



“Wonderla Holidays Limited
Q4 FY '26 Earnings Conference Call”

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MODERATOR: **MR. SHAMIT ASHAR – AMBIT CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to the Wonderla Holidays Limited Q4 FY '26 Earnings Conference Call. 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 this conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Shamit Ashar from Ambit Capital. Thank you, and over to you, sir.

Shamit Ashar: Good afternoon, everyone. On behalf of Ambit Capital, I would like to welcome you all to the 4Q and FY '26 earnings conference call for Wonderla Holidays Limited. From the management, we have with us Mr. Arun Chittilappilly, Managing Director; Mr. Saji Louiz, CFO; and Mr. Dheeran Choudhary, COO of the company. We would now like to begin the call with opening remarks from the management, post which we will have the forum open for an interactive Q&A session.

Thank you, and over to you, Arun and Saji.

Moderator: Ladies and gentlemen, thank you for patiently holding. We have the line for the management back. Yes, sir, please go ahead.

Arun Chittilappilly: Yes. Sorry for that. As I was saying, FY '26 has been a year of execution for us, where we have not only strengthened performance across our existing parks, but also established a strong foundation in the new markets with a clear focus on long-term value creation and operational readiness.

During this quarter, we had our highest ever Q4 with an income growing by 32% Y-o-Y, about INR142 crores, supported by footfalls of roughly INR8.79 lakhs. This growth reflects both the strong underlying demand for our continued focus on driving higher guest spend across parks.

EBITDA for the quarter stood at INR50 crores, up 64% year-on-year. For the full year, income grew by 14% Y-o-Y, INR551.1 crores with footfalls of INR32.19 lakh. EBITDA for the year stood at INR192.5 crores, up 12% Y-o-Y. The Chennai Park, which has commenced operations in December, has scaled up well and is already contributing meaningfully to the overall performance of the company. This gives us confidence in long-term potential, and we hope better performance happens this year as well.

Our Resort and Hospitality business delivered best ever performance also during the quarter, supported by strong demand and improved occupancy levels. We also continue to focus on improving the quality of our revenue. ARPU trends remain healthy during the year, supported by premiumization across F&B and retail as well as increased adoption of value-added experiences. At the same time, we've seen a significant improvement in our customer experience scores, reflecting our continued focus on delivering high-quality guest experiences.

During the year, we continue to invest selectively in enhancing our offerings and strengthening engagement across parks and while maintaining a strong focus on operational discipline, safety and compliance. Looking ahead, our focus remains on driving sustainable growth through a

combination of ramping up new assets, strengthening performance in older assets and continuing to invest in differentiated experiences for our guests.

With improving traction across our portfolio and a full year contribution expected from Chennai, we remain optimistic about the growth outlook for FY '27. We remain confident in the long-term growth potential of the business and our ability to create sustainable value.

With that, I now hand over to Saji to take you through the financial performance in more detail.

Saji Louiz:

Thank you, Arun. Good afternoon, everyone. Let me take you through the financial highlights for the quarter and the financial year. Our revenue from operations for Q4 FY 2026 increased by 40% on a year-on-year basis to INR135 crores compared to INR96.7 crores in the corresponding quarter of FY 2025. Our EBITDA for the quarter stood at INR43.8 crores, registering a growth of 2x on a year-on-year basis with EBITDA margins at 32%.

Profit after tax for the quarter came in at INR16.4 crores compared to INR11 crores in Q4 FY 2025, reflecting a year-on-year growth of 49%. The increase in EBITDA and PAT was primarily driven by expansion of our operations at Chennai, along with the reversal of certain taxes, Labour Code-related provisions created during Q3 of FY 2026.

Moving to the full year performance. Revenue from operations stood at INR518.8 crores as against INR458.6 crores in FY 2025, representing a growth of 13%. EBITDA for the year stood at INR160 crores, up by 9% on a year-on-year basis with EBITDA margins at 31%. Profit after tax for FY 2026 stood at INR81.7 crores compared to INR109.3 crores in the previous financial year, reflecting a degrowth of 25%, primarily due to the favorable deferred tax record recorded in the previous financial year amounting to INR24.1 crores.

Coming to the operational metrics, footfalls for the quarter stood at INR8.79 lakh, registering a year-on-year growth of 30%, primarily supported by the newly expanded operations. FY 2026 total footfall reached INR32.19 lakh as compared to INR30.49 lakh in the previous year, reflecting a growth of 6%.

With this, I conclude my remarks. We can now open the call for Q&A session.

Moderator:

Our first question comes from the line of Shamit Ashar from Ambit.

Shamit Ashar:

So basically, a couple of questions from my end. So, I wanted to know that Chennai Park, it started on a strong note in December with approximately 75,000 visitors. If I look at the numbers for this quarter, the footfalls were around INR191,000, so which is approximately INR64,000 per month. So, any reason for the moderation in footfalls in Chennai?

And secondly, in a mature park like Hyderabad, overall for FY '26, the footfalls were down by 7% year-on-year. So, what is going on basically there? Could you give us some sense? And what initiatives are you taking to ramp-up the footfall in Hyderabad Park? And lastly, I would like to know your capex guidance for FY '27, '28.

Arun Chittilappilly: Yes. I'll take the first two questions and the CFO will give you the capex split. So December, because it's -- because of seasonality, because of Christmas vacations, similar to how the amusement park is structured, we obviously started off with INR75,000 footfall. And also, it was a launch month. So, there was an added expense in terms of marketing and so on and so forth. Jan and Feb are usually leaner months.

But I think despite that, we were able to do a lot more than we anticipated. And in fact, in its first full quarter, it's been able to perform in line with some of our mature parks like Kochin and Hyderabad. I think we are very happy with the performance.

On your second question regarding Hyderabad, because of some environmental issues, if you remember, in the summers of last year, there was a war, Operation Sindoor, there were some early monsoons. And that led to a softening of the demand, which sort of impacted our FY '26 for Hyderabad.

But we are very confident of the fundamentals, the overall brand salience in Hyderabad, and we're very confident that we will continue to build and ramp it up. On a year-on 2-year basis, Hyderabad still shows strong performance. We're very confident we'll continue to grow in the mid- to long-term.

Saji Louiz: So, regarding the capex allocations, we are not planning any large capex in this financial year. There could be certain sustaining capex, about some INR35 crores to INR40 crores in the financial year. That's all. Any other points? We missed anything? Ashar?

Shamit Ashar: No, that's it from my end.

Moderator: The next question comes from the line of Keshav Garg from Counter Cyclical PMS.

Keshav Garg: Sir, I'm trying to understand in your best judgment, how much time it will take for the Chennai Park to mature? And do you expect it to surpass or reach the Bangalore Park levels once the -- I mean, the park matures?

Arun Chittilappilly: Usually, for us, the park matures in 3 to 4 years. And yes, I think it can rival Bangalore also. We don't know yet. It's still a new market. Yes, the early indicators are very strong. So -- but one -- we can't predict anything until 1 year is over and we have a pattern that we can look at. So, we'll have to wait and see. But yes, it looks strong for now.

Keshav Garg: Understood. And sir, so in the fullness of time, I mean, how will you rank all our 5 parks in terms of the revenue potential, which will be the number one, number two, number three, four and five?

Arun Chittilappilly: I think Bangalore and Chennai will definitely be number one, very closely followed by Hyderabad and Kochin. And then Bhubaneswar, obviously, being a Tier 2, Tier 3 city, will be on the -- it will be much smaller.

Keshav Garg: And sir, what's the outlook for the current financial year? You think as the early signs are there that can we reach the FY '24 levels in FY '27?

- Arun Chittilappilly:** Hard to say. I mean there's a lot of uncertainty in the market, as you know. And so obviously, discretionary spend could be under pressure if the war and all continues, but let's hope that doesn't happen. If everything goes well as it was last year, I think we should do well. But having said that, it's -- these are uncertain times. So I can't make a prediction on that right now, but it looks good so far.
- Keshav Garg:** And sir, where do we source the water from? Do we buy it from the tankers?
- Arun Chittilappilly:** No, we have our own water sources.
- Keshav Garg:** Okay. So underground water?
- Arun Chittilappilly:** Yes, yes, yes. Supply also, it depends on the -- every location has a different way of that we take water. Some have their own water sources, some we get from the government.
- Keshav Garg:** No, sir, I'm just trying to -- in -- let's say, if in future, there is a water shortage, which is quite imminent in many places, so in which case, the government might curtail the water usage in the -- I mean, these water parks since it's a so-called nonessential and so on. So is there any threat from that angle?
- Arun Chittilappilly:** No threat for us because we have our own water sources, but we'll have to wait and see.
- Keshav Garg:** Sir, now we have a very cash-rich balance sheet. So what is stopping us from embarking on making new parks because even once we start, it will take some like 2 years or so to -- for completion.
- Arun Chittilappilly:** We are already looking at expanding to other cities, like I've said before, but it just takes time because the nature of our business is that these are -- it takes time to conclude real estate deals, especially in larger cities. So we are hoping that we can close 1 or 2 deals this year. But again, it's an uncertain year ahead of us. We don't know how it's going to be, but we are hopeful that at least 1 project, we should be able to close.
- Keshav Garg:** Understood, sir. And lastly, sir, in the notes to accounts, there is a mention of some pod that the company has started. So can you shed some more light on that, that point of the new gaming pod named ISLE commenced operation with effect from 9th May '25?
- Arun Chittilappilly:** That is our extension of our Resort, and that has been started in June, and that is one of the reasons why our Resort is showing pretty good growth in numbers.
- Moderator:** The next question comes from the line of Ankit Kanodia from Zen Nivesh.
- Ankit Kanodia:** Sir, if I look at the long-term in the sense last 4 years, we have gone from three parks to now five parks and our total footfalls is still around INR32 lakhs to INR33 lakhs. I just want to know, do we see from an industry perspective, there is a problem or there is something where not many footfalls are coming, something which is beyond our control. We are doing probably all the right things in terms of giving them the experience. But the industry itself is not growing. People are not coming to parks. Do you see any challenge like that?

- Arun Chittilappilly:** We see such thing. It's just that like we have added one small park in 2022, which is very small. And then we now added a big park in Chennai. So I think Chennai will definitely give like a 7 lakh to 8 lakh visitor kind of number. And so you will see that going forward. So we are not worried about the long-term potential of the business and even if you look at world over, most of the successful companies across the world, across different regions, they are all investing in new locations. So we are also continuing. We don't see any reason why the long-term potential of the business is going to be affected.
- Ankit Kanodia:** Okay. Great, sir. Sir, my second question is our non-ticket revenue. If I understand correctly, it was less than INR200 years back. Today, it is more than INR450. And probably this is one area where if you can share more color because I can see there is a lot of potential here. If you can just throw more...
- Arun Chittilappilly:** Yes, I think growing on -- Dheeran can talk...
- Dheeran Choudhary:** Yes. So I think like you rightfully said, we also, as a business, see a potential. And I think a lot of focus has been done in terms of the offerings, the assortment of products and how are we able to increase dwelling time and customer engagement to be able to increase the non-ticketing revenue. And I think the numbers speak for itself.
- It's also about the quality of consumers we've been able to pull through our parks. And I think that's also helping us increase our FPH throughput and overall ARPU. And in the mid- to long-term, we definitely see that despite discretionary spend softening, whatever footfall we will be able to bring, we will be able to continue to bring at a good ARPU, and that should cushion some of our -- and mitigate some of the business risks.
- Ankit Kanodia:** Got it, sir. Sir, one follow-up regarding this. I recently happened to visit our Bangalore Park. And I noticed that in terms of the photos and images, which have been taken, that is something which we have outsourced to an outsized company. Do you see any opportunity there where we can probably put all these things inside in-house and probably increase more our ARPU there? Is that possible?
- Arun Chittilappilly:** See, wherever we find that there is a market where we can add value, we will definitely take it in-house. But wherever we feel that a third party can add better value, we will go with that. So it's a hybrid strategy. We'll have a mix of our own and then third party as well.
- Moderator:** The next question comes from the line of Girish from Bryanston Investments.
- Girish:** Yes. On this capital work in progress of INR102.9 crores, what is this related to? Because I thought with no new parks, where exactly is this?
- Saji Louiz:** This is mainly through certain rights, which we are opened in the month of April. One is the Sky Wheel tower at our Chennai Park and certain other new attractions are in the making. Similarly, Bangalore Park, we just opened one roller coaster ride. All those ride costs are sitting in CWIP as of now. So it will be capitalized in Q1 of FY 2027.

- Girish:** Understood. And this employee expenses capture stabilization post the Chennai operation? Or is there scope for further increase with scaling of Chennai?
- Saji Louiz:** The present increase is with respect to the Chennai as well as the ISLE facility, which we added in this present financial year, FY 2026. Apart from that, we are not adding a substantial number of employees other than the replacements, which is happening in the due course.
- Girish:** Understood. And last quarter, other expenses had some ad-related one-off. And I thought Chennai did much better than expectation. Is there any one-off in this quarter also or in the other expenses?
- Saji Louiz:** I can't tell right now. Last year, we had a launch expense.
- Arun Chittilappilly:** This year, we don't have that, yes.
- Saji Louiz:** This quarter, we don't -- we are not having any launch expenses, but regular marketing expenses will be there. It will not be substantial -- which is in line with what we spend in other parts as well.
- Girish:** Yes. So in the Chennai itself, I thought the footfalls actually positively surprised me. And Arun, is this sustainable or our expectation of 1 million will be advanced in terms of years?
- Arun Chittilappilly:** I can't say. As of now, it's going very good, but we don't know until 1 full year is over because every city has a different cycle. So until we go through that, we can't make a prediction. Let's hope that it does better than what the other parts have done. And so far, it's looking very good, so yes.
- Girish:** Great. And Bhubaneswar, there was a positive surprise in terms of footfall. Is there any other -- are we doing any adjacent activities like wedding or other events, which is driving the footfall? Or is the normal operation -- normal park-related operation?
- Arun Chittilappilly:** Normal park operations, and I think we are maybe doing a little bit of -- probably a slight change in our marketing strategy and sales strategy. That's it.
- Girish:** Okay. No adjacent activities, right?
- Arun Chittilappilly:** No, no, no.
- Moderator:** Your next question comes from the line of Vinod Krishna from Avendus Wealth.
- Vinod Krishna:** Sir, just one first question is on the fundamentals of the park for me to understand. So normally, when a group or a family comes, they don't repeat very often, right? It's not like theater or some other business. So, in terms of taking our footfalls to 1 million in each park over the long run, I'm not saying next year or this year.
- So -- and second question is, what -- like, let's say, in Chennai or in Hyderabad, do you see competition from any other park, not other activities, but any other parks in terms of competitive intensity in each location because Chennai has other parks or we don't have -- there's no other

park which gives a similar value proposition. So if you can help us location-wise, at least the 3 big parks, Chennai, Bangalore and Hyderabad, if you can.

Arun Chittilappilly: We don't have a direct competition in most of our locations. Hyderabad has another big park called Ramoji Film City, but that is not an amusement park, that's a film city. So, they have a different revenue model. So, I think what we do is slightly unique.

So, in that sense, but there are smaller competitors in every geography. So -- and also, we don't consider only amusement park as competition. We consider everything, any form of entertainment day outing as a competition. So that's how we look at it, yes.

Vinod Krishna: So, sir, my question was then how do we, in the long run, model our footfall increase given that people don't come again and again because once the group comes, they may not repeat every year. So -- and how do we make sure that we...

Arun Chittilappilly: I mean we don't expect very high repeats in this business...

Vinod Krishna: Yes, sir. So how do we...

Arun Chittilappilly: 2 or 3 years. So, we get fresh footfalls in most of our parks. So these are new customers, and we are -- and for us, the main target is the 10 to like 25 age group. And so that will always be new customers coming in every year.

Vinod Krishna: Yes, sir. But -- so you're confident of the long run, each park will cross 1 million. So even with this new customer and given...

Arun Chittilappilly: Yes. Absolutely.

Vinod Krishna: Sir, and then second question is, can you elaborate more on, if I take 3, 4 years, not 1, 2-year, how many parks with a high probability that these many parks so we can at least add or will be work in progress, new parks? I understand...

Arun Chittilappilly: We will be adding like I said we want to -- we are right now at 5. We want to add at least another 5 more. So -- but in the next 5 years, we have at least -- out of the 5, at least 3, 4 should be -- we should have at least 2 or 3 done. We will announce it whenever it's ready.

Vinod Krishna: So can I assume that over a 4 year, at least another 3 parks would be there, some would be finished, some would be work in progress like that?

Arun Chittilappilly: Yes, yes.

Vinod Krishna: At least -- so at least, sir, it's not that -- you understand it, but it's like high probability thing, right?

Arun Chittilappilly: Yes, yes. Absolutely, so remember that.

Moderator: Our next question comes from the line of Abhishek Shankar from ICICI Direct.

- Abhishek Shankar:** Congrats on a good set of results. So, I just wanted to understand one thing is what has been the early trends in Q1? We have been witnessing some heat wave in -- across the country. So like how has been the trends across parks? And also we had elections in Chennai, right? So just wanted to know on that. I'll follow up with the next question after this.
- Arun Chittilappilly:** Yes. So, I think so far, it's been pretty okay. I would say Chennai is doing very well and continues to do well. The other parks, again, it's -- some are doing well, some are flattish. So, it's too early to say how it's going to pan out. But we are hoping that this year, the -- so far, at least in our markets, the heat wave has -- there's not been much of a damage because of it. And if it continues like this, I think we should be fine.
- Abhishek Shankar:** Yes. So, I think last time you called out that in Chennai, you were doing around 11% EBITDA margins, right? So, can you just let me know like what were the margins this time?
- Arun Chittilappilly:** We don't know EBITDA. 30% is the EBITDA margin for the last quarter. But we don't know how it's going to be. It's still in first year, so it's not easy for us to predict that. EBITDA, it's a derivative. So once the numbers are in, then we can give you the EBITDA numbers.
- Abhishek Shankar:** Okay. Sir, just last question. So, are we going to maintain the A&P spend at 7% to 8%?
- Saji Louiz:** Which one?
- Abhishek Shankar:** Are we going to maintain the A&P spend at 7% to 8% on the top line?
- Saji Louiz:** Yes, yes.
- Moderator:** Your next question comes from the line of Navin from ithoughtPMS.
- Navin:** Congratulations on a great set of numbers. So basically, I just want to understand one thing. So, have we capitalized everything regarding the Chennai Park? And like I'm asking from the perspective of depreciation. So, it's been increasing year-over-year. So, should we expect it to stabilize until we start with the another new park? Is my assumption right on that front?
- Saji Louiz:** Chennai related, most of the capex was -- has been capitalized. And then if you could see about some INR13 crores is the total depreciation, which is posted for these 4 months of operation. On a yearly basis, it can touch about INR45 crores to INR50 crores in the financial year FY 2027.
- Navin:** For Chennai alone, you're saying, right?
- Saji Louiz:** Chennai alone, I'm saying, yes. It would be the incremental depreciation, which is getting posted into the books of accounts.
- Navin:** Understood. Understood. Got it. So, one more thing here. So, let's just set aside macro variability and all those kind of issues that we don't have control over. So, my understanding is that there has been some amount of cost pressure because of building the parks and like the launch events and all that stuff so far. So would I be right in assuming that from a business angle, like we should expect our margins to improve as footfalls improve for Chennai, like thought process side basically?

- Saji Louiz:** Yes. But at present, it is at -- it can increase. Historically, if you observe the EBITDA margin of Wonderla about some 40% on a last 5, 10 years on an average barring the COVID years. So we would be able to -- should be able to reach there the last 1 or 2 years, we had continuous launch of parks and resorts. I think it will settle down in the next financial year and we would be able to reach at that level as long as all the parks are delivering the expectation, including the Chennai Park.
- Navin:** Got it. Got it. But this is obviously subject to any macros or if you get to launch a new park, it's subject to the seamless, right?
- Saji Louiz:** Yes, yes.
- Moderator:** The next question comes from Prolin B. Nandu from Edelweiss.
- Prolin B. Nandu:** Just it's been more than now 1 year or for that matter, almost 18 months since we raised money, right, QIP. And during that time, the idea was to expand and open more parks. So I understand that you are dealing with government and there are delays. But it's been -- has anything changed since we raised the money for QIP and now which has led to further delays on decision-making as to how do we go about expanding, where we go about expanding, which are beyond our hands, right? I mean, has the opportunity size or the time it takes to deal with the government changed since last 16 to 18 months?
- Arun Chittilappilly:** No, it's -- I think in the past, a lot of acquisitions have happened quickly also. But at the same time, some acquisitions take time. So now we are going to larger cities like -- so initially, we had a plan of doing smaller parks, but then we recalibrated and we felt that we will do Tier 1 -- we will focus on Tier 1 more than the Tier 2 cities.
- So, because of that, we are focusing more on Tier 1 cities. As you know, Tier 1 cities like Bombay, Delhi and Ahmedabad, it's much harder to find good parcels of land and then also the dealing with the government takes a little bit more time. So that is the only delay. We don't see any other structural issues. The delay is not any structural or any kind of other issues. It's just a slight recalibration of where we want to go first.
- Prolin B. Nandu:** Okay. And so I mean, you sound very confident on at least announcing something in this 1 year, right? So are there any discussions which are at advanced stages, which gives us this confidence that we'll be announcing something soon?
- Arun Chittilappilly:** Yes. We have never stopped discussing. We've been -- we are at least talking to at least 4 state governments at any given point in time. Like I said before, once any deal is finalized, we will - you guys will be the first to know.
- Prolin B. Nandu:** Okay. But no color on where we are on these discussions, right?
- Arun Chittilappilly:** We wouldn't learn -- we don't want to speculate on that at this point because once it's done, we will announce it. So that's the thing that we usually do.

Prolin B. Nandu:

Okay. And one last question on how Q1 is panning, right? So can we say -- you sounded very -
- I mean, fairly confident as to how has been the start of the summer season. And summer is
also, in some sense, important for us, right, seasonally, right?

So, can we assume that Chennai is a new park, right? But in rest of your parks, can we assume
that the footfalls this year so far for Q1 have been higher than last year's number? At least is that
something which is giving you confidence across all your parks?

Arun Chittilappilly:

No, I think, see, some are doing well, some are flattish, like I said before. So that is why we are
confident. But like I said, it's not over until it's over. And so, we would -- we always hesitate
giving forward-looking thing on like especially footfall. But it's looking good now, and let's hope
that it continues till end of June. So, I think we should be home.

Prolin B. Nandu:

Sure, sure. I'll try for one last question, Arun, if that's fine. Just wanted to understand how much
predictability should we ascribe to your kind of a business, right? Because what we have seen
across 3, 4 years, there was a lull because of COVID, then there was a revenge, whatever you
want to say, buying or experience that came into the picture. Then in the past couple of years,
we had some weather-related issues, etcetera, etcetera.

So, when you think about the business from -- in the past, the experience has been, how are we
able to change the behavior of the customer despite these headwinds, right, which are something
which are beyond our hand? Can we do more promotion and ensure that we get over things
which are outside our control or there's only so much we can do when weather is weather. So
how do you think about...

Arun Chittilappilly:

Yes. I think so there will be high variability in our kind of business because we literally have to
bring customer to the park, right? We are a location-based entertainment, and we are outside the
city. So variability levels and the effect of weather and other macro factors will be high. And
this is across the world.

But having said that, I think if you look at Wonderla's numbers, pre-COVID, post-COVID, all
that and you compare it to like global and Indian peers, I think we stand ahead because we --
first of all, we have beat pre-COVID numbers by a fair margin by now. The second one would
be that even compared with the local peers, I think the variability for our footfall is relatively
lower.

That is because we are in multiple cities. And even if one dips, another one usually takes over,
so which is why we want to be in the larger cities. And also, we are in the southern part of the
country, which is -- it's usually hotter and the weather variability is less.

But having said that, like I said before, there will always be variability in a business like ours.
So, I hope that answers your question. And of course, yes, we do marketing and we do everything
to make sure that we get our footfalls.

Moderator:

The next question comes from Devang Patel from Sameeksha Capital.

Devang Patel:

You earlier mentioned aggregating land is something that is delaying our capex and also that we are talking to 4 state governments. I wanted to understand what are we expecting from state government? What kind of deal are we expecting from state governments? Is there a delay in getting those in place? Or is it the land acquisition that is getting delayed? And how many of our new parks are we looking at on an asset-light basis?

Arun Chittilappilly:

Yes. So I think like I just answered to the previous question also, I think we are talking to at least 4 state governments, and most of them are large cities. So there will be delays in terms of getting the right kind of property. And we have our own constraints like somebody asked before about water availability and so many things that we have to consider before we even look at -- we finalize on a particular piece of land.

And parallelly, we also usually work with the state government to make sure that we get the right support because this is an industry which is highly regulated. We need at least 50 to 60 licenses from the state governments every year, which has to be renewed, et cetera, et cetera. So there is a lot of paperwork that has to be done. So until we get a, say, what do you call it, some confidence that we can go ahead with a particular location or a particular state, we will not sign on it.

So that is the reason for the delay. This is a structural thing in India. I think that always happens. And asset-light models also we are exploring even in the larger cities. We will definitely keep you posted when we conclude the deal because we don't like -- we don't want to keep speculating on it halfway through when it's done. That is why we don't want to give too much detail on it.

Moderator:

The next question comes from the line of Aditya from Securities Investment Management.

Aditya:

I had a question on your Hyderabad Park. So, if I look at your footfalls for Hyderabad, we have degrown for the second consecutive year. So just wanted to understand what challenges are we facing there, which is impacting our footfall growth? So, is it location? Is it pricing or existence of Ramoji due to which our footfalls have not been growing?

Dheeran Choudhary:

Yes. So, I think one of the major factor was the summer season, which is very big for a park like Hyderabad. We had early monsoons and other weather conditions that impacted. And this year around, there was a bit of softness in the school groups that actually usually come in quarter 3. You would have seen that in the quarter 3 numbers.

There were certain road incidents due to which there was a ban on school groups. So that actually pulled back some of our footfall in estimate of 50,000 to 60,000. But again, it's a one-off incident. I think from a location perspective, we are very well located. We continue to invest and build the brand, and we are confident things will turn around for Hyderabad.

Aditya:

Understood, sir. And sir, is the potential for Hyderabad Park, is it potential -- is it possible for it to reach the levels of Bangalore? Or do you think Hyderabad would be a lower footfall location?

Arun Chittilappilly:

See, Hyderabad is a Tier 1 city. I think it's in the top 10 cities in India. So we don't see any reason why it should not be less than Bangalore. I think it's almost close to Bangalore. So we are also

hoping that it will kind of reach Bangalore numbers at some point. We do have some work there because it's one of our newer parks.

If you look at it, it's just completed 10 years, out of which 2 to 3 years we lost during COVID also. So, we have only had about 6, 7 years of working years there. Yes, we will -- I think there is still potential in terms of footfalls, maybe -- so we hope that we can cross those hurdles and get to the 1 million mark.

Aditya: Understood, sir. And sir, I just wanted to reconfirm. You mentioned that Chennai Park did 30% EBITDA margins this quarter?

Saji Louiz: Yes.

Aditya: And on the company level also, we did 30%, right?

Saji Louiz: Yes, yes.

Aditya: Understood. So, there are some parks which are operating below 30% currently, the older parks?

Saji Louiz: No. Most of the parks will be about some 40% to 45% depending upon the quarter-to-quarter. But on an average basis, 40% will be recovering from each of the parks, except the new parks like Bhubaneswar and Chennai.

Moderator: The next question comes from the line of Richa from Equitymaster.

Richa: My question is related to -- I just wanted to understand what is the potential footfall at maturity for Bhubaneswar? And how do you think we have progressed? How do you assess yourself? What could we do to drive footfalls growth further from that park?

Dheeran Choudhary: So, we've been able to get close to 2 lakhs footfall this year. This was a full year. I think in the midterm, ranging about 2 to 4 years, we see this definitely go to 3, 3.2. So there is a good headroom and our focus would be on how do we get to maybe in this financial year, at least around 2.5 to begin with.

Richa: Sorry, could you repeat that last line?

Dheeran Choudhary: I said we are hoping to see at least about -- our aim is to get to about 20% growth this year because there is a headroom of about 1 lakh, 1.2 lakhs footfall to get to it at a mature stage. So our first milestone is can we get to around 2.5 lakhs footfall in the coming financial year.

Richa: Okay. Okay. And sir, now the economy is unfolding as such that there's a lot of concert economy, live events, et cetera, going on. So, I'm assuming that you account for these revenues in your non-ticket revenue, right?

Dheeran Choudhary: Yes. We do about roughly about 2 to 3 concerts. So it's not a very big revenue source.

Arun Chittilappilly: More of a marketing...

- Dheeran Choudhary:** Yes, yes. More of a marketing brand partnership association that we look at and not as a primary revenue source. Whatever is booked, we book it under non-ticketing revenue.
- Richa:** Okay. So, this is not going to be a major driver for you. I mean this is for marketing and visibility of Wonderla, right?
- Dheeran Choudhary:** Exactly. Exactly.
- Richa:** Okay. And sir, but what is your estimate about growing this non-ticket revenue company? Like how much can it grow on a year-on-year basis and for how long?
- Arun Chittilappilly:** So, in the mature countries, non-ticket revenue will be higher than ticket revenue. Here, I think non-ticket revenue is only 30% and our ticket revenue is 70%. So, there's a lot of headroom. As we add more parks and as we add more value-added offerings, resorts and other things, I think that skew will -- it will skew towards non-ticket revenue slowly.
- Richa:** Okay. But do you see it moving to 50-50 or will it be more like 40-60 only?
- Arun Chittilappilly:** Near term, it will be 40-60 only. But definitely, I think in the next 4, 5 years, it should move to the 50-50 mark.
- Richa:** Okay. Okay. And sir, currently, like we have current investments of INR4 billion odd. So where are these parks like where is this money invested exactly?
- Saji Louiz:** Which one?
- We had about only INR1,000 crores, INR1,200 crores of investment in assets as of now.
- Moderator:** The next question comes from the line of Ankur Kumar from Alpha Capital.
- Ankur Kumar:** Most of my questions have been answered. Just wanted to confirm on the depreciation number, what should be the depreciation number going forward for every quarter?
- Saji Louiz:** Depreciation number at present is about INR80 crores, INR83 crores. And then once Chennai alone will have about some INR45 crores to INR50 crores in the -- for a full year. So this year, I think there is about some INR13 crores, INR14 crores depreciation for Chennai Park. So additionally, about some INR50 crores, INR55 crores can get added to the depreciation in the next year approx.
- Ankur Kumar:** So from this year, as in the quarterly run rate, we have reached to INR28 crores. So we should expect like INR40-odd crores coming quarter...
- Saji Louiz:** Chennai Park for 4 months, the depreciation is about INR13 crores. So annualized depreciation can range up to INR45 crores to INR50 crores. So that would be the incremental depreciation going for the organization as a whole. So roughly, you can compute whatever investments we do, 8% to 10% will be the depreciation hit into the P&L account.

- Ankur Kumar:** Got it, sir. And sir, on this April and May numbers, I think last year was very weak because of this war and monsoon. So given those things, can we expect some growth in our mature
- Saji Louiz:** No, we -- our attempt is to grow on a year-on-year basis. Last year, unfortunately, we had Indo-Pak tension and then certain summer-related issues. This year, as of now, there are certain tensions in the other West Asia and all those things, which is impacting certain supply-related concerns, not completely impacted our numbers as of now, but we need to wait and see how it will conclude.
- Moderator:** The next question comes from Vinod Krishna from Avendus Wealth.
- Vinod Krishna:** Sir, we have started opening resorts. So, what is your thinking? Like is it -- we are using our free cash flow to do it? Is it a separate line of business? How -- like in the long run, we are seeing lots of opportunities in multi because that you can do in more locations than just like it's -- it can go to more cities than where our parks can go.
- So, should we see it as an adjacent business, which we will pursue in the long run? And so how should we look at it, sir? Or only it's around the parks? Only in the cities where we have parks will do?
- Arun Chittilappilly:** So, for now, we are looking at it as an adjacent business to our Amusement Park business. But we want to focus on it because as our parks mature, there is a demand for premium resort offering. And that -- especially after COVID, people are preferring more staycations and things like that. So, there is definitely a huge demand for something like this post-COVID compared to pre-COVID. So, I think we would like to invest in it.
- Now whether we will do more of them than in other parks, that is still -- I mean, we are also debating that. We might do it. But as of now, we want to expand to other cities where we already have parks and we have properties with free land available. So that is our -- for now, that is our strategy for the Resort business. But yes, going forward, we could have it in more cities.
- Moderator:** Next question comes from Abhishek Shankar from ICICI Direct.
- Abhishek Shankar:** So, I just wanted to understand that there was a recent refurbishment of the resort in Bangalore. So, like how much ADR can we expect from this? Because I think now we are doing current ADR of about INR6,300. So where can it go from here?
- Saji Louiz:** We expect about a 7% to 12% increase in ADR after refurbishment.
- Abhishek Shankar:** 7% to 12%, okay.
- Moderator:** Your next question comes from the line of Rachna Kukreja from SIMPL.
- Rachna Kukreja:** Two questions. First question is the Chennai Park has generated around 30% EBITDA margins and older parks generate around 40% EBITDA margins. So, on corporate level for FY '26, why are our EBITDA margins at 30%? It should be more than 30%. This is my first question.
- Saji Louiz:** We have a certain...

- Moderator:** Ladies and gentlemen, please hold the line while you check the line for the management. Thank you for patiently holding. We have the line for the management back. Yes, sir. Please go ahead.
- Saji Louiz:** So, what I was saying is that even though we have -- parks are performing about some 40%, 45% EBITDA margin, we have a corporate cost center to that, which will be controlling all the parks, all the heads of each of the functions will be sitting under corporate. That's how we manage.
- And then FY 2026, we had certain onetime expenses because of the labor code changes. And then compared to previous years, we had ESOP expenses comes into picture and then the launch expenses of our Chennai Park. And then previously, the corporate setup is also having certain costs. So, these are the other costs which will be absorbed to the EBITDA margin of the parks.
- Rachna Kukreja:** Okay. And second question is why are our new rides not able to drive repeat rates? As you mentioned, footfall is largely driven by fresh visitors. Is there any drag effect?
- Saji Louiz:** We are not able to hear you properly. Could you please repeat the question?
- Rachna Kukreja:** My question is, why are the new rides not able to drive repeat rates across parks? As you mentioned, footfall is driven largely by fresh visitors.
- Arun Chittilappilly:** No. Yes, see, that's the structural thing of this business. People don't visit parks multiple times a year because day outing needs a lot of planning. Even if you have new rides, if somebody has visited this year, even if we just launch a new ride, unless they are in the right age group, they may not want to come back to us. If they're a college kid, yes, but if you're a working or if you're a family with small children, you may not want to do another trip in the same year. So there will be some lag, and that's just structural to the business.
- Moderator:** The next question comes from Navin from ithoughtPMS.
- Navin:** I just have one question. So, I know the Chennai Park is fairly recent, but you spent a lot of time working in the market, like putting up the park and like we've also seen footfalls now. So overall, at least from your experiences so far, I just want to understand if you have any view on like the competitive environment in Chennai.
- Why I ask this is because Chennai is one location that already had a couple of water parks. And there's an audience that is familiar with the concept of a water park and they know this, right?
- So, I just want to understand from your perspective, do you find it easier or more difficult entering this kind of a market rather than somewhere where you have to introduce the concept of a water park to the people itself? Do you have any views on this broadly, like even if it's not like very fast and if it hasn't done...
- Arun Chittilappilly:** It already has many water parks. It's easier for us to kind of -- the category has already been created. So it's easier for us to kind of expand into the market and expand the whole market itself.

Navin: Got it. A small follow-up to this would be, in the future, would this influence your decision-making regarding like where you would prefer to set up parks? Like would you prefer market where you...

Arun Chittilappilly: I've been answering the previous question also that we are prioritizing larger markets because it's just easier to kind of ramp-up footfalls in a mature market. But having said that, there are opportunities in Tier 1 and Tier cities -- Tier 2 cities across India. So it just depends on what we find as the most suitable for our investment.

Navin: It's very clear. Arun, but I was a little more specific about markets that already have water parks versus those that don't. Do you make that difference or do you differentiate between these 2 markets? Or is it just like a population affluent kind of..

Arun Chittilappilly: I mean that is -- I mean, yes, if there is already a water park, like I said, it will be more attractive for us to set up. It depends on the size of the market also. If it is a larger market like Chennai is one of the largest cities in India. So obviously, it's a no-brainer for us.

Moderator: The next question comes from Abhinav Kashyap, an Individual Investor.

Abhinav Kashyap: Congratulations on the good quarter. I want to understand what would be the estimated value of the land we are holding. So I mean, I have seen specs in the area of 3,000 to 4,000. So what would be the approximate land holding if we have to make an estimate?

Arun Chittilappilly: Very hard for us to estimate. We have done some estimate. I think when did we do the revaluation? In the time of migration to the new accounting standard. 2021, yes. But before that? '17, '18. Yes. So we don't know the current value of land. I think our valuation, what we have in our books is from 2017 or 2018.

We revalued it at about INR385 crores at that point of time, so which has been added to the -- yes. But that's the old value. That is 2017 or 2018. I think obviously, the value has gone up significantly now, but we have not revalued it after that.

Moderator: The next question comes from Keshav Garg from Counter Cyclical PMS.

Keshav Garg: Sir, I'm trying to understand that what time generally we shut the park at night? And do we have the liquor license with us? And is there any possibility for nightlife-related activities, especially on the weekends?

Dheeran Choudhary: We shut our parks usually around 7:00 p.m. Only on certain key occasions, we keep it open beyond 7:00 p.m., which is max 10:00 p.m. We don't have a proper liquor license. We take 1-day liquor license basis certain groups or corporate gatherings that we do. And if they've requested for it, we take the license and provide them liquor, barring our Resort, obviously, which has a liquor license.

We don't want to look at it and build a core liquor business because at the end of the day, we are a family entertainment destination. We have to also keep safety as a key focus in mind, and we want to continue to prioritize our core business, which is the amusement park entertainment.

Keshav Garg: Understood, sir. So, is there any other way that -- I mean, at night, let's say, post 7:00 p.m., when -- I mean, is there anything that can be done in the parks rather than just keeping them shut?

Arun Chittilappilly: No, we are opening them now. So, we have night parks and so depending on right out summer, so -- and sometimes we have heat wave. So, we do change it in such a way that people spend more time in the night. So yes, we do use the parks in the night, especially in summer. And we charge...

Moderator: Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for closing comments.

Arun Chittilappilly: So, thank you all for joining our conference call for our Q4 FY '26 and FY '26 full year review. We are confident that the business will continue to grow. So, hope to see you guys in the next quarter. Thank you.

Moderator: Thank you. On behalf of Wonderla Holidays Limited, that concludes this conference call. Thank you, everyone, for joining us, and you may now disconnect.