The Warburg Pincus investment of Rs. 960 crore, is there a timing or a contingency to it? Will it happen before Fleur is listed? Will it happen after? Are there any milestones? Do we have any timelines around that investment?

Patanjali Keswani: No, Murtuza, it is entirely dependent on acquisitions/developments. There is no restriction. We can call for it. They said they need 2 weeks. Obviously, we will take the money if and only if we can deploy it. But based on what we are seeing right now, we are nearly 100% sure that we will take the entire amount.

For example, Bombay, we did not take any money, because we had it in cash with us. But, some of the new projects we are looking at and it is on call. Let us put it this way, it is on call. There is no restriction.

Moderator: We have the next question from the line of Rahul Majethia an Individual Investor.

Rahul Majethia: We frequently talk about the growth in our loyalty member base. I want to look past our enrollment numbers and look at utilization. What percentage of our room nights in Q2 were booked by active loyalty members? When we account for the various discounts given to the loyalty members, what is the net average margin differential of a loyalty member booking versus an OTA booking after factoring in the commissions?

Patanjali Keswani: Rahul, there is no discount given to loyalty members. What loyalty members get is whichever channel or segment they book from, they have pricing there, whether it is through our website, whether it is through the call center, whether it is through an OTA, whether it is through a company. Typically, I do not have the numbers offhand of Q2, but about 45% of our business, when we last checked, which is about a few months ago, we found was repeat guests. Out of every 100 customers we get, 45 are repeat, but only 25 are loyalty members.

Today, 25% of our total business is loyalty, 45% is repeat, so the runway for us is actually another 90% or 80%. We should definitely enroll the other 20%, which we are trying to do as quickly as possible. As far as pricing goes, there is no impact, but typically our loyalty payout is about 4%. When a customer uses the loyalty points, it is 4% of revenue, but that 4% gets absorbed within the network.

Somebody who books a hotel in Delhi and spends Rs. 30,000, of which Rs. 20,000 for two nights is a room, he will get a benefit, or she will get a benefit of Rs. 800. This Rs. 800 can go and they can spend this in another hotel of our network. Really, it is a self-supporting kind of internal system.

Not only that, there is something called breakage. For every Rs. 1 lakh that are benefits given to members, typical breakage is anywhere from 30%-40%. Actual consumption is only about 60%-70%. Does that broadly answer the question?

Rahul Majethia: Yes, that is very helpful. My second question is in a totally different direction. Regarding franchisee fee structures, to what extent are our modern franchisee fee structures linked to performance milestones? For instance, do our contracts include any escalator clauses that increase our fee percentage once our central brand distribution crosses a certain threshold?

Conversely, do owners demand some de-escalators or fee caps if there is some macroeconomic headwinds or some other reasons that compress their local RevPAR below some agreed-upon baseline?

Patanjali Keswani: Actually, franchise is where we have dipped our toes because there is an implication of lack of control over the asset and therefore a potential impact on the brand. Basically think of it as a brand/sales and distribution agreement. We are not involved in the running of the hotel, though we use technology to monitor the customer feedback and therefore the Net Promoter Score.

Our fees are entirely a function, typically the room revenue and a smaller percentage of the F&B revenue. It has nothing to do with the performance in terms of the agreement. However, what is super important is that we perform for that owner, which is why he or she is giving us their asset. It is actually a moral responsibility for us to improve their performance.

As long as we improve the performance, I do not think they have any issue because we share with them what the local market has performed and how we are standing relative to the local market. I can say by and large, I would say over 90% of our owners are very happy with the performance that we are providing for them.

There are, of course, owners who feel we could do better and we are making efforts there, but there is no termination in these matters. Frankly, once you tie us up, we tie you up. It continues and therefore, you can treat it as a little bit like annuity fees, though it varies based on performance. Does that answer it?

Rahul Majethia: Yes. Do the franchisees contribute to our overall consolidated A&P spend? If yes, what percentage would it be?

Management: It is an indirect spend. There will be some sales and marketing spend. There will be some local search engine. Now, of course, generative optimization. But it is not significant. As far as possible, we want to charge a flat percentage, whatever it is, 5% of revenue or room revenue, 6% of room revenue. That is aspirational, I know. It starts at 4%, goes up to 6%. That should include all the spend that we do, because ultimately, he is buying into our brand. It is our responsibility to deliver revenue for that owner.

Rahul Majethia: Yes, that is very helpful. Just a comment on the Aurika properties. I have stayed at some of them and they are fantastic brands and really well curated. All the best for the future quarters and I loved the experience there.

Patanjali Keswani: Thank you. Actually, it is a long haul for us because this is the first time you can say we compete with very established brands. We are going to open so many Aurikas in so many key markets that something like what happened with Lemon Tree over 10-

12 years will happen with Aurika. I understand the impatience with certain investors, but I think Aurika will be a pleasant surprise for investors over the medium term.

Moderator: We have the next follow-up question from the line of Vaibhav Muley from Haitong Securities.

Vaibhav Muley: A bookkeeping question from my side. What is our CAPEX done in FY27 till now? If you can also share the CAPEX planned over next 2-3 years for each year. And regarding the renovation expense, I think we were incurring around Rs. 120 crore-Rs. 130 crore of OPEX towards renovation last year. What would be that number now?

Patanjali Keswani: Renovation, it would be about 60%-65% would be OPEX and the balance CAPEX. Capex would be basically when we replace some equipment or do some major capital asset investment in our hotels. As far as investments in our ongoing portfolio goes, as you know, we have just invested Rs. 120 plus Rs. 9 crore, about Rs. 130 crore in the buyout of Bombay. We must have spent another Rs. 50 crore - Rs. 70 crore in Shimla and Shillong. We have not really started any major expense in Varanasi, nor in Nehru Place. You can say put together, we have, including of the CAPEX renovation and that would be about Rs. 200 crore.

Vaibhav Muley: Renovation expense in CAPEX should be around Rs. 30 crore for this year?

Patanjali Keswani: Yes, 40. About, we have spent Rs. 200 crore, you assume, including the projects and we have also paid off our debt. You can work backwards to see the cash flow generated. Actually, the way to look at it, Vaibhav, you should look at, as I think I have told you, in the U.S. it happens, look at our free cash. Then account for all the expenditure on CAPEX, whether it is in projects or whether it is in CAPEX of existing hotels.

Vaibhav Muley: Understood. What will be the CAPEX for next two years, 2028 and 2029?

Patanjali Keswani: Difficult because if we do the acquisitions we are hoping for and the new properties and so on, then we reckon that it will total to about Rs. 3,000 crore over the next 3.5 years.

Vaibhav Muley: Understood. Lastly, on the Bandra land acquisition, you mentioned the timeline for operationalization as FY30, given we have just completed the acquisition now and approvals and design are still pending. Are you confident that asset could be operational by FY30, or would there be a possibility of a delay to 2031?

Patanjali Keswani: Basically, when we start, we reach a certain stage in a due diligence. You see, Bombay has been going on for 1 year. Let me explain. Because this was a slightly complex acquisition, there were multiple owners in it. I think 19 owners or something. Yes, so there was a society that had to be bought out, all that. I do not want to get into the details, but it took a year. Once we were pretty clear that it was happening, which was about 6 months ago. We started designing the hotel and as it happens, the design is complete. The architect we have selected is a very competent, well-known architect and he is now, as we speak, drawing the hotel, making these drawings for approval. At the same time, that property has approvals to excavate, which we will start hopefully in the next 2-3 weeks.

We will simultaneously submit the drawings for approval. As it happens in Bombay, thankfully, we can do the excavation at the same time as we have submitted drawings. We reckon that in the next 3-5 months, we should be out of the basement, the drawings should be fully approved and we can start building the superstructure.

Typically, in a development case, you try to avoid the monsoons for digging. In our case, like in Delhi, you try to avoid GRAP and in Bombay, you try to avoid monsoons. We hope that the shell will be under construction in the next 3-5 months and we are out of the basement and then we reckon it is 21 floors. In 20 months, we should finish it. Of course, there will be six months for approval and interiors and so on. It is not an unreasonable expectation. Six months plus 21 months plus six months is the 33 months, say 3 years. Three years is what we have actually said, FY 2027 to FY 2030. Does that answer?

Vaibhav Muley: Understood. Yes.

Patanjali Keswani: Yes, but don't hold me to it because tomorrow the government might say we will take six months more. We will always be transparent and tell you where we got delayed and why? But I think people should also understand that there is so much in development in real estate that is out of our control.

Moderator: We have the next question from the line of Zahra Patel from Solidarity Advisors.

Zahra Patel: Thank you for the opportunity. My question is on the pro forma numbers. The EBITDA margin for asset light has reduced, like it is further lower, which is about 56%. Are there reasons again, the corporate overheads and talent acquisition and by when do you feel that going to say the expected numbers of 70% plus?

Patanjali Keswani: Our expenses are fixed, more or less. They may escalate at 4% a year in the Lemon Tree standalone. Why we feel it is at the right time for us to demerge the 2 entities

is, as Neel had said earlier, the hotels we signed 3 years ago will start opening up going forward. What will happen is that it will be mostly flowing for operating leverage. There will be hardly any impact on the expenses. We do feel that in the medium term, in the next few years, we will definitely hit 80% flow-through. If you work backwards, our operating expenses are Rs. 100 crore, say, for Lemon Tree standalone. We would like to target Rs. 500 crore fee income and therefore have a Rs. 400 crore EBITDA. Of course, the Rs. 100 crore will go up by 4% a year. Therefore, that Rs. 500 will also be automatically, I mean, has to be adjusted for. But it is not unreasonable and it is very common worldwide that as the fee income grows, obviously the operating leverage starts playing out. We have to look at it from that perspective. Sorry, I want to add one thing. What you need to see is, every year, what is the net EBITDA margin of Lemon Tree? You can track it. Actually, the way to look at it is every quarter or half year, YoY, how is it changing?

Zahra Patel: Noted. On the Omaxe deal, given it is about 4,000 rooms with 10 projects, this is much larger properties that we are talking of. We are at approximately, say, 400 rooms per hotel. This will be under which brand? Are the greenfield out of the 10 to 9 are greenfield, or is the land acquired over there? We are working with much larger properties, which is in the Tier 2, Tier 3 cities; we usually work with smaller properties.

Neelendra Singh: Zahra, your voice is not very clear, but I will answer from what I understood. Did you, did you say, are they, are they large for Tier 2, Tier 3 cities? Is that what you meant?

Zahra Patel No, sorry. First question was in terms of the greenfield CAPEX, greenfield acquisition. Is the land acquired over there from Omaxe side already?

Neelendra Singh: Yes.

Zahra Patel: Secondly, in terms of the project size, if we take 4,000 rooms for 10 projects, which is one project of approximately 400 rooms. So, we usually work with much lower size properties in the Tier 2, Tier 3 cities. Is it mainly because of the project size of Omaxe or are we changing over here something?

Neelendra Singh: Fair point. Yes, this is according to the project size. That is how the hotels are. They are larger inventory. The other way to look at this is that there are cities like Lucknow and Ghaziabad and Greater Noida. They typically, if you aggregate our inventory across different brands, we still might have so many rooms. It is just that in one location, if we are able to aggregate on an average 400 rooms, that actually works in our favour. There is better leverage, there is better concentration on demand and we can service and cost, of course and we are able to service demand in a much

more efficient way. So, concentrated inventory in a Tier 2 town or anywhere actually is a good thing. Which, did you also ask which brands will this be?

Patanjali Keswani: This land is all owned by Omaxe. This is all their master planning. They have not come to us with some future expectation. These are all land banks, larger developments owned by them. They have already designed the areas for the hotels in each of these markets, which is why it is so specific. What Neel had said earlier is, other than, I think, the Greater Noida hotel, these will take 3-4 years out. The fee income will not come for four years. Let us assume that. The inventory design is all Omaxe has done. Now the brands, Neel, you can answer.

Neelendra Singh: Zahra, the brands will be Lemon Tree.

Moderator: Ladies and gentlemen, that was the last question. With that, we conclude the question-and-answer session. I now hand the conference back to the management for their closing comments. Thank you and over to you, sir.

Patanjali Keswani: Thank you once again for your interest and support. We will continue to stay engaged. Please be in touch with our investor relations team for any further details or discussion and we look forward to interacting with you soon. Thank you.

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