

November 20, 2018

To,
Corporate Services Department,
**National Stock Exchange
of India Ltd.**
5th Floor, Exchange Plaza
Plot no. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

To,
Corporate Services Department,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001.

To,
Corporate Services Department,
**Metropolitan Stock Exchange
of India Limited**
4th Floor, Vibgyor Towers,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 098

Ref: Scrip Code/Name: **BYKE (NSE), 531373 (BSE), THEBYKE (MCX-SX)**

Sub: **Investors/Analysts Presentation {Disclosure of Material Event/ Information under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015}**

Respected Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, we would like to submit the Investors Presentation for the quarter ended September 30, 2018 and the said Investors Presentation has also been uploaded on Company's Website at www.thebyke.com

We request you to kindly take the same on your record.

Thanking You,

Yours Faithfully,

For The Byke Hospitality Limited


(Ankita Sharma)
Company Secretary & Compliance Officer





Investor Presentation

Q2FY19



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Q2FY19 Performance

Acquired two hotels on long-term lease

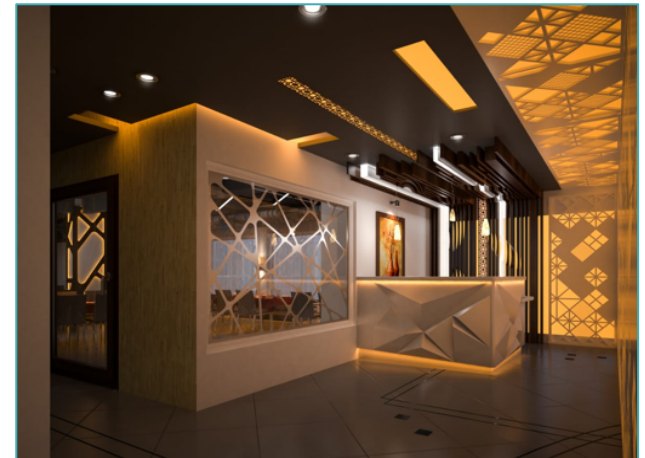
Hotel Niranjana Resort at Bodh Gaya, Bihar

- Bodh Gaya is one of the holiest Buddhist pilgrimage sites; it attracts thousands of pilgrims/ tourists from around the world every year
- Hotel has been taken on a long term lease of 10 years through a tender process by Bihar State Tourism Development Corporation
- The property has 20 rooms, a restaurant and a meditation room



Hotel Nashik Inn at Nashik, Maharashtra

- Nashik is a religious Hindu city with many temples. It hosts Kumbh Mela every 12 years. It also makes for a perfect wine tasting destination
- Hotel has been taken on a long term lease of 15 years
- The property has 25 rooms, a restaurant and a conference hall



Entered into two management contracts

Hotel Guruprerna at Dwarka, Gujarat

- Dwarka, an ancient Hindu pilgrimage site in Gujarat attracts religious as well as a lot of leisure tourists
- Management contract for 15 years
- 37 rooms property with a restaurant and a conference hall



Hotel Suraj Club at Junagadh, Gujarat

- Junagadh, a historical city in Gujarat is home to many ancient historic attractions
- Management contract for 15 years
- 39 rooms property with a restaurant and a marriage hall



Restaurant on lease

Restaurant at Malad, Mumbai

- Restaurant “Spice Lounge” taken on lease for 3 years with a renewal option
- Seating capacity of 100+
- Pure vegetarian restaurant



Q2FY19 and H1FY19 Profit & Loss Highlights

Rs. Mn	Q2 FY19	Q2 FY18	Y-o-Y Growth	H1FY19	H1FY18	Y-o-Y Growth
Revenue	298.5	294.1	1.5%	665.3	664.8	0.1%
Cost of services	53.0	41.0	29.4%	115.0	106.7	7.8%
Employee Expense	26.6	25.5	4.4%	53.5	49.9	7.3%
Other expense	103.6	115.0	-9.8%	260.4	263.2	-1.1%
Total Cost	183.3	181.5	1.0%	428.9	419.8	2.2%
EBITDA	115.2	112.6	2.3%	236.4	245.0	-3.5%
<i>EBITDA margin</i>	38.6%	38.3%	--	35.5%	36.9%	--
Depreciation	37.2	32.9	13.1%	72.9	64.7	12.7%
Net Interest Cost	4.6	2.0	133.1%	9.1	3.6	152.1%
Other Income	2.2	1.9	15.4%	4.4	3.7	18.6%
PBT	75.6	79.7	-5.1%	158.8	180.4	-12.0%
Tax	26.2	27.6	-5.1%	54.9	62.4	-12.0%
PAT	49.4	52.1	-5.1%	103.8	118.0	-12.0%
<i>PAT margin</i>	16.6%	17.7%	--	15.6%	17.7%	--

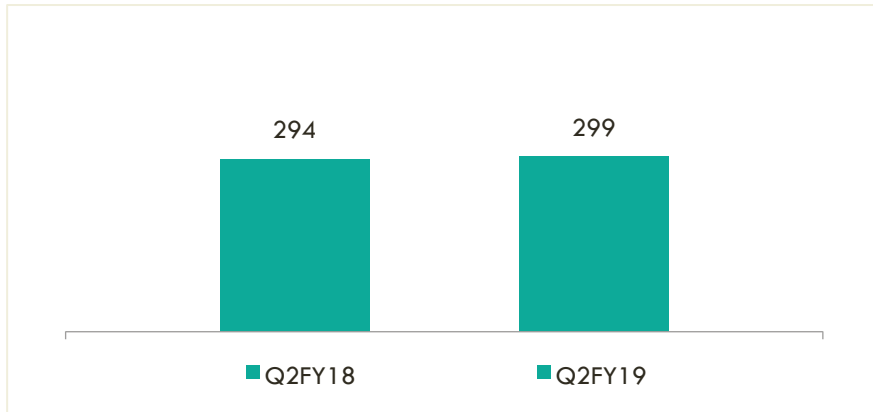
Balance Sheet as on 30th Sept 2018

Rs. Mn	Sep'18	Mar'18
Share Capital	401.0	401.0
Reserve and Surplus	1,540.3	1,436.5
Net Worth	1,941.2	1,837.4
Long Term Borrowings	1.1	2.3
Deferred Tax Net	84.5	77.5
Other non-current liabilities	5.0	5.0
Total Non-current liabilities	90.6	84.8
Short term borrowings	203.4	196.9
Other current liabilities	108.6	234.8
Total Current liabilities	312.0	431.8
TOTAL LIABILITIES	2,343.8	2,354.0

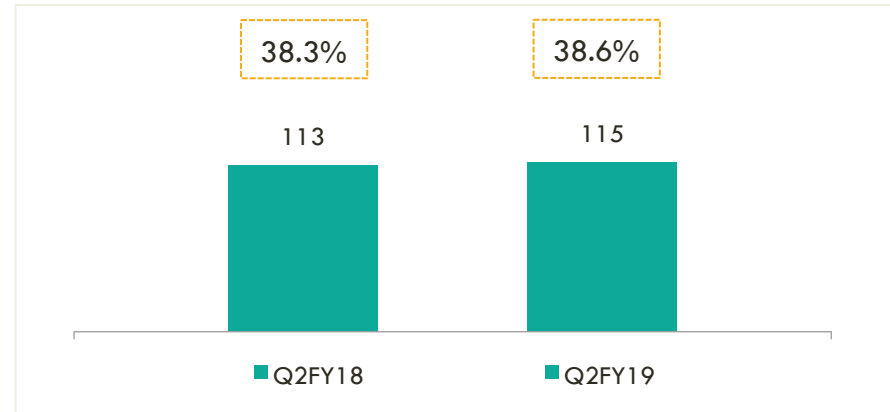
Rs. Mn	Sep'18	Mar'18
Net Block + CWIP	1,156.2	1,115.1
Other Non-Current Assets	82.4	82.6
Long Term Loans and Advance	188.0	180.6
Total Non current assets	1,426.5	1,378.3
Inventories	161.4	147.4
Debtor's	295.7	297.2
Cash and bank	34.4	110.5
Other Current Assets	0.9	2.0
Short Term Loans and Advance	424.9	418.5
Total Current Assets	917.3	975.7
TOTAL ASSETS	2,343.8	2,354.0

Q2FY19 Financial Highlights

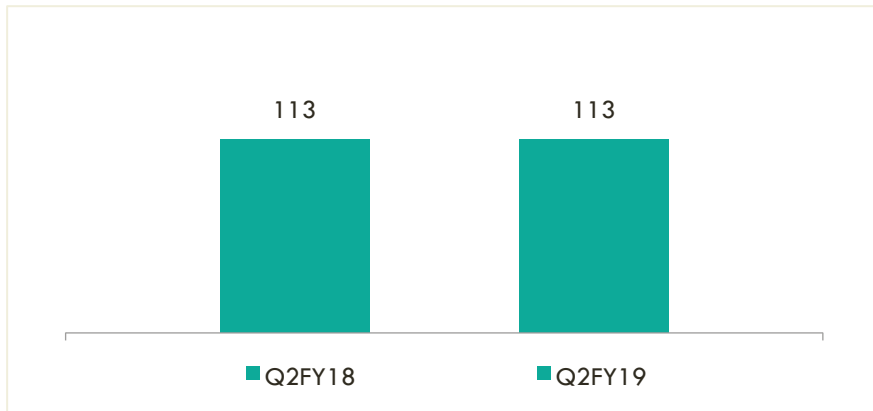
Revenue (Rs Mn)



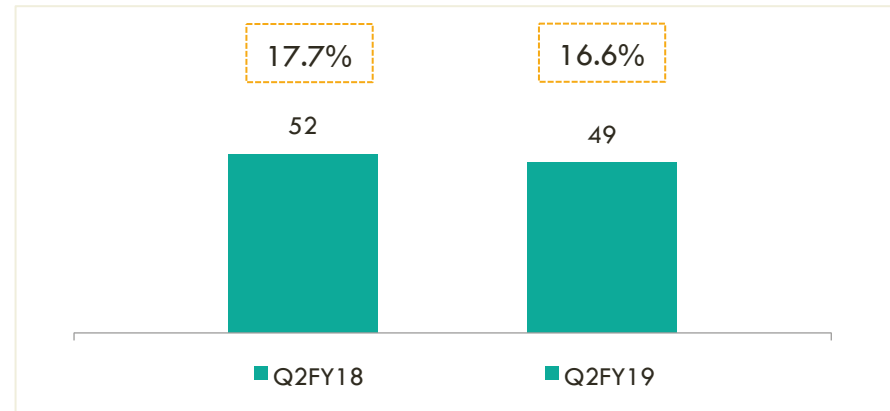
EBITDA (Rs Mn) and Margin



Cash Profit (Rs Mn)

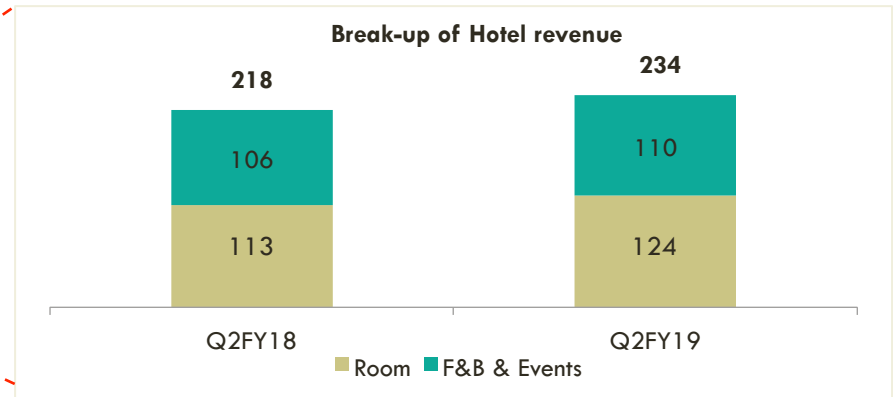
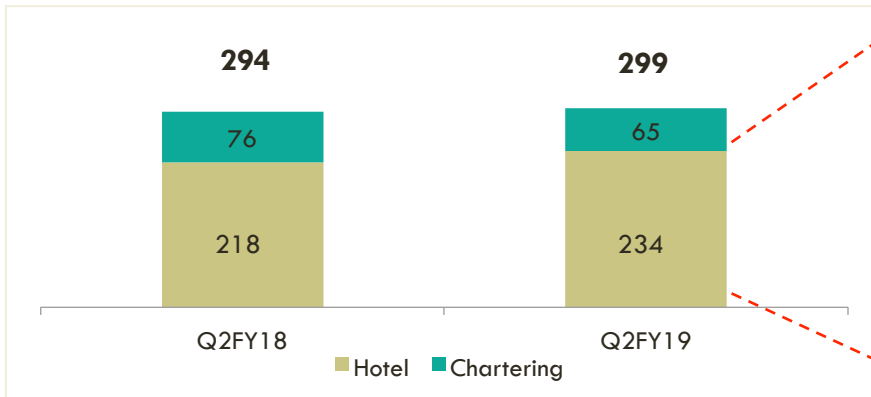


PAT (Rs Mn) and Margin

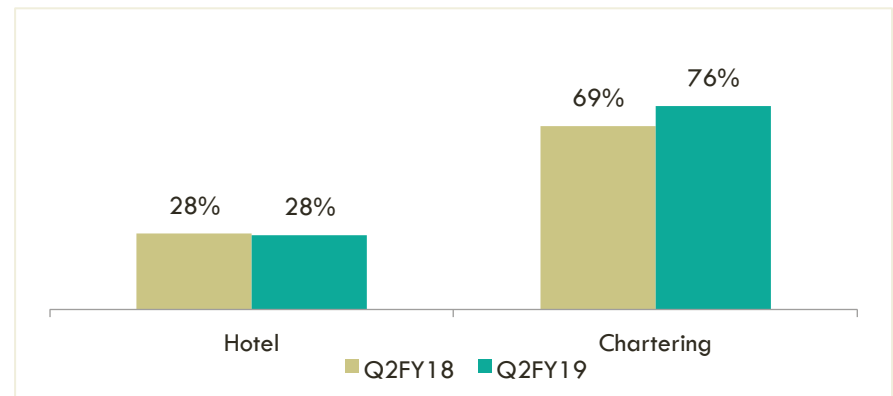
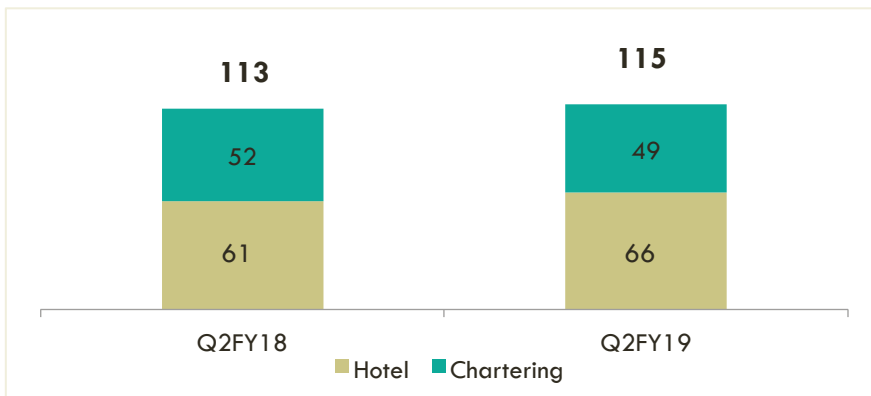


Q2FY19 Segment Performance

Revenue (Rs Mn)



EBITDA (Rs Mn) and EBITDA Margin

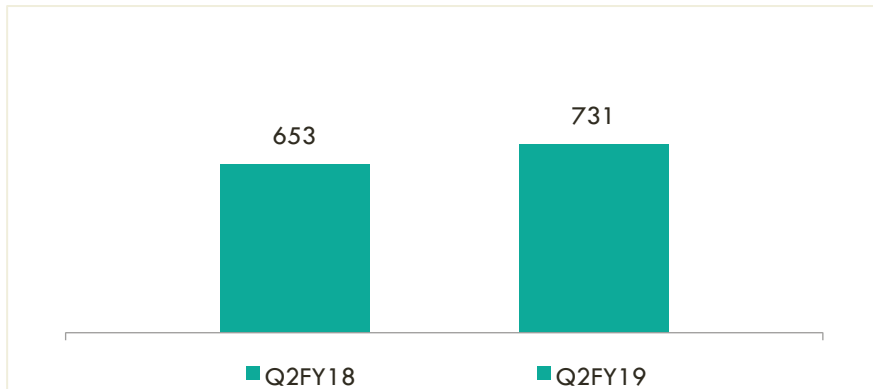


Hotel Portfolio as on date

No	Hotel	Location	No. of rooms	Type	
Operational					
1	Byke Old Anchor	Goa	240	Leased	
2	Byke Suraj Plaza	Mumbai	122	Leased	
3	Byke Heritage	Matheran	80	Owned	
4	Byke Grassfield	Jaipur	54	Leased	
5	Byke Neelkanth	Manali	40	Leased	
6	Byke Redwood	Matheran	25	Leased	
7	Byke Grassfield Riviera	Jaipur	80	Leased	-----> Partially operational (40 rooms)
8	Byke Riddhi Inn	Udaipur	52	Leased	
9	Byke Pooja Samudra	Kovalam	42	Leased	
10	Byke Nature Villas	Shimla	36	Leased	
11	Byke Signature	Bangalore	36	Leased	-----> Started operations in Nov'18
12	Byke Guruprerna	Dwarka	37	Management Contract	-----> Agreement signed, to come to effect from Q4FY19
13	Byke Suraj Club	Junagadh	39	Management Contract	
Under Development					
14	Byke Brightland	Matheran	63	Owned	-----> Refurbishment work underway; to be operational in Q3FY19
15	Byke Delotel	Mumbai	40	Leased	-----> Awaiting OC, to be operational by Q4FY19
16	Byke Nashik Inn	Nashik	25	Leased	-----> To be operational by Q1FY20
17	Byke Niranjana	Bodh Gaya	20	Leased	-----> To be operational by Q1FY20
Total			1,031		

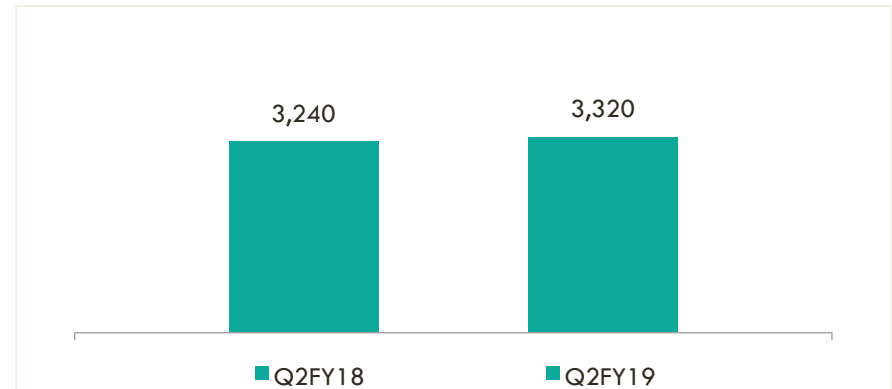
Hotel Business Performance Highlights

Operational Room Inventory

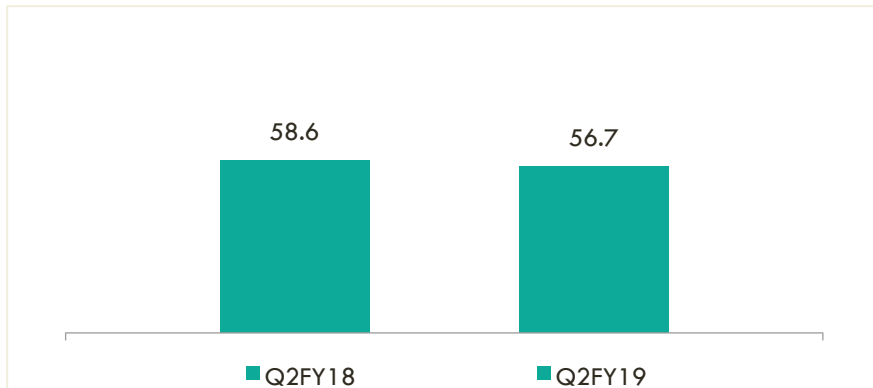


Q2FY18: Old Anchor, Suraj Plaza, Heritage, Grassfield, Neelkanth, Redwood, Riviera (40), Riddhi Inn
Q2FY19: Q2FY18+Pooja Samudra, Nature Villas

Average Daily Room Rate (Rs)

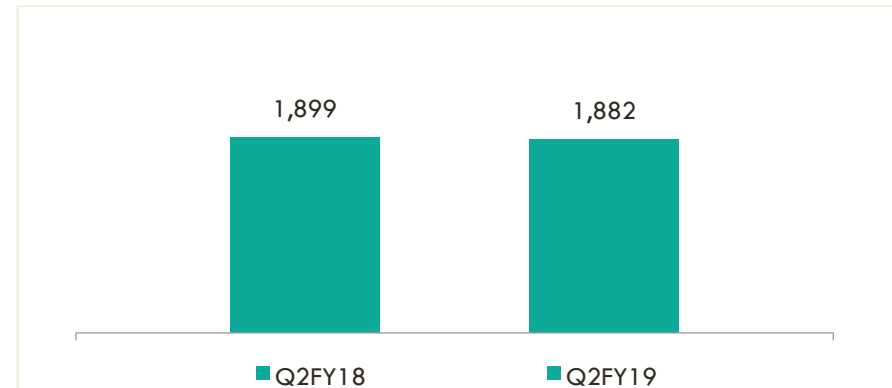


Occupancy (%)



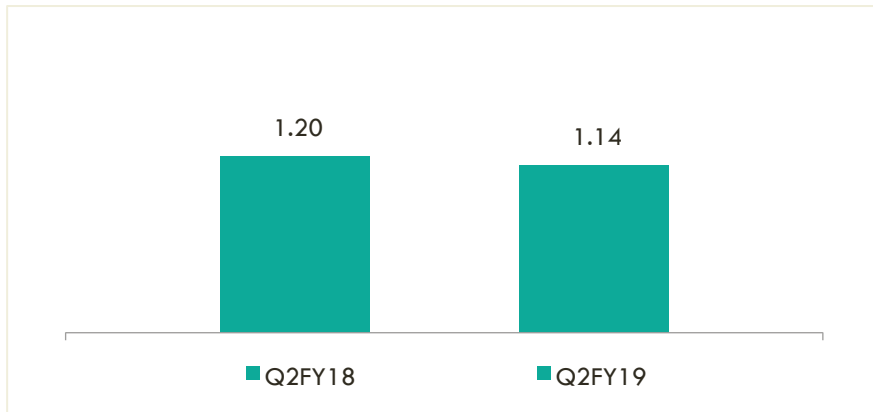
Note: Drop in occupancy levels is on account of new supply addition

RevPAR (Rs)

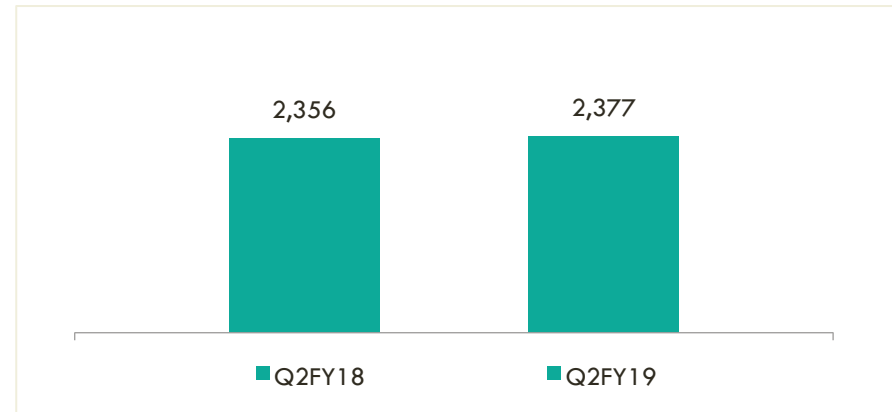


Chartering Business Performance Highlights

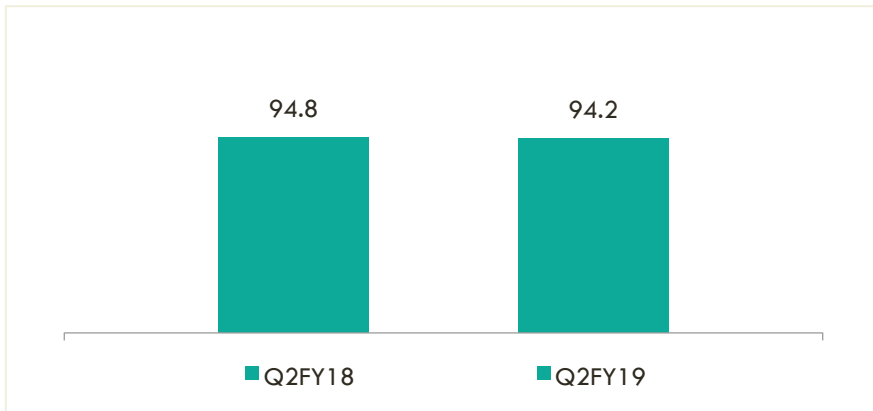
Room Nights Sold (lacs)



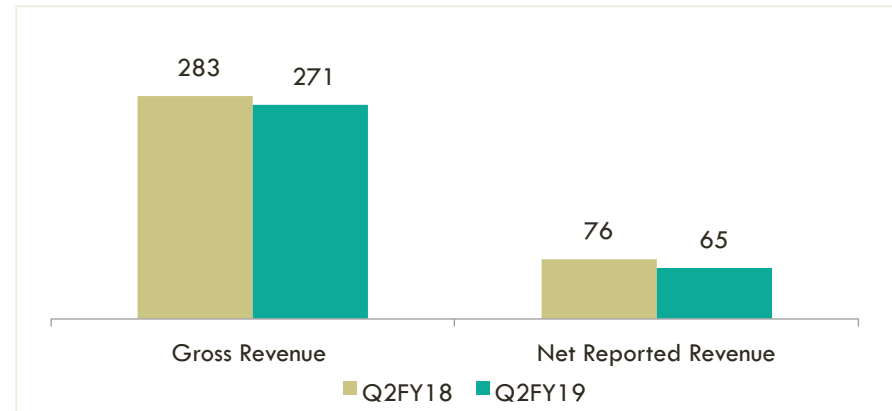
Average Daily Room Rate (Rs)



Occupancy (%)



Revenue (Rs Mn)



Business Overview

Byke – At a Glance

Overview



Mid Market Segment

Presence in fast growing mid market segment; ARR (FY18): ~Rs 3,800



Niche Pure Vegetarian

Only pure vegetarian hotel chain in India



Asset light Model

More than 90% of the properties are on long term lease; 30%+ ROCE



Full service hotel

One-stop for leisure, social & corporate events



Strategic locations

Presence in key tourists and leisure destinations

Statistics

13

Leased properties

2

Owned properties

2

Management Contracts

1,031

Number of rooms

60+

Presence in cities (across both segments)

300+

Network of agents

6.38L

Room nights sold (FY18)



'Best pure vegetarian hotel chain in India' award

at the 11th hospitality India & explore the world annual international travel awards



Selected twice in **top 200 Asia Pacific corporations** in **Forbes Asia's 'Best Under a Billion'** list in **2015 & 2016**

Business Segments

Hotel (Owned & Leased)

Mid market focused hospitality brand with focus on domestic tourism

17 properties with 1,031 rooms at tourist destinations in India: 2 ownership, 2 on management contracts & 13 on long term lease

Low capital requirement as properties are taken on a long term lease of 15-20 years; only capex required for refurbishment and rebranding

Diversified revenue mix with focus on F&B and events; Restaurants/ conference rooms/ banquet halls & lawns across properties

Pan-India presence through strong agent network. In hospitality, selling is the major constraint, which is mitigated through tie-up with over 300 agents to sell owned + leased hotel rooms as well as chartered rooms

Revenue Contribution: 75%

Chartering

Third party hotel rooms chartered at strategic locations across India; Aggregation of rooms 3 months in advance

Capitalise on peak season inventory leading to high occupancy: 94% (FY18)

Relationship with over 500 hotel owners; presence in over 60 cities

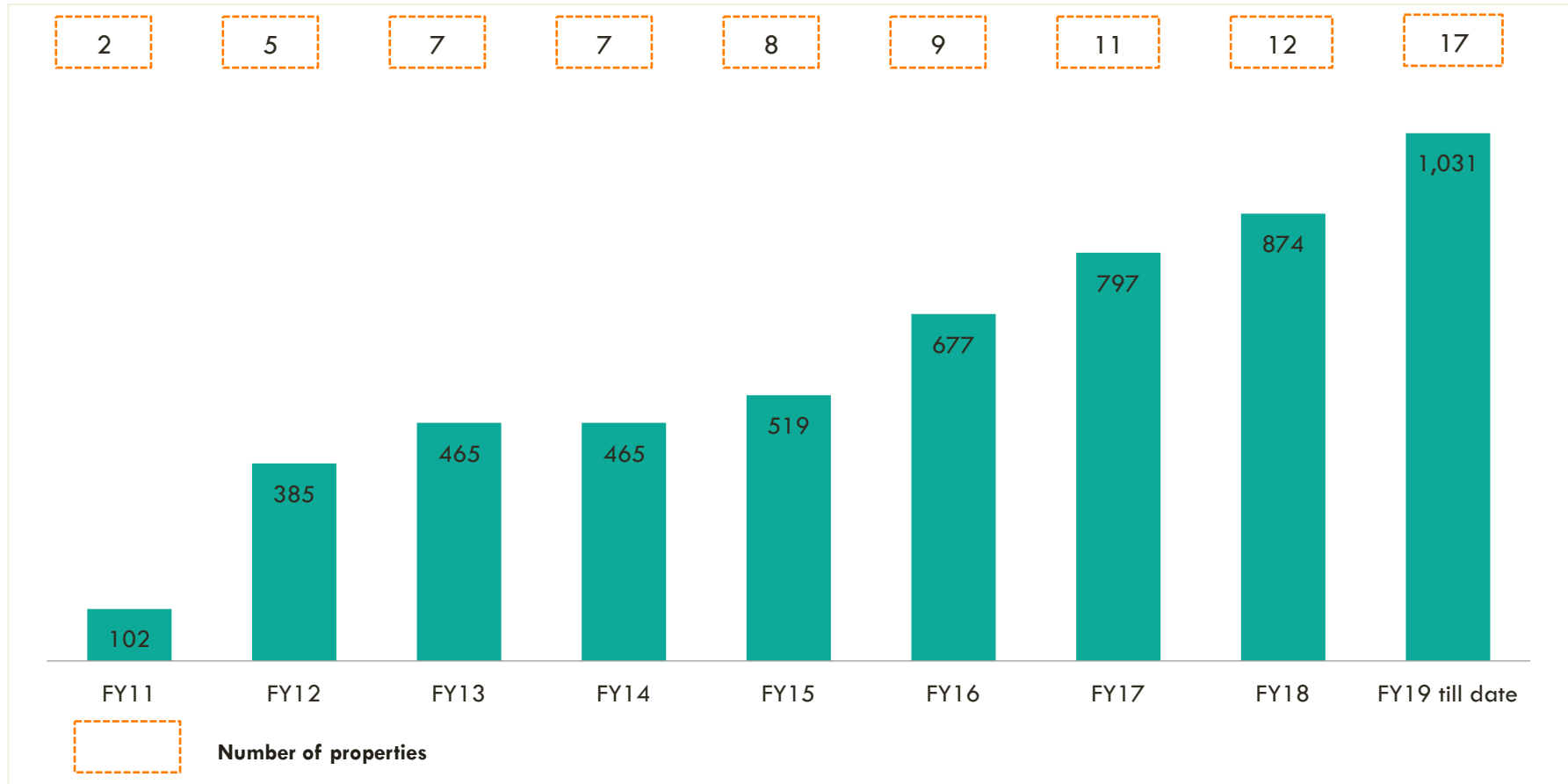
Synergy with leasing business - gives insight on where to expand in hotel segment; agent network helps maximizing occupancy for hotel segment

Revenue Contribution: 25%

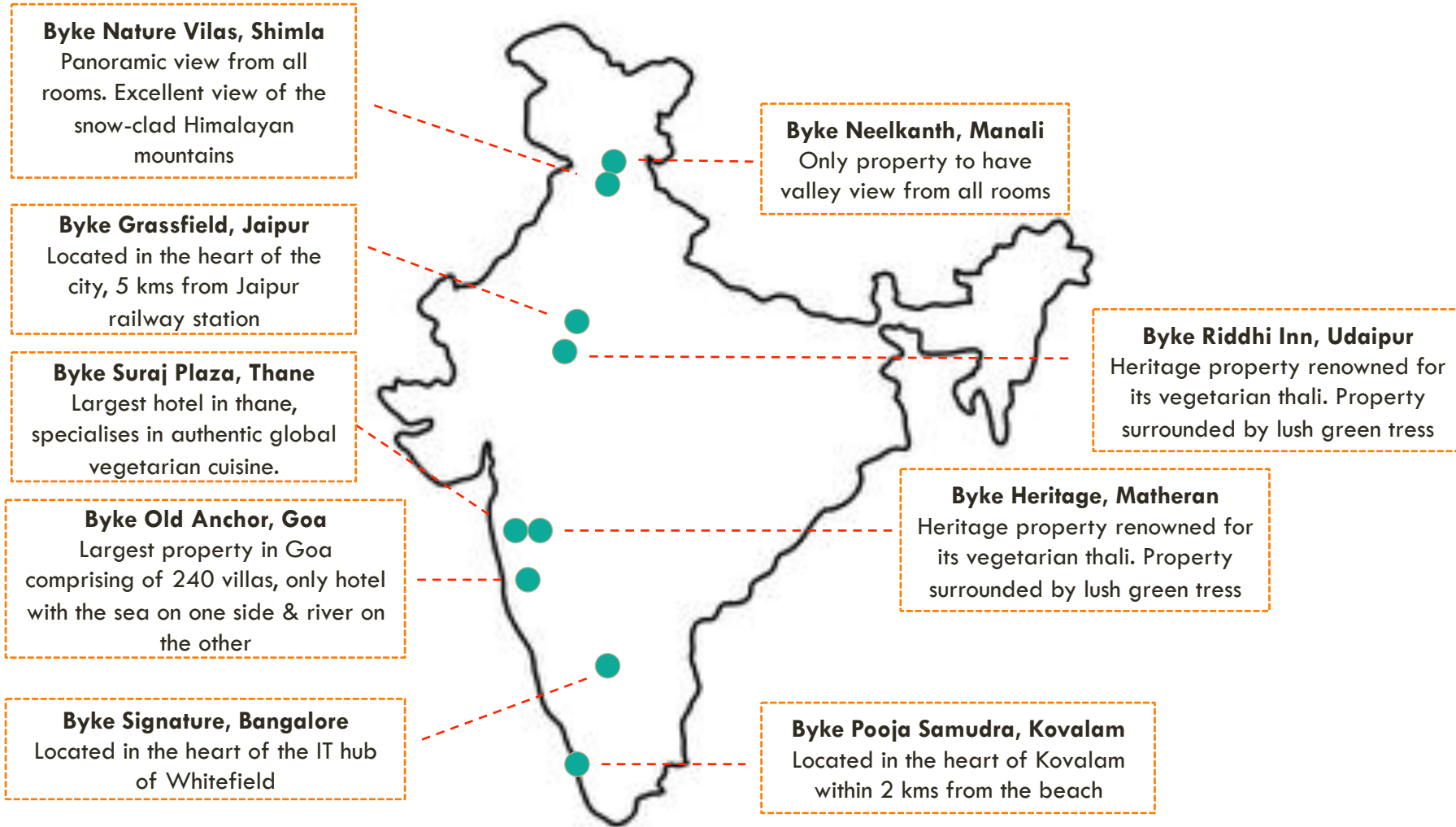
Forayed into Management Contracts with 2 Hotels: Dwarka (37 rooms) & Jungadh (39 rooms)

Hotel Portfolio as on Nov'18

Number of Rooms and Properties



Properties with Unique Selling Propostions



Key Strengths and Drivers

Well placed to tap the increasing domestic discretionary spending

- Domestic tourism continues to be over 80% of the total tourist expenditure in India
 - The rising purchasing power has aided the exponential growth of domestic tourism which is expected to continue to increase with increasing urbanisation, higher disposable incomes and changing aspirations of the expanding middle class
 - A growing middle class has created demand for branded budget hotels for the domestic travellers
-

Indian hotel industry is at an inflection point

- Slowing supply and rising demand is expected to increase occupancy and ADR
 - Robust demand with occupancies at ~64-66% in FY16-18 vs. 59% over FY09-15 which is expected to drive healthy ARR growth over the next 2-3 years
 - Increasing ARR would lead to massive operating leverage
-

Byke has created a distinct brand in the budget hotels category

- Targets middle class segment of the society, which forms the principal part of the Indian population.
 - Most of Byke's hotels and resorts are located in tier-2 and mini metros namely; Matheran, Goa, Jaipur, Manali, etc.
 - Niche in vegetarian segment - Restaurants/ Banquets in all hotels serve pure vegetarian food
-

Key Strengths and Drivers

Asset light business model

- Properties are taken on a long term lease of 15-20 years
 - Low capital requirement (only capex for rebranding and refurbishing) leading to break-even at low occupancy
 - Robust balance sheet with negligible debt, healthy return ratios (ROCE>30%) and stable working capital cycle
 - Healthy cash flow generation in the last five years due to better operational management and robust growth
-

Diversifies revenue mix with focus on high margin F&B and events business

- Most of the properties have multiple banquets/ conference halls/ garden to host corporate as well as social events
 - F&B and events contribution to hotel revenue steadily increasing; now over 50% share
 - Helps to maximise revenue potential of the property even during non-peak travel season
-

Present across sales channels

- Owned plus leased hotel portfolio can be booked across channels: own portal, third-party portal, agents
 - Wide distribution network tie-up with over 300 agents which enables to maximise occupancy
-

Experienced management team

- Leadership team with decades of experience in the hotel industry
- Have successfully turned around properties leading to higher occupancy and ARR

Growth Strategy

- Identified new states and cities for expansion
- Cluster based approach – target multiple tourist locations near to each other

- India hotel sector at cusp of recovery with increase in occupancy levels across segments, which would further increase ARR in coming years

Geographical Expansion

Increase in Event/F&B Revenues

Increase in ARR

Management Contracts

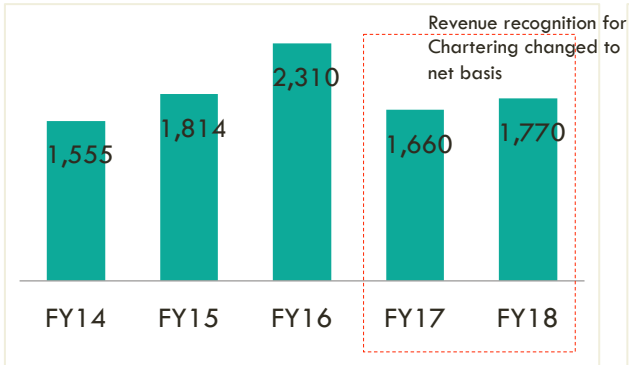
- Target properties with multiple sources of revenue – places to host corporate and social events
- Focus on marketing properties around events

- Foray into management contracts by leveraging Byke as a brand in exchange for management income

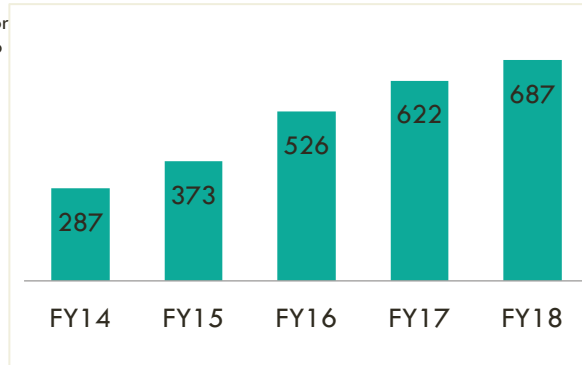
Financial Highlights

5-year Consolidated Financial Highlights

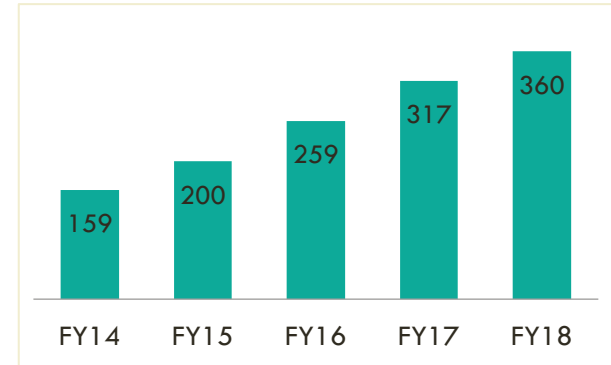
Revenue (Rs Mn)



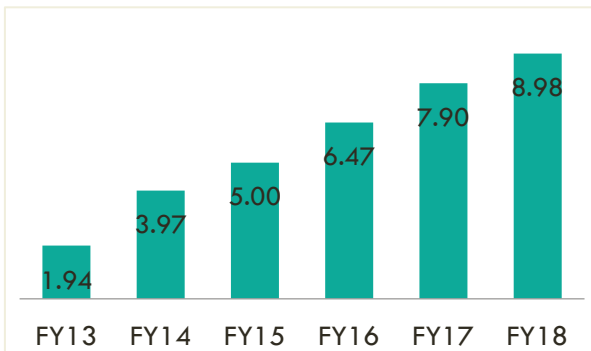
EBITDA (Rs Mn)



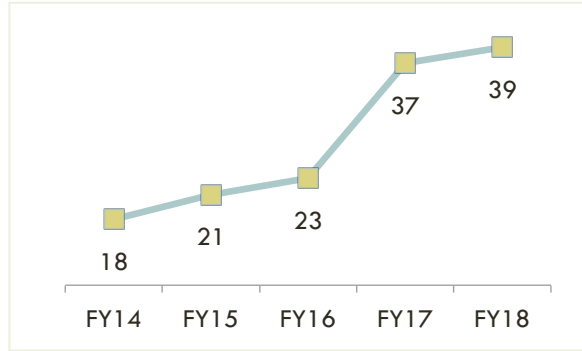
PAT (Rs Mn)



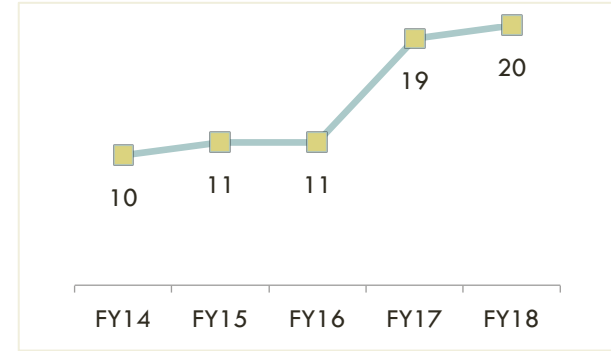
EPS* (Rs.)



EBITDA Margin (%)



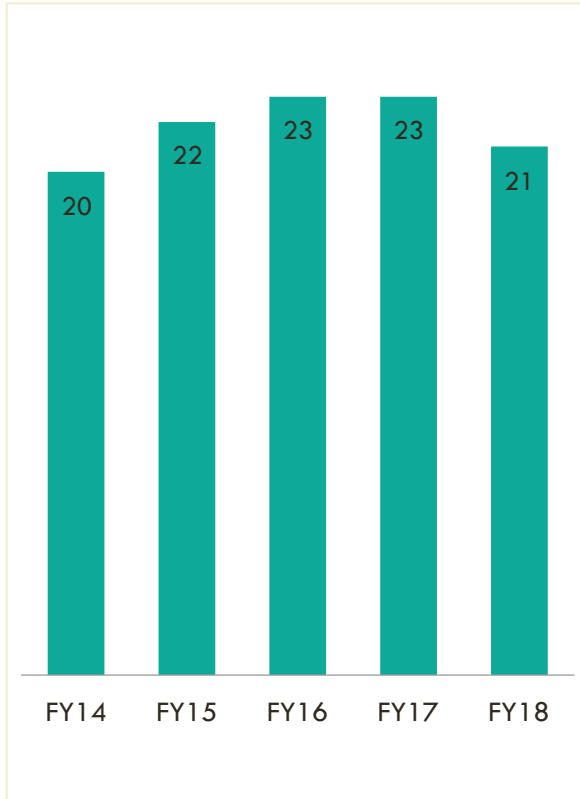
PAT Margin (%)



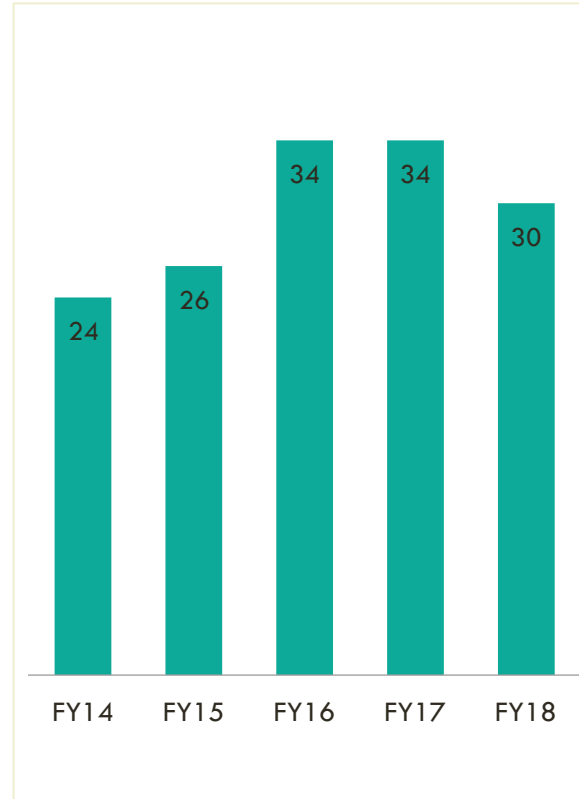
*In FY15, Company has issued bonus shares in ratio 1:1; prior period EPS has been adjusted for the same

5-year Consolidated Financial Highlights

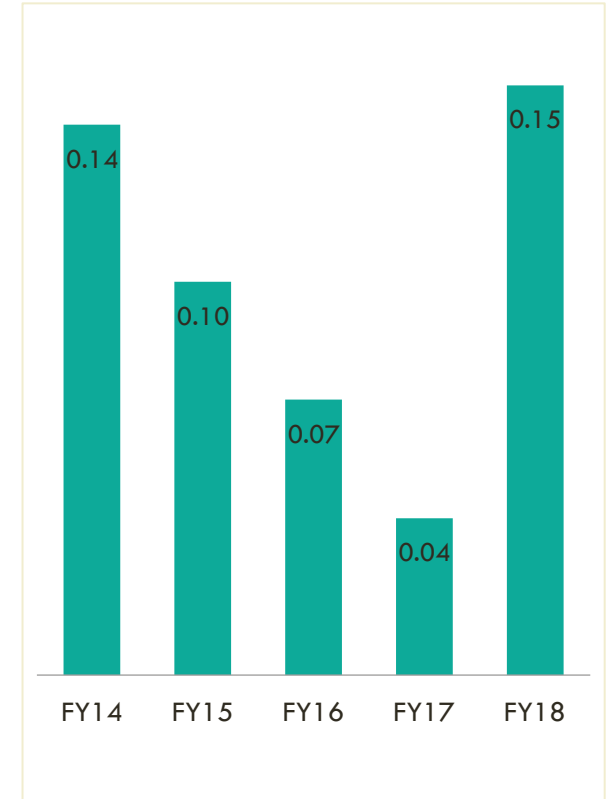
Return on Equity (%)



Return on Capital Employed (%)



Debt/Equity



ROE = PAT / Average Net Worth; ROCE = EBIT / Average Capital Employed; Asset Turnover Ratio = Revenue/Average Total Assets

Contact Us



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