

August 03, 2022

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Sub: Transcript- Investor Call

Dear Sir/ Madam,

Please find enclosed the transcript of the investor call conducted after the meeting of Board of Directors on Friday, 29th July, 2022, with regard to the financial results of the Company for the quarter and year ended 30th June, 2022. The audio recordings of the said investor call are also made available on the Company's website at www.easemytrip.com.

Please take the same on your record.

Thanking you,

Yours faithfully,

For Easy Trip Planners Limited



Priyanka Tiwari
Company Secretary and Chief Compliance Officer
Membership No.: A50412

Easy Trip Planners Ltd.

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“Easy Trip Planners Limited Q1 FY2023 Earnings Conference Call”

July 29, 2022



MANAGEMENT: MR. PRASHANT PITTI – CO-FOUNDER & EXECUTIVE DIRECTOR - EASY TRIP PLANNERS LIMITED
MR. NISHANT PITTI - CO-FOUNDER & CHIEF EXECUTIVE OFFICER - EASY TRIP PLANNERS LIMITED
MR. ASHISH BANSAL - CHIEF FINANCIAL OFFICER - EASY TRIP PLANNERS LIMITED
MS. PRIYANKA TIWARI - COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER - EASY TRIP PLANNERS LIMITED

Moderator: Good evening ladies and gentlemen, welcome to Q1 FY2023 Earnings Conference Call of Easy Trip Planners Limited. This conference call may contain forward looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Prashant Pitti – Co-Founder and Executive Director of Easy Trip Planners Limited. Thank you and over to you Sir!

Prashant Pitti: Thank you Moderator. Good evening everyone my name is Prashant Pitti, Co-Founder of EaseMyTrip I hope that all and all your families are in safe and healthy state. On behalf of EaseMyTrip I extend a warm welcome to all of you for Q1 FY2023 financial results discussion call. Today on the call I am joined by Mr. Nishant Pitti, Co-Founder and CEO, Mr. Ashish Bansal, Chief Financial Officer and Ms. Priyanka Tiwari company secretary and CCO. I hope everyone has had an opportunity to go through our investor deck and press release that we have uploaded on exchanges and on company’s website. Before starting with our quarterly discussion I would like to inform everyone that this year EaseMyTrip has commemorated its 14th anniversary and this milestone was a testament of our customer loyalty that this company has received over the period of time. Over the last 14 years EaseMyTrip has grown exponentially to become second largest OTA in the country and on the way of becoming one of the largest travel tech organizations globally. During the quarter we continue to focus on investing in new business segments, make new acquisitions and expand overseas to start air ticket businesses.

I am pleased to announce that with the linkage to operate in all three activities which is domestic, outbound and hotels, this company has set-up a wholly owned subsidiary EaseMyTrip New Zealand Limited within New Zealand. With this the EMT will capture international air ticketing and hotel segment business and strengthen its position as a global travel and tourism company. Also we have witnessed remarkable performance in our first ever corporate office in Dubai. With the aim to increase our penetration across dynamic international travel market the company has reported an astonishing performance from Middle East office. In Q1 FY2023 the GMV reported from Middle East office stood at 7 Crores. From this Middle East operation we started with April month GMV of 84 lakhs which jumped to 1.2 Crores in May and in the third month of June we saw GMV grow up cross 5 Crores. This signifies that the company has successfully managed to get its foothold in Middle East by providing hassle free booking experiences and increased its penetration in dynamic international travel market. With the constant change in rule and current travel on cities across the world we continue to create localized travel search engine for each global subsidiary. With our various initiatives to attract customers and drive growth which includes full refund medical policy, special airfare discounts on waitlisted train tickets, partnership with SpiceJet holidays, exclusive deals with (inaudible) 4:20 etc., and few

partnerships and agreements with tourism boards and other brands. EaseMyTrip is saving its cost towards a strong recovery for the industry and ensuring the current pent-up demand is utilized efficiently by engaging in operational and performance excellences and winning at the economies at large. With new avenues of growth from non-air segments and the company's continued focus on financial and operational efficiencies the company will focus on continuing to generate long-term sustainable value for customers, partners and investors. We believe that the best time for the travel and tourism industry in India is ahead as we witnessed a rapid increase in demand across business segments. With the emergence of new airports and new airlines OTAs are being preferred more compared to the direct or the offline services. As we have mentioned in the previous call that COVID has positively impacted OTAs. With pandemic forcing people to book online rather than go to travel agents offline we expect EaseMyTrip to post strong gross booking revenues growth over the coming quarters supported by airlines operating at full capacity, costs of the international flight and increasing airfare.

Let me speak about our performance and highlights for the quarter. We had a remarkable Q1 FY2023 results with profit jumping by 125% to 33.7 Crores against the net profit of 14.9 Crores in the corresponding quarter last year. For this Q1 FY2023 gross booking revenues stood at 1663 Crores generating strong and sustainable growth for its stakeholders. While on annualized basis with the current quarter run rate we can expect our GBR gross booking revenue to touch around 7000 Crores by FY2023. In Q1 FY2023 our air segment net of cancellations grew by 212% on Y-o-Y basis. We have been able to sell 22.4 lakh air segments booking in Q1 FY2023. We have witnessed strong demand and with our constant current customer engagement, customer acquisition and focus marketing initiatives we are even closer to inch up our market in air segment considerably. The hotel nights on consolidation level has seen a jump off 409% to around 0.71 lakh in Q1 FY2023 as compared to 0.14 lakh in Q1 FY2022. We are confident of future growth in this segment with our competitive pricing and wide offering across the hotels. Our train, bus and other club services together grew by 132% in Q1 FY2023 as compared to the same quarter last year. Given the recovery in travel and tourism sector it has enabled high growth in bookings in trains and bus segments. Adjusted revenue for Q1 FY2023 stood at 132 Crores up by 169% against Rs.49 Crores in Q1 FY2022. EBITDA for Q1 of FY2023 stood at 45 Crores as compared to 21 Crores for Q1 FY2022 again up by 114% on Y-o-Y basis and profit after tax for Q1 of FY2023 stood at 34 Crores as compared to 15 Crores for Q1 FY2022 again up by 125% on Y-o-Y basis. With this I open up the floor for discussion. Thank you.

Moderator: Thank you. Ladies and gentlemen we will now begin with the question and answer session. The first question is from the line of Praveen Sahay from Edelweiss Wealth. Please go ahead.

Praveen Sahay: Thank you for taking my question and many congratulations for a good set of numbers so the first question is related to the take rate so if I look at on the sequential basis from 8.4% now it is 7.9% so should we believe that the normalization in the traffic and also the higher fare this take rate to be maintained over here or there is a further room for it will go down from here onwards?

Ashish Bansal: Praveen thank you for the question the take rates which you had mentioned are on adjusted revenue now if you look at the take rate which are on the basis of our net revenues you would find that we have been able to maintain it compared to the last quarter, last quarter our take rate was somewhere around 5.2% while at this quarter the net margin is somewhere around 5.3%, the difference which you are seeing on adjusted revenue is coming from because of the discount we have reduced our discount considerably compared to the last quarter and last quarter our discount was around 3.2% while at this quarter it is at 2.6% and as you are very well aware whenever we are not giving discounts we are also not taking convenience fees from the consumers so that is why the convenience fees and the discounts are able to balance it off very perfectly and the net margin has remained the same compared to the last quarter but if you look at the competitors and the industry for this particular quarter the overall industry's take rate has declined by around 0.9% while we have been able to maintain our take rate given the stance which we took in the last quarter.

Praveen Sahay: Thank you for that second question on the GBR can you give the air contribution in your overall GBR for a quarter?

Prashant Pitti: That I think we have presented in our presentation as well which is either uploaded already or is about to be uploaded. The contribution overall on the GBR basis is somewhere around 1580 Crores from the air ticketing and from the hotel it is around 35 Crores hotel and packages it is 35 Crores.

Praveen Sahay: Okay and on your international business as the Dubai has done very well on a month-on-month basis so how big and also you had opened some subsidiaries so in the going forward like this year or the next year how big our percentage contribution terms you are expecting to become in the international business?

Prashant Pitti: Overall the expectations are very high, we have formed multiple subsidiaries but Middle East is the first one where we have actually started the operation you can go and check out EaseMyTrip.ae which is basically the website where people from the Middle East region can go and make their booking, we are yet to start similar operations in the other parts of the world but overall the results have been more than exciting for the company as we have mentioned in the starting statement and we are looking forward to see a significant contribution coming from our international operations given our lean and efficient organization structure and cutting edge technology we wish to become the global ticketing company based out of India.

Praveen Sahay: Related to that like 7 Crores is it all from the air or it is a mix of segments?

Prashant Pitti: Majority of it is from the air right now.

Praveen Sahay: Okay and some bookkeeping questions the other expenses for a quarter has jumped on Q-o-Q significantly can you give some details like 13.7 Crores for this quarter versus 5.6 Crores last quarter so what related to that?

- Prashant Pitti:** Our B2B business has also increased during this particular time and the commissions which we give to the agents come under other expenses because of which you are seeing that the other expenses have swelled up by a bit in this particular quarter.
- Praveen Sahay:** Okay and also I had observed that EBIT margin you had given for across the segment is the same, is it like your air segment or a hotel segment and others?
- Prashant Pitti:** That must be the total level.
- Praveen Sahay:** Similar margins?
- Prashant Pitti:** No, I think we gave a combined number Ashishji please correct me if I am wrong I remember we gave a combined number for EBIT margin.
- Ashish Bansal:** Yes we gave the combined number.
- Moderator:** Thank you. We will move on to the next question that is from the line of Saurabh Shah from AUM Advisors. Please go ahead.
- Saurabh Shah:** Sir just following up on the earlier questioning line I just wanted to get a sense of as you expand into other markets like Dubai and other places as well how do you see the profile of your profitability going forward these markets I am sure you would have studied them do they still provide the same kind of profitability dynamics that India does, how do you see your growth over the next maybe year or two looking at other markets as well, why do you think the growth will be dilutive to margins?
- Prashant Pitti:** So currently we are of course contemplating the reason why we enter Middle East market is that we are able to do business at positive run rate, for the other markets as well we are working we are contemplating, to provide the exact nature of profitability is going to be tough at this particular time; however, as a company we stand by being a PBT driven company rather than the vanity GBR driven company so you can expect the company to do whatever business to do as profitable business so this is the endeavor of the company and we look forward to expand wherever we find more low hanging fruits rather than that of a business so in Middle East we found business to be slightly more conducive and that is why we have started that business first and now we are planning to expand in the other geographies but given the nature of the company which is PBT driven company we believe that we will continue to grow our business profitably.
- Saurabh Shah:** In terms of scaling more both in India and elsewhere any other kind of expenses in the past I think we have spoken about technology costs or other things do you expect any disproportionate change over there you might have to invest in something new or get people to kind of connect with more networks, more agents, more systems and which may have different technology so do you anticipate any change over there?

Prashant Pitti: We do not anticipate huge change in cost structures specifically given from technological perspective. In terms of hiring people there might be some cost but those are not disproportionate again, they will be proportionate business which that particular country and geography is bringing, most of the cost structure will continue to be borne out of India only few people would need to be added in new geography so I do not see any huge capex requirement or even for that matter huge opex requirement for the company to grow in the other part of the world but other expenses related to marketing sales will happen they will happen in proportionate to the GBR which those companies or those countries are bringing in.

Saurabh Shah: In the past we mentioned that largely around the dot net platform, are you expect them to be adequate for you as you scale up for the next two years as well?

Prashant Pitti: That is correct.

Saurabh Shah: Okay thank you and congrats for a good set of numbers.

Moderator: Thank you. The next question is from the line of Parag D from JM Financial. Please go ahead. As there is no response from the current participant we will move on to the next that is from the line of Vaidik Bafna from Monarch Network Capital Limited. Please go ahead.

Vaidik Bafna: Congratulations on the good set of numbers I just had a question regarding the revenue split between international airline travel and domestic airline travel so what would be those in the percentage form?

Ashish Bansal: We are getting 30% volume from international business in this quarter.

Vaidik Bafna: 30%?

Ashish Bansal: 30%.

Vaidik Bafna: Next question is on the payment gateway charges side I can see that the payment gateway charges has increased a lot if you compare it Q-o-Q in Q4 FY22 it was 12.2% of sales whereas in Q3 FY2022 it was 10% of sales and this quarter it is 13.7% of sales so any reason behind this?

Ashish Bansal: The payment gateway charges should be looked as a percentage of GBR and is a percentage of GBR we are actually quite standard they are between 0.6% and 0.7% not as sales because you pay payment gateway charges at the total transaction level.

Vaidik Bafna: Also it is the customer choice on whether they are paying through credit card, UPI, debit card but sometimes vary.

Ashish Bansal: But on the overall basis it is pretty much the same, in the last quarter it was around 0.6% and this time it is somewhere around 0.7% so I do not see any significant change as a percentage of GBR.

- Vaidik Bafna:** That is it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Jins Varghese from Tavsaya Capital. Please go ahead.
- Jins Varghese:** What would be the take rate in the international business?
- Prashant Pitti:** So those will be in line I do not see a significant change in the take rate for domestic and international what happens is that at the ticket level since the amount is bigger we are able to make much more but at the overall gross level I do not see take rate to be much different except that whenever there is a business class booking and there are more business class bookings in international travel we are able to make better margin.
- Jins Varghese:** Okay and which geography is largely driving this international business can you please elaborate on that?
- Prashant Pitti:** So right now as the borders are very recently opened up but not all the flights have started the borders actually opened up on March 27, 2022 if I remember correctly but most of the flights currently are in the vicinities of Dubai, Singapore and some other destinations so right now it has not come back to the standard numbers which we have seen in the past; however, we believe that the international segments and the other thing which has happened is that there has been a huge delay in visa process for the long haul destination specifically so I believe that a lot of teething issues are happening post pandemic which will be sorted out very soon and we will be able to see the normalized version of air ticketing on international basis as before.
- Jins Varghese:** Regarding this hotel segment how is the recent EBITDA profile for hotel in terms of unit economics is it deteriorating or improving and what is the outlook going forward?
- Prashant Pitti:** As I mentioned in my previous calls our endeavor is to grow our hotel business at a breakeven case and that is what we are focused on and the results are also shown. Our hotel bookings have gone up quite dramatically compared to the last quarter and also compared to the last year of the same quarter. At EaseMyTrip we have also been able to increase our visitors dramatically if I could share in January month around 5.5 million total visits happened on EaseMyTrip on our desktop, mobile and app put together and in June that number was somewhere around 7.5 million for desktop, mobile app and application put together so our constant focus is to get more visitors on our website and then convert them by selling them various cross selling activities like most of the people are coming for flights but our endeavor is to sell them hotels, bus, train and other services and that is what our focus is but the focus is definitely not to grow that business profitably but at break even case.
- Jins Varghese:** Okay and regarding this recent acquisition of hotel how is that going on?

Prashant Pitti: The acquisition of three hotels is doing pretty well for the company, they have also been given very strong targets and they are able to meet those targets the company is running profitably and we wish to continue to grow that organization and expand it to 200 hotels in the next five years which stands at around 22-23 hotels at this moment.

Jins Varghese: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Jatin Jhadav from Sahasrar Capital. Please go ahead.

Jatin Jhadav: Good evening first of all congratulations on good results, my first question is regarding the Yolo acquisition which was done how is it going and regarding the total of three and Yolo do you see a huge chunk of your revenue pie to be constitutional of these two?

Prashant Pitti: Yolo acquisition has happened in the month of March 2022 the entirety happened in March 2022 if I remember correctly so the deeper integration is happening and from this month onwards I have seen significant upside coming from the Yolo side where the business has really picked up, we have been able to put the pieces together back again and restart the company post the pandemic and we believe that overall the Yolo could do dramatically well for EaseMyTrip as a brand. The endeavor of Yolo is very simple basically it is a creating a premium segment of buses which is very well required in India there are somewhere around 15 million buses which are on the road every day and most of these buses are in shambles, Yolo basically works along with bus operators to make those buses in better conditions, put the GPS tracker in those buses and create the environment which people need to be able to travel in bus comfortably so overall there is a huge market out there and Yolo wishes to capture that market and we are working along with them and the revenue basically has started coming in from this particular month almost and I expect them to do pretty well going forward.

Jatin Jhadav: Good and my second question was regarding the international business after Dubai from where can we see revenue coming and will it be just from the air segment or will you be using the same strategy in India like Spree or Yolo or any other good acquisitions outside also?

Prashant Pitti: See we are open for the acquisition there are few companies where due diligence process is already going on in the last couple of months, acquisition out of India is not something which we are not contemplating but again the DNA has to match. We are a very efficient organization which is disrupting in one particular skill very well we are looking for acquisition for the company which are somewhat of EaseMyTrip nature and if the DNA matches we could be more than happy to acquire companies outside India as well and we are contemplating couple of other companies.

Jatin Jhadav: Okay and just one small question the back end operations would be handled from India itself for the international business or will we be hiring talent outside?

Prashant Pitti: Most of the back end will continue to operate out of India; however, wherever there is a language barrier we may have to set up a small call center for example in Dubai we had set up a call Center for Arabic speaking people over there so wherever there is no language barrier most of the operations will continue to exist from India but wherever there is a requirement we will have to work according to the nature of those countries.

Jatin Jhadav: Got it. Thank you Mr. Prashant and congratulations and all the best for your future.

Moderator: Thank you. The next question is from the line of Madhuchanda Dey from MC Pro. Please go ahead.

Madhuchanda Dey: Congratulations on very strong result. I have three questions the first one is number related and the other two are little long-term so my question is if I look at the segmental results although hotel is very, very small at this stage but the segmental margin is as a tad lower than your air ticketing business so as we are moving up into new geographies which is international and into newer segments like hotels then buses, etc., etc., what do you think would be the trajectory for the margins do you think we will settle up a percentage or 2% lower than the current level or do you think that in the initial stages margin could take a bigger hit?

Prashant Pitti: So Madhu basically the idea to grow our hotel and non-air businesses right now is to grow at the given speed we do not wish to make money while it is already known that at EaseMyTrip we get it at the gross level we make around 12% to 15% on hotel booking but then we are giving back to the consumer in the format of discount and that is why the hotel business is at break even. The endeavor is to continue to grow at break even for certain amount of time till that number becomes substantial and then thereafter we would consider making some money out of it; however, at the at the hypothetical level the margins which we can make on hotel could be higher than the air ticketing margins because overall the growth margin itself is higher at the hotel business so that the business margins can shift dramatically in hotel business depending on where do we want to start seeing to make some money out of it right now the endeavor is to grow that business and not to make money out of it that is the call which company has taken and in the due course of time you will get to see how much money we are making in the hotel business. For the international business as well I believe that the overall margins can be in line with what the margins which we are making in India.

Madhuchanda Dey: Even in developed markets?

Prashant Pitti: Well right now we are contemplating for Dubai we are seeing somewhat similar number but again for the other specific markets I will have to check that. However we believe that the margins can exist specifically given that our operations will continue to happen out of India and since we are one of the most lean and efficient organizations in India we should surely fare much, much better than the incumbent players out there so the idea is to grow out of India and grow our business. Right now we are not too much worried about the margin part and we know how to

squeeze in the margin as what we have done at each market and that part can be taken on later right now the idea is to get our foothold in most of the markets.

Madhuchanda Dey: My next question is a little long term so we have been reading and hearing a lot about ONDC so would someone like you be interested to join a platform like ONDC if yes why and how do you think that could impact your business and if no why not?

Prashant Pitti: We are in exploratory state with ONDC team, we have had couple of meetings with them, there has been no conclusive yes or no from our side so far we are just trying to understand their technology, their platform and what kind of services are they providing, it is a platform where we can enlist ourselves both as buyer and supplier and where we are trying to understand more. As of now they are more focused on the grocery shopping or the e-commerce shopping part rather than the air ticketing part but we will get to know more about it as the time comes; however, the discussions have already begun from our side.

Madhuchanda Dey: Do you think that in a platform where there will be multiple players you will stand to gain because you have the cost efficiency as an edge or do you think?

Prashant Pitti: Anything which provides EaseMyTrip visibility helps our organization since our pricing is better compared to our competitors we have an edge wherever we get more visibility that is something which we know because then there is lesser amount of money which you have to spend on marketing and everybody is basically standing at the same level so yes at the theoretical level we could help companies because it normalizes the cost of marketing as everybody would be listed on that but again it is too early for me to say anything we are in the exploratory stage with them.

Madhuchanda Dey: My very last question is from a five year time horizon what is that aspirational company that you would like to be compared with?

Prashant Pitti: I do not think that we have to think of any company as an aspirational company I believe that at EaseMyTrip for the last 14 years what we have done with very limited amount of capital in on this call I would like to share a detail which I do not think we have mentioned before but it is very evident to open out where the first five years of running EaseMyTrip we have put in only 15 lakh rupees of capital the first five years which is a formidable year of EaseMyTrip so we have grown this company truly bootstrapped it is not that we have pumped in our own huge sets of money only 15 lakh rupees was put in, in the first five years of EaseMyTrip and no money from the bank was taken, there is no investors, no PE investor no VC investors has ever come in at EaseMyTrip so I believe that at some level we might be aspirational to a few entrepreneurs out there I hope I can say that after doing whatever we have done for the last 14 years but here at the top level we do see there are some companies like Zerodha, Zoho of course bootstrapped the organizations and have built tremendous amount of businesses are generating humongous amount of PAT. At EaseMyTrip we would like to see ourselves going in that direction and we are following the path of doing the right thing for the consumers with the little marketing as we

can so that those consumers mostly come by word of mouth and we are able to retain them for longer duration of time that is the aspiration which we have.

Madhuchanda Dey: Okay thanks gentlemen and all the best for the rest of the year.

Moderator: Thank you. We will move on to the next question that is from the line of Rahul Dani for Monarch Networth Capital Limited. Please go ahead.

Rahul Dani: Good afternoon Prashant just a couple of questions from my end just wanted to understand what is the status of the forex business?

Prashant Pitti: Well I believe we have gotten the license for the forex business the business is yet to start AshishJi do you have anything to add to that?

Ashish Bansal: We have applied for license with RBI.

Rahul Dani: Just wanted to check we have seen increased advertisement from EaseMyTrip so do you expect this percentage to kind of start increasing as we are gaining more market share and just wanted to understand what according to you our market share would be right now?

Prashant Pitti: So our marketing and sales promotion as a percentage of GBR has not increased in fact it has only gone down, our entire marketing expenditure for the last quarter which is Q1 FY2023 was at 103 Crores as a percentage of GBR I believe it was around 0.6% but always if you compare with the last quarter, last to last quarter it was 0.8% so overall I do not see our marketing and sales promotion has gone up dramatically in fact it has only gone and notched down the reason why you might be seeing much of an improvement more often than before is because we are tracking it these days all the social media which is Google or Facebook they are very intelligent if you search EaseMyTrip more you see the advertisements more as simple as that so that might be probably the reason why you are seeing it I believe that we will hover around between 0.6 and 0.9% as of a marketing and sales promotion as a percentage of GBR in the long term basis.

Rahul Dani: Approximate market share as what you would think we would be commanding right now?

Prashant Pitti: Market share studies to be honest has to be done by the third party we do not know the exact data at any given point of time; however, we believe that the market share does not change that significantly substantially over quarter-on-quarter, it is also a matter of fact of how much discount the company is offering at that particular quarter we chose to be a little bit on the conservative side if you see that our discounting has only gone down for FY2022, entire year our discount was somewhere around 4.4% while for Q4 of FY2022 we reduced it to 3.2% and for this particular quarter we have again reduced it to 2.6% so it is also a matter of the fact that what discounts do you choose to give to the consumer we believe we are very lean and efficient organization and as much as we care about serving our consumers we also care about a very healthy balance sheet so it is also a matter of fact of that and it is in particular quarter if we wish

to increase our number dramatically it can be done by providing more discounts but we chose to do it in a lean and efficient way and we see our business on a long term basis so I believe that the market share currently would still be the same somewhere around 20% on the OTA.

Rahul Dani: Sir just one last question from my side any short term impact on this SpiceJet ruling?

Prashant Pitti: There is no impact as what we see right now of course this is very recent so in due course of time we will know but so far of course there have been cancellations and whichever company is able to handle it pretty well at this time.

Rahul Dani: Alright Sir great thank you so much and all the best.

Moderator: Thank you. The next question is from the line of Parag D from JM Financial. Please go ahead.

Malik: Thank you for the opportunity I basically had a couple of questions number one question was with regards to the airlines side is shaping up if I look at the last few quarters and the way our GBR has tended both on a sequential and year-on-year basis it appears that we have lost market share could you essentially help us understand if that would be the right assessment, the second question would be as to how are you seeing competition evolving especially given one of the erstwhile players is coming back very strongly backed by Flipkart and the third question was a clarification question with regards to the number of hotels that you shared in your presentation is there some realignment of the **(inaudible) 40:10** on full year FY2022 hotel night number in the presentation as compared to last quarter?

Prashant Pitti: In regards to your first question I do not see there is any market share loss as I said in my answer before that we have chosen to be a little bit conservative on our discount which we have been offering from Q3 FY2022 I believe the discount was somewhere around 4.6% then we took it down to 3.2% and now it is at 2.6% see when the business is coming fine, when the gross booking revenues are great when the bookings are happening why do you want to give too much of discount and lose the profitability is what our thought process is and because of which some numbers as you said that some numbers might not have gone as much as up you would have expected because we chose to be on the conservative side on the discounting part that is the answer number one.

Malik: My second question was with regards to the changing competitive intensity..

Prashant Pitti: We have seen end number of competitive cycles come in and go as you would have assumed in fact honestly speaking competition intensity has only dried up in the last couple of years the kind of competition, the kind of discounting which we have seen in year 2013, 2014, 2015 it is just not explainable at this particular time and we have tried even in those environments so we believe that to do the business sustainability is the right way to do it. If you burn a lot of money in one particular quarter and then also you do not see needle moving up dramatically then the next quarter you basically automatically take the route which is right route, which is not to burn too

much of money and I believe by us being a listed entity and running business profitably there is enough pressure on the competition side as well to do business more sustainably and turn profitable someday soon so I believe that the competition intensity in fact I believe that I have read a couple of messages as well from the company which recently got acquired that they are actually a lot more focused on the hotel side rather than the flight side so I do not see a huge threat coming from the company which was recently acquired and the third question which you asked is related to the hotel business yes we have added our three hotel numbers as well into the business this is the consolidated number and that is why the numbers might have changed at the base from the last quarter.

Malik: My question was with regards to the hotel volume three would have come in second-half the year but I see even first quarter hotel numbers being seeing a change in the first quarter of 2021 numbers so what would explain that and the second question was with regards to the segmental profitability and which was also asked by one of the other participants, you guys have reported the segment revenues and profitability across air package and other businesses when one sees at the segmental profitability it appears that the segmental profitability is same across all the segments so what would explain that?

Ashish Bansal: Q1 we have to see what the difference we are talking about that is right now I am not able to comment on. There is an improvement in this quarter in hotel packages, there is 7 Crores profit in the current quarter as against 27 lakh loss in the corresponding last year quarter so there is an improvement in hotel package.

Malik: Okay but what would explain the fact that if the margins are 47.5% across each of the segments?

Ashish Bansal: Margin increase because of the (inaudible) 46:19 basically so this time there is a screen number added in the hotel packages.

Malik: I get that I was just saying that the margins across air package, hotels packages, and other services shows up at 47.5% across each of the three segments in this current quarter that is what reason I asked that question. Thank you.

Ashish Bansal: So basically we do not segment our employee and that is why I do not think that it would be a collection for us to say that the EBITDA is exactly the same for all of them it is just that we have reported a combined EBITDA margin.

Malik: Sure thank you and all the best for the future.

Moderator: Thank you. The next question is from the line of Santosh Sinha from Axis Capital. Please go ahead.

- Santosh Sinha:** Thanks for taking the question. My question is regarding the contingent liability that the company has, also actually when it comes to litigation with air both travel and tourist **47:26** and also demand from the income tax department is there any update on these two litigations?
- Ashish Bansal:** As far as **(inaudible) 47:40** there is no development and there is a status quo and as far as income tax department it is under **inaudible**.
- Santosh Sinha:** Okay thank you that was helpful. Thanks a lot.
- Moderator:** Thank you. The next question is from the line of Praveen Sahay from Edelweiss Wealth. Please go ahead.
- Praveen Sahay:** Just a clarification as you had said that the domestic and international bifurcation of 70% and 30% is in terms of volume?
- Ashish Bansal:** In terms of value.
- Praveen Sahay:** Okay that is it thank you.
- Moderator:** Thank you. The next question is from the line of Jins Varghese from Tavsaya Capital. Please go ahead.
- Jins Varghese:** Just wanted to know your outlook for your airline volume growth for the next three years or just I want to rephrase it suppose if the airline industry grows by say 25% over the next three years, can you grow by 2x or you can grow much higher than that?
- Prashant Pitti:** I will first explain what is anticipated for the airline industry and then probably comment on what should we expect internally. I have read in couple of research reports there are about 710 aircrafts which are used in India and every year in India we are expecting to add between 110 to 120 new airplanes for domestic purposes which would mean that over the period of next 10 years, a decade the market should go up by two times then become three times the size of the market which it is right now so at overall basis we should expect to see CAGR growth of around 14% to 15% on annual basis so that is the anticipation at the market level. At EaseMyTrip since we are gaining the market share and since we are chasing I believe that we should be able to grow at least 2x to the speed of the market and maintain that run rate for the next couple of two to three years that should be our expectation.
- Jins Varghese:** One more sorry to add that where do you see this EBITDA margin settling in for the airline business I can expect around 50%?
- Prashant Pitti:** Right now it is at 50% at the peak of it was somewhere around 60% I anticipate this number to settle somewhere in.

- Jins Varghese:** So this will be more or less similar going forward. Thank you.
- Moderator:** Thank you. The next question is from the line of Anshuman from YCG. Please go ahead.
- Anshuman:** Hi Prashant. You mentioned in an earlier interview that the company grew at close to 50% CAGR between FY2016 to FY2020 so what is your outlook on the growth for the next 5 years even a decade and I also had another question so you mentioned that airlines are the bread and butter of the company where do you see the revenue mix going forward in the next three to five years?
- Prashant Pitti:** To answer your question number one, yes the company grew at CAGR of 57% in the past, the pandemic basically altered the business dramatically now the business is actually back on track if you can see that our GBR for this quarter if you take an analyzed approach on the GBR which we have obtained in this particular quarter on the annualized basis we are anticipating our GBR to touch somewhere around 6500 to 7000 Crores for FY2023 provided there are no huge disruptions related to COVID or any other anomaly so if we take that as the number we are anticipating our business to grow by 90% compared to FY2022 so that should give you some hint on where we are seeing the profit and on the mix side the mix can change very dramatically our Middle East business is growing and we anticipate our other country operations also to start in the next four to six months so the business mix can change today dramatically. Our endeavor is to keep adding new business verticals to EaseMyTrip which are either at break even or profitable stage so it would be very hard for me to comment for the outlook of three to five years; however, our endeavor remains the same which is to become a global player and become a travel ecosystem rather than just being a travel platform.
- Anshuman:** Right, you in an earlier interview mentioned about when people are booking on websites they are comparing prices but when they are on your app they are not essentially comparing prices which I found to be a great point so I am just wondering what is the current split between the website and the app bookings and how is it progressing forward like what does it look like in the future what is your outlook?
- Prashant Pitti:** So basically whether it is an app or whether it is a PWA. PWA is also a progressive web app where people can use the mobile website as a substitute of the app, the business is growing more on the app side rather than on the desktop side in fact the desktop numbers are almost one fourth of whatever total numbers are mobile website and app constitute for the most of the booking and this is one superpower which I believe the current organization like EaseMyTrip has which is that the more and more we get deeply penetrated on the app side the better it is for the company where we become people's default choice to go to EaseMyTrip app and just make the bookings as you already know that EaseMyTrip gives an option to not to charge convenience fee it becomes a no-brainer for our consumers to keep reusing each market over the period of time.
- Anshuman:** Right I have one last question so you made a slew of acquisitions over the past year in the hotel space how soon do you believe they will start paying for themselves for the company?

Prashant Pitti: Our Spree Hotels is already profitable it is doing well and however the endeavor is not to focus on the profitability but to focus on the growth on that side so there are a lot of targets which we have kept for the company and the company is very well positioned to capitalize the brand name which they have created over the last 10 years of their operation and no harm and use that to grow the organization to become a 200 hotel organization in the next five years.

Anshuman: Right I have just one last question in terms of expanding to new markets what are the inputs that are required to create a foothold in a new country in terms of capex and strategy?

Prashant Pitti: So strategy is basically to partner with the low cost airlines which we may not have partnered for that particular country most of the other airlines are available on the GDS but low cost airlines is something which we have to partner and also we have to partner with the bank and the local payment gateway providers so that we can take money, these are the two big requirements to start the business of course we have to form a company but besides that these are the two big requirements so they are not huge, they are not hugely capex related business the money is required to do the advertisement in those countries and at EaseMyTrip we wish to grow our business at break even or profitable stage so whatever money is required it is required for sales and marketing promotions and that money can certainly be provided by EaseMyTrip.

Anshuman: Thank you so much for answering this question.

Moderator: Thank you. The next question is from the line of Adithya Krishna, an Individual Investor. Please go ahead.

Adithya Krishna: Hi I am an undergraduate student very early investor of EaseMyTrip, my question is regarding cash on books of EaseMyTrip I have been very impressed with the cash that you guys sit on and off late you have been using the cash for the slew of acquisitions which you are undergoing maybe Yolo bus or Spree but now my real question is as you enter into global markets that too competitive markets like Dubai, probably Europe and New Zealand now what is going to get cash deploying strategy to acquire is it going to be to acquire international companies to generate further cash or is it going to be home grow the business from scratch outside?

Prashant Pitti: Firstly we believe that we are very well poised to grow organically in these countries see EaseMyTrip grew very frequently in India we did not rush up to reach where we have, we grew very patiently, we grew in a correct manner and we wish to exhibit the same ideology even outside where we would want to grow at unit level profitability in other parts of the world and given the current situation of the company it could be far, far easier to do it now rather than to do it 10 years ago where we were not a brand at that time so now having the capital and having the branding I think the technology it is a much easier task than what it was done earlier 10-15 years ago by EaseMyTrip so the idea is to surely grow organically but if there is an opportunity which is presented to EaseMyTrip where an acquisition could be made but the DNA of the company has to match it, if the company which is presented to EaseMyTrip to be acquired is not running profitably does not have a very strong unit economics we will shy away from that company and

rather grow by our own but there are some companies which we are contemplating outside India where we believe that the unit economics and everything matches we may look at those acquisition as an opportunity.

Adithya Krishna: Yes just to add up to that just in some of the previous questions you answered saying you would want to focus on growth in these emerging markets from outside or global markets to that say but now you say that you want to grow organically but how will you grow organically and fast right that is my real question?

Prashant Pitti: It is a fair question to be honest we are also figuring it out ourselves at the moment we have started our Middle East operation only three-four months ago the results are very, very encouraging where the same kind of structure which we have followed in EaseMyTrip which is not having any hidden costs, is the kind of offering which we are offering in the other countries, we wish to continue on that back there might be some money which we will utilize to do marketing bid in those countries but again the idea would be to grow in a sensible way rather than burn the money in marketing in the geography so our approach will remain the same which is to grow patiently if things happen organically in a great sense great otherwise the fundamentals have remained the same.

Adithya Krishna: Yes and one last thing because we as a company are entering into global markets and that is probably would be a massive revenue stream going ahead what will be our edge are we going to go with the same that we have no convenience fee, probably the best platform to use out there and we are customer centric, etc., etc., or we are going to have developed some new edge in global markets which convince users to beat other players and come to EaseMyTrip to book everything?

Company Speaker: No I think we have said it rightly whatever the strength this organization has we will continue to use those strength not to say that we do not want to innovate where depending on the country, depending on the geography, whatever is the requirement we will try to suit ourselves, we will try to mould ourselves to those geographies to serve those people better; however, at the course we believe that this business is very simple at the level where if you provide better service and better price to the consumer sooner or later they will jump to start using this and that will remain the same whether it is India or UAE you just have to focus on providing great service at a great price to the consumers and I believe that EaseMyTrip is very well suitable to do both in any geography.

Adithya Krishna: Thank you very much Prashant. It is pleasure speaking to you. Thank you.

Moderator: Thank you. Ladies and gentlemen that is the last question I now hand the conference over to Mr. Prashant Pitti for his closing comments.

Prashant Pitti: Thank you. To conclude I would like to highlight that with huge runway for growth, increasing wallet share from existing customers for hotel and holiday segment, addition of new customers

and operates. We believe we are well positioned to capitalize on the growth opportunities and increase profitability in the future. Well thank you everyone for joining us. I hope we have been able to answer all your queries. In case if you require any further clarification please feel free to reach out to us or Orient capital our investor relationship partner. Thank you everyone for joining us on the call.

Moderator: Thank you. Ladies and gentlemen on behalf of Easy Trip Planners Limited that concludes this conference call. We thank you for joining us. You may now disconnect your lines.