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November 9, 2026

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Scrip Code: THOMASCOOK
Fax No.: 2659 8237/38

Dear Sir/ Madam,

Sub: Transcript of the Analyst and Investor Earnings Conference Call

In furtherance of our intimations dated October 19, 2026, November 2, 2026 and November 3, 2026 giving intimations for the Q2 & H1 FY27 earning Conference Call for the analysts and investors and pursuant to Regulations 30 and 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please note that the transcript of the Earnings Conference Call held on November 3, 2026 has been uploaded on the website of the Company within the prescribed timeline and can be accessed on the following web link:

https://resources.thomascook.in/downloads/TCIL_Q2_FY27_Earnings_Call_transcript_20261109.pdf

This is for your information and records.

Thank you.

Yours faithfully,
For **Thomas Cook (India) Limited**

AMIT JYOTINDRA PAREKH
Digitally signed by AMIT JYOTINDRA PAREKH
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Amit J. Parekh
Company Secretary and Compliance Officer

Encl: a/a

Thomas Cook (India) Limited:

Q2 & H1 FY27 Earnings Conference Call – November 3, 2026

Management:

Mr. Mahesh Iyer: Managing Director and Chief Executive Officer – Thomas Cook (India) Limited
Mr. Debasis Nandy: President and Group Chief Financial Officer – Thomas Cook (India) Limited
Mr. Brijesh Modi: Chief Financial Officer – Thomas Cook (India) Limited
Mr. Vishal Suri: Managing Director and Chief Executive Officer – SOTC Travel Limited
Mr. Vikram Lalvani: Managing Director and Chief Executive Officer – Sterling Holidays Resorts
Mr. Krishna Kumar: Chief Financial Officer – Sterling Holidays Resorts
Mr. K. S. Ramakrishnan: Managing Director and Chief Executive Officer – DEI

Moderator: Ladies and gentlemen, good day, and welcome to Thomas Cook (India) Limited Q2 FY27 Earnings Conference Call, hosted by 360 One Capital Market. As a reminder, all participant lines will be in the 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 touch-tone telephone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Purva Zanwar from 360 One Capital Market. Thank you, and over to you, ma'am.

Purva Zanwar: Thank you, Yousuf. Welcome, everyone, and thank you for joining us on Thomas Cook (India) Limited Q2 and H1 FY27 earnings conference call. From the company, we have with us Mr. Mahesh Iyer, Managing Director and Chief Executive Officer and the senior management team. We would like to begin the call with brief opening remarks from the management and following which we will have the forum open for an interactive Q&A session.

I would now like to invite Mr. Mahesh Iyer to make initial remarks. Thank you, and over to you, sir.

Mahesh Iyer: Thank you, Purva. Good afternoon, everyone, and thank you for joining us as we discuss the Q2 FY27 financial and operating performance. Before we begin, I would like to introduce the management team joining me on the call today. Vikram Lalvani, Managing Director and CEO of Sterling Holiday Resorts; K.S. Ramakrishnan, Managing Director of DEI; Vishal Suri, Managing Director of SOTC; Debasis Nandy, who is the Group CFO for Thomas Cook (India) Group; Mr. Brijesh Modi, who is the CFO at Thomas Cook (India) Limited; Krishna Kumar, who is the CFO at Sterling Holiday Resorts; and Urvashi Butani, who heads Investor Relationships.

Quarter 2 was a quarter in which we began to see recovery with momentum improving across parts of our business, although at varying levels. The external environment continues to be uncertain, and some of our international operations are still working through the effects of the geopolitical disruptions. But the quarter also showed us where the demand is holding up, where activity is picking up and importantly, how the cost agility we have built into our operations is helping us respond to changing business conditions. This flexibility allows us to better align costs with business volumes, manage the impact on profitability and protect our underlying performance even as we navigate an uneven recovery.

The quarter's performance reflects 2 things. First, the strong recovery and growth in parts of our India portfolio; second, the impact of conflict in West Asia, which is largely limited to a few businesses with direct exposure to the region, that is Desert Adventures and DEI and parts of our long-haul outbound portfolio. These businesses are still not where we would like them to be, but they are clearly better than they were 3 months ago.

Some of the key performance highlights for the quarter.

Our consolidated total income stood at INR 20,030 million, shows a 5% decline over the same quarter last year. Our India Travel segment saw clear signs of recovery, and I will detail this in a little more when I talk about the segments. We ended the quarter just 6% below last year with EBIT margins holding a healthy 3.8%. Our international business continued to face a challenging environment, particularly given the geopolitical situation, which had a direct impact on the operations of Desert Adventures and DEI.

Overall, EBIT margins for the Travel segment have shown an improvement on a sequential basis from 2.4% to 2.9% in Q2 of FY 2027. Our consolidated PBT before exceptional item stood at INR 848 million, which was broadly at the same level as last year despite the reduction in overall income. This is particularly noteworthy given the shortfall of almost over INR 1,036 million in income from operations coming largely out of Desert Adventures and DEI.

What is also encouraging is that we have actually managed to improve our PBT margin to 4.2% compared to 4% last year despite the pressure on top line. On the distribution front, we continue to expand our reach with the branch network growing by 7% year-on-year via the franchisee route to 310 branches at the end of September 2026 compared to 289 branches. This takes our network to its highest ever level, further strengthening our presence and accessibility across markets.

In terms of technology, we have further enhanced our AI-powered chatbot with the integration of DynaPack, our dynamic inventory customization feature. While still it is in the initial phase, this enables the bot to generate personalized travel itineraries with real-time pricing, allowing customers to explore holiday options based on their individual preferences.

We have also continued to receive recognition for our efforts across our businesses. During the quarter, Thomas Cook (India) Limited's Corporate Travel team was recognized as the Best Corporate Travel Management Company for the year at the India Travel & Technology Summit Awards 2026. Our Bhakti business won the Best Spiritual & Pilgrimage Tour Operator Award at the India Travel Awards, while we also received the ET MarTech Award for the use of Generative AI in MarTech and were recognized as the most popular tour operator at the Mélange Awards.

SOTC also had a strong showing, winning Best Travel Agency of the Year and Best Omni Travel Agency of the Year at the Indian Travel and Technology Summit Awards. Its MICE and Travel team was also recognized as the MICE and Travel Team of the Year at the MILT Excellence Awards 2026.

With that context, let me take you through how the individual businesses have performed during the quarter, starting with Financial Services.

The segment has continued its upward trajectory and reported a strong revenue increase of 21% during the quarter, which is backed by a 7% increase in gross turnover to INR 39 billion, driven by the retail segment.

Our EBIT for the segment in Q2 improved by 10% Y-o-Y to INR 452 million and margins are at a very healthy percentage of 44.1%. From an H1 lens, our Financial Services business continued to deliver healthy growth across key operating parameters. Gross turnover grew 4% Y-o-Y to INR 72 billion with retail turnover increasing 10% to INR 55 billion.

Revenue from operations grew 14% to INR 1,918 million, while EBIT increased 9% to INR 856 million with EBIT margin standing at 44.7%. The retail portfolio in the quarter grew 12% year-on-year, driven largely by the Education segment, which delivered a strong 33% growth. The Corporate portfolio also recorded an improvement of 10%, while the travel segment saw a decline of 6%.

The performance of our education business is particularly noteworthy when viewed against the broader industry environment. RBI data for April to August 2026 shows that outbound remittances under the education category declined by 34%, while travel-related foreign exchange remittance declined by 1%. Against this backdrop, our education forex business grew by 33%. This reflects our

ability to gain traction in a challenging market and leverage the strength of our distribution, our relationships with NBFC and overseas education counsellors and our student-focused product offering. Our Study Buddy forex card, which is designed around the needs of students going abroad and remains an important part of our proposition for this segment.

Our corporate business also performed very well with turnover increasing by 10%, driven by higher wallet share from existing relationships as well as new client acquisitions during the quarter. From a distribution standpoint, supporting our growth has been a continued focus on strengthening our distribution reach and digital capabilities.

Digital adoption remains an important part of this strategy, helping us improve customer convenience and making forex transaction more accessible. Our digital channels kept gaining ground during the quarter with overall digital adoption increasing to 22.4% compared to 21.5% in the corresponding period last year. This was supported by strong customer engagement across our app, WhatsApp channel, which grew fourfold and 3% Y-o-Y.

Extending the focus on convenience, we continue to strengthen our digital distribution through our quick commerce platform, Blinkit. The number of forex cards sold through this platform grew 96% as compared to Q3 FY26, not an entirely like-to-like comparison, but it gives you a sense of the growth.

Alongside our digital expansion, we continue to optimize our retail footprint while strengthening our physical presence in key markets. Operationalized retail counters at Angamaly, Cochin and Hubli, while closing branches in Thiruvananthapuram as a part of our retail network optimization during the quarter. This also positions us to tap into the growing travel demand from Tier 2 and Tier 3 markets as travel activity expands beyond larger metros.

Moving on to the Travel segment. Q2 brought clear signs of recovery with improving momentum across parts of our India portfolio. We are also seeing gradual improvement in some of our international businesses as they work through the impact of geopolitical disruptions. On a consolidated basis, the travel business reported a revenue of INR 15,683 million during the quarter, a decline of 7% year-on-year. Our India travel business saw a pace recovery through July and August with momentum picking up more sharply in September 2026.

We ended the quarter just 6% below last year with EBIT margins holding healthy at 3.8%. Due to the agility in our cost functions, we were able to narrow the EBIT deficit in the India business from 31%

to 22%. This is encouraging, particularly given the challenges we faced on the long-haul side of our outbound business. And here also, on a sequential basis, we have been able to reduce the volume deficit by about 50%. On our international operations, Desert Adventures and AlliedTPro continue to face challenges given the ongoing political disruptions in Middle East and softer inbound tourism into U.S. But like I said, this quarter has seen some degree of improvement from the June quarter, and we have reduced our deficit in Desert Adventures from 89% to 67% now and in the case of AlliedTPro from 40% to 22%.

Consequently, the total EBIT for the business stood at INR 455 million with a margin of 2.9%. For the first half, travel income from operations stood at INR 32,789 million, which is about 11% lower than last year. That said, I would like to point out that the second quarter has been encouraging. Our Q2 performance has helped us recover a good part of the ground we lost earlier in the year because of geopolitical volatility, and we have been able to narrow that gap quite efficiently, as I just mentioned.

Let me now go deeper into the travel business, starting with the B2C side. Within B2C, the business recorded a decline of 17%, largely due to lower activity on the long-haul outbound segment. Geopolitical uncertainty affected flight connectivity on certain routes and pushed up airfares impacting travel plans and booking conversions. High visa rejection rates for China, traditionally one of our leading destinations affected booking conversions and travel volumes weighing on the segment's overall performance.

Our domestic business grew by 8% during the quarter, led by destinations such as Ladakh, Kerala, Sri Lanka, Bhutan and the Bhakti & Darshan portfolio, especially Char Dham.

However, growth would have been higher, but for the cancellation on some of our Kailash Mansarovar Yatra following disruptions to the China visa process. Our cancellation on account of this were to the tune of INR 185 million. Overall, digital adoption in leisure holidays was around 20%. I have discussed our approach towards AI integration across many layers on our business in the previous calls. Like I mentioned earlier, a quick update -

TACY, our AI-powered chatbot and voice platform is now integrated with dynamic packaging capabilities. Agent Assist is showing strong early results in an initial pilot with new agents booking up 85%, 70% on pax and 52% on revenue compared to Q1. Higher adoption on Agent Assist will keep contributing to improvements in frontline productivity.

At the same time, our QC bot has significantly strengthened service quality and governance by enabling automated audits of 100% of customer calls exceeding 2 minutes compared to only 3% to 5% that were reviewed manually earlier. Together with Agent Assist and QC bot have translated into stronger conversion performance with conversion rates on offered calls per agent improving from 2.15% to 3.40% post deployment during the quarter.

These initiatives reflect our continued focus on leveraging AI and automation to enhance customer experience, improving productivity and build a scalable growth platform for the business. On the product offering side, we kept adding new offerings to our holiday portfolio for the upcoming season. We expanded our experiential offerings to include iconic luxury rail journeys across South Africa, Canada, Australia, New Zealand and Egypt. We also added our luxury cruise portfolio with curated experiences across Antarctica, the Arctic, the Mediterranean and Europe.

As we look ahead, we have broadened our fall and winter holiday offerings to include Northern Lights, Arctic Adventures and Alpine experiences. We have also announced charter-led departures from Bangalore to Lakshadweep and Mumbai to Bhutan, giving customers more distinctive holiday options.

Overall, our focus remains on building a broader and more differentiated holiday portfolio, responding to evolving customer preferences and converting the recovery in demand into sustained business growth.

Looking ahead, we remain optimistic about the momentum in our leisure travel business with forward bookings currently trending at a healthy 30% growth over last year. This is particularly encouraging given the elevated airfares and other input cost pressures. We are also seeing a rebound in our long-haul travel, especially to Europe and Australia, which is another positive indicator for the business. On the short-haul side, Japan continues to trend well after the cherry bloom season into the autumn months, which is another good sign, reflecting Japan's confidence as a year-round destination.

Thus, the forward bookings trends give us confidence in the demand outlook for the current quarter, and we expect some of this to flow through in the last quarter of FY27, provided there are no external shocks.

Coming to the B2B businesses, the India DMS business grew by 16% during what is typically a softer quarter seasonally.

This was supported by steady business inflows from key source markets, including U.K., Germany, France, Portugal and Japan. Our MICE business reported a stable performance during the quarter with outcome largely reflecting the timing of execution of certain group engagements, and you can see the pattern in the monthly movement too.

Moving on the corporate travel side, revenue grew by 11% to INR 446 million and gross turnover rose 19% to around INR 8 billion. Operationally, the business continued to see strong momentum. Air transaction volume grew 18% with India and international air volumes increasing by 23% and 15%, respectively. Hotel volumes grew 81%. Also, the adoption of our online booking tool was a healthy 32%. We continue to expand our client base during the quarter, adding new accounts across pharmaceuticals, health care, auto components, fintech and digital payments.

These wins strengthen our presence across a diverse range of corporate sector and support our growth ambitions. Moving to our overseas DMS business. Revenue declined by 7% year-on-year, primarily due to the continued impact of geopolitical disruptions in the Middle East and softer inbound tourism in the U.S. This was partly offset by growth in Asian Trails and private safaris business across Asia and Africa. In the Asia Pacific, Asian Trails grew by 9%, supported by positive performance in China, Singapore and Thailand, although softer inflows from source markets moderated the overall growth.

In the U.S., AlliedTPro saw a 22% decline in sale amid continued weakness in international visitor arrivals. However, the extent of decline moderated compared with the previous quarter gap of 40%, which is an encouraging sign.

The Middle East remains the most impacted market with Desert Adventures recording a 67% decline in sales as geographical uncertainty continued to weigh on the travel demand and travel confidence. However, this marks an improvement from the 89% decline we recorded in Q1, indicating a gradual recovery.

We also saw early signs of improvement in September with some recovery in demand from key source markets and expect the business to see a 50% recovery in the current quarter. The business has continued to focus on cost optimization and operational readiness while encouraging forward bookings provide some cautious optimism for the coming quarter.

On a more positive note, our private Safari business in South and East Africa continued to perform well with South Africa growing by 31% and East Africa by 14%. This growth helped partly offset the weakness in the Middle East and U.S.

Overall, the travel segment continues to show a positive trend, while the India business leading the recovery, whereas the international operations are slowly limping back to pre-conflict levels. We entered the second half with cautious optimism and remain hopeful that there will be no major geopolitical disruption that could derail customer confidence.

With that, I hand over to Vikram for his comments. Thank you.

Vikram Lalvani: Thanks, Mahesh. Good afternoon, everyone. Thank you for joining us today. I'm pleased to share Sterling's performance for the second quarter and the first half of FY27. The overarching message is that Sterling's growth trajectory continues to strengthen.

The scale we have built over the last couple of quarters is increasingly translating into higher revenues, stronger operating metrics and a broader platform for sustainable earnings growth. What is particularly encouraging is that this growth is not coming from just adding new properties, but also from improving the performance of our existing portfolio.

Q2 FY27, let me begin with the second quarter. First, Sterling delivered its highest Q2 revenue of approximately INR 1,272 million, registering a year-on-year growth of about 17%. This is a significant milestone because as you are aware, July to September is traditionally our weakest quarter, influenced by monsoon season and softer demand across several leisure and wildlife destinations. Despite these seasonal conditions, we continue to see strong underlying demand and healthy growth across our operating metrics.

Q2 saw the highest ever quarterly expansion in Sterling's history as well with 7 resorts opened during the quarter to increase the portfolio to 83 properties and having crossed a key milestone of 4,000 keys as on 30th of September 2026. The room nights sold increased by approximately 23% while occupancy improved by about 300 basis points. Average room rates in our owned lease portfolio also increased by 12% approximately. This has resulted in a total RevPAR growth of 12%, demonstrating an improved revenue productivity.

This combination of volume growth, higher occupancies and improved pricing is particularly encouraging. It demonstrates that Sterling is not merely growing through the addition of new resorts. We are also improving our ability to attract guests, optimize pricing and monetize our

existing and growing hospitality network. For us, this is an important validation of the growth strategy we've pursued over the last couple of years. Q2 profitability, understanding the reported performance.

On the profitability front, EBITDA increased to approximately INR 289 million compared with INR 277 million in the corresponding quarter last year. PBT also grew to approximately INR 140 million. While the reported EBITDA growth was more moderate than the revenue growth, there is an important factor to consider when comparing the quarter with last year. During Q2, we incurred approximately INR 40 million of GST input tax credit-related costs, which were not present in the corresponding quarter last year. This GST-related cost treatment fully impacted in Q3 of the previous financial year.

Consequently, from Q3 onwards, the year-on-year comparison would become more consistent. Excluding this incremental GST cost for analytical comparison, EBITDA would have actually been approximately INR 329 million, representing a growth of around 19% to 20% over the corresponding quarter last year compared to a reported growth of approximately 4% to 5%. This provides a more meaningful perspective on underlying earnings conversion of the business.

Importantly, our commercial fundamentals remain healthy through the quarter with stronger room night volumes, occupancy and average rate growth. We, therefore, view the reported Q2 margin improvement in context of this GST-related cost impact rather than a change in the underlying direction of the performance of the business. We also received 2 significant recognitions during the quarter, fastest-growing leisure hotel chain at Today's Traveller Awards 2026 for the third consecutive time and the “Smart Tech Enabled platform of the year 2026 for Sterling ONE at the Indian Travel and Technology Summit and Awards.

Coming to H1 '27, looking at the first half of the financial year provides an even clearer perspective on the progress Sterling is making. For H1 FY27, the revenues grew approximately 19% to INR 2,971 million. EBITDA increased 15% to approximately INR 910 million, while PBT grew 22% to approximately INR 623 million. This is particularly encouraging performance because it demonstrates that increasing our scale of our business is translating into meaningful earnings growth over longer operating periods.

Operationally, the first half was equally encouraging. The room nights sold increased by approximately 24%. Our occupancy improved by 500 basis points, while the average room rates increased approximately 11%. This resulted in a total RevPAR of H1 growing a little over 15% year-

on-year. This is a combination we have consistently worked towards a larger operating network, stronger occupancy, better realizations and growing profitability. It also reinforces the operating leverage demonstrated in the first quarter with EBIT and PBT grew faster than revenue.

Our first half performance validates both the direction of our growth and the underlying earnings capability of the Sterling platform. On the portfolio development and how we are evolving in the hospitality opportunity. Our portfolio continued to grow during the quarter with 7 new resorts opening, the highest number of openings we've done in a single quarter, comprising 6 management contracts and 1 revenue share property. This is consistent with our asset-light capital-light approach to growth, allowing us to expand our network while maintaining capital discipline.

At the same time, Sterling is progressively broadening its presence through beyond traditional leisure destinations into other travel occasions, including business destinations and destinations having a flavor of both business and leisure apart from continuing to strengthen our leisure DNA, including spiritual, wildlife and destination-led hospitality.

Having established ourselves as a leading leisure hospitality player, we see that this is a natural evolution towards a multi-segment full format hospitality company, building on our existing capabilities in distribution, revenue management, network of existing guests, channel partners and our operations.

A little bit on the financial strength. Our growth continues to be supported by a strong balance sheet and a consistent track record of profitability. Sterling remains debt-free with net cash reserves of approximately INR 3,805 million at the end of the quarter. Importantly, we have also completed 27 consecutive profitable quarters, demonstrating the resilience of our business model across various demand cycles, seasons and phases of expansion.

This sustained profitability, together along with a strong cash position gives us the financial flexibility to continue investing in our network, technology, products and people while maintaining discipline in capital allocation. Our growth has been supported by the strength of our own operations and cash generation, and we intend to maintain that financial discipline even as we scale further.

Now what is the outlook like? As we look ahead, we enter what are traditionally 2 strong quarters of the financial year. October to December benefits from the festive and the holiday season, while Jan to March typically offers another strong period for travel, leisure, MICE and wedding demand.

What makes the quarter particularly interesting for Sterling is that we enter this period with a materially larger hospitality network than we had a year ago. The expansion undertaken over the last couple of quarters has added new destinations, increased room capacity, strengthen our ability to address different customer segments.

We expect the contribution of these additions to build progressively as the properties mature; the market presence strengthens and the commercial performance ramps up. We also expect the GST cost comparability to become more consistent from Q3 onwards. Taken together, these developments provide a favourable platform for a stronger revenue growth and earnings conversion in the second half.

Our focus will remain on translating this opportunity into higher resort productivity, stronger management fee contributions, improved operating profitability and sustained cash generation. To conclude, I believe Sterling is at an important phase or important stage in its growth journey. We have built a larger and a more diverse hospitality network. We are seeing the commercial benefits of that scale through stronger room night growth, improved occupancy, higher average room rates apart from scaling supply. Our first half performance demonstrates that this growth is translating into increasing strength.

And importantly, the expansion undertaken over the last couple of quarters again is progressively creating a platform for our next phase of earnings growth. We are entering the stronger second half with considerable momentum, larger operating footprint, a stronger balance sheet and confidence in the opportunity ahead. Thank you.

K. S. Ramakrishnan: Thanks, Vikram. Good afternoon, everyone. This is K. S. Ramakrishnan from Digiphoto Entertainment Imaging. Throwing light on the quarter 2 financial year 2027. As compared to quarter 1 financial year 2027, we had done a better job. We closed at INR 147 crores against INR 130 crores in the last quarter. Whilst on comparing to the same quarter last year, it's still about 22% down from INR 195 crores to INR 147 crores. That's on the top line revenue.

On the EBIT margin, fortunately, we've done a much better job. From a recovery perspective, we have been on a recovery quarter. So, we've lost about INR 1.2 crores as compared to making INR 2.3 crores the same quarter last year. From a comparison of last quarter, from losing INR 15 crores, we're now at INR 1.2 crores. We have got all of this strongly by redirecting our management focus to the Far East markets, maximizing revenue at all the existing sites through events and new content.

UAE itself, despite the geopolitical scenario around the place is back to about 40% to 50% of the prior year revenue. This has helped us with higher productivity. Coming to the margins and the profitability. Our focus has been strongly on workforce optimization, which has given us the maximum benefit and contributed towards better EBIT margins now. The full quarter benefit in Middle East from a direct staff reduction to a flatter operation structure in other markets and support functions being streamlined through technology. We've got sizable benefit out of that.

The team has done a very strong work on the cost renegotiations through better revenue share terms, both from partners and working more aggressively on reviewing and renegotiating material and service contracts.

Last but not the least, our IT consolidation now with WeC being completely our primary system, we've removed all the overlapping costs on IT in this quarter, which was plaguing us in the past. All of these are going to be sustainable for the future. So, throwing light a little bit on WeC , what we've done is we've activated post visit sales across 45% of our portfolio in terms of the number of sites. In terms of revenue, we've implemented the post visit sales across 35% probably of the portfolio.

The good news is within this last quarter itself, we've seen 1,200+ transactions, which is nearly in certain sites, about 2% to 5% higher on conversion as compared to the previous years of operation. We would see maximization of this when the full business comes through. We still are on the recovery mode. So that will help us better conversion and better revenue generation and above all, better margins.

We are also testing a WhatsApp journey to lift our pre-visit path conversion. Overall, we maximized on our WeC implementation very well across the sites where we could, although all these sites are still not at full monty. Throwing some light on the existing business itself. We had 5 new partnerships in the quarter signed up in Malaysia, Maldives, Singapore and India. We renewed most of our key partnerships, over 20 partnerships were renewed during this quarter. And we have launched 3 new partnerships in Indonesia, China and Maldives.

Going forward, new opportunities, we just signed up the Warner Bros. Harry Potter exhibit in Shanghai, and we're very optimistic that it will bring us a sizable recovery on our revenue in the coming quarters. We are also anticipating partnerships with Hong Kong, Disney and Petronas Malaysia to begin soon. Overall, looking forward, we're expecting a steady Middle East recovery, assuming no further trading disruption happens. And above all, we definitely anticipate a much better last quarter or the third quarter, which is supposed to be our largest quarter of the year.

So, we're very optimistic, barring any trading disruptions due to any other unforeseen circumstances, we stay very optimistic in our recovery. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Chetan from Systematix Group.

Chetan: Thank you for the opportunity. A few questions. Firstly, on Sterling. So, I believe our newly added resorts typically take over 3 to 4 months to ramp up. With 7 resorts added during the quarter and the portfolio continuing to expand, could you share how long does it take for a new property to achieve mature level profitability?

Vikram Lalvani: Hi, thanks. Yes. This is Vikram here. Very good question. Now the way I would put it is it also depends on the kind of property or the kind of location that we open in. For example, in this quarter, we opened about 3 wildlife destinations, and we opened them in September, knowing fully well that November onwards is the high demand for the Safaris. So there, we could potentially get a better and a quicker ramp depending on the timing in which we open as well. So, for example, if we open a wildlife in April, then you know that it takes 6 months, 7 months to ramp up.

Whereas we opened it in September, it could take about 2.5 months. Technically, in any given property on an average, after 90 days of the operations stabilizing and the distribution channels getting a complete know-how of your property with the first few guests going in and experiencing it, the real ramp would start actually from post 90 days. So, I would always look at the first 90 days as the baby phase and the post 90 days then starts the actual ramp. Within a year, for example, it completes 2 or 3 quarters or seasons or 2 or 3 seasons, I think that's when the ramp is complete.

Chetan: Got it. Next question is on DEI. So, we have carried out a site rationalization, closed around 30-32 non-profitable sites during the quarter. So, if you can highlight how many of these 230 sites, we currently have are EBITDA positive? Or how many more sites, do we plan to close down during this year?

K. S. Ramakrishnan: So, this is a cyclic process. Cutting down of EBITDA negative sites is a cyclic process, first and foremost, and it's done in a very, very scientific manner. The intent is never to have EBITDA negative sites on our portfolio unless it's linked with another site, which is more positive. If you're asking me a question, how many of them are EBITDA negative, not more than 8%-10% of our sites can be hovering around the EBITDA negative sites.

But an accurate number, I wouldn't be able to give you because it's not measured on a day-to-day basis. But historically, we've been holding sites which will make money. At a basic level, Our sites are always gross margin positive. Then, what it attributes towards the overall cost, varies. So, we are conscious of keeping every site at gross level margin positive.

Chetan: Got it. And just one last clarification on the travel part. So, we have indicated that the India leisure forward bookings for Q3 are trending somewhere around 30% higher year-on-year. So, is it in value terms or number of passenger bookings?

Mahesh Iyer: Our forward booking numbers that we have quoted is a 30% value growth compared to the same quarter last year, which is OND '25 compared to OND '26.

Chetan: Okay, understood, yes. Thank you.

Moderator: Next question is from the line of Anil Shah from Insightful Investments. Please go ahead.

Anil Shah: My question is more on the Sterling side. I did hear the fact that there's an impact of about INR 4 crores on the GST inputs. If you could just elaborate a bit on that because while all the other parameters in terms of ARR, in terms of number of rooms, in terms of occupancy, the guest ratios, all of them are in favour of much better revenue growth and EBIT growth. We have seen revenue growth at 21%, but 9% EBIT growth, I was just wondering if there's anything more to it. And if you could just elaborate a little more on the GST part, number one.

My second question is, again, related to Sterling. Where do we see ourselves, say, by 2030 or 2028, if not 2030, let's say, FY28 in terms of revenue, EBITDA, in terms of percentage? What is it that you would like us to track you on in terms of performance?

Vikram Lalvani: Okay. Let me answer both those questions. If we see, yes, in a seasonally weak quarter and INR 40 million coming out in a seasonally weak quarter, it reflects far more. But I've actually made this point- given the fact that last year, same time in quarter 2, the government or the ruling was not where we had the IST or the input tax credit benefit. It actually kicked in somewhere around 23rd of September 2025, if I remember that date correctly.

So, it actually impacted the Q3 numbers and thereafter. So therefore, the Q2 of last year, we never had this GST, ITC cost, which impacted us this quarter. But if you were to add that back, actually, our EBITDA grew closer towards 19% to 20%, which is in line, if not actually slightly more than that of the revenue growth that has taken place. Yes, there are inflationary cost pressures, which are continuously there, like the LPG, diesel. But we are managing those through efficiencies in a far

better manner because the consumption then starts because you can't decide the price, then you have to start managing the consumption.

So that's how we are managing efficiencies at our resorts. But having said this, this is an item which was not there last year, which is there this year, which has impacted the overall number. But from a business perspective, it has not. Now what is this GST input tax credit? Previously, we could take an input tax credit irrespective of the rate or rate type that was sold.

Now, you cannot take the input tax credit for all the rates that are sold INR 7,500 and under. And if you know, in the seasonally weak quarter, you don't tend to sell more rates above INR 7,500, least you go actually empty or you go vacant. So, yet we premiumize, we still increase our average rates by 12%, closer towards INR 6,500. So therefore, those rates that have gone below INR 7,500, you cannot get that benefit of an input tax that we got until September 23, 2025.

So, that is where the comparative statement is number one. Number two, to answer your second question, if we see the trajectory of Sterling in the last 4 to 5 years and how the trajectory has really swivelled and changed, our attempt is to continuously scale the company in terms of number of hotels, but to scale them with value so that your revenue grows and your profitability grows on a capital-light basis, asset right basis.

We are debt free. We have cash in the bank. We will do it prudently, and we will do it systematically. So, if you have to take the trend in the last couple of years, we expect that same trend to continue in the next 2 or 3 years. So, I think that's the kind of growth metrics that we are looking at.

Anil Shah: So, some numbers would really help to the qualitative remarks that you made, just some ballpark in terms of how one would like to see the business improving. Of course, we can see in terms of the new resorts opening, we can see in terms of how number of rooms are going up, ARR, etcetera.

But from an internal perspective, there would be some benchmarks that we would be looking at, whether it's absolute EBITDA, whether it's EBITDA margin, whether it's PBT, what exactly? Because we will soon be a separately listed company as far as part of the FY28 is concerned. And to begin that journey, it would be good to just have some starting point there.

Vikram Lalvani: See, what I've always maintained even in my previous discussions with all of you is that as and when we keep scaling, a healthy EBITDA margin that we will maintain depending on the seasonality is between 32% to 37%. And a good running hotel company will have its EBITDA margins

in that range. Some quarters may be less, some quarters may be more, but this is the range at which we will play with. We are also scaling our number of resorts and increasing our occupancies. I would not be able to give you an exact number per se for what is going to happen a crystal ball 3- 4 years down the line.

But I can safely tell you that the growth momentum that we have maintained in the last 3 to 4 years, we will continue to maintain that as we keep going along. We will continue to evolve as we keep going along. As I said, even in the past, which was a vacation ownership-led company has then swivelled towards a leisure hospitality company.

We've succeeded in that. And in today's statement I have made that we are now progressing towards a multi-format, multi-destination hospitality network. I think that should keep the momentum of what we had for the last 3 to 4 years.

Anil Shah: Okay.

Moderator: Mr. Shah, does that answer your question?

Anil Shah: Yes sir, thank you so much.

Moderator: Next question is from the line of Purva Zanwar from 360 One Capital Market. Please go ahead.

Purva Zanwar: Thank you for the opportunity. So, my question is on the Financial Service segment. We have seen a strong growth in the quarter in this segment. So, what led to this? And are there any one-off in this? And what kind of sustainable growth rate should we look for this segment going ahead?

Mahesh Iyer: Purva, hi. This is Mahesh. Thank you for that question. I think, yes, you are right. We have seen a very strong growth in the current quarter, which is at 21%. And as I alluded to that in my opening remarks, this is led by a strong growth coming out of the retail segment. The retail segment growth was about 12%.

A large part of it is coming from the education segment that grew by 33% and the corporate segment that grew by 10%. On the education side, the key drivers for that have been some of the partnerships that we have entered into with the NBFC segment, the new relationship that we have signed on the student counsellor side of it and the expansion of our market share in the overall student segment.

You will also appreciate the fact that if you look at the LRS data, the student segment has fallen off, and there has been a bit of a softness in demand as far as that segment is concerned. Despite that, we managed to grow our share of the market, and that's reflected in the overall performance for the business. Now to your question on will this be sustained? I don't think anything should take that growth away from it. But will we see the high 20% kind of a growth?

Look, it's very difficult for me to kind of comment on that one. But my expectation, as we have said before, we should expect a double-digit growth on this business for some time to come because that's the kind of trajectory we are seeing both from a travel perspective, from a student perspective, from a corporate perspective.

And I believe the business will continue to deliver double-digit growth. From a margin perspective, we already guided the market before. We are expecting the range between that 40% to 45%. And I think we have been consistently delivering that 45% EBIT margin on the business.

Moderator: Next question is from the line of Heer Gogri from Choice Institutional Equities.

Heer Gogri: Hi, thank you so much for the opportunity. Just one question from my end. With cash and short-term investments of around INR 28 billion, how do we plan to deploy this capital across business expansion, any acquisitions that we are planning? What is the strategy here?

Debasis Nandy: So thanks for the question. Yes, we have a good amount of cash, but we must also admit that a good amount of that overall balance is also on account of the float that we have on the prepaid forex cards. That's a well-known fact.

Now, as far as the balance is concerned, so out of the total cash that we have, obviously, we look at it on a net basis. So, we have a net debt of about INR 316 crores on a gross basis. And only the balance is really available as a sort of completely free cash.

Our strategy with that cash is to deploy it in obviously for growth of the business. One of the areas, obviously, is automation, where we have been focusing a lot. We have spent a good amount of money on AI. We are doing it very judiciously though not throwing any money after it. We are also modernizing our applications, including the back-end SAP applications.

So, we are spending some money on that. We also want to keep some amount of liquidity with us because COVID taught us that in times of uncertainty, which comes very often nowadays, it's good to sit on cash because then it helps us to tide over that uncertain period, and we do live in volatile terms.

At the same time, we are also looking at possible acquisitions, which are the right fit. We don't want to go out and buy something which is completely different from what we do, but something in our line of business, we are willing to look at only if it makes sense in terms of the price vis-a-vis the returns. And so, we'll work on that.

And if we do not find such opportunities over the next couple of years, obviously, there are many ways of returning cash to the shareholder. The fact that we are demerging Sterling, which is also holding INR 380 crores of cash is one of the ways of rewarding the shareholder. Does that answer your question?

Heer Gogri: Yes, it does, thank you so much and all the best.

Debasis Nandy: Thank you.

Moderator: Next question is from the line of Nagraj C from Banyan Capital. Please go ahead.

Nagraj C: Could you give a sense of the trajectory of recovery within the various travel segments on Slide 12 of the presentation. On one forward guide you've given is that India travel bookings for the OND quarter are up. Forward bookings are up 30% Y-o-Y. So, which of those segments would that be applicable to? And forward bookings would make up what part of that overall quarterly revenue either for that bucket or for the travel segment.

Mahesh Iyer: Nagraj, thank you for that question. This is Mahesh again. I think it's a very important question that you asked, and I'd like to clarify that a little in detail. So, as I said before, this 30% growth that we are seeing quarter-on-quarter for the O&D quarter is largely on the India outbound side of the business. It also includes the B2B holiday side, which is the MICE segment.

So overall, we are looking at about a 30% improvement in the portfolio. This is driven by long haul, which sits within that portfolio of India, which is growing at double digits and short haul as well as domestic. In fact, all the 3 segments within that are growing at a double digit, obviously, slightly in different proportions in that sense. This India business contributes roughly about 51% of our overall travel segment's revenue for the respective quarter.

So, since the reference is to the OND quarter, this is roughly about 51% of the portfolio. As far as the balance 49% of the portfolio is concerned, that consists largely of our international DMS operations. Overall, also from a recovery trajectory point of view, I mentioned this in my opening remarks, if you look at Q1, the shortfall was 37%, whereas in Q2, we recovered it to negative 24%.

So, the recovery has been about 13% on a quarter-on-quarter comparison. But if I look at Q3, which is the quarter that we are going forward with, my belief is that this should be better than the 24% shortfall that we saw. So overall, our expectation is that for the OND quarter, we should see a slightly better trajectory coming out of the B2B international businesses also. Hopefully, that answers your question.

Nagraj C: And just a follow-up, that 30% forward booking, what I understand it's a very long lead business, but what percentage of bookings for the following quarter are made in the prior quarter and what percentage are usually made in the quarter itself?

Mahesh Iyer: So again, Nagaraj, the trends are slightly different for different segments within the business. So, if you look at long haul, typically, the booking pipeline is anywhere like D minus 60, D minus 90 or D minus 120 depending on the visa complications and stuff like that. Because if it's a long-haul travel, you need to touch multiple countries that much more time for visa processing and stuff like that. So typically, that could be a D minus 90 or a D minus 60. If you look at short haul, it will be more like D minus 30 and domestic would be D minus 7 or D minus 15. So, they have different trajectories in that sense.

Nagraj C: Just then in Sterling, just wanted a few questions on Sterling, an update on the demerger process timeline and also an understanding of its P&L structure. Now when we are replacing room nights which are occupied by members over time with free independent travelers, that's gone to 79% of room nights occupied this half year.

That replacement would broadly be accretive to RevPAR per occupied room. Is that correct? Because you're replacing a member who has paid an upfront figure long back and an annual subscription fee with somebody who is paying INR 8,000, INR 9,000, INR 10,000 cash per room night. So, would that broadly be correct?

Vikram Lalvani: Okay. Let me just clarify and also correct you on one aspect of it. We've not replaced the member in the sense that it's not that we are taking away the room from the member and giving it to what we call a non-member. We are also servicing the members.

It's just that we have stopped selling the membership or what we call membership acquisition. I think in 2023 is when I announced it, is when we stop selling that. And we will continuing to service the existing base of the members that we have.

And even the question of how many members, we have approximately about 65,000 to 70,000 members and of which about, say, 35,000 travel in a year. Now having said that, we accommodate them based on the rules of the membership and which is why we also report what is known as a guest ratio.

So that means out of every 100 rooms that are sold, in the guest ratio assuming it's 80%, that means 80% of those 100 rooms have gone to a traditional resort sale and 20% is with the members. So the RevPAR is calculated keeping that 80% in mind and does not keep the remaining 20% in taking that into account. It takes into account the resort business that is a room revenue plus the F&B revenue and plus all the other revenue.

That is taken into account as total revenue per available room. The first question is, obviously, it is procedural right now. It is at the NCLT stage as on 2nd of November. And following a due process to actually come alive.

Debasis Nandy: So maybe I can just expand on that, Vikram. So, we have received the permission or the approval from the NSE and the BSE as well as the SEBI. We have filed with NCLT. We had one hearing with the NCLT. So, our papers are with NCLT. We are expecting them to issue us that directive in the next few days to hold the shareholders' meeting, and we'll get 60 days to hold that. So, that will possibly held by end of December, early January. We are on the track that we promised you, and we are expecting this entire process to get over that is, in other words, get the NCLT approval by end of March or early April.

Nagraj C: Understood. Just a follow-up on the earlier question on Sterling. So is it fair to assume that the existing members will roll off over the next 10- 15 years. And as you add room nights, that guest ratio will keep going up. And over time, what you're practically doing is replacing a guest that pays an ASF of maybe INR 1,000, INR 2,000 per room night with a guest that's paying INR 8,000, INR 9,000 per room night. So, on a cash basis, the amount you get per room is much higher over time.

Vikram Lalvani: Okay. So let me again explain this in probably a simple illustration. If I have 10 rooms and 7 rooms are occupied, my occupancy is 70%. Now in that 7 rooms, say 5 rooms goes to a typical resort guest, so 5 divided by 7 is actually my guest ratio. And that 5 divided by 7 is 72%,

So that's my guest ratio. And as and when we keep increasing the supply and the very fact that the member base is not increasing, and you're offering them more opportunities to experience new destinations when compared to what it was even 5 years ago, you're actually not displacing, you're

dispersing them, right, so that they are able to experience new destinations and you're able to actually sell it to any other resort company or a hotel company.

And if you also see, for example, most of the hotel brands also have a loyalty program. So this is akin to a loyalty program. And if you accumulate points and stay in a particular hotel X and burning those points, you're not going to get an ARR out of that room.

So, this is also akin to that, where you can also see this membership to what a loyalty program is being built. But the very fact that it is about 10% to 12% will be the base as and when you keep increasing the supply and giving them opportunities to experience more destinations without the number of memberships going up, we are only dispersing them and having opportunities to actually increase the occupancies beyond that 70% even further. I trust that clarifies.

Moderator: Sir, line for the current questioner got disconnected. We'll move to the next question from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Thank you for the opportunity. Sir, I wanted to understand what is the gross spread that we make on our financial services business? And how much of the income would be to the float income that we earn on this money or the transaction?

Mahesh Iyer: Madhur, hi, Mahesh here. So, first part of your question, the gross margins on the forex business is a blended gross margin because we're looking at retail, corporate, wholesale and different models like that. That's roughly between 1.6% to 1.8%. That's the kind of gross margins that we look at that business. From a float yield point of view, again, it's different class of assets where the floats are part

Some are foreign currency deposits, some are INR deposits, and we look to optimize our earnings on that because the regulator also requires us not to keep idle funds on any account. So, we kind of try to optimize it. I think the blended average return is close to about 7.5% to 8%.

Madhur Rathi: Sir, our EBIT margin in this business has improved from, I think, we used to be less than 40% to more than 40% right now. So, what has led to this improvement? And this business was kind of stagnant for the past 8 quarters, but we've seen a jump during the past 2 quarters. So, is this a jump more related to the FX, the foreign exchange rates increasing?

Or is it that we have been able to get market share in education segment, but the volume numbers of active prepaid cards seem to be flattish. So, can you just point me out to where should I look?

Mahesh Iyer: So, Madhur, you're looking at multiple data points. I'd rather request you to go through Slide #8 of our investor deck, which kind of clearly shows the trajectory of the business. And if you look at it, the gross turnover for the business is showing a CAGR of 22% from FY22 to FY 2026, moving from INR 60 billion to INR 133 billion. And if you were to just compare it for H1 of FY26 and compared to H1 of FY27, you will see a 4% increase. So, from a gross volume point of view, the business has been growing.

From a revenue perspective to the point, you said it's been struggling, and I kind of disagree with that statement. If you look at it, our CAGR on that has been improving from INR 110 crores to INR 326 crores. That's a CAGR of 31% for comparative period of FY22 to FY 2026. And if you were to just compare that number for H1 '26 and H1 '27, the growth is 14%, reflecting from INR 168 crores to INR 191 crores. So obviously, the health of the business has improved.

And as we've been saying, we also moved a lot of our business digital, which means that while we are continuing to invest in our physical distribution, we have also grown the business digitally, which comes with limited incremental cost. We have also built efficiencies in the business, which has helped improve our EBIT margins, which is also visible in the same slide, which is Slide number 8, which I request you to kindly refer to.

Madhur Rathi: No, sir, I think the growth starting point was coming from, if I look at between FY24 and FY26 on a quarterly basis, we did close to INR 80-odd crores of revenue per quarter in this business, but that has improved closer to INR 100 crores in the past 2 quarters. So, what has led to this improvement, if you can help me understand?

Mahesh Iyer: So, if you look at from a quarterly perspective, that's because this business has suffered. You know that what has happened in the offline business, when I say the travel business, I mean, that impact of it also comes from foreign exchange. So, there has been a little bit of an up and down that has happened. But clearly, some of the drivers have been the focus on our retail business, which has been growing double digits for the last few quarters. And within that retail segment, our corporate and student market has been growing.

And while we've seen a 33% growth in the current quarter, if you go back to my commentary and look at our previous presentations, we've spoken about how we built the portfolio around the student segment, how we build our portfolio on the corporate segment and how we have managed to increase our digital penetration. I think it's a combination of these 3, which has helped our retail

portfolio hold good, which has affected positively not only the overall revenue, but also the margins in the business.

Madhur Rathi: Are we targeting student education platform like Crizac that might have agent network who are just facilitating students who are going from India to abroad to study. So are we targeting those kinds of customers–, if you can help me understand on that.

Mahesh Iyer: So, from a segment, how we look at it is we have students who are looking to go abroad. These students could directly come to a Thomas Cook outlet and do that business. We also have tie-ups with multiple educational counsellors who actually provide services to students in terms of guiding them the kind of universities they should look for and give career counselling and stuff like that.

We also work with NBFCs and banks who provide education loan assistance to students. And we have a full bouquet of product that we call a Study Buddy, which encompasses not only foreign exchange services, but also special ticket fares, special baggage elements and stuff like that. So we kind of created a proposition for the customer, which we believe is very compelling, and that's kind of driving the growth that we are seeing in this segment.

Moderator: Sir, the line for the current participant has been disconnected. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

Mahesh Iyer: Ladies and gentlemen, I just want to reiterate what I said in my opening remarks, despite a difficult operating circumstance, we delivered a steady set of numbers. Our PBT remained at INR 848 million for the current quarter, which I believe is a good set of numbers given the difficult environment that we operated in, supported by a very strong performance from financial services, India outbound or the India-based travel services and Sterling Holiday Resorts.

While some of the pain in our international markets remain, but we are seeing a steadfast improvement in recovery, and we remain optimistic about how the subsequent quarters will pan out, notwithstanding any uncertain events that could change this trajectory. On that note, I want to thank each one of you and thank the management for their continued support and wishing all of you a very Happy Diwali. Thank you.

Moderator: Thank you very much, sir. On behalf of 360 One Capital Market Private Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.

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