

May 29, 2026

LTTL/L&S/2026-27/05/20

To,
The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Maharashtra, India

The Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Maharashtra, India

Dear Sir/Madam,

Sub : Announcement under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript - Earnings Call - Financial Results for the quarter and financial year ended March 31, 2026

Ref : Le Travenues Technology Limited (the "Company")

NSE Symbol: IXIGO and BSE Scrip Code: 544192

In compliance with Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the transcript of the Earnings Call conducted on May 21, 2026, pertaining to the financial results of the Company for the quarter and financial year ended March 31, 2026.

This transcript is also available on the website of the Company at <https://investors.ixigo.com/>.

This is for your information and records.

Thank you,

For Le Travenues Technology Limited

Suresh Kumar Bhutani
(Group General Counsel, Company Secretary & Compliance Officer)



Le Travenues Technology Limited (“ixigo”)

Q4 FY26 Earnings Conference Call

May 21, 2026



Management: **Mr. Alope Bajpai, Chairman, Managing Director and Group Chief Executive Officer – Le Travenues Technology Limited**

Mr. Rajnish Kumar, Director and Group Co- Chief Executive Officer – Le Travenues Technology Limited

Mr. Saurabh Devendra Singh, Group Chief Financial Officer – Le Travenues Technology Limited

Moderator: **Mr. Anmol Garg – DAM Capital Advisors Limited**



Moderator:

Ladies and gentlemen, good day and welcome to the Le Travenues Technology Q4 & FY2025-'26 Earnings Conference Call hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anmol Garg from DAM Capital Advisors Limited. Thank you, and over to you, sir.

Anmol Garg:

Thank you, Rutuja. Good evening, everyone. On behalf of DAM Capital, I welcome you all to ixigo's Q4 FY26 Earnings Call. We have with us Mr. Alope Bajpai, Chairman, MD and Group CEO of the company; Mr. Rajnish Kumar, Director and the Group Co-CEO of the company; Mr. Saurabh Devendra Singh, Group CFO of the company. Now before I hand over the call to Alope, Saurabh and Rajnish, I would like to highlight the safe harbor statement on the second slide of the presentation and it is assumed to be read and understood. I'll hand over the call to Alope. Thank you.

Alope Bajpai:

Thanks, Anmol. Good evening, everyone and thank you for joining us for our Q4 FY26 Earnings call. At ixigo, we've always believed that in the travel industry, the real test of our business is not what it looks like in ideal conditions, but how it performs when the macro environment is noisy, unpredictable and turbulent.

This year, our diversified business model and customer-first mindset helped us deliver exactly that kind of resilience and growth amidst challenges that the environment kept throwing at us. In FY26, the ixigo Group achieved 34% revenue growth and 28% adjusted EBITDA growth Y-o-Y with a gross transaction value crossing about INR18,693 crores or about USD2 billion for the full year.

Revenue from operations was INR1,228 crores. Contribution margin was INR474 crores. Adjusted EBITDA came in at about INR121 crores and cash flow from operations was a record INR96 crores, a 60% growth Y-o-Y in operating cash flow. Our profit after tax for the full year came in at INR71 crores.

In Q4 FY26, we continue to remain the fastest-growing OTA in India and gained market share in all key categories while continuing to demonstrate operating leverage even against a distinctly high base in Q4 because the corresponding quarter last year benefited from the Maha Kumbh surge.

And despite the uncertainty that the current Middle East situation has created for travel sentiment and the air corridor starting from March this year, we continue to see resilient growth. Let me move to the headline numbers for the quarter. For Q4, we delivered INR4,798 crores of GTV, INR308 crores of revenue from operations, INR121 crores of contribution



margin and over INR30 crores of adjusted EBITDA.

Our PAT for the quarter was the highest ever at INR32 crores for the quarter. What is particularly encouraging to me is not just the absolute scale of these numbers, but the quality of the growth underneath them. Our business is becoming more diversified, more resilient and more balanced.

In Q4, flights became our largest vertical by GTV, while buses became our largest vertical by contribution margin. Trains meanwhile continue to remain a very large strategic and profitable franchise for us. That is exactly the kind of multimodal mix we have been working on towards for years in the past.

Let me now spend a minute on each of the major lines of business because each one tells an important part of the story. Starting with buses. We were the fastest-growing OTA there with 32% growth in passenger segments and 26% growth in GTV despite the high Maha Kumbh base we saw in both volumes and fares.

Buses is now our largest business by contribution margin in Q4 and we continue to see it as our fastest-growing major line of business for the foreseeable future. This category still has a long runway and our growth continues to be driven by strong execution, deep partnerships with our operators, product innovation, especially around peace of mind products and deepening customer trust.

On flights, this is now our largest business by GTV with INR2,018 crores of GTV in the quarter. Passenger segment grew year-on-year by 14%, while GTV grew 18% despite only a 1.2% growth in the market on domestic passenger segments and with a degrowth in the market on international flights in the overall market.

Despite that, we continue to give out double-digit numbers on growth. Sequentially, we have delivered a better contribution margin percentage on this business as well. So if you see, despite the external headwinds that the environment kept throwing at our category, we continue to gain market share.

What gives us confidence is that our growth is not being driven by just one narrow lever. It is being driven by product, by trust, by better customer experience, and by a growing ability to cross-sell and monetize intelligently. On trains, Q4 saw some volume and GTV compression that reflects broader industry and policy changes rather than any company-specific issue.

Despite this environment, we continued to gain OTA market share in trains, reaching 62% last quarter versus 60% a few quarters ago, while also preserving healthy margins. The quarter also faced a particularly high base due to elevated Kumbh-related demand and additional special train supply last year, especially across North India.



At the same time, Indian Railways has implemented several policy changes over recent quarters, including more restrictive time periods for Tatkal access by OTAs and agents, reduced waitlist inventory for the whole ecosystem, user re-verification for repeat users, Aadhaar verification norms and more.

These policy measures, combined with the supply constraints during peak travel periods, which were particularly acute on the second seater or 2S side and have impacted overall ticket availability across the ecosystem, have naturally led to some demand shifting towards buses and flights.

That said, we remain optimistic that some of these constraints could ease once the upgraded PRS system is rolled out later this year and as and when Tatkal time window policies are revisited for OTAs by the government. In hotels, we remain excited but disciplined. With the launch of our hotels Extranet HELLO, we have started onboarding hotels directly and now have a small on-the-ground team already.

Though we have some confirmations emerging on our hypothesis of how we will differentiate our experience for the customer and supply side, we will start disclosing hotels separately only once we believe the business has reached the right level of product-market fit, operational maturity, and meaningful scale.

For us, hotels is not about chasing transaction volume before trust is earned. It is about solving the peace-of-mind problem in a category where fulfilment quality, post-book experience, and reliability matter enormously. We announced at our recent ixigo NEXT launch event that we are no more in the OTA business.

We are in the Peace of Mind business and that is now visible in the operating metrics. In Q4, our value-added services tax attachment rate was over 31%. Our AI systems handled 4.35 million customer queries end-to-end, 81.5% of voice conversations and 91.1% of chat conversations with our customers were resolved by autonomous AI agents.

Our average refund time was 3 hours and 55 minutes and 95.7% customer calls are being answered within two minutes. We disclosed these numbers not because they make our slides look better, but because they reflect lower anxiety for travellers. They reflect fewer moments of friction, faster issue resolution and a stronger reason for users to come back to us.

During the quarter, we continued strengthening our ecosystem through a series of strategic partnerships, product launches and brand initiatives across our bus and train businesses. AbhiBus partnered with KSRTC in Karnataka to expand digital access to government bus services and also enabled intercity bus bookings directly on the Uber app.

On the train side, ConfirmTkt launched an AI-powered seat finder feature powered by TARA to simplify confirmed seat discovery, while our partnership with Swiggy further scaled our food-on-trains delivery business to 40,000-plus restaurants and 160-plus railway stations. We



are seeing good early traction on this.

We launched metro ticketing for Delhi, Mumbai and Bengaluru and have also strengthened our consumer brand presence through the multi-year 'ixigo New Delhi Metro station' branding right at the NDLS station. Finally, we are excited that ixigo, ConfirmTkt and AbhiBus are now live as native apps on ChatGPT, reflecting our continued focus on AI-led distribution and discovery.

In terms of the near term, our stance remains disciplined and opportunistic. When it comes to margins and growth, we continue to see buses as a secular growth engine with higher contribution margins than the rest of our business. We continue to see flights as a business where we can gain market share through superior product and customer experience while maintaining cost discipline.

Trains may continue to see some near-term headwinds until the underlying frequent policy changes stabilize or the new PRS system gets rolled out later this year, but we remain confident about our strategic position and our ability to keep taking market share. Coming to AI.

We believe travel will be one of the industries most meaningfully transformed by this shift because travel is inherently high context, deeply personal, operationally complex and highly fragmented. Planning and managing travel involves uncertainty, changing conditions, multiple micro decisions, real-time disruptions, fragmented information and highly ephemeral pricing and inventory.

A large part of travel supply also exists in an unstructured and non-standardized format, possibly the vertical with the most broken plumbing, making AI particularly powerful in improving discovery, decision-making, operational efficiency and customer assistance across the journey life cycle.

Marrying the user's persona and context to the state-of-the-art intelligence available on tap as well as proprietary models and data, makes the experience more intuitive, preemptive, and personalized and this is something that has never been done in our industry before. But I don't want to steal the thunder from my friend and Co-CEO, Rajnish, who will talk more about AI, ixigo NEXT and the way we are thinking about the next phase of our growth.

Rajnish Kumar:

Thanks, Alope. Over the past year, we have been thinking deeply about what AI truly means for the future of travel and more importantly, what it means for our company. Every major technology inflection point rewrites the rules of an industry. The PC changed how we worked. The internet changed how we discovered information.

The smartphone changed how we lived. AI is different because it fundamentally changes the nature of software itself. Software is no longer static. It is no longer just a collection of screens and workflows sitting behind buttons and forms. Software can now reason, understand intent,



take actions autonomously and continuously evolve.

So this was my AI clone talking and now back to the real world where human beings are still manually conducting earnings calls. So yes, AI is different because it fundamentally changes the nature of software, as we heard, and we believe that travel will be one of the industries most transformed by this shift.

Travel is inherently high context, deeply personal, highly visual and operationally complex. Planning and managing a trip involves uncertainty, comparisons, fragmented information, changing conditions and dozens of micro decisions across the entire journey. Historically, travel apps were built around the limitations of old user interface.

Users had to kind of manually navigate forms, menus, filters, screens and workflows that were fundamentally designed decades ago. That model is beginning to break now with AI. So today, users instinctively go to AI systems whenever they hit friction or uncertainty. Every time a user leaves an app takes a screenshot and asks an external AI platform for help, that app is losing engagement.

It's losing context and eventually, it's risking what I call de-distribution. So we believe this will become one of the defining challenges for every consumer Internet company over the next few years. And the solution is not slapping a chatbot to an existing product. The solution is AI-native reinvention and that reinvention cannot happen only at the product layer.

One of the biggest realizations we had internally was that you cannot build an AI-native product with a non-AI native organization. To move at AI speed, the company itself has to become AI-native first. So over the past year, we created what we internally called NewCo inside ixigo.

A small, highly focused team with a mandate to rethink the future of travel from first principles. But more importantly, we rebuilt the organization around AI. We made our systems AI-readable. Our API is AI-accessible, our workflow is AI-compatible. Our internal process is AI-native. Because once the factory itself is reinvented, product velocity changes dramatically.

So what previously took years can now happen in months. As a result of this journey is ixigo NEXT. ixigo NEXT is not just a chatbot. It's not even a separate AI tab. It's not an assistant bolted onto a legacy app. It is fundamentally a new operating layer for travel. The core of ixigo NEXT is the fusion of four things.

So the first is a proprietary small language model trained on years of voice data built into the layer of voice intelligence. This is what gives TARA the ability to answer any question related to travel and the second one is a deep traveller context built over years of user interactions, preferences, bookings and behavioural signals built by using short-term and long-term memory that makes TARA contextually intelligent.



This is the place where the app knows what you want without you even having to go to settings and say that your home airport is Delhi or you always travel with two kids, et cetera, etcetera. The third thing is the real-time supply intelligence across flights, trains, buses, disruptions, fares, cancellations, refunds.

And lastly, our proprietary intelligence stack, including pricing systems, discounting systems, recommendation systems, crowd-sourced travel intelligence, prediction models and automation built over the last two decades. Now these systems, they work together as one, as one unified intelligence layer across the apps.

The most important breakthrough for us, however, was rethinking the user interface itself. We realized that conversational interfaces alone are insufficient for travel because travel is highly visual and decision-heavy. There's comparison. At the same time, traditional point-and-click interfaces are increasingly static, rigid, and unintelligent. However, they're also extremely fast to solve certain simple problems. If you just have to apply a filter, you just click on a button, you can do that, very easy rather than saying like a long sentence or typing a long sentence.

So instead of replacing traditional interfaces, what we did is, we fused them together with a conversational multimodal intelligence. Now every screen inside the app is readable by AI. It's navigable by AI, scrawlable by AI, and actionable by AI. So the app understands the context. It understands the intent. It understands what the user is trying to achieve at that moment. This creates an experience that feels far more natural, personalized and adaptive.

We internally think of this architecture as a 3-layer system, like the layer 0 is the traditional app interface layer. Now what we have done to this step is make it AI ready by making sure that AI can read it, AI can navigate through it, AI can scrawl through it, AI can understand its capabilities that live inside the screen.

Layer 1 is the ambient intelligence that sits across the entire experience, entire app and it understands every screen, every workflow and every capability of the app. And then there is this layer minus 1, is what we call the contextual and the Ephemeral UX. This doesn't always exist, but it just magically appears at the right moment whenever it's contextually relevant.

This is where the app can dynamically metamorphose based on the user's journey and intent. For example, when a trip becomes active, the entire experience transforms into a real-time operating system with contextual capabilities that only surface when relevant. This is fundamentally different from how software was historically designed to work.

Now the second major pillar is memory and hyperpersonalization. Historically, personalization systems were rigid and rules-based. With AI-native memory systems, the app continuously learns user preferences naturally through behaviour instead of requiring manual configuration. The system understands long-term context and short-term context intent simultaneously, creating far richer personalization.



And finally, the third pillar and the most powerful pillar is the agentic execution. It's not just about recommending things to users. It's also about doing that heavy lifting behind the scenes for them. We believe that the biggest productivity unlock in AI that has happened in the past few quarters is not because of conversational AI. It is because of autonomous agents executing workflows on behalf of users.

Inside ixigo NEXT, agents can now autonomously handle multiple workflows such as automatically checking you in, figuring out your boarding pass, fare tracking, refund management, booking reconfirmations, trip monitoring and trip sinking, disruption handling and even proactive travel assistance.

The user no longer has to continuously manage travel manually. The system increasingly does the heavy lifting autonomously. This has profound implications not just for user experience, but also for engagement, retention, conversion and long-term platform defensibility.

What excites us most is that we believe we are still very, very early. Over the last 2 decades, ixigo has always focused on solving high-friction travel problems through technology. AI now allows us to rethink the entire travel stack from first principles. And while execution is becoming increasingly commoditized in the AI era, imagination, customer obsession, speed and depth of understanding become even more important.

Those are the real moats. The company that will win in the AI era will not simply be the ones that use AI, they'll be the ones willing to completely reinvent themselves around AI. And that is the journey we have started with ixigo NEXT. What you see live in our app is only a sneak peek of the agentic AI future we are building.

And what excites me the most is we still believe we are early in the journey of reinventing our industry with AI. That is the opportunity in front of us, and that is the work we are now fully committed to. With that, I will hand over the call to our friend and Group CFO, Saurabh, to take you through the detailed financials, cash flow and one-offs for the quarter.

Saurabh Singh:

Thanks, Rajnish and Rajnish's AI Avatar. Please welcome me also for the next call. Now if I have to summarize the financial results for the quarter in one word, I would call them boring. And if I had to do it in 3 words, I would say boring is good. The quarter had a high base, which we had highlighted before. And despite a few hiccups on the way, performance broadly played out in line with our expectations and operating plan.

Now of course, expectations and operating outcomes are both subjective. And I know that you'll be far more interested in numbers than my philosophical discourse on what the quarter represents. So let me get straight to the results. As always, all numbers are in rupees crores, unless stated otherwise. Year-over-year comparisons for the quarter are Q4 FY26 versus Q4 FY25, while full year comparisons are FY26 versus FY25.



So starting with the headline numbers for the quarter. Our gross transaction value stood at INR4,797.7 crores, up 9% Y-o-Y.

Moderator:

I'm sorry to interrupt...

Saurabh Singh:

Revenue from -- sorry, I lost the connection for a minute. Revenue from operations came in at INR308.1 crores, 8% Y-o-Y increase. Contribution margin was INR121.4 crores, up 0.4% Y-o-Y, essentially flat with a contribution margin percentage at 39%. Adjusted EBITDA stood at INR30.3 crores compared to INR29.1 crores in Q4 FY25, a growth of 4%. PAT stood at INR32.1 crores versus INR16.8 crores last year, up 91% Y-o-Y. Now these numbers include some call-outs that, like always, I will discuss at the end.

Now for full year FY '26, GTV stood at INR18,692.7 crores, up 25% Y-o-Y. Revenue from operations stood at INR1,228 crores, a 34% increase over FY '25. Contribution margin stood at INR474.3 crores, up 18% for the year with contribution margin percentage at 39%. Adjusted EBITDA for FY '26 stood at INR120.9 crores versus INR94.8 crores, an increase of 28%. PAT for the year stood at INR71.5 crores, up 19% Y-o-Y. I would also highlight my favorite cash flow from operations, which was up 60% for INR195.7 crores.

Moving on to the business segment overview. Buses continued to grow well, and there was little not to like in the results. For Q4 FY '26, passenger segment grew 32% Y-o-Y to INR7.22 million. GTV rose 26% to INR696.8 crores. Revenue from operations stood at INR80.4 crores, up 22%.

Contribution margin stood at INR42.8 crores, up 7% with contribution margin percentage at 53%. At the CM2 level, buses were the largest segment for us, contributing 35% of total CM. The numbers were equally impressive if you look through the FY '26 lens. Passenger segment stood at 26.6 million up 44%. GTV was INR2,620.7 crores, up 46%. Revenue stood at INR298 crores, up 51%. Contribution margin stood at INR153.2 crores, up 18% and at a 51% same percentage.

On flights, it was a difficult year for aviation in India and probably the world. A lot went wrong for the ecosystem. And in that context, the performance of our flight business was particularly admirable. For Q4 FY '26, we booked 2.74 million flight segments, up 14% Y-o-Y. GTV stood at INR2,018.6 crores, up 18%. Operating revenue came in at INR95.7 crores, up 9%. Contribution margin was INR38.3 crores, down 3%. Now flights contributed 42.1% of our group GTV and 31.6% of our group's total CM.

Now for FY '26, Flight segment stood at INR10.74 million, up 27%. GTV was INR7,514.6 crores, up 33%. Revenue stood at INR390.7 crores, up 54%. Contribution margin stood at INR160.3 crores, up 39% at a 41% margin percentage. On trains, even though we continue to maintain our OTA market share in trains as Alope has talked about in his section, the exceptionally high Kumbh-led base along with the impact of certain structural and regulatory changes was visible in the business of this quarter.



That said, it's important to also highlight that strong customer loyalty and engagement with our train brands command, continue to play a critical role in fueling the growth across our other businesses through ecosystem synergies. For Q4 FY '26, we booked 24.18 million train segments, which was lower by 8% Y-o-Y. GTV stood at INR2,002.4 crores, down 5%. Revenue came in at INR124.4 crores, down 2% Y-o-Y. Contribution margin stood at INR39.7 crores, up 1% and at a 32% contribution margin. Train contributed 32.7% to overall group CM.

For FY '26, the train segment stood at INR104.12 million, up 8% Y-o-Y. GTV was INR8,278.9 crores up 12% Y-o-Y. Revenue was INR511.3 crores, up 12% Y-o-Y. Contribution margin was INR155.5 crores, up 2% and came at a 30% contribution margin percentage. Now, as I usually do, let me highlight the key one-offs and operational call-outs during the quarter. The call-outs for Q4 FY '26 include share of loss from Fresh Bus and associate company of INR45.59 million, tax benefits amounting to INR82.5 million -- actually INR8.25 crores, just to be consistent here. For Q4 FY '25, the callout comprised of share of loss from Fresh Bus of INR3.29 crores.

Now I am currently a part of the travel and leisure industry, and I started classifying travel and leisure as work. A month ago, this line of thinking got me to U.S. for what was supposed to be a Route 66 road trip. Now somewhere between the endless desert highways and my growing enthusiasm for authentic retro burger, my swiftly vegetarian wife staged a rebellion. The trip actually pivoted into a drive down the Pacific Coast Highway.

It was at a pit stop in Santa Cruz, while looking at sea, I noticed a bunch of people just lying around in water, doing absolutely nothing. Naturally, I asked somebody what they were doing. I was told they are surfers. Now this was confusing to me because what I've seen on TVs and social media, I had assumed surfing mostly involves cinematic waves, dramatic shots, people with suspiciously good hair appearing to defy physics for about 30 or so seconds.

But standing there, I realize something fascinating, that's the point of surfing. Watch the water carefully, understand the currents, maintain balance, preserve energy, know where to position yourself, ignore waves that are wrong for you. And then when the right one finally arrives, be prepared to ride it well. In many ways, what we are doing at ixigo is the same. With that final thought, I'll pass it on to the moderator.

Moderator:

Thank you very much. The first question is from the line of Pankaj Mehendiratta from Bank of America. Please go ahead.

Pankaj Mehendiratta:

Hi, thank you, management. Good evening. I have 2 questions. First around growth, and it has 2 parts. When you say that you continue to see resilient growth out there, is there any way to quantify it given that we are 50 days already into 1Q? And second part of the question is, given where the macro is heading, led by oil and some inflationary pressures, can you share some examples from your past around user demand and its impact on ixigo's growth



and margins?

Aloke Bajpai:

Yes, Pankaj, Aloke, here. See, I think while it may be difficult to give full color yet because obviously, some part of the quarter is still remaining. What I can tell you is that last quarter, given that there was a large Mahakumbh base, right, which doesn't exist this quarter -- last quarter, in fact, February last year, was phenomenal in comparison to February this year. And therefore, you see that in terms of our growth also for Q4, we could have grown even better without that base effect.

Having said that, right, and we are in the peak season, summer season as we speak, we do see that demand trends continue to remain strong, at least for domestic. International continues to be affected somewhat, right, because of the Middle East situation as well as the fares, right? I mean the fares have gone up significantly on many routes. And given that there have been some curtailment of routes by certain airlines, I think that's not helping that situation there.

Despite that, given that we are starting off from such a low base on international flights, I think we still believe that we'll be one of the more resilient players out there on the flight side of the business. But just directionally, obviously, Q2 doesn't have the -- sorry, Q1 FY '27 doesn't have the same base effect as Q4 FY '26. And therefore, we expect that to start showing up in terms of growth. So, the second part of the question, can you just come again on that?

Saurabh Singh

Can you repeat the question on the second part of the question, please?

Pankaj Mehendiratta:

Sure, Aloke and Saurabh. So it was given where the macro is heading right now led by oil and some inflationary pressures; can you share some examples from past around user demand and impact on ixigo's growth and margins?

Aloke Bajpai:

See, I think we have seen 2 things. One is substitution. So international trips being substituted into domestic because of the massive difference in fares that are now visible, at least for Europe or Far East or even U.S., the fares have actually gone up significantly. Even for Southeast Asia, we are seeing that the fares have actually moved materially up. So there could be some substitution starting to play out.

The other part of that, see, because even domestic flight fares are trending higher than what they usually used to be this time of the year. We are seeing some people go into the bus funnel. We are seeing some people go into the train funnel, although train remains perennially impacted by the fact that there is less supply than demand, right? That's always been the case.

Therefore, buses is the biggest beneficiary of that growth, which you also saw last quarter, right? So I think when -- in an environment where flights are expensive and the train availability is running very low, buses naturally sort of get the benefit of that, right? So we continue to see that kind of a trend playing out for the last few months.



Saurabh Singh:

And Pankaj, on the fuel price for the last cycle versus this cycle, remember, there are a couple of parts to it. One is if it starts affecting the operator in terms of the sustainability of an operator, that changes things much more. In the interim, assuming that doesn't happen. In our different divisions, what you will see is that there is -- starting with flights, there's a play which happens between the segments and GTV because flights are very sensitive to the price, a large part of the fuel price is passed through.

In buses, this also happens, but buses, because it's a take rate business, it's actually, in some sense, a bit more beneficial, as why it's in the goldilocks zone if it doesn't cross the goldilocks zone in that sense. So as a business, that also plays around.

Pankaj Mehendiratta:

Got it. And the last question, coming on ixigo NEXT, how should we think about benefits being visible in financials across both revenue growth or costs being lower?

Rajnish Kumar:

I think it will be too premature and too early to talk about the impact on financials of ixigo NEXT. But like from the early results, what we can tell you is that we have extremely positive NPS and feedback from the customers who have started using it. And everything is looking green like all the metrics- everything that we really track and obsess about, all those metrics are up and looking great.

Pankaj Mehendiratta:

And if we think about the overall initiatives that ixigo has been taking across user segments, solving for customer pain points and things like that, any way to quantify that on an overall basis for the company or not really?

Rajnish Kumar:

It's hard to quantify it. But one thing is like the fact is that ixigo NEXT is basically a giant leap forward in terms of how apps were designed and how users use those apps in the past. And I think that's going to fundamentally change. I think right now, there is no discrimination between different kinds of target audiences, like people living in Tier 3 or 4 cities who are more technically challenged and their ability to use a bespoke app is substantially lower than somebody living in a Tier 1 city who already is tech savvy and understands how to use the app.

So that understanding of how to use the app is disappearing with AI. That's the whole power of ixigo NEXT because it just makes apps -- it democratizes apps. I mean you can -- anybody can use it. It's so simple to use it. You can just speak to the app and the app does stuff for you.

And sometimes the agentic capabilities of the app does a lot of those things even behind the scenes without you even knowing about them.

Aloke Bajpai:

Yes, just to add to that, Pankaj, basically, like Rajnish said at the end, right, like what we've launched right now is just a sneak peek of how we are imagining the future, right? So you've got to think of this as a new paradigm for travelers to engage with companies that are trying to help them, right?

And for companies to actually leverage all the intelligence that's out there to create new ephemeral user interfaces that work in a multimodal way. And I think the beginning of that is with flights and hotels for us, right? But over time, you will see this play out in all the categories we play in. We started with English, Hindi, English. But obviously, we'll look at more languages eventually, right?

So, there's a natural path of evolution from here. And this is a very, very early sort of, you can say, sneak peek of what our road map will really look like.

Moderator: The next question is from the line of Swapnil from JM Financial.

Swapnil: My first question is with respect to your air business. I would like to understand like what percentage of your air business is outbound focused? The reason I'm asking is because of the recent comments from some of the government officials regarding foreign travel. So I just wanted to get a sense as to what percentage of our business would be at risk if certain changes happen. Curbs are increased.

Aloke Bajpai: Yes. So I don't know if I heard this right, but what you asked is what percentage of our business is focused on outbound, right, for flights?

Swapnil: Absolutely.

Aloke Bajpai: Okay. So I think for the previous quarter, we have called this out in Q3 that we were at more than 20% of GTV in that quarter on -- for the flights business, the more than 20% was actually outbound. We haven't particularly looked at this number for this quarter in Q4, but my sense is we would not be far off from there. So, in that sense, there has not been any material change from a GTV line perspective.

But of course, there has been a change in the fact that remember, volumes have gotten impacted and the fares have gone up. So that's the way to read through this that the volumes would have been slightly more impacted on the international side, whereas the fares for the remaining volumes would have gone up to cover up for it.

Swapnil: So essentially, what you're saying, Aloke, is like there should be no impact despite the -- despite some impact on supply side as well?

Aloke Bajpai: No, there has been impact, because see, the way to think about the flight business is that convenience fee forms an important part of revenue, right, as you know. And therefore, volumes are as important as value in some sense. So, I think on the international side, we would have seen some impact, obviously, on Middle East and some of the European routes, etcetera. But then domestic growth more than covered up for it. And then the remaining international, which was still happening, the value went up and therefore, the GTV contribution would have remained in the same ballpark.

Saurabh Singh: Just a couple of things there. Remember, we as a business are much more in -- our



international business is much more short haul than long haul as in terms of the mix. And then a significant part of our mix is around Southeast Asia or the other side of where -- so it's -- yes, it's the other -- it's the nature of our mix, which kind of -- it does affect Middle East affects us, but it affects us relatively less than an average market, how things are. And because vacation travel would be a larger part for us, people shift where they are traveling to.

Swapnil:

Got it. The second question is with respect to one of the comments that you made in your release. You mentioned that the bus segment henceforth should grow securely. So just wanted to understand what do you mean by securely over here? Do you mean growth would be in line with the industry or it will be 1.5, 2x of the industry which I think...

Saurabh Singh:

Swapnil, you're trying to give us a guidance again. We won't. But we should...

Aloke Bajpai:

Swapnil, you would have seen that last almost 3 years, right, like we've delivered on the bus growth being higher than the industry as in the OTA industry bus percentage growth numbers, right? And we have consistently been able to grow the fastest in the bus OTA market. The reason has been the fact that, a, we are starting off a very low base ourselves, right? So we are the number 2 player, and we've been catching up, obviously, year-on-year on that gap.

But there's still a large part of the market that is continuing to remain offline. So even though online penetration would have gone up from 20% to maybe about 22%, 23-odd percent as we speak. But then there is still a large part of bus bookers that are booking offline. And therefore, the addressable market remains very, very large.

Secondly, I think we've been very innovative on product. The bus team has definitely been first to market with several product innovations, including the recently launched product where the assistance is provided in case there's a bus breakdown. There's a cab that comes and takes you to the destination, then we were very early to the market with products like Abhi Assured, where we have a service level guarantee.

And we have 360 bus views, which means you can see the interiors of your bus, you know whether it's a brand-new bus or not. So I think many of these innovations have really helped us grow faster. And we still have a long pipeline of such innovations to execute. So, in that sense, we remain confident that as those things hit the market, they will deliver on growth.

Swapnil:

Just to extend that question, Aloke, like earlier, we have certain regions where we were not present through our bus offering or there were certain suppliers which are not working with us. Are such any easy peakings available to us on the AbhiBus side even now, which you can get -- the benefit you can get going forward?

Aloke Bajpai:

I think that was the case maybe a couple of years back or maybe up to a year back. But I think as we speak today, we would be pretty much at parity with whatever is out there, at least the operators that matter; they are all partnered with us. We have, I think, in total, 6,000-plus. In any given month, more than 4,500 would be transacting with us. And I think we would be at



parity with anybody else out there in terms of both services and routes.

So, I don't see a major inventory gap as such. In fact, we were the first to market with the Karnataka State Road Transport inventory as well in that sense. So I think we have been making progress there. And we continue to remain confident that if there is a new operator that comes up and who wants to tap into online growth, we'll be one of the two companies out there that they will call and want to partner with.

Saurabh Singh:

Swapnil also remember, in bus now we are at the stage where we would be spending -- and we've been doing that last couple of quarters, spending on branding in certain locations where we have got the back end right and now the market share has to catch up to what our high market share is in some of the other markets.

So, if you see the Tamil Nadu campaign, which we are doing, it is something on those lines where we are trying to -- yes, it's a long-term play and trust or brand takes time to play, but it remains the priority which will kind of where the product is there, people have started using the product. It, in our mind, is a better product than what is available outside. And then we kind of continue to get the brand and the trust right to make more people use it.

Swapnil:

Understood. Just the last one, if I can. So this is related to your capitalization of certain costs. And presuming these are mainly related to tech employee costs. My question out here is like are this related to the AI investments that you are making? Or this is related to the hotels business in particular?

Saurabh Singh:

So, it is AI. What we've done is we've capitalized a portion of the core usable AI investment, which is related to building the foundational infrastructure orchestration layer and platform capabilities that we expect to deploy across the multiple use cases within the OTA ecosystem. And remember, this is for several years, and this is a similar policy to what we followed in the past too when we built the train and the other apps.

Now remember, in this case, it is -- what we are doing there is what we view as the core infrastructure. And maybe Rajnish can talk about a bit about what we are building there in AI. And Rahish, I'll pass it on to you to just talk about the AI build over and give a sense of what we would be building over the next couple of years to the extent we can.

Rajnish Kumar:

Yes. I mean AI is right now an investment focus for everybody in the world. And I think it's going to pay off in a really, really big way because we all know that we are using the worst and the most expensive AI we will ever use in our lifetime. So I'm not going to say investing on AI because this is one investment that any company is not making, they're basically kind of risking the future existentially.

We're using a lot of AI, obviously, to invest in like the core infrastructure and converting our company and making the whole entire company AI-native, like creating this layer of organizational operating system, which will make every single person in the organization



more efficient. Obviously, we don't disclose token usage as of now, but with time, I think this will probably become an important area of expense to kind of show that as a line item at some point of time in the future.

But the token usage for all the AI products that we are building, all the infrastructure investments that we are building to convert our organization into an AI-native organization. All of that is part of the spend that you are seeing right now.

Saurabh Singh: Swapnil just to add to that, remember, this is not about capitalizing all the spend. It's the costs which are experimentation, model testing, ongoing operations that are through P&L. So it's just specific long-term costs which are being capitalized.

Swapnil: Just two related points there, Saurabh. One, to be clear, there is no hotels-related capitalization that we are doing?

Saurabh Singh: No.

Swapnil: And two, how do you amortize this cost? I mean what would be the period of the amortization? And any specific number that you will end up spending every year towards this.

Saurabh Singh: So, look, there are two parts to it. Let me answer start with the hotels part and the reason why, look, hotel, we are not. That's the first part. Secondly, on the amortization, it will be 5 years. And as the product, as the infrastructure layer comes up, it will be a 5-year amortization.

Moderator: The next question is from the line of Anmol Garg from DAM Capital Advisors Limited.

Anmol Garg: Alope, you indicated that train should see some kind of headwind going ahead from that perspective and since we have a higher base over there led by Kumbh effect. So how should we look at the growth of train in this particular year? And beyond FY27 as well, what should be the growth rate that we should look for the train business?

Alope Bajpai: Yes. So, I think there were two things that impacted obviously the growth, and I'll just call them out again. One were a myriad of policy-related changes, which affected the entire OTA ecosystem, including the Tatkal timings and the wait list reduction; in fact, impacted everyone, including IRCTC themselves, right? I mean in that sense, there are some things that we can't really change.

And those things, because they are onetime changes, those changes, you have to live with on a year-on-year comparison basis, right? Because once those changes happen, the subsequent quarters get impacted at least till the point where it doesn't become the new normal, right? So to that extent, I think there is some impact that I foresee will be there.

However, having said that, like I said, we are continuing to see market share gains within the OTA segment going from 60% to 62% and given all the things we have in the pipeline,



hopefully, that continues. Also, there will be some impact from the fact that we've just acquired a new business in Europe, right? So there could be some impact, positive impact, in fact coming from that.

But broadly, I think look, it's harder to guide at this point unless the fact that the new PRS system coming in August or September based on the government announcements, right? I mean if that new PRS system comes in and some of the policy changes that were made are reversed, I think there could be more positive momentum also if we see any unreserved ticketing opening up sort of a situation, right, which we keep hearing about time to time whether unreserved ticketing gets opened up for OTAs. As and when that happens, that could be positive for the business.

Saurabh Singh:

Also in this part, let me put it in a very different way, right? Can I gain more market share in trains if I am focused on that? The answer is, yes. Do I want to and believe that's the best way to add more shareholder value over the long run? Answer is, no.

So what we see in trains is us maintaining and mildly increasing market share at the level that we are. It's tough to increase from there, and we are probably 3x or 4x the next competitor in trains. So it's that. What we do also believe, as I said, both in, you can read that in question three, we've pointed it out and talked about it in our FAQ. But the point is, look, our train offering is premium, convenience-led and users pay extra for the reliability experience and peace of mind. That's what it offers.

Now what this means is that I have probably one of the largest cohorts of high-intent discretionary travel users anywhere globally. The point is, we believe that there are, the monetization of these users and what we can do with the trust that we have earned over decades can be much, much better used through going into adjacent categories. And that is what we have focused on with our train business. And you'll see more of that as you go about this year. And again, at the risk of repeating myself and what Rajnish said earlier, ixigo NEXT and what that infra offers will be part of what this would come through.

Anmol Garg:

Sure. Saurabh and Alope look just one more thing. And good to see our contribution margins have inched up in this quarter. However, if I look at our technology cost that have increased also in this quarter, therefore, the increase in the contribution margins haven't translated into EBITDA margin increase. So both on contribution margin and EBITDA margin, should we expect the contribution margins to remain stable from here on? And should we expect, therefore, the EBITDA margin to increase given there will be some leverage on the fixed cost for us?

Alope Bajpai:

Yes. So, Alope here, I think the way to think about this is that we are in two categories where we have a stated intent to pursue growth as an objective, right? And we've already mentioned that both flights and buses, we are, we were okay to push the pedal up to a certain extent, obviously, within a guardrail.

And if you look broadly, right, whether it's the full year picture or the last quarter picture, 30%, 40% and 50% is around where we were hovering, right, for train, flight and bus in terms of contribution margin, right? Now there could have been quarters where we push the pedal harder, right, and therefore, have more either performance marketing or a new product that we launched, which essentially has, let's say, initially, we want that product to be adopted and therefore, we keep it at a price point that's attractive or we are willing to invest in the first one or two quarters.

So we've done that in the past, right, when we launched new things, value-added services. And then there could be quarters which are more normalized where you start seeing, obviously, that contribution margin playing out. I hope what we've been able to demonstrate over the last three, four quarters is that this is something that we can control at will, which means if there is a quarter where we want to play more aggressively and therefore, have some leeway on letting this contribution margin grow because we see an opportunity to gain market share or we see some opportunity to launch a new product, we are never shy of doing that.

And then there are quarters where we want to play slightly more conservatively because the environment has issues or there are performance marketing is not yielding the same upside. So I think there you will see us playing it based on what we see out there.

Net-net, I think what we can expect, and remember, EBITDA level, there is one more thing. There is also the hotels business we are building, which is not visible to you guys, but there is some cost obviously going in building that, right? So it doesn't show up in any other place, except for the overall EBITDA for the business, right? So I think there, you can assume that there is obviously some operating leverage being eaten up by that new vertical we are building. However, the core business continues to be delivering operating leverage. That is something which hopefully is visible in the last couple of years.

Anmol Garg:

Understood, Alope. And just I was referring to our last quarter's comment that at 36%, 37% is where we see a bottom of our contribution margin and our contribution margins will not kind of dip from here. So just wanted to understand that, that kind of understanding remains true as of now?

Alope Bajpai:

Yes. I think what matters more, and again, I'm speaking from the other side of the table, right? What matters more here are two things. Number one, can we achieve the kind of scale we desire to achieve where operating leverage, when it comes in, will be more meaningful, right?

To give you an example, in the first few years when we were building the train business or the flight business, we were losing money as well, or not making enough money, very small trickle of revenue, but we did not care because we are pushing the pedal on growth to achieve a scale where once we swing the pendulum the other way, we start seeing the operating leverage start to play out.

I think on categories like hotels, we are far away from that. We've just started building that



out over the last couple of years. On flights and buses, I would rather, at this point, chase market share as an objective and therefore, be okay with 1% or 2% less contribution margin at times. So I'm not really that obsessed about that as long as the overall contribution margin at the company level, which you see has grown year-on-year, as long as the overall company's contribution margin absolute number continues growing, you will see that we will have operating leverage flowing in at the EBITDA level.

Saurabh Singh: So just to clarify so that there is no confusion like there was last time. We are focused on the absolute number in contribution, the rupee number for contribution margin and rupee number for EBITDA. And we believe that growth will continue happening even while we invest in new businesses like hotels.

Anmol Garg: Sure very clear. Thank you so much Alope and Saurabh. That's it from my end..

Saurabh Singh: Thank you. And I think I called you Prateek, who's the next guy. So apologies.

Moderator: Thank you. The next question is from the line of Prateek Kumar from Jefferies. Please go ahead.

Prateek Kumar: Yes. Good evening I have two, three questions. Firstly, is there a way to quantify the cost of ixigo NEXT project for you? And how do you recognize that in your P&L, balance sheet?

Saurabh Singh: So look, there are two parts of ixigo NEXT, and I think it's the answer that we talked with, that we just had right now. So the parts which are either experimental or already implemented, they would be passing through and you would see that in the tech cost or the employee cost.

The parts where we are building the infrastructure and which is building things which are the orchestration layer or the platform capabilities, this you will see in the capitalization. So you see it in the line on capitalization there on the balance sheet. So it's two parts of this. Now what is being implemented and what you're seeing right now is a small sliver of what it will become.

So as things keep on coming up, as the things keep on developing and coming out, or when the thing is in experimentation, both cases, we are taking it as an expense. It's just that when it's in the defined development stage, and the long-term identifiable benefit has been defined, it's when it's being capitalized. So it's multiple places.

Alope Bajpai: And to think about it this way, right, like I think there will be two impacts on the P&L, if you ask me. I mean, one is top of the funnel, if this becomes a new way of doing things in travel, right, because we are kind of reimagining how our industry works. If this becomes a new way of doing things in travel, then obviously, it impacts your top of the funnel and the growth, right?

And the second part is in efficiencies because the agentic flows fundamentally replace the manual operational flows that used to exist in the travel industry, which were, a) slow and



b)expensive because it involved perhaps somebody working for several hours and being able to follow up with an airline or a supplier or a hotel to get whatever needed to be done for you.

And now if an AI agent is doing that on your behalf, obviously, there is a cost efficiency element that starts coming in. So I think in that sense, as and when this scales up, it starts showing up, but it's very early days to talk about those things. Like Rajnish said, it's something that over time, we'll start talking more about as we see the adoption go.

Prateek Kumar:

Sure. The other question is on your hotel segment. Where do you think, how is your progress on product market fit for the segment as we have been talking about it for some quarters, but where have we reached in this segment?

Rajnish Kumar:

Yes. I mean we will eventually start reporting hotels separately. But only once we feel that we have meaningfully solved the customer problem. I know that we have been saying this for a few quarters now. But it's a hard problem to solve when it comes to solving the problem of peace of mind. We did it for flights; we did it for hotels. We did it for buses. We did it for trains. We will eventually do it for hotels as well.

But the good news is that like we've actually started making progress on the inventory side. So we launched HELLO, our AI-based Extranet Software, which basically is accelerating total on-boarding on the platform. So I think a lot of rules of the game have changed. I don't think we will be going through the same process that some of the others have, OTAs have to go through to kind of build like a massive base of supply.

I also think that there is fortune at the bottom of the pyramid, so, which is sitting right inside our ecosystem of apps and solving for them continues to be a challenging problem. And we'll make sure that, that peace of mind problem that we have, we will solve it.

Also, I think ixigo NEXT is an interesting step in that journey. Like I think the way people find and book hotels is changing, like it's no longer that same way people used to kind of go and search for hotels and apply 20,000 filters, etcetera, like you could literally go and say that show me hotels in with the Udaipur with the views of Lake Pichola and restaurant at the rooftop, and it should basically be able to kind of show you exactly those hotels.

So fundamentally, a lot of these things have changed the game. The rules of the game are changing both on the supply side and on the demand side. And I think AI is doing that. And with us being really at the forefront, we are seeing that we should be able to kind of get to a point where we can start disclosing those numbers very soon.

Prateek Kumar:

Lastly, on your, have you been moved or made progress on identifying the objective of the fundraise from Prosus last year?

Aloke Bajpai:

We've already quantified the objectives of the fundraise at the time when we did the fundraise. There were four buckets, which we talked about, which was.



Prateek Kumar:

I know more than that, but more specifically like usage of like how do you plan to use in terms of time line?

Saurabh Singh:

We have time right now as in timelines are, we've still got a couple of years left for that. We don't want to rush into anything. But yes, as you said, there is a reason why we give a certain amount of time on the use of funds. And the reason is not to rush into things and which is what we intend to do.

Aloke Bajpai:

Yes. And some part of it is, in a way, getting utilized like in the build-out of the AI stuff that Rajnish is talking about or the AI investments that we said we will make. We already announced one of them. And then we've also made one acquisition already Trenes and we obviously keep evaluating several assets out there. So I think we don't want to necessarily look at it as a timeline for usage, but we have enough on our plate to sort of look at it in terms of investing into our future, whether that happens organically, inorganically; we keep evaluating both parts.

But hotels, definitely, we are expanding supply. We talked about the fact that we've been onboarding hotels on the ground now for a few months. And hopefully, that picks up pace. And obviously, initially, that is an investment you end up making, right, because you build your team that goes out and gets these long-tail stand-alone hotels.

We are seeing some early signs of how that can be also solved agentically and with AI that can be accelerated. So yes, I mean, it's still a few quarters to go when we can quantify more about how much of this has been used and how much is still something we are going to use. But yes, I think the path to build out hotels involves some investment, the path to build out ixigo NEXT, and this is just a sneak peek, but the path to build out ixigo NEXT requires further investment and the potentiality of any further M&A always is there.

Prateek Kumar:

Sure thank you these were my questions.

Moderator:

Ladies and gentlemen, that was the last question for today. With that, I now hand the conference over to management for closing comments.

Aloke Bajpai:

Thank you. Thank you, everyone, for joining our call today, and we do look forward to engage with you next quarter. All of you have a great summer break and hope you get to try out ixigo NEXT.

Moderator:

Thank you very much. On behalf of DAM Capital Advisors Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.

