“RateGain Travel Technologies Limited

Q1 FY27 Earnings Conference Call”

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MANAGEMENT: MR. BHANU CHOPRA –MANAGING DIRECTOR – RATEGAIN TRAVEL TECHNOLOGIES LIMITED
MR. ANKIT AGGARWAL – DEPUTY CHIEF FINANCIAL OFFICER – RATEGAIN TRAVEL TECHNOLOGIES LIMITED
MR. DIVIK ANAND – SR. DIRECTOR INVESTOR RELATIONS – RATEGAIN TRAVEL TECHNOLOGIES

**Moderator:** Ladies and gentlemen, good day and welcome to RateGain Travel Technologies Limited Q1 FY27 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 then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Bhanu Chopra from RateGain. Thank you and over to you, sir.

**Bhanu Chopra:** Thank you so much and a very good afternoon, everyone and thank you for joining RateGain Travel Technologies earnings call for the first quarter of FY27. This is the first time we are speaking since we closed the defining year for RateGain and I am pleased to say we have opened FY27 with real momentum, carrying forward the trajectory we laid out on our last call.

We begin this year as a stronger, more integrated company than we were ever six months ago and better positioned than ever for the opportunity ahead. For Q1 FY27, we reported our highest ever quarterly operating revenue of INR785 crores, up 188% year-on-year.

With this, our annualized revenue run rate now stands at a new all-time high of INR3,140 crores. Within this, our organic revenue growth for the combined entity stood at 17.5% year-on-year as we continue to build on the investments we made over the past 18 months. Our adjusted EBITDA margin stood at 24.6%, another record margin with our adjusted EBITDA coming at INR193 crores, up 189% compared to the same period last year.

This reflects the true operating margin of the business. Our EBITDA is adjusted to exclude the deferred deal consideration payable to the Sojern team over three years. That deferred consideration will run at roughly INR80 crores to 90 crores a year and will be incurred up to Q3 FY29.

Our free cash flow generation for the quarter was healthy with conversion at 78.8%. FCF generation typically improves as the year progresses and we are on track for 75% conversion or better for the full year. In regard to this, I am also happy to report that we have made an additional repayment of $16 million on our outstanding debt yesterday and now have repaid 38% of our total debt taken in November 2025 for the Sojern acquisition.

Given our continued momentum on cash generation, we remain on track to retire the balance of our acquisition-related debt and be net debt-free by FY28. Before I turn to the segments, let me set the context because the numbers alone don't tell the full story. FY26 was the year RateGain crossed the structural inflection point marked by the Sojern acquisition, the unification of Adara under the Sojern brand and the creation of the world's largest source of travel intent data.

We entered FY2026 as a strong travel technology platform and now we enter FY27 as an AI-powered operating system for travel revenue growth, connecting demand generation, distribution and revenue optimization on one platform. No other player combines travel intent data at this scale, provides distribution infrastructure of this depth and an AI-powered commercial intelligence under one roof.

This integrated stack is our moat and AI now runs across every one of our products and lines of business. It's simply how we build. The first phase of the Sojern integration, bringing the two companies together and delivering the cost synergies is complete and was executed well. Our focus now is firmly on the second phase, the revenue and go-to-market synergies and the early signs are strong, most visibly at Mya, which I'll come to shortly.

On the data side, we brought the partnerships carried by Adara and Sojern into a single unified source of travel intent. Our ecosystem now spans more than 320 data partners across travel brands and we grew our addressable travel audience by around 14.5% year-on-year. That scale is what makes our AI genuinely differentiated and it translates into pricing power and commercial momentum through FY27.

The demand backdrop helped. Travel hub held firm across our major markets with the FIFA World Cup lifting activity in North America, even as the Middle East continues to face uncertainty. The FIFA World Cup and related campaigns that we managed for destinations provided a revenue uplift of $2.5 million and we don't expect that to repeat at the same scale in Q2.

On the Middle East, our revenue from the region has moved from the range of $970,000 a month before the disruption to about $425,000 a month today and while it remains a headwind, we see it as a recovery opportunity as conditions stabilize and a strong quarter of profitability, our highest ever EBITDA shows the platform converting that demand efficiently. That scale is also why media increasingly comes to us for a read on travel demand.

This quarter, our data and our people featured across outlets including Skift and CNBC, CNBC Asia on World Cup demand. We are steadily becoming the definitive voice on where the world wants to travel, a position no competitor in our space holds today. Our focus for FY27 is clear, driving go-to-market growth and converting platform strength into commercial momentum. With more than 14,000 customers across the combined business, the cross-sell opportunity is significant and we are pursuing it with structure and urgency.

Every product we build and every commercial motion we drive is aligned to three outcomes for our customers acquire guests efficiently, engage them meaningfully and expand wallet share over time. Now let me talk about our Martech business, our largest growth engine and now contributing over 81% of revenue.

I'll share the way we now run it across properties, destinations and corporate and then call out APMEA separately. Our proposition for hotels is simple, drive direct bookings and improve marketing ROI. And because much of this business is outcome-based, we grow as our hotels grow.

New wins on Sojern commission accelerated compared to last year with another strong quarter of new property additions. With a bigger global GTM team now empowered to sell this product, the momentum we are seeing is significant and we see it as a big growth driver given the strength of the product and the value proposition for our customer base. Within this, email is a new channel we have recently introduced and we are seeing strong early adoption, which is helping us expand our presence with customers and lift net revenue retention.

Our bidding technology has also become significantly more sophisticated this quarter with machine learning models powered by expanded travel intent data set now driving much of our real-time bidding decisions. That's translating into a meaningful increase in output as our smarter bidding is driving more bookings and higher revenue per property across our hotel base.

We also continue to see strong traction with the large enterprise brands and properties we cater to with a healthy revenue uptick year-on-year. Our destination segment had a strong quarter with a healthy uptick around the recently concluded FIFA World Cup. We saw healthy growth across key accounts in the North American market and within co-op programs, which we continue to focus on and scale.

Co-op programs are jointly run marketing campaigns that Sojern manages in partnership with destinations and a travel supply partner to target the right customers, attract visitors and deliver joint outcomes. A key differentiator for us in this segment has been the economic impact reports we generate, which enable our destination partners to understand exactly what their marketing spends delivered in terms of visitor arrivals and economic impact, not just clicks or impressions. We continue to improve this reporting and add new features with the goal of becoming the most trusted measurement partner for destinations anywhere in the world.

Within corporate, we saw two main trends this quarter. We are seeing traction with our existing data partners, converting them into customers. This flywheel continues to gain traction and we expect to build on it further in the coming quarters. One of our key partners in this segment signed a two-year extension with us and other larger brands continue to scale up their spending.

We are also seeing renewed momentum in the car rental segment driven by closer collaboration with our DAAS team, which has strong existing relationships with large car rental companies. That's opening up a significant cross-sell opportunity. I want to call out the APMEA on its own because it's where our FY27 go-to-market synergy thesis is playing out fastest. APMEA delivered its strongest ever quarter for new customer wins, up 200% year-on-year.

We also saw significant momentum on our properties commission product, signing a record number of new properties in the region. This is the clearest early proof of the phase two go-to-market synergies I spoke about a moment ago and we expect to build further on this in the coming new quarters.

In distribution, the strategic work of the past year is translating into a stronger, more differentiated platform. Enterprise conversations increasingly move beyond connectivity towards distribution optimization, profitability and AI-native automation across the full stack. We are increasingly seeing not as a connectivity provider, but as a strategic, outcome-oriented infrastructure partner for modern hotel commerce.

Agentic ARI makes Uno the world's first channel manager built on intelligent distribution logic, prioritizing rate and inventory updates by booking urgency and commercial impact. Hotels are seeing up to 30% to 40% optimization in ARI traffic and meaningfully better rate accuracy. This quarter, enterprise customers are increasingly adopting it alongside RateIQ to drive the next leg of growth.

RateIQ, as I mentioned, is one of our new offerings, is resonating very strongly with enterprise customers. It solves a real problem for large chains connected to dozen of OTAs, using AI to show which channels are truly driving bookings and where revenue is leaking, whether through missing inventory, parity breaks or underperforming connections. It also quantifies the commercial impact of each. This is resonating really well with both supply and demand partners since it leads to better channel optimization and lift in bookings.

Uno Viva, our Agentic AI voice platform, has expanded from voice into multi-channel activation and now supports more than 50 languages, including channels like WhatsApp. We continue to see improved adoption and conversion with key customers across geographies and are also on the verge of signing a very large customer in the Middle East, which would be a strong validation of the product and catalyst for future growth.

Our direct stack, bringing booking engine, connectivity and payments together, had a strong quarter with good traction in Mya. It's a clear proof point of our unified platform strategy and points to a cross-sell opportunity that could be significant growth enabler for us. Our DAAS segment delivered steady, reliable performance in Q1 and continues to gain traction in key segments. It continues to be a winner.

A clear highlight was our Philippine Airlines partnership, strengthening our position in Southeast Asia, where we are now the dominant provider with most of the region's major airlines as our customers. Across our base of airline customers within DAAS, we see strong cross-sell potential into our Martech performance marketing product. On the product side, AirGain's AI Digest is now live with all our customers and we've extended it into conversational analytics, positioning AirGain as an AI-first pricing intelligence platform.

On the OTA side, we renewed our partnership with one of the world's leading global OTAs for a multi-year term and continue to deepen our presence across key accounts with healthy volume growth. In car, we delivered strong performance with continued enterprise engagement and expansion discussions progressing across key markets for our RevAI price recommendation product.

Let me spend a moment on AI because it runs through everything I have described. Our approach is to build AI agents that do the actual work of our industry. Our revenue manager agent, a distribution agent, a marketing agent. They begin semi-autonomous and become fully autonomous as customers grow comfortable. Today, we largely provide the tools these teams use. Our direction is to provide the agent that actually does the job.

On AI price visibility, which is live across Navigator and Parity, lets hotels see how their pricing shows up on the emerging AI-driven search and discovery platforms that travellers are starting to use. The next generation of Parity Plus launched this quarter as AI-powered issue identification and prioritization and automates much of the test booking process for our enterprise customers.

ChatGPT ads on property also launched this quarter, lets us capture travel intent upstream as discovery itself shifts towards AI. Uno Viva, our CRS-integrated AI voice agent, now supports more than 50 languages across multiple channels, including WhatsApp and continues to recover revenue from hotel calls that would otherwise go unanswered.

On the DaaS side, AirGain has moved beyond search into conversational analytics, surfacing trends, anomalies and insights in natural language with AI Digest now live for every customer, positioning AirGain as an AI-first pricing intelligence platform in its own right.

This quarter, our people were featured in Skift's flagship coverage on AI and travel, discussing how AI is reshaping the industry and what changing traveller behaviour means for marketers. They were the voices explaining what AI means for this industry, not simply a company that uses it, which is the clearest sign that this isn't experimental. AI is now embedded across our commercial workflows, spanning marketing, pricing, distribution and guest engagement and we are building it as an AI company from India for the world. This quarter marked a shift from building the foundations on one RateGain to operating as one company.

With the people integration agenda now substantially complete across policies, processes, rewards and systems, our focus has moved to scaling what we built. A unified performance rhythm, an AI-native people ecosystem and deeper leadership continuity across every region we operate in.

Now let me turn to the guidance for FY27. Before I get into it, I do want to mention that we did see a one-time revenue uplift of USD2.5 million in Q1 on the back of FIFA World Cup and our strong presence within those markets. This positively impacted our EBITDA in Q1 as well. This did give us a strong start to the fiscal and we do expect this to normalize marginally going into Q2.

Building on the momentum we are seeing across the platform, we are revising FY27 guidance. We now expect full-year revenue to come in at the upper end of the range we shared with you last quarter, around INR3,100 crores for FY27. This signifies growth of 70% year-on-year and captures double-digit growth for the combined base.

On margins, we now expect adjusted EBITDA margins of between 22.5% to 23.5% for FY27, roughly 100 basis points or 1 percentage point uplift from the earlier 21.5% to 22.5% range I shared with you last quarter.

This reflects the successful execution of the first phase of our integration, the growth visibility we have across the combined entity and further synergies we see ahead as we go to market and it accelerates. Taken together, that gives us the confidence to revise our margin guidance upward. We will continue to look for ways to reinvest into the business for higher growth, consistent with our aspiration to grow at 15% to 20% in the near to mid-medium term.

The nature of reinvestment is different for a B2B company like ours compared to a B2C business and we will continue to strengthen our product and our presence in key geographies as we see the right opportunities. To close, FY26 was a year of transformation, foundation building and validation.

As we move through FY27, our focus shifts decisively from integration to monetization, scaling enterprise adoption, deepening wallet share and turning platform scale into durable, profitable growth. The platform is built, the data is unmatched, the first phase of the integration is behind us and the revenue synergies are ahead. The opportunity in front of us is the largest in our history.

With that, I hand over to Ankit to walk you through the financials. Thank you.

**Ankit Aggarwal:** Thank you, Bhanu and very warm welcome to everyone on this call. This quarter reflects strong all-around performance across revenue growth, profitability and financial discipline, capturing healthy performance across segment and the strength of the underlying business model. Starting with the number for Q1 FY27, we reported our highest ever quarterly reporting revenue of INR785 crores, up 187.6% year-on-year basis.

On sequential basis, revenue grew 9.7% over Q4 FY26, capturing the underlying momentum and focus on growth. The organic growth for Q1 FY27 for combined entity is to that 17.5% year-on-year. Our DAS segment grew 22.7% year-on-year with healthy performance across Air, OTA and Car.

Distribution grew 3.1% year-on-year. While this is more modest, we are seeing strong early traction in newer launches like Agentic ARI and RateIQ, which we expect to convert into meaningful revenue contribution in the coming quarters. Martech segment grew by 341% year-on-year basis with the consolidation of Sojern and strong growth within our property and destination segment.

Our adjusted EBITDA margin came in at 24.6% with the adjusted EBITDA of INR193.4 crores, upto 89.3% year-on-year. On reported basis, EBITDA was INR171.5 crore, a margin of 21.9%. As a reminder, this adjustment add back the deferred consideration payable to the Sojern team, which is contingent on revenue growth and EBITDA targets over three years and will end in Q3 FY29.

This quarter's add back was INR21.9 crores, consistent with the INR20 crores to 22 crores per quarter range we had previously guided to. Adjusted PAT, which also add back the same deferred consideration was INR116.8 crores, a margin of 14.9%, up 148.8% year-on-year basis. On the reported basis, PAT was INR94.9 crore, a margin of 12.1%.

I would like to walk through the bridge from EBITDA to PAT, since it's a useful context for the year ahead. Amortization of acquisition cost was INR33.8 crores this quarter, up from INR6.8 crores in Q1 FY26, mainly due to the additional amortization related to the Sojern acquisition.

Finance cost were INR16.5 crores, reflecting the acquisition-related debt now on our book. On the debt repayment, we have maintained strong discipline, having repaid USD47.5 million to date, equivalent to 38% of our original loan, bringing our outstanding balance down to USD77.5 million as on date.

Other income was lower at INR3.1 crores, down from INR20.7 crores last year, as surplus cash was previously earning interest was deployed towards the Sojern acquisition. This is a structural relocation of capital, not a recurring operational drag. Our focus remains on driving higher and sustainable organic growth, accelerating cross-sell and expanding our presence in high-growth geographies.

Free cash flow generation this quarter was strong at INR135.2 crores with a conversion at 78.8%, highest ever in the RateGain history. We continue to maintain a strong balance sheet with net worth at INR2,114.2 crores as of June 30, 2026. Cash and cash equivalents of INR255.6 crore and a net debt of INR615.4 crores.

The broader travel industry continues to prioritize technology investments that deliver measurable revenue outcomes and operational efficiency. We believe this positions RateGain strongly given our expanding footprint, diversified product portfolio and increasing relevance across the travel and hospitality ecosystem.

As we move ahead, our focus remains on sustaining profitable growth, executing our integration thoughtfully and continuing to strengthen our platform for long-term value creation.

With that, I close my remark. We are happy to take the questions. Thank you.

**Moderator:** The first question is from the line of Nitin from Investec. Please proceed.

**Nitin:** Yes, hi. Good evening. Congratulations on a very solid all-round quarter. Bhanu, you mentioned about how the combined entity now has increasing far better pricing power. Any examples or client conversations to give some glimpse into that and how do you see that sort of evolving on a going-forward basis? That was the first one. And the second is considering that a lot of the people integration is largely behind us.

**Bhanu Chopra:** Nitin, you broke up. Can you hear us?

**Nitin:** Yes, I can hear you. Am I audible?

**Bhanu Chopra:** Yes.

**Nitin:** Yes. So, okay, I do not know where you missed me. So the first one was on the pricing power on the combined entity. Any examples that are interesting, stand out that sort of show that. And the second is on the deal wins. On the deal wins, considering we now have completed people integration, do you think that we should start seeing better deal velocity, while it's already strong, do you think that that will continue to sort of improve and get stronger?

**Bhanu Chopra:** Yes. So on the Martech side, in respect to the pricing power that you mentioned. Yes, there have been instances where I can't name the clients, but we have been able to command a higher price or let me rephrase it, that the need to discount is much lesser now when we are negotiating, we can hold our price, as compared to earlier when we were when Sojern and Adara were competing with each other.

So, we see that definitely in the destination space. What we are also seeing is, as I mentioned, our numbers on the DMO side have been quite significant and we are seeing the second or the third competitor our distant second and third and we are seeing weakness in them. In fact, one of them approached us to buy them out. So, I do see our ability to hold price. In destinations specifically, we are now looking at instead of just charging more because even if you have the ability to charge more, the markets don't see it well.

So, we have to be very, very intelligent in how we bundle it. So what we're intending to do is include some freebies in terms of our measurement products, then in how we position this as a pricing power versus saying that we're the only game in town so you got to pay more. That's how we are positioning it now.

And on the property side also, the ability to now integrate using our one platform, we are seeing we are about to sign a very large deal in India itself where a regional chain is -- we've been able to negotiate a higher outcome-based fees versus the core as a result of the power of one platform. And on your question on deal velocity, yes, I do believe that integration of teams as well as platforms will continue to accelerate deal velocity.

I think a lot of that work on the destination side and corporate side on those customer segments has already been done. On the property side, we've unified the APAC team, but we are yet to unify the team in Europe and US on just the property side of the of the business. So as and when we do that, that we will see acceleration there as well.

So yes, overall, I am I'm feeling very, very good about where we stand and as I noted in our opening comments, I think the revenue synergies should continue to play out very, very well in future quarters.

**Nitin:** Sure, thank you. That's very helpful. Just one quick follow-up. So on the pricing bit, do you think it's more a function of...

**Moderator:** Nitin, can you please speak a little loudly? We can't hear you properly.

**Nitin:** Is it better now?

**Moderator:** Yes, much better.

**Nitin:** I am on the phone, yes. So, on the pricing power which you explained quite well. Just wanted to understand do you think it's more a function of having bought out competition or is it because of our ability to measure outcomes, at least from a destination perspective, or is it the bundling that we are able to do that gives us a better ability to do that? Although we will not really harness that entirely, but what do you think is a bigger sort of stand out for us?

**Bhanu Chopra:** Yes, it's a combination of all. I would not attribute it to one of those factors because now the unification of both companies also led to really unification of the data that we have and that has significantly enriched the data that we have in our platform and that in turns increases the marketing performance of ad dollars that these customers are spending with us.

And secondly, the fact that we are now able to also bring in adjacent capabilities and products and bundle it into one platform is also very appealing because look, most of these customers that we work with are not sophisticated customers. Ideally, they want a one-stop shop and we are able to offer that now, which is the entire unified Martech stack or if you're looking for direct bookings in case of properties, we're able to provide that entire stack.

And definitely when you take out competition that that helps as well. So, I would say all of those factors are contributing to a commanding position that we stand on right now.

**Nitin:** That's very helpful. Thank you so much and all the very best.

**Bhanu Chopra:** Thank you.

**Moderator:** Thank you. The next question is from the line of Pranay Roop Chatterjee from Burman Capital. Please proceed.

**Pranay Roop Chatterjee:** Am I audible?

**Moderator:** Yes, yes.

**Pranay Roop Chatterjee:** Hi. So, my first question is on organic growth. Just wanted to confirm 17.5% would be in INR terms, right?

**Bhanu Chopra:** That is correct.

**Pranay Roop Chatterjee:** Okay. So, basis the data mode that you have in the combined business and the cross-selling potential, do you envisage organic growth potentially reaching in the 15% to 20% run -- growth rate even at a run rate basis by year-end, given we also have the currency tailwinds?

**Bhanu Chopra:** Yes, so -- you you're saying in in INR 15 to 20%?

**Pranay Roop Chatterjee:** Yes, so what I mean is right now we are at INR 17.5% and that has some amount of uplift because of FIFA. But looking beyond that for the even by let's say the last quarter, when you have had sufficient time to combine the teams and start cross-selling, do you see the exit run rate of FY27 potentially nearing the 20% INR organic growth rate mark, run rate basis exit?

**Bhanu Chopra:** Yes, I would, I mean, basis what we see today, the visibility that we have, I do see it at a higher end of that 15% to 20% range. and I do see, given the pipeline, that we have and to the earlier question Nitin pointed out, I do just see an acceleration of momentum because we are behind the line share of the integration work.

So, yes, I and all the good has to still play out. So, I'm very optimistic about the future quarters, especially Q3 and Q4. and also this FIFA World Cup, we just wanted to call it out, but I don't -- in the grand scheme of things, it's not a very large number, but most of our revenue, as you know, is recurring in nature, so we just wanted to provide that transparency and call that out, but I don't see that changes anything in the growth trajectory and that's why we came in with revising the guidance on the revenue side as well as on the on the margin side.

**Pranay Roop Chatterjee:** Got it, got it. So, then in that case, even for full year FY27, your revised guidance of 3,100 crores, is it fair to say it's more like a number you would definitely beat rather than a number you'll be happy achieving?

**Bhanu Chopra:** Yes, yes, that's the number we should definitely beat.

**Pranay Roop Chatterjee:** Understood. my next question is on the margin side. So, USD2.5 million dollars of FIFA revenue is the uplift and let me call Middle East as one-off, even though we don't know when that ends, but let's call it one-off as well. So, about USD1 million down from Middle East. So, net around USD1.5 million uplift in this quarter. What would be the margin benefit from this incremental USD1.5 million in that 24.6% adjusted number that you have reported?

**Bhanu Chopra:** Yes, so I'll give you ballpark numbers. So, the net okay, so just to repeat 2.5 million uplift from FIFA and about USD1.5 million is the dip in Middle East. So net you're talking about USD1 million and out of that USD1 million, our gross margins are 70%, so I want to say, maybe USD600,000 to USD700,000.

**Pranay Roop Chatterjee:** Understood, sir. Got it. And one final question. And when I've asked this question before, your answer has been and rightfully so that you don't look at Adara and Sojern separately because it's combined. So let me ask this question mathematically. Before Sojern came in, the margins of RateGain was in the 16%, 17%, 18% range.

And right now we are at 24.5%.There is one-off impact. Let's call that 24%. So, mathematically, there is an external entity that has come and latched on to RateGain, then there has been synergies realized there and we are at 24%. So that external entity is right now at nearly 30% EBITDA margin. Is that a fair statement to make?

**Bhanu Chopra:** I wouldn't be able to -- Ankit, can you can you help me out here?

**Ankit Aggarwal:** Yes, so I think, here as, Bhanu has already mentioned that we have a combined entity basis. so, we the synergies which we are talking about, these are combined synergies, not only the, synergies coming from Sojern. We are as we are integrating both the platforms; there are some synergies we are seeing from Adara side as well. So, scaling that the new entities contributing 30% might be a difficult and challenging number to come up with as synergies are coming from both the side, Adara as well as Sojern.

In some of the places, Adara is -- we are also adopting the Sojern platforms to run the campaigns and giving up the Adara stuff. So that mix could work out and maybe, we can come up in some later discussions. See, as I indicated in my remarks as well, I think of all the acquisitions we've done so far, this one, we've actually integrated quite fast and we've integrated the platforms also and we've unified the teams. So, it's very difficult to give attribution to one entity versus the other.

So, when I am selling to a destination, I am one team, I am one platform. So how do I how do we divvy it up between Adara and Sojern any longer, right? And same is the case with our corporate business. So, we are going in as one unified team called Sojern and, most of the platform integration is also done. So, it's very difficult to do that kind of attribution. And so, what Ankit said is what it is that the synergies are being driven on both sides and in the combined unit.

**Pranay Roop Chatterjee:** Thank you, sir. All the best.

**Moderator:** Thank you. The next question is from the line of Deepak from Sundaram Mutual Fund. Please proceed.

**Deepak:** Thank you. Am I audible?

**Moderator:** Yes.

**Deepak:** Yes. Hi, first of all, congratulations on delivering a very strong set of numbers. I just had a couple of questions. first on new contract wins. So, this new contract of INR141 crores, which we are showcasing in our PPT. I presume this is the combined one, means including Sojern and RaidGain?

**Bhanu Chopra:** Yes, that's correct. And Deepak, I want to also clarify, we just need to come up with a better way of reporting on new contract wins, because what we've done is how we internally, the terminology we use for contract wins is being translated externally as well. And I think that doesn't do a very, very good job of communication of what's the true contract wins that are happening. So, these contract wins are largely new logos. It does not account for a lot of the upsizing of existing customers that we have. Right.

So, let's say if I have a hinted as a customer and I go and win additional business with them, that does not get recognized in this. It's really largely new logos. So, we are working through a better KPI reporting in that context to give better lead indicators on business wins that we are having. But in a way, it's kind of like underrepresented.

**Deepak:** Okay. So, this would be the true for all the representation which we have showcased in the past also?

**Bhanu Chopra:** That is correct. That is correct. It's just become harder with our Martech business also. So, yes, we'll come back with, yes, but your assumption is right. Yes.

**Deepak:** Okay. Because why I asked that question is, means last year, we had a very good growth in our new contract win at almost 25%-30%Y-o-Y. But if I look at our quarterly run rate of that segment, it is still hovering around at INR96 crores to INR98 crores. And similar is the case with distribution also around INR50 crores. I do understand that there was an impact of sunset off and sub-brand of an OTA. But just wanted to know your thoughts, what should be the, how should one think about the growth outlook for this distribution, at least in the near term for FY27?

**Bhanu Chopra:** Yes. So, to answer your question, the new contract wins, like I said, is not something that we need to work on because with the combination of Sojern, pretty much every entity is our customer. And so, given the way we record contract wins, maybe a lot of it is not being shown. And that's why I said it's been underrepresented.

On your question about organic growth, so we see double-digit growth, continued double-digit, as you have seen Q1 was 22% for DaaS, a little over 3% for distribution. And we continue to see growth in our DaaS segment. I think our OTA and Hotel segment will continue to stay steady. Whereas on the Airline segment, we are anticipating some very, very large deals. And if those come through, that can have a significant bump up to our DaaS revenue.

On the car side, as you know, a couple of years ago, we launched revAI and that's finally seeing a lot of traction. And as we begin to add more customers, and we're actually sitting on a very good size order book on our revAI product. And as we begin to monetize that, that should also lead to a bump up on the revenue on the DaaS side. And there is an experiment we are running on the hotel side that I'll be able to talk more about if it begins to yield us some results.

On the distribution side, I mentioned about RateIQ. I'm very bullish on that. That's the agentic ARI that enables to optimize the pairing between demand and supply. And we have seen significant uplift in a lot of the pairings that we have applied this to for big chains, where we have seen anywhere between 10% to 100% uplift in the bookings. And for our demand partner, this can be significant.

So, let's say as an example, Hilton is distributing through Expedia and we increase by 20% the booking, that numbers is in tens of millions of dollars. So, we've already showcased this to a lot of our key customers and there's a lot of interest and we've demonstrated that it can lead to an upside. Now, we've taken it to almost a dozen customers and they are all at different stages of discussions with us.

So, I think that can uplift. And then the big bet on distribution that is our direct stack, which is the entire stack that we sell to a hotel to not only drive traffic to their website, but also help convert that traffic into bookings. And given the investments we made into our sales infrastructure in APMEA, we are just first rolling it out to the hotels in APMEA and we are having some very, very large wins there.

And the pipeline is also very strong. And as I mentioned, we've had like almost a 200% growth. So, a lot of that sits in not only in our pipeline, but a lot of it is also now sitting as on our order book. So I'm quite hopeful that our distribution business at the end of the fiscal year should start to show double digit growth.

**Deepak:** Okay. And lastly, would it be possible to call out X of Sojern? What was our Martech growth this quarter?

**Management:** So this is going back to the question that the gentleman before you asked us. And as I was explaining, we've unified the teams, unified the platform. So it's very difficult to attribute our Adara business, which was mostly our Martech business, it's very difficult to attribute of the total revenue, how much would be attribute alone, because of the unification of teams and the platform, it's very difficult to call that out. But overall, I can tell you our Martech business organically grew about 18.2%.

**Deepak:** Okay. That's very helpful. If you allow me, I want to ask one last question.

**Moderator:** Sorry to interrupt you, Mr. Deepak, but can you please rejoin the queue? Thank you. The next question is from the line of Ashutosh Parashar from Mirabalis. Please proceed. Ashutosh, we can't hear you properly.

**Ashutosh Parashar:** Firstly on...

**Moderator:** Ashutosh, we can't hear you properly.

**Ashutosh Parashar:** Velocity of launch, hello?

**Moderator:** Yes, continue.

**Ashutosh Parashar:** Yes. So first question is on the product side. We have seen quite a few launches from you and that velocity of launches has increased quite a bit. So just wanted to understand in terms of pricing would all these incremental products, would be on the outcome based pricing side? And incrementally, how are you looking at the areas that you're going to target in product launches? And then a few financial questions after this.

**Management:** Sorry, I didn't follow the first question. But -- sorry, the second question. The first question, in terms of our pricing, it's a combination. Some are outcome based, some are subscription based, some are transactional based. So it's a combination. And frankly, depending on the maturity of the product, et cetera, we are also testing waters by AB testing pricing methodology on what resonates well with the customers. So it's a combination.

But I will tell you that what AI has done is really spread up -- its really expedited our ability to bring new products to market. In fact, I did a LinkedIn post a couple of days ago saying that, the level of experimentation at RateGain has never been higher since the past 20 years. So you can make $1 of R&D investment produce a lot more than it could pre-AI. So now the problem is not ability to capture and build based on new capabilities that the market desires, it's how quickly can you take it to market and make it successful.

**Ashutosh Parashar:** Got it. That's very, very helpful. Second question is on the gross margin side, is it fair to say that with increasing Martech mix, 70% is kind of the range that we will settle at or can we go back to the previous 75% number? And on the M&A side, would it be something that we will again start looking out for by the end of this year, given that we are pre-paying a lot of debt? That's all.

**Management:** Yes. So on the gross margin side, I would say in the near term, it should remain the same. I would be able to give better commentary, basis. The question, Nitin, I asked about our pricing power, et cetera, how that plays out? If we are able to be in a position to increase gross margin, that I think we would have better clarity.

Because there are things on, especially on the property side that we are bundling that enable us to charge a little bit more as I was explaining earlier. So I will not commit to a higher gross margin at this point, but indication is that we could get there. But I think I'll have to come back to you in a couple of quarters. And sorry, what was your other question?

**Ashutosh Parashar:** Yes. On the M&A side, given that we are pre-paying a lot of loans, would it be something that we will start looking out for by the end of this year?

**Management:** Yes. I think that's a fair assumption. I mean, we are on the lookout even now because as I mentioned that the integration has gone really, really well. But as you have seen in the past as well, we are very judicious about what we will do and what we will pay. So I don't think anything will happen this year. It's going to be something that most likely it'll be an event in 2027 now.

**Ashutosh Parashar:** Thank you. Thanks a lot. That's all.

**Moderator:** Thank you. The next question is from the line of Miten Shah, an Individual Investor. Please proceed.

**Miten Shah:** Yes. Good evening. Am I audible?

**Management:** Yes, you are.

**Miten Shah:** So thank you for giving opportunity and again, heartiest congratulations for posting good set of numbers. So my first question would be like, could we consider Airbnb as a threat? Because if you see, 50% of the contribution comes from hospitality. So could Airbnb be considered as a threat or how should we look at it, basically, if it grows?

**Management:** No, sir. Airbnb is a B2C. It's in the area of vacation rental. Airbnb is actually a big customer of RateGain. We provide connectivity and DaaS solutions to them. So no, I don't see it as a competitor. In fact, if they continue to grow, given the strategic partnership we have with them, we should grow as well.

**Miten Shah:** Got it. And I know I could see something called a 6.5% contributed by others in revenue bifurcation. What is it others, I mean, apart from this hospitality and all of those segments that we report?

**Management:** Yes. So as we have indicated, we are now the world's largest travel intent data company. And we have very, very interesting travel audiences and cohorts. And those cohorts can be interesting to different kinds of industries.

So for instance, credit card companies like Visa and MasterCard would use that data to run campaigns, digital campaigns to those sets of customers because they are now traveling for FIFA World Cup and they want to be on top of mind to enable these credit card holders to spend on Visa or MasterCard.

And so if they are doing, you know, top of the funnel awareness campaign, they would use RateGain to get access to those travel audiences, depending on the use case.

**Miten Shah:** Got it. And thanks a lot for the opportunity. And trust me, by each and every con-call and every quarter, the belief keeps on increasing, Bhanu. I mean, since last four years, I've been attending these and holding it. Thanks a lot once again. Really appreciate your time.

**Management:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, due to time constraints, that was the last question for today. I now hand the conference over to Mr. Chopra for closing comments. Over to you, sir.

**Bhanu Chopra:** Thank you all for your time and questions today. We are entering FY27 with real momentum, a differentiated platform and a clear line of sight to durable, profitable growth. And we look forward to updating you on our progress next quarter. Thank you and have a good day.

**Moderator:** Thank you. On behalf of RateGain Travel Technologies Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.