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Thomas Cook

February 12, 2026

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Scrip Code: 500413
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Scrip Code: THOMASCOOK
Fax No.: 2659 8237/38

Dear Sir/ Madam,

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In furtherance of our intimations dated January 28, 2026, February 5, 2026 and February 6, 2026 giving intimations for the Q3 & 9M FY26 earning Conference Call for the analysts and investors and pursuant to Regulations 30 and 46(2)(oa) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please note that the transcript of the Earnings Conference Call held on February 6, 2026 has been uploaded on the website of the Company within the prescribed timeline and can be accessed on the following web link

https://resources.thomascook.in/downloads/TCIL_Q3_9M_FY26_Earnings_Call_transcript_20260212.pdf

This is for your information and records.

Thank you.

Yours faithfully,

For **Thomas Cook (India) Limited**

AMIT JYOTINDRA PAREKH

Digitally signed by AMIT JYOTINDRA PAREKH
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Amit J. Parekh
Company Secretary and Compliance Officer

Encl: a/a

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Thomas Cook (India) Limited:

Q3 & 9M FY26 Earnings Conference Call – February 6, 2026

Management:

Mr. Mahesh Iyer: Managing Director and Chief Executive Officer – Thomas Cook (India) Limited
Mr. Debasis Nandy: President and Group Chief Financial Officer – Thomas Cook (India) Limited
Mr. Brijesh Modi: Chief Financial Officer – Thomas Cook (India) Limited
Mr. Vikram Lalvani: Managing Director and Chief Executive Officer – Sterling Holidays Resorts
Mr. Krishna Kumar: Chief Financial Officer – Sterling Holidays Resorts
Mr. K. S. Ramakrishnan: Managing Director and Chief Executive Officer – DEI

Moderator: Ladies and gentlemen, good day, and welcome to the Thomas Cook (India) Limited Q3 FY '26 Earnings Conference Call hosted by Systematix Group. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vijay Jangir - from Systematix Group. Thank you, and over to you, sir.

Vijay Jangir: Thank you, Shubham. Welcome, everyone, and thank you for joining us on Thomas Cook (India) Limited's Q3 FY '26 Earnings Conference call. From the company, we have with us Mr. Mahesh Iyer, Managing Director and Chief Executive Officer; and the senior management team. We would like to begin the call with brief opening remarks from the management and following which we will have the forum open for an interactive Q&A session.

I would now like to invite Mr. Mahesh Iyer to make initial remarks and thank you, and over to you, Mahesh, sir.

Mahesh Iyer: Thank you, Vijay. Good evening, everyone, and thank you for joining us as we discuss the Q3 and 9M FY '26 financial and operating performance. Before I begin, I would like to introduce my management team, who is joining the call with me today. With me in the room, I have Debasis Nandy, who is the Group CFO for Thomas Cook (India) Limited; I have Vikram Lalvani, who is the Managing Director and CEO of Sterling Holiday Resorts; K.S. Ramakrishnan, Managing Director and

CEO of DEI; Brijesh Modi, CFO at Thomas Cook (India) Limited; and Urvashi Butani, who heads Investor Relationships.

Let me start with an overview of our consolidated performance and then walk you through the details of our segment. Our consolidated total income for the 9M FY '26 increased by 8% from the same period last year to INR67,523 million. And correspondingly, during the quarter, total income grew by 5% to INR21,866 million.

Our other income continues to improve impressively during the quarter and 9-month period. I would like to spend a little minute talking about this other income because a lot of people have asked questions around this other income. About 60% of the other income is on account of fixed deposits arising out of our deployment of float on our Foreign Exchange business.

To that extent, this is an operating item, but because of the accounting norms, these are accounted as other income in our books. This remains largely steady and also shows the way we managed our income stream despite the lowering interest rate environment that we have lived over the last 12 months.

So basically, I think if you look at the other income growing from INR22 crores to INR40 crores in the current quarter or for the 9 months period from INR88 crores to about INR124 crores. This reflects our efficiency in managing our better treasury operations and improving our yields on our investments.

Consequently, our PBT for Q3 stood at INR897 million, which improved by 20%, which excludes the onetime impact of the new Labour Code. As you are aware, this is a new Labour Code implementation, which had to happen and the impact that we have taken is on account of retirals, which had to be taken through our P&L statement. If I exclude that onetime impact, our profit before tax has grown by 20%.

This reflects our improved efficiencies across our businesses, prudent cost and margin management In the 9 months for FY '26, the corresponding value stood at INR2,852 million as compared to INR2,936 million in the same period last year. I would like to mention here that this does not exclude the onetime nonrecurring charge of INR171 million on account of an ex-gratia payment, details of which was mentioned in our notes to accounts in the previous period also.

Before I move on, I would like to spend a few minutes on the recent budget announcement, which we believe further amplifies the opportunity in the tourism, not only from a growth perspective, but also from the term of employment generation. The rationalization of TCS on overseas tour packages to a flat 2% from the earlier rates of 5% and 20%, respectively, provides immediate relief and leaves more cash in the hands of travellers, thereby spurring discretionary consumer spending.

Additionally, the reduction in TCS to 2% on Education and Medical categories under the LRS will ease the burden on students and patients, resulting in lower cash outflows. Complementing this, capacity building initiatives have been announced to upskill 10,000 tourist guides across 20 iconic tourist destinations.

This initiative reinforces our commitment to enhancing on-ground service quality, enriching visitor experience and showcasing India's cultural and heritage assets through skilled, knowledgeable frontline ambassadors. Together, these measures reflect a balanced approach stimulating demand while simultaneously strengthening the supply side of tourism and set the stage for sustainable experienced growth development in the sector.

Progressing on to our segmental performance, let me begin with the Foreign Exchange segment. I'm pleased to report a 10% increase in our EBIT in Q3 FY '26 to INR316 million. Correspondingly, our EBIT margins expanded to 41.5% from 38.7% last year, reflecting a disciplined execution and operating leverage. The growth is particularly noteworthy given the market environment in which we were operating.

As evidenced by the LRS data published by Reserve Bank of India for the period April to November 2025, the industry faced headwinds under key categories with travel declining by 6%, maintenance of close relatives down by 5% and study abroad witnessing a sharp contraction of 22%. Against this backdrop, our operating performance remains strong with Retail sales growing at 25% Y-o-Y, driven by a 39% increase in the Education segment, whereas the Holiday segment turnover improved by 11%.

In terms of our digital adoption, we were at the ~21% mark. Our app engagement continued to see an upward trend and grew 2.7x to 835 transactions in the current quarter, up from 300 odd transactions in the corresponding quarter of last year. Our app bookings grew 3x during the same period, too, reaffirming our efforts to enhance digital engagement and our ability to meet customer needs where they are.

Our collaboration with Blinkit to receive forex card continues to grow and today stands expanded to 8 cities in India, which includes Pune, Chennai, Hyderabad being the latest addition. Besides that, we continue to focus our fiscal footprint via our Retail store in a balanced manner and opened new two forex outlets in Kottayam, Kerala and Varanasi, Uttar Pradesh.

Now moving on to the Travel and Travel-related segments. As you are aware, our portfolio is split into B2B and B2C. This quarter, our B2B portfolio comprises of 80% of the Travel segment. EBIT margins for the segment stood at 3.1% versus the 2.9% last year. For the 9-month period, our EBIT improved by 4% to INR1,979 million and margins stood at 3.7% versus 3.9% last year.

Let me cover the two broad categories in the segments, that's B2B and B2C, the details of which are outlined in our investor presentation also. The B2B business, which contributes approximately 80% of the segment recorded a 5% growth during the quarter. Within this, the international DMS portfolio grew 9% Y-o-Y, driven by a healthy performance across our overseas entities, including Asian Trails that operates in the Southeast Asia market by 14%, Private Safaris in Southern Africa, which increased by 41% and East Africa, which grew by 20%.

This performance reflects steady demand and disciplined execution across our core international markets. Our business in Middle East, which is represented by Desert Adventures, faced stiff competitive intensity and muted demand owing to external factors, which led to lower business volumes. And consequently, we had to make a tactical progress in terms of our margin, which impacted the overall Travel EBIT margins in the current quarter.

In the U.S. market, where we operate under the entity Allied TPro, while the quarter is traditionally weak, performance was further impacted by a muted inbound travel sentiment resulting in softer demand than anticipated. Overall, while select markets faced near-term headwinds, the underlying fundamentals of the business remain intact, and we continue to focus on strengthening our portfolio and improving margin resilience going forward.

The India DMS business was another factor contributing to a moderated growth in the Travel segment as it remained flat during the quarter. While Q3 is typically a peak quarter for the business, performance continued to remain impacted by the residual effect of the earlier travel advisories and the airspace sensitivities and routing concerns.

Collectively, these factors resulted in lower inflows from key source markets. However, we continue to expand our margins given the long relationship that we had and some back-end negotiations that we carried forward in the business. The Corporate Travel segment reported on a net basis saw its revenue improved by 21% in the quarter and 17% for the 9 months period.

During Q3 FY '26, we continue to strengthen our Corporate Travel portfolio with the acquisition of 8 new accounts across key sectors, including ITES, automobile, telecommunications and e-com. This momentum translated into a strong operating performance with air revenue growing by over 12.4% Y-o-Y, while non-air transaction increased by 19.8% during the quarter.

On the non-air side, hotel and car transactions recorded healthy growth of 11.2% and 29.2%, respectively, reflecting improved wallet share and deeper engagement across our corporate client base. We also expanded our international footprint during the quarter with the commencement of our air and hotel operations from our TCI-Euro office in Cyprus, further enhancing our ability to service multinational clients and support cross-border travel requirements.

Moving to the MICE segment. We recorded a marginal decline during the current quarter, while on a year-to-year basis, the segment registered a 5% growth. Corporate equity on the MICE front remained limited as year-end is typically seasonally slower period for corporates and the business continued to be largely domestic driven.

Coming forward to our B2C section, which comprises about 20% of our Travel segment. Revenue on the B2C segment quarter marked a decline of 6% Y-o-Y and grew by 8% for the 9-month period from INR14,477 million to INR15,592 million in 9 months of FY 2026. Leisure Travel performance during Q3 FY '26 was influenced by a combination of calendar shifts and evolving customer preferences.

The advancement of Durga Puja during the period of September this year compared to October last year resulted in a portion of our festival demand shifting to the previous quarter. This represents roughly about INR200 million of business that we transacted in the previous quarter in the current year, wherein the previous year, it was in one quarter later.

While Leisure demand picked up strongly in December, this momentum partially got offset with the lag in October and November. Also noteworthy to mention here the sluggishness in the domestic travel that happened on account of the disturbances on air segment consequent to the impact of IndiGo.

Additionally, customer preference during the quarter continued to remain focused on short-haul destinations influenced by free and easy visa destination. This is clearly evidenced by our performance, which indicates a 23% increase on our short haul on a 9-month basis versus a 5% increase in long haul. Within our portfolio, short-haul destinations such as Vietnam has grown in sales by 30%, Japan by 15% and China has seen over 10x growth, albeit at a smaller base.

In terms of some of the initiatives on the Leisure side, while we have mentioned these in our communication, I'd like to call out some of the important ones here. We launched our summer Europe packages driven by our AI-powered digital avatar of Thomas Cook - TACY. We also launched Rahi - our own AI-enabled travel automation system designed for domestic holidays that helps our users to design holidays and give them quotations to customers at a much faster pace.

We also engaged with multiple start-ups like GenSLife, Marzi & Ananta who are building an ecosystem/ platform for senior citizens and work with them to creating / participating events to reach out to new markets and segments of senior citizen consumers, GenS as we call them.

Despite these external challenges, our focus on operating discipline, yield optimization and digital enablement helped us to deliver strong profitability growth with our profit before tax increasing by 20%, excluding the onetime impact of the Labour Code, led by strong performance in forex, select leisure and Corporate Travel business.

Early indicators for the summer 2026 reflect continued customer interest with short-haul travel continuing to lead growth. Long haul, specifically Europe remains slightly sluggish owing to the steep rupee depreciation against the euro. We continue to evaluate our Europe products to make them far more affordable to our customers and continue our investments in marketing through digital and print medium.

With this, I would like to hand over to Vikram for his comments and then to K.S. Ramakrishnan to speak about DEI and I'll come back for the Q&A. Thank you. Over to you, Vikram.

Vikram Lalvani: Thanks. Good afternoon, everyone and thank you for joining us once again. My name is Vikram Lalvani, and I'm the MD and CEO of Sterling Holiday Resorts based in Chennai. I'm also joined by Mr. L. Krishna Kumar, who is the CFO with me. Q3 FY '26 marks a record quarter in Sterling, both in terms of absolute numbers and importantly, the quality of growth delivered.

This was the highest ever quarter performance for revenue, EBITDA and PBT, and it reinforces that the business has entered a phase of scaled performance. We've had 24 quarters of profitable growth till now. As we walk through the numbers today, the key theme I would like you to keep in mind is that Sterling is demonstrating the ability to scale meaningfully while protecting margins and strengthening balance sheet numbers.

Let me briefly set the broader context first. India continues to be one of the fastest growing large economies globally, supported by domestic consumption, favourable demographics, and sustained infrastructure investment. Travel and tourism remains structurally very strong with demand being overwhelmingly domestic in nature.

Q3 also demonstrated strong tailwinds in domestic demand and an upswing in the wedding season. The macro conditions continued to be strong. In our previous discussions, I had mentioned that H2 this financial year shall be stronger than what H1 was, and Q3 performance did demonstrate the direction in this route.

Turning to the quarter itself, Q3 FY26 delivered the strongest quarterly performance in Sterling. On a consolidated basis, our revenues grew 10% year-on-year to INR1,568 million. EBITDA grew 7% year-on-year to INR561 million. Profit before tax increased 11% year-on-year to INR426 million. EBITDA margin was sustained at a healthy 36%, which is a 4% over H1 average. And as mentioned earlier, we've had 24 consecutive profitable quarters and this being the 25th.

From a balance sheet standpoint, cash and investments currently stand at INR3,243 million, up 54% over last year. The company continues to operate with zero debt in 2025 as it did in 2024 as well. The consistency of profitability alongside the balance sheet strength is an important marker of the quality and sustainability of the growth that we've had all these quarters including Q3 FY26.

From the operating performance key drivers, growth during the quarter was predominantly inventory led supported by strong ramp-ups and improving operating metrics. Our network expanded to 75 resorts with 3,705 keys as on December 31st. Currently as we speak, we are at 77 hotels and resorts across 63 destinations including that of Nature Trails. We added 607 rooms year-on-year representing a 20% growth in supply.

Room nights available increased by about 17% on an enterprise network basis in Q3. The room nights sold increased by 22% again on an enterprise network basis for Q3. And the occupancy improved to 68% on a consolidated basis, up by 4 percentage points in Q3. Income from managed resorts has grown 60% year-on-year in Q3. What is particularly noteworthy is that demand absorption has outpaced supply growth, indicating strong visibility and an effective distribution across our channels.

On the yield utilization and RevPAR, in addition to the higher volumes, we also saw improvements in yield and utilization. ARR increased 5% year-on-year to INR6,976 on a consolidated basis in Q3, that demonstrates our strength in holding and increasing our pricing propositions. RevPAR grew 17% year-on-year on a consolidated basis in Q3, backed by a growth of 14% in food and beverage and 16% growth in rooms.

Occupancy improved across the enterprise by 3% to 65%.This confirms that growth has been driven by a combination of our pricing discipline and improved utilization during the quarter. Sterling ONE, our proprietary distribution platform, is one of the bedrocks for this growth enablement and it has contributed over INR1,000 million this financial year nine months to the top line.

Margins, costs and profitability discipline. Despite rapid scaling, margin discipline has been maintained. EBITDA margin for the quarter stood at 36%, 4 percentage points higher than that of what we did in H1. EBIT margin at 29%, higher than H1 average of 23%. We had a quarter impact of INR27 million on account of our inability to take the GST input tax credit as we did in the previous year same quarter.

Else, if we had factored this in as this was a cost line, otherwise our EBITDA would have actually expanded to 37.5%, that is a stretch by another one and a half percentage. During the quarter we provided for a one-time gratuity and leave encashment expense of INR14.2 million. Excluding this exceptional item, the underlying profitability still remains robust. The key takeaway here is that the operating leverage is now clearly visible, and the business is demonstrating an ability to absorb growth without margin erosion.

This shall continue as we look ahead in the next phase of leadership depth investments for growth and efficiency building through investments in the next wave of digitized platforms over the next two to three quarters. On the cash generation, this continues to be one of Sterling's strongest attributes. Our operating free cash flow for Q3 stood at INR346 million that is a 52% growth year-on-year.

Cash and investments, as mentioned earlier, is INR3.2 billion and the company continues to remain debt free. Net worth has continued to strengthen supported by a consistent profitability over the last couple of years. This balance sheet strength provides us the flexibility to fund growth internally, absorb volatility and allocate capital prudently.

On a YTD FY26 performance for nine months, our revenue is at INR4,047 million. EBITDA margin is at 33% in line with industry average. PBT remains broadly in line with the past year till now, despite the disruptions in weather that we had in Q2 and the operating fee cash flow increased 32% year-on-year. This demonstrates that Q3 is not an isolated spike, it's a part of a steady growth trajectory.

H2 outlook and the strategic direction looking ahead into the second half of the year and beyond, we are operating on a higher inventory base as compared to last year. New resorts are maturing and contributing more meaningfully. Utilization of P&L rooms continue to improve, and the operating leverage benefits are expected to become far more pronounced in H2 as it was in H1.

These factors for H2 FY26 outperform H1. Strategically, we remain aligned to our long-term roadmap, focusing on a disciplined expansion, improving returns on capital and strengthening our leadership position in several destinations across India. On the asset management side, quickly during the quarter, we completed renovations and upgradations at our Munnar Resort, which is our own asset of 51 rooms with a new restaurant and activity facilities.

We launched Sterling Arka Suites Puri of 46 suites, again our own asset. Our first all-suite model upper-upscale resort, adding to our already prevalent strength in Puri, with Sterling Puri now taking our presence to over 166 rooms and suites in that destination. We also launched Sterling Mount Olive Gangtok, strengthening our presence in Sikkim with our second hotel in Gangtok.

Adding a new restaurant revenue stream, with the launch of Udaipur Katha in our award-winning hotel, Jaisinghgarh in Udaipur. We actually got 6 key recognitions in Q3. I'll just mention 2 or 3 of them right now. We were awarded the fastest-growing hospitality brand in Today's Traveler Awards 2025.

We won The Economic Times Restaurant Awards, we got it for Amo Odisha at Sterling Puri, Top 50 Boutique Luxury Awards for Sterling Jaisinghgarh in Udaipur by Hospitality Horizon and NDTV Profit, Top 50 Restaurants of the Year for Slate & Pearl in Sterling Kodai Lake, again by Hospitality Horizon and NDTV Profit and the Best Family Resort 2025 for Sterling Fern Hill, Ooty by Travel and Leisure.

To summarize, Q3 FY26 represents a record performance with strong execution. Growth is immensely net, yield-driven and supported by healthy demand. Margins remain resilient despite rapid scaling. Cash flows and balance sheet strengths provide long-term flexibility. We believe Sterling is firmly in a scale-plus-leverage phase with a clear pathway to sustained growth and value creation. Thank you so much for your time.

K.S. Ramakrishnan: Good evening. This is K.S. Ramakrishnan. I'm the MD and CEO for DEI. As you see, our performance in the last quarter, which is Q3, has been one of the best from the past. Q3 is traditionally a high-revenue quarter, and DEI has performed in alignment with that. Obviously, there have been some fairly good stars in the group of DEI, Dubai being one.

Dubai had its highest performance ever in history in December. It did revenue of over INR565 million as compared to INR510 million in the previous year. It's also backed with some decent amount of growth in Maldives. The growth is partially offset by muted top line from markets such as Malaysia, Indonesia, and Singapore, which did not live up to what we wanted.

Overall, we've seen a 5% growth in the quarter-on-quarter between 2025 and 2026 of Q3. EBITDA-wise, we've strongly worked on our cost structures, and we've seen a 38% increase from the last quarter. And at EBIT levels, we are 42% better than Q3 2025. Q3 2026 has been 42% better. This improvement is attributed to improved top-line performance, of course, and combined with efficiencies in the cost, which has been a norm for the past three quarters that we're following.

Moving forward, we have two new partnerships signed in Q3 for Saudi Arabia, Six Flags, and in UAE, we've signed up Haribo, Happy World. We've renewed all our key partnerships in UAE, and India, and Malaysia. We've launched seven partnerships in the last quarter, and the benefits of it will be seen in the coming months. And the years in the month, and in the quarters ahead, which is namely at Saudi Arabia, and at UAE, we started the Edge, Dubai, which was the only one that we were not doing.

We want that back. As I said, UAE has been fronting the quarter very well, with a lot of action that's happening. We had a lot of festive events that we secured. We did more or less 80% of the festive events in the UAE, covering that revenue. Last but not least, WeC was implemented in the last quarter to 80% of the sites. As we speak, WeC is getting improvised, and a lot of the smaller bugs are being fixed.

We are seeing an efficiency growing day-by-day. By the quarter one of 2027, we should see WeC in full implementation. By April or May is when we see the full implementation. We should be seeing some benefit in quarter two of that coming through. That's all from my side. Thank you.

Management: Please go ahead with the question-and-answer session.

Moderator: The first question comes from the line of Anil Shah from Insightful Investment.

Anil Shah: Yes. Just one quick question is in terms of the outstanding number of prepaid FX cards that we have? And what would be the float in that ? what would be the aggregate account balance there?

Mahesh Iyer: From a card perspective, there are roughly about close to 200,000-plus cards that are outstanding there. The total float that we have on our books as of December exceeds INR1,500 crores.

Anil Shah: Okay. And our own cash on hand other than the INR1,500 crores, which is part of the float, which would be in various banks and equivalents, our own cash on hand would now be -- our own profits which have been accrued and we are net cash...

Debasis Nandy:: Yes. So total cash is about INR2,500 crores, out of which excluding the float, you have around INR1,000 crores. And that would be obviously between various entities, including Sterling. And that's the gross amount we have. And there are about INR220 crores of debt on our books. So, if you net that off, it's close to about INR780 crores.

Anil Shah: INR780 crores of cash. And what was that number last year December end? I mean, I'm just trying to see if this has grown or remained steady. Would that be easily available, or I can follow up later?

Mahesh Iyer: I can tell you if you have a second question, you can ask that, and I'll just give you the December number.

Anil Shah: Right. So, the second question is in terms of Travel, where did we think we lost out? Is it more macro? As far as India was concerned, we had less inbound tourists. We had less of Indians traveling internationally. Or did we lose out in terms of market share? or was it a combination of all 3? Because clearly, 3% growth in Travel aggregate as a whole sector, not very encouraging.

Mahesh Iyer: So, Anil, let me try and put this in perspective. I think, as I said in my opening remarks, we had pockets of growth. let me try and address this in 2 parts, start with B2B and then come to B2C. If I look at my B2B business and within that, if I look at the international DMSs, 3 out of the 5 units that we operate, we had a strong growth, ranging from 9% to roughly about 14%, 15% growth. So that was a very strong growth that we had.

Two of our units and namely that was in U.S.A. and Middle East, which is Desert Adventures that we operate in the Middle East market, we had subdued growth. And obviously, in the case of Middle East, it was more the macro driven by the geopolitical tension that we were going through. So, the demand in that market was much lower.

And AlliedTPro that we operate in the U.S., and you know there was many advisories that were issued. And hence, Travel to that market was affected by the weak sentiments. So these were the 2 impacts that came as far as the DMS entity is concerned.

If I get closer home to the inbound business in India, which we operate under the brand name TCI and SITA, our volume growth was flat as compared to the same quarter last year. That's largely because if you recollect, we had the operation Sindoor that happened between June, July and the cascading effect of the unrest in Nepal.

In this business, a lot of our bookings pipeline is actually done 6 to 9 months well in advance. And once you start getting travel advisers issued by various countries, you start seeing a tapering of demand.

So effectively, what happened is that in the last quarter, we didn't see the bump up of sale that should typically happen because the cycle fills up 6 months in advance, that didn't happen coming into the full quarter. Having said so, the current quarter seems much better than what we had seen in the previous year. So, there is no dramatic change that has happened as far as the overall environment is concerned.

If I have to comment on the B2C business, the domestic market remained subdued and specifically in the month of December got impacted because of the air turbulence that we saw. Whereas on the International segment, we actually saw a shift from the long haul to short haul. You'll appreciate that when you talk about short haul, the price point is slightly lower as compared to long haul because long-haul typical price points are INR250,000 plus per person, whereas on the short haul, you are talking of destinations, which are INR125,000.

So, from a volume perspective, we had higher number of passengers traveling. But from a value perspective, it was slightly subdued. So that's what kind of happened. I wouldn't think there is anything that we missed out on this scale.

I think from a conversion perspective, from a lead perspective, I think they all came in well. But it's just that the environment generally was not very conducive for the growth that we anticipated to come. But having said so, we managed our margins quite well.

Despite some cancellations that came in on our inbound business and some part on our domestic business, we managed to hold to our margins, we renegotiated. And all of that is reflected in our margins, which kind of helped the EBT growth at 10%.

Anil Shah: Right. And the current quarter, Q4, you made a comment seems to be on a better footing than the normal fourth quarter as we speak. We are about 5 weeks into the quarter?

Mahesh Iyer: Yes. So what I'm saying is that if you look at our inbound business, which is typically, as you know, this is the season running from October to March, while the first quarter, which is the October-December quarter didn't pan out very well, or the second part of the season seems much better than the first part. That's point number one.

Point number two, if I look at our India business, I think we are seeing decent growth coming in our portfolio, both from the Domestic and the International sector. International sector driven largely by short haul and that we've been talking about it that we see as a shift in pattern where people are more preferring to do Easy-Visa, Visa-Free destinations, last-minute bookings and things like that. So, we are seeing a trend of shortened booking cycle, much faster decisioning there.

So yes, from a pipeline perspective, while we are seeing growth, but the momentum is still building as we speak. And as you rightly said, we are about 4, 5 weeks into the quarter. There is still some pipeline to go, given that the booking cycles have shortened.

Anil Shah: Right. And last question from my side, is there a way in which we are tracking the new apps, which are coming in, in terms of various names starting from MakeMyTrip, EaseMyTrip and even many, many, many more such wins?

In terms of our market share, there's lots of data available, right, in terms of number of Indians traveling, international, whether it's short or long. But in terms of sheer market share, is that something that we track? And would it be possible for you to share that data?

Mahesh Iyer: Yes. one, I must say, the data is not very structured. Yes. So, the information that flows to us does not really reflect the segment that we are referring to, which is Leisure. Most of them talk about arrivals and arrivals includes VFR, arrivals includes Corporate, arrivals includes MICE and arrival includes Leisure and Leisure in 2 parts, which is GIT and FIT.

So, the addressable population for us that we like to measure in terms of our market share is more from the Leisure Holiday segment, which is the GIT, FIT segment and separately for the MICE market. So that's how we look at it. But a lot of this information, I will always put a question mark whether it's most accurate or not. But yes, over a period of time, there's a trend line that comes through, and we monitor our market share on that. And probably we'll start publishing some of that information going forward.

Debasis Nandy: One last thing. I had to answer part 2 of your question, which was on the net cash position on December '24. So, against the INR780 crores that I talked about in December '25, the corresponding number for December '24 would have been INR405 crores after taking out the float money and any debt that we had.

Anil Shah: Okay. So INR405 crores has moved to about INR780 crores?

Moderator: The next question comes from the line of Ravi Shah from VRS Capital.

Ravi Shah: Sorry, I'm joining the call a little late. So sorry if my question sounds repetitive. Sir, just wanted to understand on the segment revenue on our forex business, we've grown by 2%, while our Retail sales have grown by 25%, our education turnover has grown by around 40% and Holiday turnover has grown by 11%. So, I'm not understanding this discrepancy, sir?

Mahesh Iyer: So, I think we need to understand that these are 2 different components that we are referring to. The 25% growth in the Education segment or the growth in the Leisure segment refers to the sales growth. Whereas what's reported in the segment is the revenue growth, the revenue that we make on those sales, the margin multiplied by the sales. That's the value that you see here.

Now this also includes the corporate side of it where we haven't seen the growth. Corporate segment during the current quarter was subdued. So obviously, the volume was a little lower, and we also saw a slight bit of margin pressure on the corporate segment. But the Retail segment grew, and their margins held steady, and that's why the overall revenue growth that you see here is at about 2%.

But I think what you need to measure is also the EBIT growth, which grew by about 10%, and that reflects the operating leverages that we have because improvement in sales is actually translating into a much better fall-through in terms of our profitability.

And that's what the secret for this business is, how efficiently you manage this, how you can keep a constant watch on your margins, how your EBIT margins can improve, and while our ability to pass on a lot of our margins to the customer will be limited because, as you know, today, people compare price.

Anyone and everyone actually goes on to the website, looks at an interbank rate, any kind of a cross-border rate to compare. And there are many such sites that people look at. So, to that extent, there is a constant pressure on price and our ability to still skim the market and deliver a 10% growth, I think, is fairly good.

Moderator: The next question comes from the line of Mukul Varma.

Mukul Varma: I've 2 questions. At the consolidated level, do you see FY '27 delivering double-digit earnings growth, assuming normal macro conditions? And the second question is on Sterling. With

22, 21 resorts in the pipeline by current calendar year '26, how do we think about incremental revenue and profitability contribution for the next 2 years?

Mahesh Iyer: Mr. Varma, I'll take the first part of the question and then leave it to Vikram to come back on the Sterling side of it. First of all, thank you for the question. And we don't normally comment on a forward-looking statement as such. But if you look at our macroeconomics, GDP growth at about 7-7.5%, currency by about 2-3%, I think 10% is a given. So, a double-digit growth, I think from a business perspective, seems very realistic. And I think we will definitely be gunning for that kind of a growth going forward in FY 2027.

So yes, I think what is going to be also important is the quality of our earnings because we are more focused on ensuring that while we grow our business, grow our top line, we also keep our focus on margin and prudence on our cost and invest in technologies, which helps us get closer to the customer and improve his experience with us because ours is an experienced business, ours is an emotional business. We need to ensure that we catch the customer right and make the journey very seamless for them. So, we continue to be on that journey, and you will see progress as we go along.

Mukul Varma: In the Travel Services business, can we expect margin improvement in quarter 4?

Mahesh Iyer: Mr. Varma, again, as I said, the Travel segment has got multiple factors that play in. One is the seasonality that comes into play, and it changes quarter-to-quarter. And the second part of it is the geopolitical environment.

And there are some tactical measures that we take in our business, like as alluded to, because of the sharp depreciation of rupee to the euro, our European holidays start becoming very expensive. So, we're kind of recalibrating our product portfolio, starting to make it far more affordable. So, there are some tactical calls that we take on our portfolio to ensure that we keep lucking around.

And to that extent, there could be some quarter pressure coming here and there. But broadly, the guidance that we have given is that we will continue our trajectory on the 4-plus percent as far as the Travel segment is concerned.

Mukul Varma: And on the budget impact, what you mentioned on the TCS reducing. So, could you give some colour into your Q1 bookings? I mean, is it showing traction or...

Mahesh Iyer: A little too early. As you know, the budget gets effective only 1st April 2026. And so very early to kind of gauge the kind of impact. But yes, I definitely can say that it's a welcome measure because it leaves a lot more cash in the hands of people, allows them to not wait for it to come after filing their returns and also kind of cushions to some shock that comes from the rupee depreciation. So, I think it's a welcome step, and I would think that it should help spur some consumer momentum on that one.

Mukul Varma: Also, sir, on this MAT announcement in the budget, since we are in a high tax bracket because of non-utilization of our MAT credit, if you can give some colour of whether we will be moving to a lower tax regime, the new regime starting FY '27, if you have kind of looked at that announcement in the budget on the tax structure and the new regime, which all companies will have to get into?

Debasis Nandy: I'd like to answer that question. So, the government has now mandated that all companies have to move to the new tax regime if they want to utilize the MAT. And therefore, we will also do so. So effective '26-'27 we'll move into that new regime.

we have done the math. We'll be able to utilize the entire MAT that we have as of now. That is not a problem. And yes, a clear answer to your question, yes, we'll move to the lower tax rate as we get into the new regime.

Mukul Varma: Great. So that will have a good impact on our earnings?

Debasis Nandy: Earnings per share, yes.

Mukul Varma: In a positive manner?

Debasis Nandy: That's a positive for the company.

Vikram Lalvani: Okay. Mr. Varma, this is Vikram here. I think you had asked the question for Sterling as well. Yes, thank you for asking this question. If we've seen in the last 2 years, we've been ramping approximately 15 hotels and resorts a year. Even in 2025, we did about 15 in a year. Now typically, they take about 6 months to complete the ramp and start getting into a steady state after one or two quarters.

So, this is the same scenario that happened 2 years ago where we ramped up 15, 16. Last year, 15 to 16. And this year as well, we are looking at a similar number minimum. So typically, that's how the top line keeps growing with new addition as well as the organic growth that we have, number one. Number two is most of these expansions that are happening this year are our asset-light model as well, number two.

That's number three is the margins will continue to remain in that range - margins between 32% to 35% EBITDA, depending on the seasonality that we are in. Q3 was a great season because it had a lot of holidays out of the wedding season. And when compared to Q2, typically, Q3 become very good.

But if you've seen that traditionally, quarter 1 has been a strong quarter for Sterling, where almost 40% of, revenues for the year used to come out of Q1. Because of this ramp in the inventory, and I maintained it years ago that Q3 would actually be one of our strongest quarters. And it has been demonstrated in the last 2 years. So, as we keep ramping, the margins will continue to remain 32% to 35%, but value-wise, it will keep growing as well as the revenue. So that's my answer to your question.

Mukul Varma: One more question, nothing to do with the financial performance. Which of the 2 or 3 Sterling resorts you would want your investors to visit, which you feel?

Vikram Lalvani: It's a very difficult. Actually, it's more difficult to answer this than any financial question because if we have three.

Mukul Varma: It's good to have more, but any one or two is to start with?

Vikram Lalvani: Yes. Who to choose, very difficult to choose, right? But having said that, I do not know your base location, Mr. Varma.

Mukul Varma: I'm from Bombay, sir?

Vikram Lalvani: Right. I think you should experience Wayanad, you should experience Cherambadi, and Bombay Tipeshwar which is a unique destination, you should see that. But for me, it's a very difficult question to answer. I'll tell you Puri, I think, it’s phenomenal and is out of the world. You should actually visit Puri as well.

Moderator: The next question comes from the line of Vijay from Systematix Group.

Vijay: My question is on our collaboration with Cinnamon Life at Sri Lanka. So, can you please explain a bit more on this? I mean, how this impacts our outbound business?

Mahesh Iyer: So Vijay, this is Mahesh. We've just announced this collaboration that we're doing with Cinnamon Life. As you know, it's a part of the larger group. This synergy basically allows us to leverage their properties and one of those which they built over and kind of made operational in the last quarter is the City of Dreams, which has got a casino and whatever, the first of its kind in this part of the world.

So, I think that's an opportunity for us to jointly market that product, take a lot of our customers, create a unique experience on a near exclusive basis in that sense for both the brands, Thomas Cook and SOTC. So that's what we are looking to do both for our Leisure as well as MICE customers. Also, it entails partnering other properties of the Cinnamon Group, which we can use and create unique offerings for our customers.

Vijay: Okay. And second on DEI. So, going ahead, what should be the steady state margin for the business? I mean it seems that the growth is back on its trajectory. So, on that front, I'm asking?

K. S. Ramakrishnan: This is Ram, and I'll take this. Like we said, we'll kind of stabilize the business, and we are continuously growing. We'll look for opportunistic growth. We have calibrated ourselves with the group's overall outlook, like Mahesh said, to have sustainable and profitable growth. So we look at that, and the coming year looks to be fairly good. We have our WeC being implemented fully. And I think we will see some benefits of it in the next year, for sure in the next calendar year for sure.

Vijay: Okay. Thank you, sir. Thank you. Have a good day.

Moderator: Thank you. The next question comes from the line of Haard Joshi an Individual Investor.

Haard Joshi: I would like to ask you what is the competitive landscape for Thomas Cook in the context of sort of an emerging market applications. The new players are entering the market and the younger people are entering into the market that are catering to the solo travellers and etcetera and sort of getting the competitive in terms of pricing?

And the second question was in the context of what is sort of the policy of SOTC and Thomas Cook in terms of off-season tours conducted for groups? So, from what I understand and what I've seen rather is that during the off-season for any locations or traveling, Thomas Cook does not cater any tours as such. So, it depends on the seasonality and everything. But what is your opinion on that? Can you give some colour on that?

Mahesh Iyer: Mr. Joshi, let me try and take this question in 2 parts. The first question that you asked is about the competitive landscape. And look, in that sense, if you are looking at Thomas Cook as a group, we are unique. We've got multiple businesses, right, from Foreign Exchange to Travel. And within Travel, we've got DMS, International, India and then we've got Corporate Travel, MICE and then we've got Holidays.

So in that sense, there is no one common benchmark that you can use, but to your specific point on the mushrooming operators who come in and offer packages, look, at the end of the day, anyone and everyone can make a package. I think it's all about executing on the ground. It's not about selling here. It's about executing on the ground. And that's what we bring as our brand to the market.

One is the trust that you're dealing with a trusted brand called Thomas Cooker and SOTC. Secondly, the experience on the ground that we provide, which comes out of our 100-150 year source plus legacy. Third, the pricing, the economies of scale that we bring in because of the kind of volume buy that we do. I think we package all of that together to the customer and do.

Fourthly, we are investing in technologies and trying to get that as much closer to the customer. And one of the ones that we are driving this year is customer obsession, which means any and every angle that we take today is focused on how we make the journey for the customer frictionless and far more seamless.

So, I think these are barriers that we are going to put across for others to come and nimble in. But look, this industry doesn't have any entry barriers. You could possibly put up a machine tomorrow, use a Google search and then come out and become a travel agent. So, we cannot compete with those, but I think it's all about the brand and the offerings that we bring along with our capability of executing a great product on the ground that helps us win in the marketplace.

To your second question, which is more on the off-season. Look, one is, if you look at Travel as a category, it's moved away from seasonality. At least from India perspective, I can confidently say that now people undertake travel at very short intervals. You will find a long weekend, a short break. People want to get out and take a holiday.

And that's where either it's domestic short-haul destinations or for that matter, a longer holiday that coincides with the summer or probably a Diwali vacation tends to be a long-haul one, but from a cycle perspective, I think people are taking much more shorter breaks. So, I'm not sure there is a price advantage or something that comes in.

But yes, there are parts of seasonality driven by monsoon or something like that, where occupancy tends to be slightly more lower, load factors on airlines are slightly more lower, where you will get some price advantage. And if you were to be tracking us on our website, you will find some of those opportunities out there, where there are what I call steal deals, where there are BOGO offers, which is buy one, get one. I think those are the kind of initiatives that we bring to get the customer across during the so-called lean season, which I don't believe is a lean season, but slightly low in terms of the market acceptance of a product or the travel.

Haard Joshi: My question was pertaining to the higher expenses which the customer incurs on sort of a longer package for like International like Singapore or U.S.A. sort of in that way wherein there is an off-season for Singapore, I don't find it, I am quite slightly unaware about it. I think Thomas Cook does not operate in that environment during the off-season.

Mahesh Iyer: Mr. Joshi, I think we have got products across Domestic and International categories all through the season. Now you can check. It all depends on what price point you want to travel at. It's not that we don't offer products during off-season in any market. If there is a price advantage, it's passed on to the customer. If there's no price advantage and there is a surcharge during that period, it's passed on to the customer. So that's we operate. And if you were to look at our product portfolio, you will find opportunities and options across time periods all through the year.

Moderator: The next question comes from the line of Mukul Varma.

Mukul Varma: Yes. Since we have gross cash of INR1,000 crores, could you throw some light on the capital allocation priorities, how we are going to use that?

Mahesh Iyer: So Mr. Varma, I think you kind of broached this topic before with us. I'd just like to state that our stand remains the same. We build our balance sheet over a period in time. You know we came out of pandemic and in the last 2, 3 years, we continue to grow our profitability and build this cash position in our balance sheet.

We keep looking, evaluating opportunities. But currently, our investments are directed on technology and upscaling to the mandate of getting customer obsessed and making the journey seamless for them. But if there are more opportunities that will come our way, we will definitely look at it.

But currently, there are no conversations around either any kind of disbursement of cash to shareholders or for that matter, any acquisition. But we keep looking at options to evaluate options to deploy this cash in a much better way, which becomes accretive to our P&L and balance sheet over a period in time.

Mukul Varma: Are we looking to kind of close the debt or it just goes off in the normal course of the business?

Mahesh Iyer: Mr. Varma, these are long-term debts, more like the ECLGS, which we can't repay while we would love to repay them off. But unfortunately, because these were taken during the COVID period, they have a lock-in period, and we can't dispose them off at this point in time. So we continue with it. But these are not big debts, as you know this already.

Mukul Varma: And sir, are there any onetime -- sorry, sorry, go on.

Debasis Nandy: So Debasis here, just trying to give more colour to what Mahesh just said. So out of the INR220 crores of debt, about close to about INR85 crores to INR90 crores is the ECLGS debt, which is long term, but we will be paying off in the next 2 years or so over the course of the next 2 calendar years. So that's one. The second is that while in India, we do not have any debt other than the ECLGS, there are overseas supplier who do use working capital funding, and that's the rest of the debt, which will continue in some form because from time to time, you will need to fund your working capital.

Mukul Varma: Okay. And are there any one-time or seasonal costs in Q3 that will kind of not come through in Q4 other than this gratuity labour cost provision we made, which could kind of support profitability?

Mahesh Iyer: At this point time, Mr. Verma, we have no visibility of such onetime cost. This one that we had to take as a charge, you know this came out as a stature from the government.

Mukul Varma: So that was the only thing, right? That was the only one?

Mahesh Iyer: That's what the only onetime cost. And that's why I focused on the operating performance and said about the 20% growth in our profitability. Had it not been for this onetime charge, that 20% would have been there. And that's a very strong growth given the kind of quarter that we operated with.

Mukul Varma: And sir, on the Financial Services scalability, I mean, we look forward to continuing 40-plus margins in the next financial year?

Mahesh Iyer: Yes, Mr. Varma. We will continue to be in that trajectory. I think that's what we have been delivering year-on-year. And I don't think there's anything that should be less from that part. The 40-plus percent will see.

Mukul Varma: And sir, if you could also give some colour on I mean recently, there was a corporate news regarding our partnership with Gujarat government, Tamil Nadu government. So how does that work? Or how do you take it forward?

Mahesh Iyer: Basically, Mr. Varma, what we are trying to do is, as you know, we are a trusted brand in this market. We are partnering with domestic destinations, more like states to kind of spur demand on the domestic travel side. So, these MOUs and partnerships work with the government in building the infrastructure, in doing promotion and marketing.

Typically, if you see a lot of overseas destinations come and market themselves in India. So, they kind of support the marketing spends and other stuff. Here, we are trying to build similar kind of models where we work very closely with the state government, put this as a priority sector and start working with them in terms of creating demand, creating promotion, creating infrastructure and supporting that growth. So, we will be more like the distribution and marketing partner for the state government.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for closing comments. Thank you, and over to you, sir.

Mahesh Iyer: Thank you, Vijay. Thank you, ladies and gentlemen. I'd just like to reiterate that for the current quarter, our profit before tax grew at about 20%, barring the onetime exceptional item that we had, driven by our strong operating resilience across all our businesses and improved margins and operational efficiencies. Looking forward to the next quarter, we believe we should continue this trajectory, and I remain confident that we will deliver strong performances going forward. Thank you so much.

Moderator: Thank you. On behalf of Systematix Group, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.
