EIH Limited
A MEMBER OF THE OBEROI GROUP

17th August 2026

The National Stock Exchange of India Limited	The BSE Limited
Exchange Plaza, 5th Floor	Corporate Relationship Dept.
Plot No. C/1, G Block	1st Floor, New Trading Ring,
Bandra Kurla Complex	Rotunda Building
Bandra(E)	Phiroze Jeejeebhoy Towers
Mumbai – 400051	Dalal Street, Fort
Code: EIHOTEL	Mumbai – 400001
	Code: 500840

Sub: Transcript of Investor Meet / Call held on 12th August 2026

Dear Sirs / Madam,

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby submit transcript of the Investor Meet/Call held on 12th August 2026, in respect of Unaudited Financial Results of the Company for the quarter ended 30th June 2026, which were considered and approved by the Board of Directors of the Company, at its Meeting held on 6th August 2026.

The above may please be taken on record.

Thank you,

Yours faithfully,

For EIH Limited

Lalit Kumar Sharma
Digitally signed by Lalit Kumar Sharma
Date: 2026.08.17 18:46:18 +05'30'

Lalit Kumar Sharma
Company Secretary

TRANSCRIPT

Q1FY27 Result Webinar

of

EIH Limited
A MEMBER OF THE OBEROI GROUP

Oberoi HOTELS & RESORTS   TRIDENT HOTELS

on **Wednesday, August 12, 2026**

Mr. Vikram Oberoi, MD & CEO
Mr. Vineet Kapur, CFO

SKP SECURITIES LTD
creating prosperity

Navin B. Agrawal | Head, Institutional Equities

+91 98200 27446 | navin.agrawal@skpsecurities.com

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Good morning, ladies and gentlemen, and thank you for attending this virtual meeting. I'm pleased to welcome you on behalf of EIH Ltd. and SKP Securities to EIH Ltd.'s Q1 FY27 earnings webinar.

We have with us Mr. Vikram Oberoi, Managing Director and Chief Executive Officer, and Mr. Vineet Kapur, Chief Financial Officer. Friends, this virtual meeting is being recorded for compliance reasons, and during the discussion, there may be certain forward-looking statements that must be reviewed in conjunction with the risks that the company faces. We'll have the opening remarks from Mr. Oberoi, followed by a Q&A session. Thank you, and over to you, Vikram.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

Good morning, ladies and gentlemen, and a warm welcome. You would have seen our Q1 results, and there are just a couple of points I'd like to highlight.

One is that we had both on standalone and consolidated strong revenue growth. EBITDA margin was impacted for several reasons, which Vineet and I will cover during the presentation. And the other point I wanted to highlight was that really what has stood out for us is strong domestic demand. Despite the West Asia crisis that impacted foreign arrivals at our hotels, we were still able to do well and drive revenue growth, largely driven by the domestic market. With that, I will hand over to Vineet to make the presentation, and then we'll be able to answer any questions that you have. Thank you very much.

Mr. Vineet Kapur – CFO, EIH Ltd:

Thank you, Vikram. Good morning, everyone, and thank you for joining us. We'll begin with a brief overview of our performance for the quarter, followed by key business updates, and then we'll open the floor for questions.

Industry Performance:

The industry performance for Q1 was positive, both for occupancy and ARR. Occupancy was higher by 2 to 4 percent, and ARR by 6 to 8 percent. The domestic demand offset the impact of lower foreign bookings on account of geopolitical situation. For the current year, we continue to see increase in ARR due to limited supply, and MICE events like BRICS as well as Aviation show, which will happen in the later part of the year. And we hope and expect the foreign tourist arrivals coming back to normalcy in Q3 and Q4.

We are working on a robust expansion plan of almost 30 new properties, which will be in operation by 2031, which includes managed as well as our owned hotels.

RevPAR Leadership over STR Competition Set

EIH continues to maintain leadership over the competition set. In Q1, EIH hotels occupancy improved. So MPI was at 108 as compared to 106 last year, though the ARI was almost flat, both 115 and 115. But the increase in occupancy helped us grow the RGI, where we went from 121 to 125 percent over our comp set.

14 out of 15 hotels are ranked 1st and 2nd, wherein STR provides benchmarking. Out of that, 8 hotels

are ranked 1st and 6 hotels are ranked 2nd in the comp set.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

Vineet, may I just add a couple of things that may be relevant. And I'm sure people on the call will be aware of this. So sorry if you're aware of what I'm saying. Please forgive me.

People give data on comp set information. And really, depending on who you select as your comp set, you can get varying numbers. And I think it's important for one to understand which hotels are on the comp set, because if you really were to do it, establish your comp set with doing it as fairly as possible to truly reflect who your competitors are, then your RGI numbers are really of value. If you select competitors to show good numbers, then obviously relative to the competition you've selected, you will do better.

So I think it's very important at EIH, I can say with absolute assurance that we select our comp set based on what we believe are our true competitors. We do not do it with the objective of showing good numbers. We do it with the objective of really measuring ourselves against our competitors. And that's why just a deeper understanding of who the comp set is, is always useful. Then you can really see, are these really your true competitors or not. I just wanted to add that to what Vineet was saying.

Mr. Vineet Kapur – CFO, EIH Ltd:

<u>RevPAR Growth of Oberoi Brand</u>

Thank you. So coming on the next slide, which talks about the RevPAR growth of Oberoi brand. Oberoi brand falls in the luxury segment and luxury segment saw a growth of 13.2% on RevPAR, while Oberoi hotels saw a growth of 8.2% in Q1. Our growth was lower than the industry, mainly because of Oberoi Rajgarh, which got added last year. And that is still in the ramp up and the stabilization stage. If we exclude Rajgarh, our RevPAR growth was 11.4%. And considering that we are already working on a very higher base, the growth of 11.4% was still substantial.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

Vinit, can I just add one thing for Oberoi, also is, and it applies to a lesser extent to Trident. Oberoi hotels attract a higher percentage of foreign business. And that was impacted because of the West Asia crisis. So it's Rajgarh of course, but it's also the West Asia crisis and the decline we saw in people coming in from overseas markets. Of course, we saw buoyant domestic demand, but international rates typically or international guest propensity to pay is higher than it is domestically.

Mr. Vineet Kapur – CFO, EIH Ltd:

The next slide reflects about the Trident brand, which falls in upper upscale segment. For Q1, this segment saw a growth of 9.2% for the industry, while Trident hotels had a growth of 13.8%, both on account of occupancy and ARR.

Our hotels in Mumbai, both TNP and BKC did well in terms of both occupancy and ARR, which reflected a good growth versus the industry for our brand. And if you look at RGI, we were at 162 versus 155 last year.

<u>Occupancy Trends</u>

Q1 occupancy trend for the quarter was higher than last year. Last year got impacted, especially May, got impacted by Operation Sindoor, which resulted in occupancy de-growth and was down to 62%. So we saw a good occupancy as well as ARR growth in Q1. And that was in spite of the fact that we got impacted by the Iran-US war, mainly because of foreign tourists.

But because of good domestic demand and positive trends, we were able to offset that. And in overall, in net, our RevPAR grew from 11,352 to 12,801. This is for all hotels, including managed.

When we look at only the owned hotels, same trend, we were able to see a good occupancy growth both for May and June. Also ARR increased in all the months, which helped us to increase our RevPAR from 13,000 to almost 15,000 at the end of the quarter one.

Q1 RevPAR Growth by City

Looking at the RevPAR growth by city, all cities showed a healthy trend of growth. We saw the biggest increase happening in Shimla and Chandigarh, mainly because of last year where they had got badly impacted by Operation Sindoor. Mumbai had a good domestic demand on account of MICE activities, which resulted in a good RevPAR growth for the city. Jaipur got impacted because of lower foreign tourists and foreign bookings. While at Hyderabad, we had hosted the Miss World event last year, which had resulted in a good occupancy as well as RevPAR. Hence, in the current year, RevPAR was lower in comparison to the last year in Hyderabad.

Room Revenue Trends

Looking at the room revenue trends, we are almost seeing similar trends to last year, no fundamental change. Same percentage, same trends, nothing to comment further.

Financial Performance

We'll move to the financials for the quarter. We continue to grow our revenue as well as our EBITDA and PAT. For the Q1 FY27, our revenue was at Rs 698 crores as compared to Rs 609 crores of last year, healthy 15% growth in revenue. We also grew on EBITDA from Rs 195 crores to Rs 207 crores.

On PAT, the growth was much higher, but last year was not comparable because we had a one-time impact of Mashobra. If you don't consider that on a year over year trend, our PAT continues to grow year over year. And we ended the quarter at Rs 120 crores of net PAT.

Same trends for Standalone performance, same numbers in terms of revenue growth as well as EBITDA and the PAT, in line with our consolidated numbers.

If you look at our cash flow funds position, we continue to have healthy cash balance at the end of the quarter. And it enable us to support our long term growth plans in the coming next three to four years.

Looking at the consolidated funds movement for the quarter, the cash flow from operations was Rs 183 crores. We spent, out of that, Rs 148 crores on CAPEX and the projects which were already planned. In net, we increased our our funds by almost 23 crores for the quarter.

Looking at the financial statements, as I mentioned before, we ended the quarter with a revenue of Rs 698 crores as compared to Rs 609 crores last year, which was a healthy growth of 15%. EBITDA grew from Rs 195 crores to Rs 207 crores. It was not in the same line as revenue growth because of a couple of impacts we had.

One is, we had Oberoi Rajgarh got operational in Q3 of last year, which is still in the ramp up stage and stabilization phase. So that is impacting our EBITDA percentage for the quarter. On top of that, we also had a few expenditure which we had done. We had higher marketing expenditure to make sure that we have our domestic bookings take care of the occupancy in Q1. At the same time, we spent a little more on IT in Q1 to support our automation and AI drive. At the same time, we had some write-off because of renovations at our Mumbai hotels. So due to all those reasons, our EBITDA was not in line with the revenue. PAT was at 120 Crores. Not comparable to last year because we had last year impact of 110 crores on account of Mashobra.

Same for standalone, it's exactly the same, nothing different. The same impacts in terms of numbers, so I will not talk about it. It's in the same line as our consolidated numbers.

Awards & Accolades

Looking at awards and accolades, we continue to get awards for our hotels all across India. In particular, the highlight this quarter is the number of awards which we have got for The Oberoi Rajgarh Palace. We got five awards for Rajgarh Palace in this quarter.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

I'll just add to that. I mean, Rajgarh opened in November and it already has received considerable recognition. And these awards and accolades are important, not only to promote the hotel in the domestic market, but equally in the international market. So we continue to receive very, very positive feedback on Rajgarh Palace.

Mr. Vineet Kapur – CFO, EIH Ltd:

Expansion Plans

So coming to our expansion plans, these are our seven properties directly owned as well as through associates. The seven hotels which are in the pipeline have been presented with the expected year of opening. Most of them domestic except for one international, The Oberoi London, wherein expected year of opening is 2028.

For Hebbal, just to highlight on top of the two hotels which we are going to have in Hebbal, both Oberoi and Trident. We also have a retail and F&B space of almost 7.63 lakhs, which will come along with our hotels in Bangalore.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

And the total development area for Bangalore is over 1.3 million square feet.

Mr. Vineet Kapur – CFO, EIH Ltd:

Pipeline Summary

So looking at the pipeline summary for managed hotels, total number of hotels which are in the pipeline, both Oberoi and Trident is 23, with number of keys of 1,833. There was a reduction of one property in this pipeline, which has gone beyond 2032, has got delayed. And because of that, there is an impact of one hotel as well as 60 number of keys, which has been postponed beyond 2032. So we are not covering that in this list. We are only covering the hotels which will be in operation in the next five years.

Next slide shows our footprint of total 3,801 keys in India and 408 keys international. Except for last year, where we added Oberoi, Rajgarh and Bandhavgarh, most of the additions will be coming in next two to three years' time. I'm through with the presentation. I'll leave the time for questions.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you, Vikram. Thank you, Vineet. Friends, we now open the floor for the Q&A session. Anyone wishing to ask a question, please raise your hand and we'll take it up.

We'll take the first question from Deepak Saha. Deepak, please unmute yourself and go ahead.

Mr. Deepak Saha – Participant:

Thanks, Navin. Thanks for the opportunity. And thanks, Vikram sir and Vineet sir. So just a couple of questions on the existing quarter.

So if I say, Q1 numbers, 14% RevPAR growth, but EBITDA growth obviously highlighted. But just trying to understand, did we have higher share of flight services business, which also impacted the margin? And a follow up on that, how should we look at that revenue and EBITDA gap from a full year point of view? Because you mentioned renovation expenses, then ramp up of Rajgarh, right? Should we, you know, kind of model out these things to persist in the upcoming quarters or the expenses are more likely to moderate in the coming quarters from a full year point of view? These are the first two questions. Thank you.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

Good morning, Deepak, I'll first address your point on renovations. You know, India businesses seasonal occupancies fall between April and October and then rise in the winter months. That's more prevalent in leisure locations and less prevalent in city locations. But our endeavor always is to minimize any revenue loss and therefore renovations are done during these months.

In Bombay, both at The Oberoi Mumbai and Trident Nariman Point, in Q1, the renovations of rooms has taken place and that will be complete for the months starting October. So come winter, there will be no impact. You also saw strong growth in Bombay.

The Trident Nariman Point is a large hotel of 585 keys. So really, the revenue loss at that hotel is negligible, if at all. And similarly at the Oberoi Mumbai and similarly with other renovations that we do, the objective is always to ensure that there's really no revenue loss. And we block out and take out areas accordingly.

On The Oberoi Rajgarh, again, Rajgarh is an Oberoi leisure hotel in Khajuraho. And the first or the summer months are very slow months for two reasons. One is generally the hot climate in Madhya Pradesh, which attracts less guests and both domestic and international and also the fact that it's a new hotel. We expect the winter months starting October to do considerably better. I think those were the two things you had asked.

Oh, you also asked about the flight kitchen business. The flight kitchen business absolutely has shown strong growth over last year as well. Again, driven by good performance on the domestic airlines that we cater to and also to the international airlines that operate directly from Europe and North America into India.

Mr. Deepak Saha – Participant:

Got it. That's helpful. My second question, when I look quarterly numbers, 14% RevPAR growth, but May and June indicates together 22% kind of a RevPAR growth, right? So just trying to understand, do we see this trend persist both in the month of June and May, the kind of trend on the RevPAR side we have seen? How are we looking for the remainder of the year? Is this trend kind of persisting or is there any one off on those particular quarters? Because 22% month growth rate that we have seen very strong.

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

Yeah, I mean, we typically don't make forward statements, but and it's impossible to really give you a fair picture of particularly through Q4, because we really look at business on books today vis-a-vis the same time last year. What I can say is for the next quarter, which is Q2, business on books vis-a-vis the same time last year is very positive.

Mr. Deepak Saha – Participant:

Just a follow-up on that, Vikram sir. If we see last year, I mean, we have say BRICS Summit next quarter, right? And this quarter we have BRICS Summit. And if I see your Q4 number, despite 6% RevPAR growth, February month, you delivered almost 22% RevPAR growth. And we had AI Summit in the same quarter from Delhi. So can we expect similar kind of advantage or tailwind for this quarter as well? Because I think Delhi is almost 10% of the total owned keys. So just, I'm not looking for guidance, but directionally, how should we look into that?

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

I think when they're large events and there are two events, there's also an event in Bangalore, which is the air show. And that has a ripple effect across other cities as well, because people coming in from overseas may not just limit their travel to Bangalore. They'll travel to Delhi, possibly Bombay as well, one or both those cities. So there is a ripple effect across. So anytime there's a big event, it has a beneficial impact for the city as well as for other cities as well.

Mr. Deepak Saha – Participant:

Got it. Got it. One last question before I fall back on the queue.

On the Kolkata Oberoi site, now the revised timeline, if you can just help us understand what is the nature of this delay and how firm the revised timeline is? Because 2029 seems to be a little far and how firm, these revised timelines is and what exactly led to this kind of delay versus our earlier expectation of say 2028, when we are expecting all the phases to get completed and open that particular hotel?

Mr. Vikram Oberoi – MD & CEO, EIH Limited:

So Kolkata is an unusual hotel because it's a very old historic building. And anytime you're doing a restoration of an old building, there are unknown factors. Now, what we need to ensure is that the building is completely compliant to safety regulations of today. And when we opened the building up to really see the state of the building, considerable work was required to ensure that it complies with today's safety regulations. This isn't just fire safety but this is also structural safety and you can appreciate how old the hotel is and the need to ensure that that's done. So, that was one factor and a large contribution to the change in timeline.

Also, I don't know if you're aware, but there was about 2 months ago, just over 2 months ago, an incident that took place in Kolkata where 15 people tragically were killed and all construction in Kolkata was halted. Now, when an event like that happens and construction is halted, it may seem, oh, you'd say it's only 2 months, but there's demobilization, mobilization again, ramp up again, and that's also caused a delay. This stoppage in Kolkata is still there today and the authorities are assessing individual building by building and then giving approvals to start work if they find that there are no safety-related issues. Obviously, at our site, there are no safety-related issues. So, we hope to be able to start with the work again.

So, these are the two main factors. The first one is obviously the most significant one but delay is because of things that are beyond our control also have led to a delay. But what I can assure you is that Kolkata is going to be a very special hotel and will set a new benchmark for heritage hotels, not only in West Bengal, but also in the nation. And it's something that we as a country and as an Indian company are very proud of.

Mr. Deepak Saha – Participant:

Thank you. That's really helpful, thank you. And all the best.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thank you so much. Thanks, Deepak.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you, Vikas. We will take the next question from Vaibhav Mulay. Vaibhav, please unmute yourself and go ahead.

Mr. Vaibhav Mulay – Participant:

Hi, thanks for the opportunity. Hi, Vikram. Hi, Vineet. My first question was on flight catering business. It was a follow-up to previous participant's question. How much was the impact of the change in revenue mix in favor of flight catering business on our Operating margins in this quarter? And you also generally provide the revenue number for the flight catering business, if you can help with that as well.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Yeah, Vineet, I don't have that number with me and we're not sitting together.

Mr. Vineet Kapur - CFO, EIH Ltd:

For OFS business, we had a very healthy revenue growth in the quarter. For Q1, OFS business recorded a revenue of Rs 154 crores.

Mr. Vaibhav Mulay – Participant:

Great! And how was this driven by? Mainly due to new additions in terms of our clients or from higher volumes from the existing clients?

Mr. Vineet Kapur - CFO, EIH Ltd:

This is because of new flights which were added by the operations and also because of higher business, which we got from international airlines who were mainly running direct flights out of India.

Mr. Vaibhav Mulay – Participant:

Okay. And regarding the mixed change impact on the margins?

Mr. Vineet Kapur - CFO, EIH Ltd:

OFS business was profitable. I would not say it impacted much on the margins.

Mr. Vaibhav Mulay – Participant:

All right. Second question on the growth in our brands. Trident has actually seen a very strong growth of 13.8% RevPAR compared to relatively lower growth in Oberoi. So, what was the driver for higher growth in Trident for this quarter?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

First of all, hello, Vaibhav. And I think I mentioned that in the beginning, but I'll say it again. One is that Oberoi does receive a larger percentage of foreign travel and foreign travel was impacted; that's one reason. We also have seen very strong demand in Bombay and this actually even includes the Oberoi Bombay in addition to the 2 Tridents. So, I know you're referring to the Trident numbers, and the 2 Trident hotels in Bombay have a large key count. I mentioned Trident, Nariman Point has 585 keys and Trident, Bandra Kurla has 430 keys. So, these are large, large hotels that have done very well.

Mr. Vaibhav Mulay – Participant:

Understood, Sir. Just lastly, if I can add on the Oberoi Rajgarh piece, we have seen relatively subdued performance in the summer markets. Can you provide some color in terms of how much time will it take for this hotel to stabilize going forward? And what kind of growth can we expect in the winter season?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

It typically takes hotels 3 years to stabilize and leisure hotels typically take a longer time. If you're in a city hotel, if the market is very buoyant, it could take well under 3 years. We saw that with The Oberoi, New Delhi that ramped up very quickly. It was an existing hotel. My guess is The Oberoi Grand will be similar because it's an existing hotel in a city location, a prime city location. Leisure hotels depend on our travel partners also promoting the hotel and the destination and that takes a longer lead time.

So, to answer your question precisely, I would say that it will take 3 years for the hotel to stabilize.

Mr. Vaibhav Mulay – Participant:

Understood. Perfect. Thank you and all the best.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thank you very much.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you, Vaibhav. We take the next question from Amit Agarwal. Amit, please unmute yourself and go ahead.

Mr. Amit Agarwal – Participant:

Good morning, everyone. How are you?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Hello, Amit. Very well. How are you, Amit?

Mr. Amit Agarwal – Participant:

My question was regarding Wildflower. Have we bid for that? Can you throw the number, what was our bid?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Amit, I'll try and answer that question. The date for the qualifying bid has been changed from 26th of August to the 10th of September and that's really all I can tell you at this point.

Mr. Amit Agarwal – Participant:

So, that day the winner will be announced or that's the date?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

No, there are two parts to it. One is a qualifying bid and then there's a second part which is a live auction as well. So, those are the two parts.

Mr. Amit Agarwal – Participant:

Okay. And my second question is regarding Grand Hotel.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Yes.

Mr. Amit Agarwal – Participant:

How much of the work is complete there because it's been under construction for 2 years now almost?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Yeah, I couldn't give you the answer to that question and I'll tell you why that's a very difficult question to answer. I think the hotel is scheduled to open in September'2028. So, that'll give you an indication of where we are. But civil work, structural work is much quicker than interior finishes. Interior finishes take considerable time. So, it's very hard for me to say X% is complete and Y% is left. But we're hopeful of the hotel opening in September of 2028.

Mr. Amit Agarwal – Participant:

And can you throw the number of rooms we'll be having in that hotel?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Yes, 197 keys.

Mr. Amit Agarwal – Participant:

Is that the same number we had earlier also or have you increased the number?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

I think it'll be about the same number. I don't think there's any significant, I think the earlier one may have been, and I don't remember what it was, 200 keys. So, it's really a 2-3 key difference. The number has not changed in any significant way.

Mr. Amit Agarwal – Participant:

Okay, thank you. That's from my side. Best of luck for the future. Thank you.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thanks, Amit. Thank you so much.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you, Amit. We'll take the next question from Madhav Agarwal. Madhav, please unmute yourself and go ahead.

Mr. Madhav Agarwal – Participant:

Yes. Hi, thanks for the opportunity. So, I wanted to confirm the opening dates. So, for your owned Goa hotel, in the presentation you mentioned expected year of opening to be 2028. But in the Annual Report, if I see, you have mentioned the operations will commence in late 2029. Similarly, for Tirupati and Hebbal, like if you can confirm the expected year openings?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

I would say, the Annual Report would be a fair report to go by as far as opening dates are concerned.

Mr. Madhav Agarwal – Participant:

Okay. And just to confirm, so on the profitability front, so mainly the impact on the EBITDA margins, what you mentioned, so fundamentally margins, for the existing hotels, they should go up, right, because as you have taken rate hikes and all. The impact is mainly on account of the mixed change and the marketing expenses and IT expenses, right?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

And also renovation as well. And renovations will continue. Of course, we're over in Q1 but renovations also taking place in Q2. In Q3 and Q4, there will be really no significant renovation.

Mr. Madhav Agarwal – Participant:

Thanks. Thanks.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd::

Thanks, Madhav.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you, Madhav. We'll take the next question from Raghav Malik. Raghav, please unmute yourself and go ahead.

Mr. Raghav Malik – Participant:

Yeah, hi. Am I, am I audible?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Yes, absolutely

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Yes, loud and clear.

Mr. Raghav Malik – Participant:

Okay, thank you. Thank you for the opportunity. Just wanted to ask, you know, specifically on the Mumbai market, your portfolio has grown pretty phenomenally compared to what the peer set has reported. So, you mentioned Trident had substantial growth, there's also renovations as a result of which, you know, you may have got better pricing. But is this something that we can sustainably see and anything you can, you know, comment about the underlying Mumbai market and how that's, you know, tracking?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

So, really, the Bombay market has been strong. And I'm sure that's reflected in, if you have access to STR data for the city, it'll be reflective of that. I think we've done better than market and our endeavor always is to do better than market.

Mr. Raghav Malik – Participant:

Sure. And this number, like 20%, like this outperformance could kind of track similarly going ahead given, you know, recent renovations and rising increase and better occupancy for Trident?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

All I can tell you is that we will do our best to drive RevPAR, which is a function of occupancy and average room rates. I really don't want to comment on whether it's going to be 20% going forward but our endeavor is always to do the best we can.

Mr. Raghav Malik – Participant:

Sure, sure, I understand. Thank you. And the next question is on foreign tourists, so, obviously, there'd be some recovery there. Could you just give us like the mix maybe or some indication of where foreign tourists are now trending at in, you know, the recent months post the quarter or…? Yeah.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

So, in Q1, there was a fall in international guests coming to our hotels and we saw that in any hotel that has a dependency on foreign visitors staying at the hotel. In Q2, that we would expect that trend to continue just given what's happening in West Asia. So, let's hope that things stabilize for Q3 and Q4. And if that were to happen, which I hope it happens, foreign business should be strong.

Mr. Raghav Malik – Participant:

Sure. That's very helpful. Those were my questions. Thank you and good luck.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thank you so much. Thanks. Thanks, Raghav.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thanks, Raghav.

Friends, anyone with a question, request to please raise your hand and we'll take it up. We'll take the next question from Rajeev Bharti. Rajeev, please unmute yourself and go ahead.

Mr. Rajeev Bharti – Participant:

Hello. Good morning, Sir. Thanks for the opportunity. Sir, on this renovation bit, what are the policies in terms of capitalizing and passing it through the P&L?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

So, the entire cost of the renovation is capitalized.

And Vineet, do you want to answer that? If there are any items that have a book value that are not going to be used, that has to be written off. But Vineet, over to you, if you want to expand on this.

Mr. Vineet Kapur - CFO, EIH Ltd:

So, we normally follow the rules as per the Companies Act for depreciating all our assets, the buildings, furniture fixtures, and all the others separately. If the renovation happens, and there is some life in the asset, which is still not being used, that is written off and charged to the P&L.

Mr. Rajeev Bharti – Participant:

Sure. So, in this quarter's P&L, actually there is no renovation related CapEx, I mean, partly which is running through the OpEx line item, right? Because if I, let us say, strip out the past profitability levels of your OFS business from your given EBITDA number and also something on the fee business also, if you can call out what is the fee you generated this time. In the base business, EBITDA seems to be down some 400 basis point in terms of the standalone EBITDA adjusted for these 2 line items. So, just want to understand.

Mr. Vineet Kapur - CFO, EIH Ltd:

So, if I just bifurcate that amount and look at last year EBITDA, on a like-to-like basis without Rajgarh itself, as against our 29% EBITDA for the current quarter, if I look at like-to-like basis and take out the Rajgarh, that brings our EBITDA to almost 30.6%. And if I compare that with last year, we have an impact of roughly ₹9 crores for the quarter.

As we had mentioned, we got impacted by a few other factors in the quarter. One is the power and fuel went up because of the Hormuz crisis, the Iran-US war. That had impact on our costs because of the increase in cost at the hotels. We had done almost ₹4 crores of extra marketing expenditure to make sure that we get extra domestic bookings to offset the international tourist arrivals, which was actually below by 10% in Q1. We had also done some IT related expenditure for doing on automation. And we had an impact because of renovation, which was to the tune of ₹6-₹7 crores.

Mr. Rajeev Bharti – Participant:

Sure. Can you call out what is the fee which we have generated this quarter and the base quarter as well, just to get a sense? Is there any leverage there?

Mr. Vineet Kapur - CFO, EIH Ltd:

What's that, sorry?

Mr. Rajeev Bharti – Participant:

The management fee?

Mr. Vineet Kapur - CFO, EIH Ltd:

That details, we normally don't disclose that separately. Not at this point.

Mr. Rajeev Bharti – Participant:

Sure. That's all from my side. Thanks a lot.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thank you, cheers.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thanks, Rajeev.

Friends, anyone with a question, please raise your hand. Amit Agarwal, please unmute yourself and go ahead. Amit, do you have a follow-up question?

Friends, anyone with a question, request you to please raise your hand. Vaibhav has a follow-up question.

Vaibhav, please unmute yourself.

Mr. Vaibhav Mulay – Participant:

Hi, thanks for the follow-up. I just had a question regarding our F&B revenue for the quarter. If I do a quick math, our room revenue is growing at a healthy pace, in high teens, while our flight catering business has also done very well but that translates to slightly negative revenue growth or a revenue decline for F&B and other income streams. Is that a correct presumption? And what is the outlook for F&B and other income growing, you know, going forward?

Mr. Vineet Kapur - CFO, EIH Ltd:

So, you know, if I look at the quarter, I think our F&B revenue also had increased versus last year. So, there is no degrowth. And, again, I would say when you dissect, you have to take out the element of the Rajgarh, which got impacted in Q1, which was not there last year. Otherwise, F&B revenue also had a healthy growth. We almost recorded 6%-7% growth on F&B.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Just sorry. Vineet, just one correction, and, again, if I have got this number wrong, please, please correct me, but the write-off from renovations was, if I remember correctly, ₹7.5 crores.

Mr. Vineet Kapur - CFO, EIH Ltd:

Yeah, correct.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

I think you gave a slightly lower number.

Mr. Vineet Kapur - CFO, EIH Ltd:

Okay.

Mr. Vaibhav Mulay – Participant:

All right. And just second question on our operating inventory for Q1 on account of renovation, how much was the impact on the operational inventory? And going forward, especially in Q2, is there any significant impact on operational inventory due to renovation?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

So, in fact, in South Bombay, we'll finish the 4-floors, 120 keys, one month ahead of schedule. So, instead of finishing in October, we'll finish in September. We're ahead of time for that. We're also doing one floor at a time at The Oberoi, Bombay. And we now in Q2 are also doing rooms at The Oberoi, Bangalore, 18 rooms at a time. And further 57 rooms at Trident, Bandra Kurla. All of these will be finished before October.

Mr. Vineet Kapur - CFO, EIH Ltd:

And most of these renovations are happening in the summertime, when our occupancy is low, so it has a minimum impact on the revenue and the profitability.

Mr. Vaibhav Mulay – Participant:

Perfectly understood. Thank you.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you.

Friends, anyone with a question, please raise your hand. Since there are no further questions…One second, Rajeev has a follow-up question. Rajeev, go ahead.

Mr. Rajeev Bharti – Participant:

Yeah, thanks for the follow-up. Just on the employee cost line item, both in Q4 and Q1, is it safe to assume that this delta, which we are seeing sequentially in Q4 from Q3, ₹50-₹60 crore is from Rajgarh alone? Is that the employee cost of that asset?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Employee costs at Rajgarh are not at that number, Rajeev.

Mr. Vineet Kapur - CFO, EIH Ltd:

So, Rajeev, the employee cost has impacts of increase in headcount versus last year, including increments, including the the labour code impact, which we have taken this year. And also, there is an impact of Oberoi, Rajgarh coming into place but not all increase is attributable to Oberoi, Rajgarh.

Mr. Rajeev Bharti – Participant:

And is it possible to quantify the revenue contribution from Rajgarh this quarter? Did I miss that, already called it out?

Mr. Vineet Kapur - CFO, EIH Ltd:

Rajeev, you are dissecting our P&L. We will not be able to give you that detail.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

But I like the question, Rajeev. That's a great question. Thank you. But one thing that I will say about our industry is that people in our industry work very long hours and if we want to attract good people to our industry and to retain good people and see them grow within the industry, which is important for the future of our industry, we really need to be more mindful of how many hours people are spending at work and at EIH and at our Group companies. We've really made that commitment to reducing the number of hours that people work. It's really including their breaks, etc. We really need to conform to the working hours limits, which is not something that if you go and ask people working in our business, frontline staff in hotels, how many hours they work, they work very, very long hours. Attrition, therefore, is high, recruitment costs are high, training costs are high. The quality of service, therefore, suffers. And we've taken a conscious decision to really address this for all our colleagues within the company. And that has an impact on higher costs as well.

Mr. Rajeev Bharti – Participant:

Sir, last question on the delay, which we have seen, especially in Grand. Does it lead to, let's say, cost overruns also in terms of what you were budgeting earlier? Is there escalation on that number as well?

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

I think delays will have some cost. I'm not talking about Oberoi Grand but I'm just saying. If you ask the question, do delays have an impact on higher costs? Yes, they do have some impact. Depending on what the reasons for the delays are, that may be small or it could be larger, but delays do have impact.

And there's a second impact, which is more significant when there are delays, is that your ability to go to market gets delayed and, therefore, your ability to earn revenue and drive profitability gets delayed.

Mr. Rajeev Bharti – Participant:

That's all from my side. Thanks, all.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thank you.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thanks, Rajeev.

Friends, anyone with a question, please raise your hand.

No one? Okay.

I'd like to hand over the webinar back to Vikram for his closing remarks. Vikram.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Really, nothing too elaborate, Navin. I just wanted to thank everybody. We continue to do the very best we can. We're excited about the new openings, in particular, Hebbal. Hebbal presents a great opportunity just because of the scale of that development and the EBITDA that it will generate for the company with 2 hotels and a mixed-use development or commercial development of over 1.3 million square feet. Goa is another location which we should really be in. And also our other hotel developments, both owned and managed. So, we're excited about the growth.

I hope or I'm confident we will have future news to share with you on our future growth with other opportunities coming to fruition in the not-too-distant future. So, we remain optimistic about the future.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thanks, Vikram.

Vineet, anything from your end?

Mr. Vineet Kapur - CFO, EIH Ltd:

No, nothing.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you very much. On behalf of SKP Securities, thank you very much, Mr. Oberoi and Mr. Kapur, for taking time out to interact with the investors. And we look forward to hosting you again in the next quarterly webinar. Thank you very much.

Thank you, ladies and gentlemen, and have a wonderful day.

Mr. Vineet Kapur - CFO, EIH Ltd:

Thank you. Thank you, everybody.

Mr. Navin Agrawal - Head - Institutional Equities, SKP Securities Ltd:

Thank you, ladies and gentlemen

Mr. Vineet Kapur - CFO, EIH Ltd:

Thanks a lot. Thank you.

Mr. Vikram Oberoi - MD & CEO, EIH Ltd:

Thank you.

END OF TRANSCRIPT