



WATERWAYS LEISURE TOURISM LIMITED

(FORMERLY KNOWN AS WATERWAYS LEISURE TOURISM PRIVATE LIMITED)



15th October, 2026

To
Listing Department,
BSE Limited
P.J Tower, Dalal Street,
Mumbai- 400001

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
BKC, Bandra (East), Mumbai – 400051.

Scrip Code: 544802
Symbol: CORDELIA

Dear Sir(s),

Sub: Transcript of the conference call

Pursuant to the provisions of Regulation 46(2)(oa) (iii) read with Schedule III of Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the transcript of the conference call held on October 09, 2026 on the Company's performance for the Second Quarter/Half Year ended September 30, 2026, is enclosed herewith. The said transcript is also available on Company's website at:

<https://www.cordeliacruises.com/investor-relation?tab=financialInfo>

This is for your information and record.

Thanking you

**For on behalf of Waterways Leisure Tourism Limited
(Formerly Waterways Leisure Tourism Private Limited)**

ANKIT Digitally signed
by ANKIT SATISH
SATISH SHAH
Date: 2026.10.15
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Ankit Satish Shah
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Waterways Leisure Tourism Limited

Q2 and H1 FY27 Earnings Conference Call

October 09, 2026

Moderator: Good evening, ladies and gentlemen and welcome to the Waterways Leisure Tourism Limited Q2 and H1 FY27 Earnings Conference Call hosted by Concept Investor Relations to discuss the company's financial and operational performance for the quarter and half year ended September 2026.

Before we begin, let me mention a short cautionary statement. Some of the statements made in today's earnings call may be forward looking in nature. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ from those anticipated.

Such statements are made on management's beliefs as well as assumptions made by the information currently available to the management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

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 "*" and then "0" on your touchtone phone.

Let me introduce you to the management, Mr. Jurgen Bailom – Executive Director and CEO, Mr. Nishikant Upadhyay – Chief Financial Officer.

I now hand the conference over to Mr. Jurgen Bailom. Thank you and over to you, sir.

Jurgen Bailom: Thank you, Sagar. Very good evening, everyone and thank you for joining us today for Waterways Leisure Tourism Limited Q2 and H1 FY27 Earnings Call.

Joining me today is Mr. Nishikant Upadhyay – our Chief Financial Officer and our Investor Relations Partners, Concept Public Relations.

Let me start with a little perspective on where we are as business today:

We started Waterways Leisure Tourism in November 2020 and we set sail with Cordelia Cruises in September 2021. Over the last few years, we have built Cordelia into a strong cruise brand in India. From the very beginning, our goal was simply to create the premium cruise experience built around the Indian traveler and what they value most. For us a cruise is not just about the destination.

It's about the complete holiday from food and entertainment, accommodation, family experiences, wellness and our guest experience both on board and ashore. Very pleased to say a key development as we enter the second half of FY27 is the delivery of Cordelia Sky, which has arrived in Mumbai today this morning at 8:00 A.M. at the beautiful International Cruise Terminal in Mumbai on schedule and will commence sailing from 23rd of October.

The early delivery reflects a strong execution and operational efficiency while giving us additional time to complete preparation and ensure a smooth start to operations. With a capacity of 2,400 guests across 1,002 staterooms, Sky will increase our overall capacity by approximately 126%.

More importantly, it gives us significantly greater flexibility to operate a wider range of domestic and international itineraries. Revenue from Sky will start contributing from second half of this financial year with the larger benefits building progressively as utilization ramps up.

We are encouraged by the initial booking grants and we believe the additional capacity will allow us to serve a much broader range of customer occasions and travel preferences. For us, Sky is more than an addition to the fleet. It is an important step in expanding the number of occasions on which customers can choose Cordelia, whether for family holiday, weekend getaways, celebrations, a destination wedding or an international vacation.

Coming up to our performance:

Q2 FY27 was a strong quarter for us, with performance improving both year-on-year and sequentially. We have outperformed Q1 and delivered improvement despite a challenging external environment, including geopolitical uncertainty and broader macroeconomic headwinds. For us, this is an important message.

While external conditions can influence travel patterns and consumer sentiments, our focus remains on what we can control demand generation, pricing, inventory management, customer experience and cost discipline. We have also seen additional revenue streams contributing to the business, reflecting the increasing breadth of our offering and opportunities we have to enhance revenue per guest.

At the same time, cost management remains an important priority. We are taking an aggressive, but disciplined approach to sales and inventory management, balancing demand

stimulation with pricing and capacity optimization. The objective is clear to drive higher utilization and revenue while protecting the quality of our earnings.

Looking at the larger opportunities:

We remain very positive of the long-term potential of cruising in India. India recorded approximately 4.8 lakh cruise passenger movements in CY 2025, while domestic passengers accounting for nearly 89%. The Indian overnight ocean and coastal cruise industry was valued at approximately **₹8,301 millions** in FY25 compared to ₹5,764 millions in FY20 and is expected to grow at around 20% to 25% CAGR between FY26 and FY31.

Yet, cruise penetration in India remains very low relative to the overall travel and tourism opportunities. As consumers increasingly look for differentiated, experience-led holidays, we believe cruising is well-positioned to benefit from the structural shift by bringing accommodation, dining, entertainment and destinations together in one experience.

India's extensive coastline is a significant structural advantage for the industry. In addition, wherever applicable, passport-free and visa-free cruise itineraries can reduce the friction associated with conventional international travel, further supporting cruising as an attractive and accessible holiday choice for Indian consumers.

We therefore see a long runway for the category and believe our increasing scale, broad itinerary network and differentiated customer proposition, position us well to participate in this growth. With this broader travel opportunity, we are also seeing an encouraging opportunity in the weddings and celebration segment.

Industry data indicates that FY28 could see approximately 95 wedding dates compared with a typical Calendar of around 65 to 70, representing an increase of nearly 40%. With our cruise proposition and the additional capacity coming through Cordelia Sky, we believe we are well-positioned to participate in this growing demand and further develop weddings and celebration as an attractive revenue stream across accommodation, dining, entertainment and other onboard services.

As we continue to expand our fleet, we remain focused on building a larger and more scalable cruise platform. Alongside that delivery of our previously announced next vessel SUN remains on schedule. We are pleased to inform you that we are further exploring fleet expansion opportunities beyond SUN.

We are at an initial discussion stage currently. While it's too early to provide specific details at this point, our direction remains clear. Progressively build capacity in line with the growth of the Indian cruise market. Our strong strategy is not simply about adding capacity. It's about

deploying vessels across the right mix of itineraries, optimizing utilization and pricing and assuring that additional capacity translates into sustainable revenue, profitability growth.

As we scale, our focus will remain on maintaining the quality of customer experience, while ensuring that growth is supported by operational and financial discipline. Along capacity expansion, we are also strengthening our relationship with our customers. As part of this, we are rolling out our loyalty program called the Chairman's Club.

We believe a structured loyalty program can help us deepen engagement with our existing customer base, encourage repeat travel and create more opportunities to engage with customers beyond a single voyage. This is particularly relevant as we build a business where the same customer can travel with us on different occasions and across different destinations. Ultimately, our objective is to give customers more reasons to choose Cordelia and over time build stronger repeat engagement and customer values.

With that, I will hand over to Nishikant to take you through the financial performance for the quarter and the first half.

Nishikant Upadhyay:

Thank you, Jurgen. Good evening, everyone.

Let me take you through our financial performance for the quarter ended September 30, 2026:

For Quarter 2 Financial Year '27, revenue from operations stood at Rs. 1,329 million registering a year-on-year growth of 31% compared to Financial Year '26, value being Rs. 1,015 million in Quarter 2.

EBITDA for the quarter stood at Rs. 777 million with an EBITDA margin of 58.45%, while profit after tax stood at Rs. 585 million, translating into a PAT margin of 44.02% for the current quarter. For the half year Financial Year '27, revenue from operations stood at Rs. 3,230 billion, representing a year-on-year growth of 16%. EBITDA stood at Rs.1,242 million with an EBITDA margin of 38.45%.

While PAT stood at Rs. 813 million with a PAT margin of 25.16%. During the quarter, the company has received USD 5.2 million in compensation from Norwegian Sky Limited for the early handover of the vessel Sky on September 10, 2026, ahead of its original delivery date of 30th September 2026.

This amount has been derived considering 21 days early delivery calculated basis on the 100% load factor and has been compensated by NCL as Jurgen, while introductory speech has rightly pointed out that, yes, we have taken the delivery and the vessel has truly arrived at Mumbai in the morning.

From an operational perspective, the company's load factor improved marginally year-on-year basis to 75.53% in Quarter 2 for the Financial Year '27. For the half year Financial Year '27, the load factor increased to 91.23 percentage from 87.79 percentage in the corresponding previous last year.

Now gentlemen coming to the average ticket price for Quarter 2 Financial Year '27 stood at Rs. 10,300 as compared to Rs. 9,529, while the half year Financial Year '27, average ticket price increased to Rs. 11,082 from Rs. 10,468 in half yearly, Financial Year '26. Average revenue per passenger stood at Rs. 13,645 in Quarter 2, financial year 27, compared with Rs. 10,349 in Quarter 2, Financial Year '26.

For half yearly Financial Year '27, average revenue per passenger increased to Rs. 12,930 against Rs. 11,424 for the corresponding period last year. These are all encouraging numbers. Fuel cost, which is a challenge. So, fuel cost per available passenger cruise day, APCD has increased to Rs. 2,471 in Quarter 2, financial year 2027, vis-a-vis which was Rs.1,434 in Quarter 2 or financial year 2026.

Half yearly Financial Year '27 fuel cost per APCD stood at Rs. 2,481 as compared to Rs. 1,472 in the corresponding period last year. Available passenger cruise days is basically how many cabins you have multiplied by number of two people into the number of days when you are sailing.

So, if you talk about the collective number, the fuel impact for the half year as compared to previous year and current year is almost to the extent of Rs. 28 odd crores. Had it would not have been there, the profits would have been more by Rs. 28 odd crores. Company has maintained a healthy debt-to-equity ratio of 0.57%, reflecting a balanced capital structure during the period.

As Jurgen rightly mentioned, that yes, we are in the process of looking for further more vessels. And in line with this, we have advanced Rs.4,290 million towards the acquisition of new vessels. It is an advance which has been given and it is an interest-bearing advance. We continue to maintain a disciplined approach towards cost, while actively managing pricing and inventory to optimize revenue realization.

With Cordelia Sky now delivered ahead of schedule, we will progressively evaluate its contribution to capacity, revenue, profitability as we commence operations. Overall, we remain focused on balancing growth, investment with financial discipline and ensuring that capacity expansion translates into sustainable improvement in earnings.

While moving it back to Jurgen, I just need to mention that if we talk about increase in fuel cost of around Rs. 28 odd crores, as Jurgen has rightly mentioned that yes, we have been managing the cost effectively. So, there has been cost-shedding in various areas which has been

instrumental into absorbing the increase in the fuel price. With this, I will hand the call back to Jurgen.

Jurgen Bailom:

Well, thank you very much, Nishikant and before we close, I would like to leave you with a few key takeaways. First Q2 and H1 FY27 was a stronger quarter for us with performance improving both sequentially and year-on-year despite challenging external environments. Second, the delivery of Cordelia Sky today, one month ahead of schedule marks an important step up in our capacity, in our ability to offer a wider range of itineraries and experiences.

Third, we are strengthening the customer relations through initiatives such as our new loyalty program, the Chairman's Club, while continuing to build additional revenue opportunities across weddings, celebrations and on-board experiences. Fourth, we are evaluating further fleet expansions beyond SUN, as Nishikant mentioned with initial discussions on the way and financial planning in progress.

And finally, our conviction in the long-term opportunity remains strong. India has a vast coastline, a growing travel and leisure market and significant headroom for cruise penetration. We will remain focused on discipline capacity expansion, strong customer engagement, revenue optimization and cost management as we build the next phase of Waterways Leisure Tourism. Thank you for joining us today. We will now be happy to take any questions.

Over to you, Sagar. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. Our first question comes from the line of Vansh Jain, an Individual Investor. Please go ahead.

Vansh Jain:

Yes. Hi, sir. So, first of all, congratulations for the Cordelia Sky and the good sort of numbers. So, I am just new for this company. So, I have some questions related to the financials. So, the first is how much margin improvement does the management expect from operating leverage as the fleet expands? And what steps will be taken to control the rising fuel and crew and port costs?

Jurgen Bailom:

Go ahead, Nishikant. You answer the first part. I can talk about the second.

Nishikant Upadhyay:

So, globally the cruising across globe ranges in the margin to the extent of 35% to 40%. And we firmly believe that, yes, we can also achieve it. Maybe probably a better number. And if you see my speech and the number and the performance, I have already given the performance and the numbers. It clearly says that last year also in the quarter, in the half year ended, we have given a performance of almost 35%.

Jurgen Bailom:

That's okay. I think your other question was regards fuel. Well, in my last 40 years, I had some experience over the same geopolitical situations. It would be nice to have a crystal ball to see

what the very near future holds on the fuel pricing. I personally believe it will come back sooner or later, back to the normal price.

We are very hopeful that Q3 and Q4 outlook for fuel will be reduced a little bit and our profit margin will increase due to that. However, we are not 100% certain if the geopolitical situation is changing that fast. But we do plan for it with other additional cost savings, itinerary changes and being efficient in managing our costs.

Vansh Jain:

Okay. Another question is on, you just mentioned is it we are also looking for another fleet apart from Sky, so which we are on a planning stage right now, obviously. And I just want to understand how does the company plan to finance that particular fleet of ships or projects?

Jurgen Bailom:

Good question. First of all, besides Sky, we already committed to SUN, which is going to be delivered in 11 months. She is the sister ship of Sky. So, it's an identical vessel slightly bigger with some more suites. So, that ship is coming in 11 months to us, exactly same date next year, that's already confirmed.

And the other ship, unfortunately, I cannot give you any further insight. Maybe Nishikant can elaborate a little bit on how we intend to finance all of that. But we are in aggressively talks and we earmarked some financials in order to move ahead with that talk which we crystalize, but Nishikant, if you want to elaborate on this, how we manage all of that.

Nishikant Upadhyay:

Yes. Hi, Vansh. So, we have demonstrated in the past as well. Our structure is the existing vessels have been also acquired on a higher purchase arrangement, wherein we are paying a fixed lease rental over a period of 10 years. In the 10th year, we pay a dollar and the vessel becomes ours. So, we are working on a similar line with the acquisition of new vessels.

We are in advance stage, I should not say in advance stage, we are in discussion with the possible identification of the asset. And parallelly we are in discussion with the internal accruals we have aligned. If I say that pre-IPO also while we acquired Sky and SUN around 220 odd crores were paid out of internal accruals, so that's not a challenge.

And apart from that we are certainly looking for the debt funding also, if in case a value proposition arises wherein we can acquire a vessel at a very competitive price by making an outright payment and that option could also be looked into it. But it's a discussion which is going on, which keeps us open for either a higher purchase arrangement or an outright purchase, but depends how the deal or how the discussion goes in future.

Vansh Jain:

Okay, now just a small question. How much the company's future revenue growth is expected to come from a fleet expansion versus the higher revenue per passenger?

Jurgen Bailom: Well, revenue on cruise ships is driven actually by a cabin category. So, if I just briefly talk you through on Empress, we have 796 rooms with 69 suites and balconies. Our new ship Sky has 1,000 rooms with 260 suites and balconies and SUN has 1,002 rooms with 600 suites and balconies.

So, the higher revenue is driven by the category of cabins, so 69 suites versus 600 suites, which absolutely drives our revenue. And because of all the extra hardware, restaurants, bars we have internally on the ship, that also increases our potential of onboard revenue from 50% to 90% versus the current vessel.

So, if you do the math, because of 126% larger ships plus more potential onboard revenue, you can imagine what that will lead to. And cruise pricing is not varying so much in terms of going up and down, it's all driven by cabin max. So, if you look at a potential ship with 1,600 rooms and 1,000 suites and balconies again you can do the math.

Vansh Jain: Okay. That's all from my side. Jurgen, also congratulations for the new ship. Thank you. Thank you so much.

Jurgen Bailom: Thank you.

Moderator: Thank you. Your next question comes from the line of Anurag Yadav with Indira Securities. Please go ahead.

Anurag Yadav: Thank you. First of all, congratulations sir on a good set of numbers. My question is with regards to the shipbuilding cost of sales. How can we expect the shipbuilding cost of sales to be for the Cordelia Sky, which is coming in, you said like on 23rd of October. So, how could it be different from the one that we are already running, the Cordelia Empress one?

Jurgen Bailom: That's a very, very good question, Anurag. And let me explain. It's not that difficult to understand. Obviously, the operating cost in terms of fuel, salaries, etcetera remains the same as for the other ship because these are regulated costs. What is the best part of it? It's our corporate costs.

Everything we are doing now, which was an original corporate or shoreside cost is now not any more hitting one ship. It's now divided by two ships. So, if you take the CEO salary before it was paid by the Empress, now it's going to be paid by two ships. With a third ship coming in, we are actually sharing the entire corporate costs and marketing costs by three ships, by four ships, etcetera.

So, our operating profits are increasing because our operating costs become lower. Plus, there's other opportunities, purchasing power and other opportunities we will be able with

two ships plus to actually fuel hatching, which we might going to explore in the future. So, there is a lot of opportunity with actually growing the business and reducing further costs.

Anurag Yadav: Okay sir. But I'm assuming that shipbuilding cost also includes the crew and F&B and maintenance and everything else. So, that would be different for all the different ships, right?

Jurgen Bailom: No, it remains the same because we are working for a person per day cost and budget. So, if we say we have a food cost of \$11 per person per day, it remains constant for every ship and for every guest. It is just we have more revenue opportunities because we are adding extra revenue areas to the new ships.

Anurag Yadav: Okay sir. Got it. And my second question is with regards to the capacity. As you said that MV Empress had around 696 cabins, but the capacity which was mentioned was around 2005, right? So, which roughly gives us around 2.5 or something. Would it be the same for the Sky and SUN? As you said that they have 1000 rooms, 1000 cabins or something?

Jurgen Bailom: I explained to you. So, first of all Empress has 796 rooms. Remember, we don't sell rooms, we sell beds. If in every room, if there's two guests, we have 100% load factor, but we have many rooms where there are three and four beds. Therefore, in the Empress, we have 796 rooms and 2005 beds.

On the Sky, we have 1,002 rooms, 2004 with two guests would be 100% load factor, but the ship has beds for 2,400. That's why cruise ships can have 400% load factor because we have a lot of rooms where kids and families are accommodated. And remember we are selling per person per day, per bed, not per room.

Anurag Yadav: Okay. Got it, sir. So, we can expect the same to happen with Sky also?

Jurgen Bailom: Yes. This is constant. All the ships are the same. Every ship has, if a ship has 1,500 rooms and 3,000 would be two persons, it will have box muller capacity of 3,500. So, the average capacity with all bed use throughout our fleet will be anywhere between 115% and 120% load factor.

Anurag Yadav: Okay sir. Got it. Thank you, sir. That is it from my side. I'll be in the queue.

Moderator: Thank you. The next question comes from the line of Vaibhav Mehta with Axis Mutual Fund. Please go ahead.

Vaibhav Mehta: Hi, sir. Good evening. Sir my question and congratulations for good set of numbers. My question pertains to the festive bookings. Last call you had mentioned that it is done around 60 odd days in advance. So, we would be knowing how would H2 pan out. I wanted to have your views on the bookings for the Empress as well as Sky. How are they looking? That would be my first question?

Jurgen Bailom: Well, as you know, we're not allowed to make any forward statements. But I can tell you without saying any numbers, I would say it would be very difficult for you to book a room in the very near week. So, we cannot give a forward statement. But looking at the CFO and myself, we are very happy in a very happy place right now.

Vaibhav Mehta: So, that's very nice. So, the second thing would be to understand the increase in our short-term borrowings for this particular quadrant around 344 crores. Can you help me understand for what purpose are these borrowings used?

Nishikant Upadhyay: So, this borrowing has been as I think while opening speech, I mentioned that we are in the process of acquiring another vessel. And when you go into market in the cruising, while you approach people, then you have to demonstrate that yes, you do have funds lying in your account so that it becomes quicker to close the deal. So, this money basically we have -- if you see my notes to the results as well, this money we have advanced to our subsidiary and it is interest bearing.

And our subsidiary has given this money to a mediator who is having this money and just kept it ready. If my deal gets through, it will just use that money. So, that's the case. As of now this money is not used. It is lying as an advance with one of the individuals who is helping us in closing one of the assets which has already been identified.

Vaibhav Mehta: Understood, sir. Got it. And sir, if I can just ask one question on the fuel cost. As you said that its impact was around 28 crores. That was over what we had projected. So, if the levels stay at the current level for the rest of the year, what impact are we expecting or what can be impact in terms of margins? Let's say you can help me understand that. would margins stay at the current level that are there for this particular quarter?

Jurgen Bailom: Very good question. So, maybe let me help you. A little bit similar like an airline, we allow to have fuel surcharges. Partially this will be offset with additional fuel surcharges charged to our guests. And the other part will be aggressively managing costs, itinerary planning and the way we operate our vessels currently.

Nishikant Upadhyay: Fortunately, we have a precedence of last three quarters. So, I think largely it has remained same absorbed and the deliverables and the results have been stable. And we have been performing better quarter-on-quarter.

Vaibhav Mehta: Understood, sir. Thanks, sir. That will be from my end.

Moderator: Thank you. Your next question comes from the line of Vinamra Hirawat with Jefferies. Please go ahead.

Vinamra Hirawat: My question firstly is on the Empress. How do we look at the Empress now? In total, it has completed over 30 years of service. Do we have any phase-out planned and if there is a phase-out, how does a phase-out look on the financials?

Jurgen Bailom: Very good question. Currently, the Empress is our baby. She served us really well. Now, please remember, we are not in a cargo business because cruise ships don't have such as end of life. The reason for that is we have to go for regulatory purposes. Two times in every five years, we have to take the ship out of water and go through very, very strict regulatory measurements to continue to maintain the ship.

Now, please also remember, only the steel outside remains 32 years. Inside the ship, we are always consistently upgrading. So, the outside is 32 years old, but the inside is brand-new. So, any other property, if you take chittorgarh Palace, there is an old building on the outside. They are renovating it.

But in the inside, we have the latest standard in technology, in outfitting, and soft goods. So, cruise ships work a little bit different than cargo businesses. So, we have right now, currently, absolutely no plan to give our Empress away. And if we will do that in the future, we might look into that, but absolutely no intention currently to divest our ship.

Vinamra Hirawat: Got it. Thank you. And secondly, on fuel costs. Are your fuel costs linked to retail rates of gasoline or diesel, or is it global crude prices? Basically, we want to know how we can track it in between quarters. Is there a certain commodity we can look at?

Jurgen Bailom: Yes, very interesting. Actually, fuel has special grades for the shipping industry. So, you can go on fuel plat prices. For us, the prices we use, they are globally driven. Mostly, we are aligned with Singapore fuel plat prices. And we have a great fuel called VLSFO. It's a very low sulfur, environmentally friendly fuel type. And it's daily regulated. And we purchase approximately one week in advance. And as I mentioned earlier, now with two ships, we would have the opportunity to hedge fuel. So, we would be allowed to do that. That requires two ships plus.

Vinamra Hirawat: Thank you. Just last question. I think you spoke about the fact that your purchases maybe go through mediators before you buy a ship, who act as custodians for the deposit you put. Are these global companies we can track that you go through? Any names?

Jurgen Bailom: We cannot share at this stage. Obviously, it's still very confidential. What happens normally, the crude industry is not as big as people think. Right? There are four major players. There are only five listed or four listed crude companies globally. And we are one of them. So, fortunately, I'm in this business for 40 years, which allows me to have closely connects within the crude business to have direct dealings and wheeling if there's an opportunity.

So, as previously, we have a good partnership with Norwegian Cruise Lines, where we got Sky and Sun. While they are growing, there's other opportunities. They're growing to 38 ships. There's another opportunity. We can talk to three more with them. But there's always an opportunity for us, even included in the future, to build our own ship.

Vinamra Hirawat: Thanks for that. That answers my questions and congrats on a good set of results.

Moderator: Thank you. Your next question comes from the line of Shreyash with Genuity Capital. Please go ahead.

Shreyash: Yes. I wanted to ask that if you are using first half of 2 years softer than the second half of the year, is there any trends regarding that?

Jurgen Bailom: Can you please repeat? Sorry, you are not audible.

Shreyash: Yes. I wanted to ask that are revenues and margins softer in the first half of the year rather than the second half of the year? How is trend if you could please tell?

Jurgen Bailom: A very good question. The first quarter is fairly a very high quarter. The second quarter is neutral. And the third and fourth quarter is the wedding season, Diwali, Christmas, New Year coming up and then moving straight into Holi and more festivities. These are normally our strong quarters. So, our good quarters are still to come.

Shreyash: Okay.

Moderator: Shreyash, do you have any further questions?

Shreyash: No. That answers my question.

Moderator: Thank you. Your next question comes from the line of Rikesh Parikh with NV Alpha Asset. Please go ahead.

Rikesh Parikh: Congratulations on a good set of numbers and delivery of the Sky. Sir, I just wanted to understand our average realization increase, what we have this quarter-on-quarter and how much further will be required to raise the price in order to neutralize the effect of the fuel?

Nishikant Upadhyay: Neutralize the effect of the fuel? I think Jurgen pointed out just like the airlines, we also have the opportunity to charge fuel surcharge. So, we have been doing it. I think right now also we are doing it, and in the past also, whenever in the past 5 years, 6 years, we did this activity. So, that is purely there. And that compensates largely the fuel increase in fuel prices.

Rikesh Parikh: Now, it's like you had mentioned that 28 crores was a higher fuel price which impacted our EBITDA margin and first quarter I think it was around 16 crores to 18 crores. So, I just wanted

to understand how much price increase or realization increase will be required to take the full absorb of the fuel?

Jurgen Bailom:

The total fuel cost won't be able to absorb, but I sincerely hope with the geopolitical situation moving forward, and with my previous experience in this kind of situation, I am very confident the fuel price will lower again. To our original forecast, we are not that far away, but once we reach our original forecast, we should be neutralized hopefully by Q4.

I want to also tell you in our finance management or cost management, we always build an extra 10-15% fuel cost, differentiated in our budget plan. So, I am very hopeful that now, hopefully after the midterm's elections, everything will be stabilizing, and I look forward to Q3 and Q4. I think in terms of height of prices we have reached a peak, we are gradually coming back down, and I sincerely hope, and you join me with our poojas and prayers, that this continues this way, because obviously as a global economy, we will require a better situation, because it's not only fuel price, every other price is going up.

Rikesh Parikh:

Sir, what is the average fuel price you built in your budgeting, if you can just highlight that?

Nishikant Upadhyay:

So, when you talk about the cost which I have explained during my speech as well, that the price which was there in the Quarter 2, was ₹2,471 per available passenger cruise days, against ₹1,434 last year. So, you can say that almost to the extent of 80-90% it has increased. So, to compensate it, what we have started doing is that we have started charging \$15-\$20 per person per day as a fuel surcharge.

So, this was largely compensating it, but still yes, there is a difference which is there, you rightly pointed out, in the first quarter it was around 15 odd crores, in the second quarter it is also. But that increase in cost is further planned by the operation team under the guidance of Jurgen, by optimizing the itinerary, coreitinerary, driving speed, so that is there. But the last three quarters, we have reduced it and it still remains. So, this impact of 12 odd crores will remain.

Rikesh Parikh:

And sir, just on this going forward since we have taken the Sky delivery, so we will be having an annual lease cost, so can you just guide us, what will be the increment, lease cost for the Sky and SUN going forward, it will be for us?

Nishikant Upadhyay:

So, first of all, if I talk about my Empress, there is a depreciation which is in place where you can see my leasing structure, it has captured my depreciation and amortization in terms of interest. In terms of Sky, we are paying \$16 million every year and our projections and numbers are considering those lease costs as operating costs.

Our pricing captures that part of it. So, when I talk about the certainly when you talk about INDAS adjustment it is below the EBITDA line item, but when you talk about PBT or PAT, then

it is getting absorbed. So, we are at par with the global standards, so that should not be any challenge.

Rikesh Parikh:

Sure.

Moderator:

Sorry to interrupt, Rikesh, we request you to return to the queue for follow up questions. Thanks. The next question comes from the line of Pragyam Ladha with Omni Management LLP. Please go ahead.

Pragyam Ladha:

Good evening, sir and congratulations for a good set of numbers amidst these difficult times. So, sir, on realizations of Sky and SUN, how would they look compared to our Empress?

Jurgen Bailom:

Good question. Sky 100% more than Empress and SUN 150% more and that's purely driven because of the cabin mix. This is the same pricing for every room, every category, just because of the cabin mix differences from 60 suites to 260 suites to 600 suites. The natural calculation would increase from Sky to Empress 100% and from SUN to Empress 150%.

Pragyam Ladha:

Okay. And how would the cost increase in parallelly?

Jurgen Bailom:

Well, the fixed cost remains always the same as we calculate in cost per person per day. Actually, our opportunity relies on decreasing costs because all our shore side costs is included in the total cost. Before it was all divided by one shift. Now our total cost, marketing, office, salaries is divided by three shifts. So, therefore, our operating cost actually comes down and the other opportunity as I mentioned earlier, we are able to have a better power of purchasing and on top of it, we even can consider to enter a fuel hatching program.

Pragyam Ladha:

Okay, sir. Thank you. And just second question, we are planning to add another ship. So, what would be the possible geography for that ship? Like where are we planning to sail that one?

Jurgen Bailom:

Oh, good. So, our key itineraries will always be around India. If you may be aware of the cruise Bharat mission, we work very closely with the government. So, the reason why we target the ships coming in year over year is because of the growth of ports and infrastructure. The Indian total is going to build another 27 cruise ports. We just have added another two private destinations in Lakshadweep.

Our main focus will be Southeast Asia. Very visa friendly or no visa requirement for Indians. And the majority of the year, 10 months out of 12, we will be cruising around India experiencing the vast coastline of about 1,200 kilometers from Mumbai all the way around India, Sri Lanka all the way to Kolkata, Andaman, Lakshadweep, Maldives, Singapore, Malaysia, Thailand. And we even have one itinerary plan for Mumbai all the way to Sydney and back with seven countries in between.

Pragyam Ladha:

Great sir. Great. Thank you, sir. Thank you for taking my questions.

Moderator: Thank you. Your next question comes from the line of Srihari K.S.S, an Individual Investor. Please go ahead.

Srihari K.S.S: Yes. Thanks for the opportunity. I hope I am audible to you.

Moderator: Yes, sir. Please go ahead.

Srihari K.S.S: Yes, sir. So, we have said average revenue per passenger half-yearly and also quarterly. So, just wanted to understand two things. So, is there any seasonality that Q2 is always better than Q1? And second thing is can we also get the total number of passengers and passenger days Q-o-Q and also Y-o-Y?

Nishikant Upadhyay: Okay. So, I think I will break your questions into two parts. One is you are saying that whether the pricing quarter-on-quarter is different. Was it correct? Had I understood the correct question?

Srihari K.S.S: Is there a seasonality in our business that the revenue in Q1 is always lesser than the revenue in Q2 or does it will be very helpful?

Nishikant Upadhyay: Okay. So, I will answer in two parts. One is basically we are not prone to any seasonality. We are a 365 days business and when it is raining in Mumbai, our main port becomes Chennai and we sail from Chennai. So, but then while shifting from Mumbai to Chennai, we take it as an opportunity and why I said opportunity because then since we are in the process of expanding and bringing in new vessels and as we pointed out that a new vessel is also coming in next 11 months.

So, we are looking at it as an opportunity to develop the new itineraries. So, that's the only reason we can say that there is a drop in the sales for the second quarter but yes, again it is development of itineraries. When you talk about pricing, what pricing is per day per person, be it be when you are sailing in India or be you are going overseas.

Jurgen Bailom: So, maybe simply understand we take our approach of developing cruising in India is we have to have a marketing approach. So, we use actual revenue and itinerary development to enhance our revenue without just spending money to develop them. So, we go to new places, then we have to test them if they are fit for the number of guests we have on the ship and we do that in a particular time of the year which is during the monsoon because the east coast is not yet as well as developed as the west coast.

So, our strong 10 months we spend in the west coast and we take the opportunity as a marketing initiative together with the cruise Bharat mission to develop the other side without saying we are not operating but sometimes we take the opportunity to operate only with 80 or 85% just in order to test the new infrastructure, the new ports, the new shore excursions

etcetera. And that helps us to further create new home ports and bring new ships in there after we have figured it all out to make sure it is a great cruise itinerary for future growth.

Srihari K.S.S: Got it, sir. Thank you. I just wanted to ask can we get the figures of -- number of passenger days that the travel have been happened?

Jurgen Bailom: It is very clear we have 796 rooms and you take a two passengers per day so 796×2 and then into 365 days is the available passenger cruise days.

Srihari K.S.S: Okay. That is the total number of passenger day?

Management: Sir actually it is 100% load factor to which is two guests by 796 rooms will be 100% load factor. So, 796 multiply by two times 365 that would be a 100% load factor. We had the lot of sailings where we have 115% and 116% as I mentioned earlier. We have more beds in room because we have a lot of families travelling and we are selling beds not rooms.

Srihari K.S.S: Great. Got it sir. Thank you very much. And one last question do have any plans to expand the discussions to West Asia or towards Europe?

Nishikant Upadhyay: Europe or West Asia. You are asking that whether we have any vision to respond to Europe or West Asia, right?

Srihari K.S.S: Exactly, sir. Exactly.

Jurgen Bailom: Yes, I would love to, but we cannot scare the entire cruise world because everybody is already scared of us and of our growth. So, I think we stick with what we know well and do well. I would like to continue here in India and Southeast Asia and I would like to be developing India as one of the largest cruise hubs globally, similar to what happened in America, what used to happen in China. So, I'm very happy to remain in our part of the world because we do have an absolutely great coastline, plenty of distances and vacation destinations around this area. I would rather say we want to be in the future which is the number one cruise brand in Southeast Asia.

Srihari K.S.S: Thank you, sir. I really like your conviction. Thanks, and congrats for the results. That's all from me. Thank you.

Moderator: Thank you. I now hand the conference over to Mr. Jurgen Bailom for closing comments. Over to you, sir.

Jurgen Bailom: Well, again thank you very much. I think it was a very interesting Q2. I'm absolutely delighted with my team. It was not as seamless as it could have been. Obviously, the geopolitical situation and so forth. Our aggressive approach to take delivery one month earlier of Sky and I can only

share with you the joy and the pride on today having our shipping arriving in Mumbai, which was an absolutely delight.

So, thank you very much for your questions and for joining us today. We appreciate your continued interest in Waterways Leisure and Tourism and Cordelia Cruises. For any further queries or follow-ups, please feel free to get in touch with our Investor Relations Partners, Concept Public Relations. So, one more time, thank you very much. Looking forward to speak to all of you after Q3 and we look forward to updating you on our progress in the coming quarters. Thank you so much.

Management:

Thank you so much.

Moderator:

Thank you, members of the management. On behalf of Waterways Leisure Tourism Limited, that concludes this conference. Thank you everyone for joining us and you may now disconnect your lines. Thank you.