



“Wonderla Holidays Limited
Q1 FY2023 Earnings Conference Call”

August 12, 2022



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Moderator: Ladies and gentlemen good day and welcome to the Wonderla Holidays Q1 FY2023 Earnings Conference Call hosted by ICICI Securities. 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 “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Adhidev Chattopadhyay. Thank you and over to you Sir!

Adhidev C: Good evening everyone. On behalf of ICICI Securities, I would like to welcome everyone to the Q1FY23 Call. From the management, as always, we have with us Mr. Arun Chittilappilly, the Managing Director and Mr. Sathesh Seshadri, the Chief Financial Officer. I would like to congrats the management for a great quarter and I would now like to hand over the call to the management for their opening remarks. Over to you, thank you!

Arun Chittilappilly: Thank you for that introduction. Good afternoon everyone, and thank you for joining us. This is Arun Chittilappilly, the Managing Director of the company. Let me say that the first quarter is like a milestone quarter for us, we have seen blockbuster results after like almost two years of the pandemic. It gives us a lot of confidence that we are going to emerge stronger after the pandemic this quarter has also proven that our customers and general people are willing to go out and experiment with outdoor activities and fun and so that is a strong business proposition for us. As a result, we have witnessed the highest ever quarterly revenue EBITDA, PAT since inception. We have experienced some truly phenomenal as footfalls growing by some 24% compared to FY20, which was our last normal pre-pandemic quarter. Now we are entering a new dawn of value creation and growth ahead us.

The financial highlights coming to the financial numbers for quarters we registered revenues of 152 Crores clocking in a growth of 26% compared to 121 Crores in Q1 FY2020. Our EBITDA has grown by 30% to 94 Crores compared to 72 Crores for the same period in FY20. Our margin is at 62% and PAT for Q1 FY23 stood at 64 Crores growing by 53% compared to 42 Crores in Q1FY20.

Operating highlights: Demand for leisure activities has resumed with a vengeance. As you all know our customers continue to view us as a great way to spend a day of leisure, and they are proving this through their surging footfalls and each sequential quarter. We also have had an outstanding performance from our resort division, where we had almost more than 80% occupancy, the highest ever that we have done. We have also seen footfall growth across all the parks. While some portion of these footfalls could be attributed to pent-up demand, a great part has also come from a fundamental demand that continues every year and supported by compelling events and strategic marketing and marketing activation initiatives that we have implemented to drive demand. These measures and our continuous focus on customer centricity have contributed to some of these numbers. We also focused on special events and



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plans during all quarters in the last two years and some of these included our DJ events, Rhythm night and summer fiesta those kinds of things.

Secondly, we have also offered special park plus offerings and also launched some new rides to attract leisure seekers. We have implemented a lot of innovative marketing campaigns, mostly digital, to encourage walk-in and group-based footfalls. These initiatives have reached a large number of customers and built a strong demand for us and with very less marketing costs. Backed by all these efforts we have a collective footfall of roughly about 11.18 lakhs in Q1FY23 compared to 8.99 lakhs in Q1 FY20. With these strong numbers we have crossed all pre-COVID markers for footfalls and I am happy to say that we are moving in the right direction.

We have two new projects as you may know. I am pleased to inform that we have signed an MOU with Odisha government for the development of an amusement park in the state capital city of Bhubaneswar. For this development we have released 50.6 acres of land for ninety years in the Kumarbasta village within Khorda district of Bhubaneswar. We are planning to develop this product with an investment of less than 125 Crores. This will be done through internal accruals this should ultimately expand our top-line and bottom-line. The other project that we have in Chennai and that has been put on hold for now I mean it is not on hold, it is just that we are waiting for the government revert on our request of waiving local body tax (LBT) for our project. We are reasonably sure that this will happen, but we do not know the timeline it could happen in this quarter. That is pretty much it. Thank you all for your continued support look forward to seeing you at our parks and do we all go over to the question-answer session.

Moderator:

Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of TVK Vivek Kumar from Best pals Research. Please go-ahead Sir.

TVK Vivek Kumar:

Thank you. Good evening Arun. Great to see, super numbers. So, the first question is this Chennai theme, how many years will it take and how do you plan to finance it? The second question is, can you repeat this kind of numbers this year or how much of it is revenue, and how much is attributable to your marketing and increased whatever sale prefer that you are doing at your end? I know you cannot predict next year but assuming that no COVID and all the things are out of the way in terms of outdoor things, are you sure that we can grow these numbers even by a small amount in terms of footfall with our marketing efforts? Thank you, Arun.

Arun Chittilappilly:

Yes, I think we can grow this business quite a bit. Like I always said that we expect at least one million per year, and we have not reached that number yet, so I think there is definitely headroom for all of our parks to grow. If we see our footfall numbers, Cochin and Hyderabad had shown almost 38% or 39% growth in footfalls, whereas Bangalore has shown I think 7%,



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but this shows that we have still not reached that one million mark per park, so I think there is definitely a lot of headroom. The Chennai project, if we get all the approvals, I think we should be able to start next year and we will do most of the work with our internal accruals and we might take some debt on.

TVK Vivek Kumar: Sorry to ask the same question, how confident are you in your marketing efforts? Is there anything else that you are thinking in terms of what you can do to increase your footfalls? I am asking because that was a problem for the last decade, across all parks.

Arun Chittilappilly: No our parks are running full. For the first quarter, I do not think we could have more footfalls than this. It ran pretty much full throughout, especially in May, and we were completely sold out. Maybe in June, we could have a little more footfalls in the following year. So I think growing on top of this, footfalls for next year, I do not know how much we can grow but we can see. We will have to look at a possible price hike, which already planning to do, but I think for our existing parks I think we are in a very good place.

TVK Vivek Kumar: Okay thanks and all the best Arun.

Arun Chittilappilly: Thank you.

Moderator: Thank you. We take the next question is from the line of Aditya Shah from Rhythm Advisory Services. Please go ahead.

Aditya Shah: Congratulations Arun on the good set of numbers. My questions regarding two three things, which is what is the expected free cash flow that we planned to generate for next year or probably the coming two-three years? Second, if you are not taking any debt for the Chennai project, sorry not raising any capital for the Chennai project or the Odisha project, do we have any plans for raising any capital in the next two-three years? I am asking because our outlay would be around 400 crores, that is what I think. The third point is that the last ROE of 15% with us was probably in year 2015 or 2016, so do you think that going forward we would be able to maintain an ROE between 15% and 18% in the future or once it touches 15%-18% and then we go down again because of the capex and then again we go up?

Arun Chittilappilly: We do not look at ROE in that sense because these are very capex heavy investments so we do not have a benchmarked number like this, but I think we are happy with anything more than 12% and I think Sateesh can give more this thing all the numbers.

Sateesh Seshadri: I will take your questions one by one Sir. The first one is on the cash generation, see in the year we generate about 100 Crores cash on the surplus, and for the investments in.



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Bhubaneswar and Chennai Park, we will be requiring a total investment of 125 Crores for Odisha and about 220 Crores for Chennai if we have to go ahead.

- Arun Chittilappilly:** And over a two-year period
- Sateesh Seshadri:** Over two years period so in that two years we will generate about 200 Crores and we have a cash surplus now in form of investment and cash of about 200 Crores so we will try to do as much possible with internal accruals on the investment front. Number three, if you see the ROE is actually going to be difficult for you to guide why that shift happened because the Hyderabad Park came into the operations, so now if the Chennai and Odisha parks are going to come again the, ROE is going to reduce, because it takes at least four years to pick up the business. When we did the Ind-AS migration we also had a land revaluation of about 300-400 Crores 385 Crores, so this will hit on the return. While we are going to add parks the returns are going to fluctuate.
- Aditya Shah:** So broadly speaking then what is our intention of adding parks on an annual order or by annual basis? I am asking because, just to have an idea, currently we have two in plan - that is what as we know - but considering the capital outlay being around 300 Crores per park going forward, if at all, we plan any new ones, let say if we do not have a government deal as in Odisha. My question is regarding this because it is not clear about what is the ROE that we would want to make on a continued basis because as investors that is something that anybody would be looking at very closely.
- Arun Chittilappilly:** It is hard for us to predict an ROE number, all we can...
- Aditya Shah:** What is your expectation? What you want to do, as you said 12% and above that is what you said.
- Arun Chittilappilly:** Yes, it is something around those lines is that we hope to do but anything more than that is we are obviously thinking.
- Sateesh Seshadri:** See ROE is again it is not a static number, we talk about the business we see the potential in business is there, when you go by the potential and business when the topline grows automatically your ROE is going to go up like the potential rather than that is why we are going for a Capex a new park. See we have to grow our topline in two aspects, number one is leveraging or existing assets of the e park. Number two is when as Arun as said correctly, we will try to achieve one million footfalls, which we were doing before. So, with three parks we will try to record 30 lakh footfall with the existing asset. When the new asset coming in my topline is going to grow, the first approach will be how you will reinvest and head to the topline. ROE or an EBITDA is only a consequent of what you are going to do, it is not a rigid



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factor. So, we are seeing potential in this business and we see there is abundant opportunity in the north of India so we will grow slowly moving into newer parks and that is the one way of improving your topline.

Aditya Shah: No definitely there is ample opportunity absolutely no doubt, so you are one a great business.

Sateesh Seshadri: When you are in the expansion stage you do not talk much about the ROE now, it is only a consequent.

Aditya Shah: Okay got it. Thank you. I will come back again if I have more.

Moderator: Thank you Sir. We take the next question from the line of Gaurav Gandhi from Glory Tail Capital Management. Please go ahead.

Gaurav Gandhi: Hi Sir. Congratulations on the excellent set of numbers. My first question is Sir do you allow any movie shooting or marriages to happen in the park or do you have any kind of facility for planning to develop any?

Arun Chittilappilly: Yes we do, we have a lot of movies which are shot in our park and weddings, especially in our resort not in the park as such but weddings usually happen in the resort. It is not a very big market for us but we do get a lot of especially nowadays, as people want dramatic scenery for photos so because of that we do get a lot.

Gaurav Gandhi: Alright. That is it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Dhrushil Jhaveri from Crown Capital. Please go ahead.

Dhrushil Jhaveri: Sir, first of all congratulations on a great set of numbers. I just wanted to know, so what is our two three years plan, like this number of 150 Crores nearly as you said if you want more footfalls. So over the period of time, how much would be sustainable or what would be your year-end target or may be FY2025 target? Could you throw some guidance on that front?

Arun Chittilappilly: It is hard to give guidance because we will have new parks by FY25 at least one new park may be even two. So based on that I think we will have to look at numbers and Sateesh may share something like that of calculation...

Sateesh Seshadri: Our short-term objective as Arun had already suggested it has to be broken into two parts one of the existing park which is Bangalore, Hyderabad and Kochi where we will try to achieve a million of footfall, now we are at around 25 lakhs that is 2.5 million our aim is to go to 3



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million footfall in these three parks at a minimum level, this is our number one objective. Number two is expansions, when the expansions happen in Chennai and Odisha for the first few years it could add up a million more in footfalls, so we are talking about footfall of three to four million in 2025.

Dhrushil Jhaveri: Okay Sir and I am assuming with increased capacity you would also be planning to raise prices so next year in Q1 we should be better by this number and our prices will go up.

Arun Chittilappilly: Yes for sure. See pricing this year we have not gone up only about 2%-3% compared to FY20 there is headroom for us to grow pricing so which we will be doing.

Sateesh Seshadri: Normally the topline increases on account of both volume and price that we agree with. Coming of two years of COVID our immediate focus was how to improve the footfall and improve the demand we were focusing on that, now that we have achieved the first step we would be looking at the pricing, pricing we have been doing judiciously if you are seeing the pricing for the last one year and one and half years we had slowly improved the pricing and what it is just above the pre-COVID levels, now we have to work on the inflation part of it.

Dhrushil Jhaveri: Okay can I ask more question Sir?

Arun Chittilappilly: Yes.

Dhrushil Jhaveri: Sir, could you just explain a bit briefly how does our project economics work? Like it takes around two years to build and then three to four years to break even payback period, could you please give a small explanation on how does a project work?

Sateesh Seshadri: I will answer this. See let us take the example of Hyderabad Park, in the second year of operations we have registered EBITDA positive. Okay, our immediate focus will be how we can achieve EBITDA positive in the immediate year, that is second year or so, and then take up the revenue at the top at the higher levels, that is how we work. Secondly, we have to be appreciative of the fact that if I had to do a park now, and do five years down the line, and it is going to cost me at least two or three times the cost, we are missing out that. So if I developed the park at Hyderabad at around 250 Crores, the same park for me to develop is now 350-400 Crores, so I think there is an inherent project cost that is going to go up. So ideally, the growth has to be from the existing park and the newer projects, which we are going to develop, and the unit economics is get the EBITDA positive in the second year.

Dhrushil Jhaveri: Okay. Thank you, Sir. That answers all my questions. Thank you so much and all the best Sir.



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Arun Chittilappilly: Thank you.

Moderator: The next question is from the line of Mr. Ron Sen.

Ron Sen: Arun are we looking at being an operator of some of the parks of India? Is there a model you like to explore given your expertise of operations and having an in-house team? So this could be some kind of a revenue share model or asset-light strategy in future?

Arun Chittilappilly: Yes we are exploring that it and we had request from other parks to do this. We have not found the right pick yet, whenever we find it we will definitely look at also.

Ron Sen: My second question was any other vectors of growth that Wonderla is exploring? I understand during COVID I think you did some bit on the food delivery, something on the food space, but I think that was rolled back. But anything in the online gaming space? Or maybe increasing the resort offering given in the three largest parks in which you have enough space? So any thoughts over there?

Arun Chittilappilly: Yes, so this year we are going to do some experiments on our resort project and we are going to expand our existing resort in Bangalore in a few different directions in terms of adding more things to do for people, adding more thrill and adventure to the old resort and probably retaining and redoing some of our F&B. Those kind of things we are going to do this year and based on how that does and how it improves our occupancy and revenues that we got in Bangalore then we take a call on doing may be a larger one in Hyderabad and we can do a similar one in Cochin and we can do one in Chennai and we can do one in Bhubaneswar so that obviously is something we can also look at.

Ron Sen: Alright.

Arun Chittilappilly: That is in resort we are looking as one then we are definitely looking at digital online offering for like how can we make Wonderla relevant in the digital space in terms of whereas gaming or virtual reality and augmented reality which is on something that we have already worked on in some fashion in our park we are obviously looking out how well we can use it and how it can augment our revenues.

Ron Sen: Okay thank you for that. Just one last question any update on the Goa state project?

Arun Chittilappilly: This year we are not really looking at, I am just concentrating on Chennai and Odisha, but we are also talking to a few other state governments, we definitely want to build a pipeline of projects that we can go out and execute it. So, we are definitely talking to Goa, Gujarat and

bunch of different states and whenever there is some announcement, we will definitely keep you posted.

Ron Sen: Thank you so much for answering this question and wishing you all the best for the coming quarters.

Arun Chittilappilly: Thank you.

Moderator: Thank you Sir. We take the next question from the line of Rahul Jajoo from R Consultant.

Rahul Jajoo: Congratulations Sir for a good set of numbers. My first question is when you say Chennai and Odisha Park coming in how much revenue you are expecting from these parks and follow up question to these what do you think about the spike in demand is it a pent-up demand or do we expect similar growth in future?

Arun Chittilappilly: For the park in Odisha, we are doing a light version so we are going to spend about between 100 and 120 Crores there and our ticket price also will be probably about 60% of what we charge in our larger parks so maybe about Rs.600 - Rs.700. So that is the way that pricing will work. We get about roughly half a million visitors in our first year so we can do the math on what the revenue product will be and that will keep growing, and we should get about maybe 8 lakhs to about 10 lakh visitors there also, 8 lakh is what I think more realistic in a place like Bhubaneswar. Chennai will be a bigger park like our existing park in Bangalore and so you can do the math from there. That was your question, right?

Rahul Jajoo: Yes. My second question is as we all can see inflation is coming in and everyone is comparing things with inflation so do you think like is going to impact our business also?

Arun Chittilappilly: Not really. If you think about it, we have actually increased the price of our F&B and ticket quite a bit in this year itself, we are going to take further price increases and because we do not have a direct comparable for our offering and I think pricing is always been one of our strong point we can increase our price and not worry about declining footfall so we are definitely looking for the price hike.

Rahul Jajoo: Okay thank you. And Sir my very last question, what is our current overall capacity utilization in different park and what is the current capacity utilization?

Arun Chittilappilly: It is hard to predict that right now because of our theoretical capacity and what we can actually keep but theoretically we can have 10,000 visitors per day per park, but we are probably at about 5000-odd. What is our Q1 average Sateesh?



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- Sateesh Seshadri:** Sir in the year we do about 25 lakhs.
- Arun Chittilappilly:** I am saying this Q1 what will be the average?
- Sateesh Seshadri:** Q1 average would be more than about 4000 visitors.
- Arun Chittilappilly:** Yes so, we can still add more people if we want.
- Rahul Jajoo:** Thank you so much.
- Moderator:** Thank you Sir. The next question is from the line of TVK Vivek Kumar from Vespa Research. Please go ahead.
- TVK Vivek Kumar:** Arun during the COVID you just mentioned that we are working on how to create a brand awareness for even when visitors outside, in their life, like not in the park. So, are you thinking about anything to do in those terms? Like you said that we want to be relevant throughout, the price will be relevant more time when they are just inside the park, we are trying something on that I think you said or just I do not exactly who said it but during the COVID you mentioned that we are thinking very deeply on these things so anything on that?
- Arun Chittilappilly:** Yes that is actually we did that and we have been very successful in that that is why we got this kind of footfall. I think the way we do our marketing is completely different now. I cannot give you too much detail all I can tell you is we do mostly digital marketing and we do very precise targeting of people who are thinking about going out somewhere and we are able to target them very accurately and give ads and offers so that is how our marketing is working now. So when people are thinking about an outing we should be in their consideration. We do a lot of things for that.
- TVK Vivek Kumar:** Thank you and all the best Sir.
- Moderator:** Thank you. We take the next question from the line of Meet Jagnani from PS Associates. Please go ahead.
- Meet Jagnani:** Thanks for the opportunity and congratulations for good set of numbers. Sir, my first question is if this Chennai project is materializing in say one or two quarters so are we looking at any other second option or we will go ahead with only Odisha say next two years?
- Arun Chittilappilly:** We are definitely looking at other options also like I mentioned we are always looking out for new projects so if Chennai does not work out, we look at something else. There are always at least two-three projects in our pipeline we want to keep it like that and we are trying to



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grow that pipeline now. I think there are a lot more opportunities and a lot of states are looking at investment in that tourism sectors so we are talking with a lot of state governments with the which we whether we can tie up and do new projects. So that will help us to reduce our capex also.

Meet Jagnani: My question is regarding price hike are we looking at price hike across all the parks or is it at any given one park?

Arun Chittilappilly: Cannot tell you I mean definitely we are looking at price hikes across the board at some point the second half of this year, may be not this quarter but next quarter definitely we can look at.

Participant: Okay thank you very much and congratulations for nice set of numbers.

Moderator: Thank you Sir. We take the next question from the line of Avishri Shah an individual investor. Please go ahead.

Avishri Shah: Good evening sir, and congratulations on the good set of numbers. Sir I have a couple of questions. Can you put some light on the park wise performance and I see you are frequently adding rides in the park so what is your plan ahead on that?

Arun Chittilappilly: We always keep adding rides to the park something that we have been doing for a very long time every year we roughly spend about 10% of our topline in adding rides into our parks so that is definitely one thing. Then if you look at our footfalls, I think highest growth in footfall happened this quarter for Hyderabad so almost 36% growth in footfall I think 34% growth in Cochin and what is the percentage growth in Bangalore?

Sateesh Seshadri: I will tell Sir, Hyderabad we got 39% growth in footfall 46% growth in revenue and in Kochi we got 38% growth in footfall and 34% growth in revenue and in Bangalore it was 7% growth in footfall and 12% growth in revenue.

Arun Chittilappilly: Bangalore is already running almost very full even before COVID but there is lot of headroom for us to grow in the other two parks and that is that.

Avishri Shah: Okay. Sir how frequently do you keep adding as in on a quarterly monthly basis or yearly?

Arun Chittilappilly: Every year we will add something.

Avishri Shah: Okay and one more in last quarter you had mentioned an asset-light model for the new park so how much pricing we will be keeping for that park?



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- Arun Chittilappilly:** We will have 60% of our full-size park price.
- Avuishri Shah:** Okay and thank you that is it from my side. Thank you.
- Moderator:** Thank you. We take the next question from the line of Mr. Anil Jain from Equity Passion Capital. Please go ahead.
- Anil Jain:** Thanks for the opportunity and congratulations on the good set of numbers. I wanted to know if you could throw some light on our business, in terms of divided into Q1, Q2 ,Q3 and Q4 in terms of footfall and revenues?
- Arun Chittilappilly:** Q1 and Q3 are stronger quarters Q2 and Q4 tend to be slightly weaker, changing now with our digital marketing I think of course Q2 will be a weaker because of the rains and now opening up schools and colleges that will impact on footfalls, this is roughly that is how it works.
- Anil Jain:** Roughly can you give some out of 100 suppose 100 number in a year Q1, how much is in Q1, Q2, Q3 and Q4 approximately?
- Sateesh Seshadri:** See the Q1 is the main quarter for us and we record about 40% of our revenue during Q1 which is about 9 to 10 lakh footfall we achieved during Q1 and this year we have achieved little more than that and Q2 and Q4 together is about another 30% and Q3 is about 30%.
- Anil Jain:** And for Q3?
- Sateesh Seshadri:** For Q3, if you take it is again a season so Q1 and Q3 will be good numbers and Q2 and Q4 will be slightly moderated.
- Anil Jain:** Okay so two quarters combined percent approximately 70% ?
- Sateesh Seshadri:** Yes, roughly about 65-70%, yes.
- Anil Jain:** In your Kochi Park footfall that we had in pre-COVID level, but your revenue has not increased 38% but your revenue has increased 34% can you throw some light on that, based on the footfalls?
- Sateesh Seshadri:** Yes, see the revenue or the ARPU is a factor of the job mix between retail and group footfall if you take the Kochi Park per se we had 19:81 in Q1 FY2020 and now the footfall was about 50:50 group and walk-in so that has reduced the revenue some extent.
- Anil Jain:** Okay got it. Thank you.



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- Moderator:** Thank you Sir. We take the next question from the line of Sagar Shah from Sunshine Capital. Please go ahead.
- Sagar Shah:** Can you share the details of tickets to non-tickets ARPUs?
- Sateesh Seshadri:** Yes, if you take ARPU it has two components which is ATP which is average ticket price that is 987 and SPH which is a combination of F&B and retail it is about 313 both put together we have recorded 1300.
- Sagar Shah:** Okay and Sir you already mentioned like you have switched from traditional to digital marketing so can you share like how much marketing expenditure we have every quarter against the revenue?
- Sateesh Seshadri:** Our percentage of marketing expense is about 8%-9% of revenue. Normally our ratio.
- Sagar Shah:** Okay. last is like how soon we can see the Chennai Park coming in under taxation matter that can be resolved like?
- Arun Chittilappilly:** Hopefully within the next one quarter.
- Sagar Shah:** Okay Sir. Thank you.
- Moderator:** Thank you very much. We take the next question is from the line of Gaurav Gandhi from Glory Tail Capital Management. Please go ahead.
- Gaurav Gandhi:** Arun Sir can you share your understanding regarding how many times the same person visits the park if he visits once or whether he comes back or what is the time period.?
- Arun Chittilappilly:** Usually we get the maximum of two visits per year is usually what we get, there are heavy users who come ten fifteen times a year but that is a very small number most of the people may be once or twice a year.
- Gaurav Gandhi:** Okay thank you.
- Moderator:** Thank you very much. We take the next question from the line of Mr. Sachin from Swan Investments. Please go ahead.
- Sachin:** Good afternoon and congrats for a very good set of numbers. Two three questions one in your presentation you mentioned that you have lot of success plan in existing park itself so are you looking at any more capacity adding more rides at the existing parks and what type of Capex we are looking here?



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Arun Chittilappilly: Yes we are constantly going to add newer attractions so we are planning some attractions to be added in Hyderabad right now that is our smallest park and newest park so it needs some addition of rides because now we are getting huge crowds there also so some expansion will be happening some F&B expansion will be happening, Bangalore is going to see some expansion so in all three parks this year you will see a lot of expansion and refurbishment.

Sachin: Will it be minor capex or like 15-20 Crores Sir all three put together?

Arun Chittilappilly: Yes, it will be in that range only.

Sachin: Second, I think currently your issue of per ticket is like 75: 25 ballpark so what is the ratio like globally and is there a scope to improve this ratio substantially in favor of non-ticket?

Arun Chittilappilly: Yes, of course the global ratio is 60:40 and we are at 75:25 so we should be able to get that soon so that is part of the expansion that we are doing in our F&B also, we want to change our F&B offerings to more value added offerings again aided by our digital transformation so we understand what kind of people are buying what kind of food, so that intelligence we need to do some work on that hopefully within the next year that system will be up and should be able to give more varied offerings, F&B and merchandise and so whatever expansion is happening in that area.

Sachin: But do you think over the medium to long term we can also expand to the global benchmark?

Arun Chittilappilly: In a developed country matrix we will not be able to achieve I think that you know that if I think if I now developed country people are spending as much as on food as we are spending on ticket that happens in think may be in India it will take some more time, but I think eventually yes we will also get there. Yes, three to five years we would want to increase into let say 70-30, but 60-40 I think probably it will take more time.

Sachin: You also mentioned that typically at good times your each of the parks can do a million visitors every year but you also mentioned that the capacity is much larger, we do know there are season variations, but in general what do you think we need to do so that we can improve probably some million in a year over a two three year to select 1.4-1.5 million per park?

Arun Chittilappilly: So I think, yes, that means we will have to utilize our capacity much more smartly like how our airlines do that they will oversell some capacity or they will do some dynamic pricing they will do, there is a lot of tech element that will come in if we want to do that and improve a capacity so we are also planning to do things like that so that we are more efficient with our ticket.

- Sachin:** We should be calling college and revenue management, or yield management so do we have we are investing significantly in terms of software or are we boosting the digital marketing
- Arun Chittilappilly:** We will give some insight what we are trying to do on that market.
- Sateesh Seshadri:** We are developing our own software for that the ticketing process that will be completely digital, nobody else has that kind of software so we have to develop it pretty much in-house but of course it will have the elements of CRM and Salesforce automation and those kind of things, so we are building an entire stack but it take about a year to finish and hopefully we can also look a dynamic pricing for a ticking also once that is up.
- Sachin:** Just one last question Sir, we heard that in Goa there is an expressway airport coming in and the government wants to develop that more as an entertainment hub so are we looking at any options near the new expressway airport in Goa in terms of opening the new park or exploring any new opportunities there?
- Arun Chittilappilly:** We are talking to the Goa government. We might be doing something there right now is just in discussion.
- Sachin:** Sure. Thank you.
- Moderator:** Thank you Sir. We take the next question from the line of Mr. Anuj Sharma from MC Investments. Please go ahead.
- Anuj Sharma:** Thank you for this opportunity. Arun you just told that the Chennai Park, should be out within the quarter or so, so the probability of getting it or not it is zero or one scenario or there could be a scenario wherein lower LBT is considered and will be fine with it?
- Arun Chittilappilly:** I think it should get done most likely I would say with the 80% confident that it should get done but then we do not know nothing is certain 100% so but we are looking at it. They are reasonably sure that it will go through.
- Anuj Sharma:** Okay at the terms which have already intended for, correct?
- Arun Chittilappilly:** Yes.
- Anuj Sharma:** Alright. This is based on your assessment as to how things are moving in the bureaucracy?
- Arun Chittilappilly:** Yes.
- Anuj Sharma:** Alright. Thank you so much.



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- Moderator:** Thank you Sir. We take the next follow up question from the line of Mr. Meet Jagnani from PS Associates. Please go ahead.
- Meet Jagnani:** I just wanted to get an idea on your expense so could we maintain the current run rate of expenses or could we see any increase in expense deducting depreciation included increase its new capex?
- Arun Chittilappilly:** See when we do new capex obviously the expenditure will be different but on a steady state, I think for our existing parks our expenditure I think should be on a control.
- Participant:** Okay. Thank you.
- Moderator:** Thank you Sir. We take the next question from the line of Neha Sharma from Pearl Global Investments. Please go ahead.
- Neha Sharma:** Hello good evening Sir. Congratulations on the good set of numbers. And Sir one question can you give some guidance on the footfall on the revenue for the coming quarter?
- Arun Chittilappilly:** I do not think we can give revenues I think all we can say is we should do better than FY2020, we will probably do a little better than that also, yes so that is we are hoping to beat FY2020 numbers margin this year that hoping to do.
- Neha Sharma:** Okay that is it from me. Thank you.
- Moderator:** Thank you very much. Ladies and gentlemen that was the last question for the day. I now hand the conference over to the management for closing comments. Thank you and over to you Sir!
- Arun Chittilappilly:** Thank you all for attending our earnings call for the first quarter. Looking forward to more exciting news and updates from Wonderla Holidays. Thank you all for joining. Thank you.
- Moderator:** Thank you. On behalf of ICICI Securities Limited that concludes this conference for today. Thank you for joining us. You may now disconnect your lines.