



“RateGain Travel Technologies Limited
Q3 and FY '26 Earnings Conference Call”

February 16, 2026



**MANAGEMENT: MR. BHANU CHOPRA – CHAIRMAN AND MANAGING
DIRECTOR – RATEGAIN TRAVEL TECHNOLOGIES
LIMITED**
**MR. ROHAN MITTAL – CHIEF FINANCIAL OFFICER –
RATEGAIN TRAVEL TECHNOLOGIES LIMITED**
**MR. DIVIK ANAND – RATEGAIN TRAVEL
TECHNOLOGIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the RateGain Travel Technologies Limited Q3 and FY '26 Earnings Conference Call hosted by Strategic Growth Advisors. 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 touchtone phone.

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

Bhanu Chopra: Thank you. And good afternoon, everyone. Thank you for joining RateGain Travel Technologies Q3 FY '26 Earnings Call. This was quite a transformative quarter for us operationally, strategically and structurally.

Let me first start by addressing the headline directly. We delivered revenue of INR540 crores, up 94% year-on-year. Our EBITDA grew 42%. The reported PAT declined year-on-year and the reasons are transparent. There was an increased amortization from acquisition accounting. There were deal-related costs, including diligence, severance and alignment expenses and finance costs related to acquisition funding. These are integration and accounting impacts, not a deterioration in the underlying business. And Rohan will cover these in detail during his commentary. PAT adjusted for onetime exceptional expenses, which are nonrecurring, grew 8% year-on-year.

Importantly, within the first 100 days of integration, we have already executed approximately \$12 million in annualized cost savings in Sojern on a base of \$24 million annual EBITDA in Sojern. These savings will be visible from Q4 FY '26 onwards, with the full impact should be visible from Q1 FY '27.

Given the cash generation profile of this business, we've already repaid approximately \$25 million of acquisition-related debt, representing 20% of gross loan amount within the first 90 days of deal closure. We aim to be net debt positive within 30 months. We continue to generate healthy operating cash flows and that gives us both balance sheet comfort and strategic flexibility as the integration progresses.

Let me now give you some strategic context where value is accruing. Travel continues to be resilient. Digital adoption is accelerating. Online bookings are expanding globally, experience like travel is increasing. In this environment, value accrues to platforms that provide an integrated tech stack, one that allows customers to acquire guests efficiently, retain and engage them meaningfully, expand guest wallet share over time. That is our vision.

We're not building disconnected tools. We are building an integrated AI powered stack across acquisitions, engagement, distribution and revenue optimization. An important shift we are seeing is how travellers search and discover. Increasingly, travellers are using conversational AI platforms and intelligent search tools to plan trips. Hotels and destinations are asking, how do we show up effectively in that environment?

We have built integrations that allow our hotel partners to distribute structured content and availability seamlessly into these emerging discovery channels. In simple terms, as search behaviour evolves, our customers remain visible and bookable. Another structural shift helping us win is our commercial model.

Across our integrated tech stack, we are increasingly moving towards performance-linked pricing, where customers pay based on outcomes delivered. We monetize when we create measurable revenue lift. This allows incentives and reflects how modern commercial models are evolving, and it makes it very compelling for our customers.

Let me now talk about the engines of growth. Our engine number 1 in MarTech is scale, dominance and integration. MarTech continues to be our largest growth engine with the integration of Adara and Sojern, we're now the most dominant provider in the space of destination management organization. No other provider even comes close. It's about a \$90 million business for us, and no other provider combines travel intent data at global scale, closed-loop attribution and booking measurement at that scale, deep long-standing relationships across destinations, enterprise-grade marketing execution. At our scale of data, we're uniquely positioned to capitalize on this segment, and that's what destinations care about.

Integration is progressing ahead of plan, and we have already achieved \$12 million in cost synergies within 100 days. We're working with BCG to bring the go-to-market teams of Adara and Sojern together aligning sales structures, account coverage and cross-sell motion. This is about building one unified commercial engine.

SoHo update erstwhile BCV. So SoHo, the erstwhile BCV business, this was the only acquisition in our portfolio that was not profitable since the acquisition. This quarter, SoHo achieved profitability. This was driven by a large marquee account win, improved cost alignment and sharper execution focus. It demonstrates that we can take underperforming assets and drive operational improvement. We're very encouraged, and we remain disciplined in scaling it profitably.

AI Concierge. Separately, AI Concierge part of the Sojern platform is showing very strong commercial traction. Hotels use AI Concierge are seeing up to 300% increase in ancillary revenue, 75% improvement in NPS, automation of up to 80% of guests queries. This is real ROI. This is monetization. It drives direct wallet share expansion, which is central to our integrated thesis. We are now working on integrating this in our unified platform, UNO.

Demand Booster win-back validation. Another important signal this quarter, a large customer that had exited approximately 18 months ago has returned via pilot on Demand Booster. We had moved due to industry consolidation and their exit has impacted our organic growth. After demonstrating the revenue lift, they were missing by moving away, they have reengaged. This validates our product competitiveness. It validates measurable ROI we deliver.

As we move into the upcoming quarter and achieve deeper integration, Demand Booster and Sojern's hospitality marketing offerings will be sold as 1 unified solution. This allows us to

combine performance marketing, audience intelligence and direct booking optimization into a single integrated proposition for hotels.

Similarly, Adara and Sojern offerings will be streamlined and positioned as unified products, strengthening our cross-sell motion and simplifying the customer buying journey. This is where integration begins to translate directly into commercial acceleration.

Let me talk about now our engine to the DaaS embedded intelligence. Momentum is improving. We saw volume increases across air, car and OTA customers, along with net new customer additions. Navigator, our solution for hotels has undergone a meaningful evolution. We have moved beyond dashboards and historical reporting. Navigator now delivers AI-assisted commercial clarity, translating complex demand pricing and competitive data into decision-ready actions for revenue managers. Instead of just showing data, it answers where should I price, where am I losing share, which demand segments are shifting.

Similarly, Rev-AI Clarity in cars simplifies pricing complexity into actionable insight. AirGain continues to strengthen parity intelligence and competitive pricing visibility. Singapore Airlines extended its long-standing partnership, reinforcing trust in our pricing intelligence stack. Across DaaS, we are embedding intelligence into workflows not adding just surface-based analytics that creates durability.

UNO VIVA, our AI voice success. We launched UNO VIVA, our AI-powered voice agent. The first key implementation has delivered very encouraging results, including measurable booking conversions. We see a big opportunity for this product in Europe and U.S., where labor shortages are a real problem. VIVA turns informed intent into direct bookings in real time as hotels focus more on direct revenue capture, voice automation becomes a powerful lever. We see this as a meaningful long-term opportunity within distribution. AI embedded across the stack.

There is broad market noise around AI. Our approach is disciplined and practical. We're embedding AI into commercial decision loops not laying superficial features. Across the platform, we now offer Demand AI for smarter audience targeting, Rev AI for pricing intelligence, smart ARI within our AI-powered channel manager for real-time rate and inventory optimization, Navigator AI for demand forecasting and decision clarity, AI Concierge for in-state revenue expansion and VIVA voice AI for direct booking capture. This intelligence spans marketing, pricing, distribution and guest engagement. That integrated stack is really our moat. Let me now talk about our organic growth and integration trajectory.

The organic year-on-year growth for this quarter was in 4% to 5% range, primarily due to some December-end revenue getting deferred to January 2026. Organic EBITDA for Q3 was 17.5%. Overall, we are confident of beating our FY 2026 RG organic revenue and EBITDA guidance which was issued at the start of the financial year.

Organically, we should end the full year at 6%-plus organic growth and between 17.5% to 18% EBITDA. Nine-month bookings have seen over 30% year-on-year growth. It's a strong lead indicator of future revenue. Our Q4 should see double-digit organic growth. Combined with pipeline strength, cross-sell traction, product adoption and the unified product motion underway,

this gives us confidence in a return to double-digit organic growth in the current quarter and going forward.

As integration synergy scale and our unified go-to-market motion matures, we expect operating leverage to improve progressively over the coming quarters, strengthening our platform and improving our long-term scalability.

Let me now talk about people and culture and how we're scaling with strength. With the addition of Sojern, we are now over 1,300 strong globally. We harmonize policies and benefits across regions to truly build one RateGain. We were recognized as a great place to work in India for the seventh consecutive year. As we scale globally, culture becomes a competitive advantage.

Now I want to talk about our ET Corporate Excellence Award. This quarter, we were named Emerging Company of the Year as the ET Corporate Excellence Awards. This is one of India's most prestigious corporate recognition. The jury comprises of highly respected business leaders, industry veterans and institutional decision-makers.

To be recognized alongside some of the most iconic business leaders in the country, including this year's distinguished awardees is both humbling and validating. It reinforces the credibility of our acquisition strategy, the strength of our integrated platform thesis, the discipline of our execution and the ambition of our long-term vision. It signals that RateGain is not just growing, it's being recognized as the highest institutional level.

So in closing, Q3 was a quarter of integration and validation. We delivered 94% revenue growth, achieved \$12 million in annualized integration synergies within 90 days of deal closure, grew adjusted PAT at 8%, turned SoHo profitable, saw a strong traction in AI Concierge product, won back a key Demand Booster client, began unifying Demand Booster and Sojern into an integrated commercial offering, launched VIVA successfully, strengthened our DMO leadership position, advanced Navigator towards an AI-driven commercial clarity and delivered 30% bookings growth as a leading indicator of organic acceleration.

We are building an integrated AI-powered travel tech stack focused on guest acquisition, guest engagement and guest wallet share expansion, and we are doing so with measurable outcomes.

With that, I will now hand it over to Rohan to walk you through the financials. Thank you.

Rohan Mittal:

Thank you, Bhanu. And a very warm welcome to everyone on this call. It's a pleasure to connect with you all. Starting with the update on the numbers for quarter 3 FY '26. We have reported our highest ever quarterly revenue of INR540 crores.

This revenue includes 2 months of Sojern's revenues getting consolidated for the first time. It's important to note here that seasonally, November and December are the softest months in Sojern. RG Organic continue to report strong numbers despite some quarter-end revenue getting deferred to Q4. RG Organic grew at 4.1% year-on-year and came in at INR290 crores. You'll all recall that we had reported our highest ever revenue in Q2 at INR295 crores. Q3 has been able to maintain that trend. RG Organic is poised to grow at double-digit growth in Q4 on the back

of strong booking momentum leading to overall organic annual growth in line with the guidance issued at the start of the year.

Full year EBITDA percentage will also meet or exceed our guidance. RG Organic Q3 EBITDA stood at 17.5%. Sojern has reported full year's EBITDA percentage at about 14.4%. Consolidated EBITDA for Q3 stood at 16.1%. We have reported PAT of INR26.5 crores in this quarter. While Bhanu has touched upon this in his commentary, I'm going to explain this in a bit more detail since I'm sure this is important to project EPS for FY '27 and beyond.

So we can basically split the bridge from EBITDA to PAT into 2 parts, one time and recurring. The onetime nonrecurring amount which has been recognized in Q3 is INR34.6 crores. This basically largely includes M&A-related costs recorded as exceptional items as well as onetime impact of the change in labor loss. By adjusting for the onetime nonrecurring exceptional cost, the PAT stood at INR61.1 crores, representing a growth of 8% compared to same period last year. Recurring charges include net finance costs, amortization of Sojern purchase consideration, excluding goodwill.

The amortization amount can be expected to be \$2.8 to 3 million per quarter because the provisional PP exercise is now complete. A lot of you had questions around this in our earlier call, and we just thought it should -- we should clarify this number. The finance cost is right now trending at \$1.6 million per quarter. This will keep reducing as we repay the principal. Q3 numbers factor in 2-month impact of these costs.

Part of the deferred component of the overall deal, which is roughly \$30 million, will be expensed over 3 years, starting quarter 4 FY '26. This is in line with accounting standards. This expense will see true up true down in line with actuals since this payout is conditional in nature over a span of 3 years. Nothing from this bucket has been recognized in Q3 thus far. As of now, this amount can be estimated at \$2 million to \$2.5 million per quarter for 12 quarters starting Q4 FY '26.

At an overall level, EBITDA to PAT conversion will see a recurring delta of close to about \$6 million to \$6.9 million per quarter. A large part of this will get covered through the cost synergies that we have already demonstrated, which translates into about \$3 million per quarter. We are looking at additional revenue and cost synergies to make sure that the balance amounts are also negated.

This does not factor any revenue growth on the baseline, which obviously will be there. Further, I am happy to report that Sojern integration is progressing well and on track with respect to the goals that we had set up for execution by March 2026. As Bhanu mentioned, we have managed to execute \$12 million in annualized cost savings in Phase 1, and these are permanent in nature. These cost savings have been executed on a base of \$24 million for the entire calendar year 2025 EBITDA of Sojern.

These savings will be partially visible in Q4 and fully visible in Q1 FY '27 onwards. It's important to note here, these savings only pertain to the G&A function, which was our area of focus during the first 90 days. These savings alone should allow Sojern to get to the 18.5% to

19.5% EBITDA level going forward and there is further room for expansion. The cash flow generation has been quite healthy in the past quarter. The total 9 months cash flow from operations stands at approximately INR150 crores.

If we were to just look at the Q3 cash flow generation, we've done almost INR70 crores in cash flow from operations in Q3. And that was partially the reason why we decided to prepay a large chunk of the loan that we have taken. As on date, we continue to have a strong balance sheet. Our net worth currently is at INR1,860 crores. Our cash and cash equivalent balance as of 31st December was INR362 crores. Net debt as on today is down to close to about INR880 crores.

As we move to FY 2027, our immediate focus remains primarily twofold: Successfully integrate Sojern and maintain the booking growth trajectory that we have registered in the 9 months of FY '26 and monetize them into revenue.

With that, I would like to close my remarks, and we are happy to open the floor for questions. Thank you.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. The first question is from the line of Deep Shah from B&K Securities.

Deep Shah: Very useful. I'm sure it has helped a lot of people on the call. One question I still had was if you could provide some further clarity on how similar or different are the offerings of Sojern versus in our market? Is there something very different in terms of the product profile, customer profile, receivables cycle?

And the reason the context is that you guys mentioned that November, December is the weakest for Sojern. So is there something very different in terms of geographies? I think some clarity over these things should be very useful. That's just from my side?

Bhanu Chopra: So Rohan, I'll take the first part and then you can address the question on the Q3 seasonality bit. So the offerings are -- actually, this is our first acquisition where we have acquired a company with very, very similar offerings. In fact, as I mentioned in my opening remarks, we were going head on head against Sojern in the destination management space, and we were literally the top 2 providers for the DMO segment.

And with the combination now, we become a very, very dominant provider in that -- in this customer segment. So the offerings were very, very similar in nature. And as we bring the platforms together. One of the offerings was about measuring the efficacy of the digital marketing and bringing the platforms together makes the measurable attribution, a lot more effective and our measurement product will be the only product available in the marketplace to measure the efficacy of your digital marketing dollars for DMOs.

So both from a go-to-market perspective as well as combining the platform and the data that's available and it makes it very, very strong. Similarly, on the property side, they were more seasoned and mature and scaled player in digital marketing as opposed to our Demand Booster product. They were almost 7x or 8x our size.

And by bringing it together, we will be able to take advantage of the very high number of properties that they have, which is about 13,000 and be able to cross-sell and up-sell our integrated tech stack, which is UNO, where we are able to combine all the capabilities to offer the ability to do guest acquisition, guest engagement and guest wallet share expansion.

And there are a couple of other capabilities that were part of our vision that we didn't have in our stack, especially around the AI Concierge that I talked about that enables in-stay engagement with the guests and also is a great ancillary revenue generator for the customers, and we are very pleased to have that in our stack. So overall, even for the hotel property business, having this 1 integrated tech stack is very compelling and very powerful.

And we would be one of the only few companies to possess all these capabilities in one unified platform. And as I indicated, we're combining the Demand Booster and the Sojern and digital marketing capabilities into one platform within this quarter.

In fact, from a go-to-market perspective, we have now a unified solution that we're taking to the market. And similarly, on the other segments like DMOs and the big corporate customers, we are unifying our GTM teams, and we are consulting Boston Consulting Group, BCG, to enable us to unify that GTM motion as well.

Rohan Mittal: Thanks, Bhanu. I'll pick up the second part. Deep, so basically, the way to look at that is in the properties business, which is almost exactly similar to the Demand Booster program that we were running. The only difference is that Demand Booster was contributing less than 10% of our revenue pre acquisition.

And therefore, the seasonality in that business was not fully evident. Although if you typically look at our numbers, Q3 revenue is slightly lower than Q2, yes? So that's the seasonality impact. In the case of Sojern, the properties business contributes as much as 45% annually to the overall revenue pie, which means that the seasonality will have some slightly more impact than what has been evident on the RateGain side of things.

And that's the only thing that we were calling out. This is pure seasonality impact. It has no -- it's not a sustainable business impact, yes? That business recovers in Q1 -- sorry, Q4 of the next calendar year.

Moderator: The next question is from the line of Naeem Patel from Bastion Research.

Naeem Patel: Congratulations on a good set of numbers. So my first question was for Rohan on some bookkeeping data points. So how has our other older offerings such as Adara, organic offerings have grown in this quarter on a year-on-year basis as well as quarter on this quarter, which is for the MarTech segment?

And secondly, on that front as well that our -- if I see our EBITDA on a quarter-on-quarter basis, organically, it has gone down from 18.2% to 17.5% so was that due to the acquisition-related expenses that we have not able to sustain it this way or was there any other reason?

Rohan Mittal: So the first question, the answer to that is that Adara has grown at about 19.8% year-on-year in Q3, yes? And answer to your second question, if you look at the numbers, we had given a guidance initially that our EBITDA percentage of 17% to 17.5% on an annualized basis. The primary reason was some investments that you were doing to accelerate GTM.

And the ROI on that -- on those investments is evident to the fact that for the entire first 9 months, we've reported 30%-plus in booking volumes, yes, which we've never done before. So that's the only reason why you are seeing a partial dip in the numbers. It's in line with the guidance and expectations that we had set up earlier at the start of the year.

It's important to note here is that we don't capitalize any costs, right? Whatever costs we are incurring is getting expense straight away in the same financial year. The delta from 18.2% to 17.5% does not include any M&A-related expenses. All M&A related expenses have been called out as onetime exceptional costs, which is part of the INR34.6 crores number that you will see in the exceptional items.

Naeem Patel: Understood. And what was the growth for overall MarTech segment, excluding Sojern. You mentioned Adara, but I wanted it completely, yes?

Rohan Mittal: Sorry, come again, please.

Naeem Patel: Yes. So what was the -- like you had mentioned 19% growth on Adara, but excluding Sojern, we have other offerings in MarTech as well. So for MarTech overall, excluding Sojern, what was our Y-o-Y growth?

Rohan Mittal: Close to about 11%. 11%, 11.5%.

Naeem Patel: Understood. And my second question was for Bhanu that currently, there are many AI platforms coming in, and there is some uncertainty in the market as well. So how do you see those offerings benefit our current offerings such as DaaS Distribution? And which of them do you see come as a threat to our offerings, if that's the case at all? Some more clarity or color would be very helpful.

Bhanu Chopra: Yes, so both externally and internally, we have taken a lot of AI initiatives, and I covered some of them in my opening remarks. So we launched our VIVA product, which is an AI voice agent. So if you call a hotel, our AI agent would pick up the call and answer any questions around the hotel or even make a booking or do any upgrades. Similarly, we -- through Sojern acquisition, we acquired an in-stay AI Concierge platform.

So if you're at a hotel and you have any questions about the hotel, say, for instance, where the gym is, what time is the breakfast open, so the AI Concierge product, which is an AI would answer any questions about things at the hotel, already suggest any activities or itineraries while you are in that destination.

Then internally, we are using AI to -- from an engineering perspective, large section of what we code now is the AI generated. There are a bunch of white code projects that we have developed

internally to streamline both our HR and finance functions. We're using AI from a support perspective as well.

And to your other question about how disruptive can it be for our business? So I don't see it as a disruptor. I see it as an accelerator. And I talked about a lot of those initiatives we are taking. I think the fears about AI eating up SaaS are a little overblown. I, in fact, wrote a LinkedIn post also on it. I think in our case, the fact that we have the domain context is a great advantage to us.

And just kind of fear also came around when cloud companies came about. And it was clear that the cloud companies would get into the areas of SaaS and completely disrupt them. But ultimately, what happened was SaaS grew as a result of the cloud companies. So I see a similar pattern play out here as well, where I don't see it as a disruptor, but I see it as an accelerator.

Moderator: The next question is from the line of Parth Agrawal from Bastion Research.

Parth Agrawal: I had just one question. So in FY '26, we have essentially decided to do a lot of GTM marketing and the benefit of which is also visible in our order wins in the last 2, 3 quarters. But is there any other benchmark or success rate that you have seen that this entire exercise has been fruitful for us?

Rohan Mittal: Yes. So if you look at our GTM investments, the total investment -- perfect, if you refer to our guidance which we had issued last year around similar time, we had proposed that we'll be adding close to about \$5 million to \$6 million, which was roughly 4% of our EBITDA at that time back in building out a GTM team is we have gone ahead and executed that strategy over the last 9 months, 9 to 12 months.

The impact, as you rightly said, is evident in the order book. That to us is the single largest ROI calculator. Obviously, that order book has to translate into revenue. That's point number one. Point number two, when a new sales team is onboarded, there is a time given for the sales team in terms of booking targets as to what can we achieve in the first 6 to 12 months, right?

They cannot start performing to the 100% potential in the first 6 to 12 months, as you can imagine. So this financial year, some of those targets will also get reset, which will reflect in the FY '27 guidance that we will issue on our May call -- analyst call.

So the growth rates that we pick up in the businesses that we've invested in the GTM team, those businesses should ideally look at a much stronger organic growth rate in FY '27 and beyond on the back of successful hiring and successful execution of this whole GTM strategy. Does that answer your question?

Parth Agrawal: Yes. Sir, the GTM, the \$5 million, \$6 million that you deployed, was it more towards hiring the sales team and building the sales team or it was more something like a onetime marketing kind of an expense?

Rohan Mittal: No, no, no. It's not a one-time marketing expense. A majority of it has gone in terms of payroll for new people who have been hired in the GTM function. This would largely include sellers,

but it would also include a proportionate amount of customer success managers and account managers.

In addition to that, there is a very small portion that would have been allocated to tools, GTM-enabling tools and some investment in our revenue ops team, which is basically a strong catalyst and enabler for the entire GTM team to perform. So in the direct support functions, there would have been a small investment; in tools, there would be a small investment, large part would be pure GTM payroll.

Parth Agrawal: Got it. So essentially the team that you have built this year, they will have to start performing next year for our margins to normalize to 20%, 22% kind of a level. Is that understanding, correct?

Rohan Mittal: See, this is a common dichotomy that we all face on a day in day out basis to prioritize revenue growth versus to deliver best-in-class EBITDA percentage, right? Given a choice, if we see any white space where we believe we can add more people and therefore gain market share, profitable market share, we will not hesitate to go ahead and do that going forward also.

The guidance that we've given in the -- at the start of this year is that going forward, if we are capable of delivering 20% to 20.5% EBITDA on a sustainable basis, we'd much rather invest back 1% to 2% of that EBITDA in adding strength to our GTM team and other functions ahead of the curve. So we are not going ahead and issuing guidance for FY '27 right now, but that is the philosophy that we are following here.

Moderator: The next question is from the line of Deepak Poddar from Sapphire Capital.

Deepak Poddar: Sir, just wanted to understand, this quarter, we had about consolidation of 2 months of revenue from Sojern, right? So how much was that?

Rohan Mittal: INR250 crores.

Deepak Poddar: So INR250 crores and at margins of what 14.4%, would that be right?

Rohan Mittal: Roughly, yes. Yes.

Deepak Poddar: Okay. Okay. Understood. And you also mentioned about synergies of around \$12 million we have already seen in terms of savings, cost savings in 100 days. So which kind of will help you to reach 18.5% to 19% EBITDA margin going forward. So when it will be visible? I mean, will it be visible from fourth quarter itself or it will take 2, 3 quarters for us to see that kind of margins? And these margins we are talking about on a consol basis, right?

Rohan Mittal: Yes. But the margins are applicable to Sojern, right? But they should be visible in the consol results. So if you look at Q4, you'll see part of these margins coming in because some of these initiatives have been executed in January or early February, but they're all executed as we speak today. Q1, you should see the entire impact visible in the P&L.

Deepak Poddar: Come again, sir? I missed that, just last point?

Rohan Mittal: I'm saying some of these \$12 million integration levers have been executed during January and early February as well, yes, the current month that we are speaking in. As of today, they are 99.99% executed. In Q4, therefore, you'll see a partial uptick. In Q1, you should see a full impact of this \$12 million annualized number so \$3 million in the quarter, visible in Q1.

Deepak Poddar: Okay. Understood. So ideally, if I have to -- I mean, look, first quarter so ideally this -- if this impact is visible your 18.5% to 19% kind of margins in Sojern and your -- the base business margins stands at around 17.5% to 18% so consolidated margin should be somewhere in between, right, ideally given the revenue mix we might be having?

Rohan Mittal: You're absolutely right.

Deepak Poddar: Okay. Okay. Understood. And in terms of FY '27, you mentioned we look at much stronger organic growth, right? So any range you are looking at? I mean, given I think the fourth quarter, we are targeting, what, a double-digit kind of a growth, right, and this quarter was a little on the lower side. So how should one look at the organic growth FY '27?

Rohan Mittal: So Q4, 50% is already behind us. So I can say with reasonable confidence that you will be able to see a double-digit organic growth on the RG side of things, excluding Sojern in Q4. We will start issuing FY '27 guidance in the month of May, that's the typical trend that we've maintained. We'll stick to that. But I see no reason why if you are delivering double-digit organic growth in Q4, I see no reason why we should not be able to continue that trend on the back of the strong booking momentum that we've seen in the first 9 months of this year.

Deepak Poddar: Okay. So double-digit is quite a possibility for FY '27 as well?

Rohan Mittal: Yes. Yes. But please wait for us to issue formal guidance, yes?

Deepak Poddar: Fair point. And just the last thing on the EBITDA margin at the point that you are making to the last participant of 20%, 20.5% is what our threshold margin would be and any incremental we would like to invest back in the business. So with that philosophy, we would be working, right?

Rohan Mittal: So what I said on the -- to the last participant was that 20% is something that we can sustainably deliver. We have done 21% also, but 20%, 20.5% is something that we can sustainably deliver. Our intent would be to reinvest up to 10% of that EBITDA, which is about -- which takes you to 18%, 18.5%, right, to reinvest 10% in growth and investment cases, wherever we are satisfied with the ROI, the risk parameters are within our acceptable range and things like that. It's not a necessary investment every year. But wherever we can find those white spaces, we will actively invest ahead of the curve.

Deepak Poddar: Okay. So effectively at 18% would be a sustainable long-term margins that one might look at for this business at a consol level?

Rohan Mittal: Yes, 18%, 18.5% at Sojern consolidated is something that we can -- we are looking to deliver.

Moderator: The next question is from the line of Miten Shah, an Individual Investor.

Miten Shah: Yes. Heartiest congratulations. Bhanu, I don't know if you recollect, I asked you whether we will be able to meet the INR2,000 crores target that you've set for FY '27. And it seems that we might very well achieve this by the end of next quarter or maybe Q1 FY '27. So heartiest congratulations for that.

And I really appreciate the hard work that you've done for this and the entire team. So my next question would be having said that we have almost achieved doubling the revenue of so called INR2,000 crores well before FY '27, what would be the next target?

Bhanu Chopra: Yes. So internally, we have set a goal of \$1 billion by 2030.

Miten Shah: Okay. It's too far away?

Bhanu Chopra: Sir, it's only 4 years away.

Miten Shah: Okay. I've been almost 4 years invested as of now?

Bhanu Chopra: Yes. So we have -- I mean if you look at our history, we are now 10x the revenue. When we came into the public markets, we were about INR300 crores, and now we are run rating close to INR3,000 crores in 4 years. With that space, I feel quite comfortable we just need to do 3x from here.

Miten Shah: No, I'm equally excited to be going along with this company since almost last 4 years. I really love the way the company is working. So my next question would be, Bhanu, I've been seeing a lot of small companies emerging from India, digital companies offering hotel management suites. I had even asked earlier regarding a company named Guestara, I don't know if you recollect, I seen some new names like Anticipatory and all those.

Are these, by any chance, just casting a glance to these companies as to what are they doing? And could there be a potential acquisition or a threat? Or what are you -- you may be able to foresee from these names? Are we going through these names, by any chance?

Bhanu Chopra: Yes. So we maintain a very, very active M&A machinery. We have a dedicated team. So we run a robust corporate debt program. And we're continuously looking at all kinds of companies, and I'm sure we've gone through some of these names as well. I mean the database that we have is over 1,000 companies and we are constantly evaluating them on merit.

And wherever we see an opportunity, we progress our conversation. So I mean I can tell you right now, it's definitely must be evaluated by our teams, but it hasn't shown up on my radar. I think if there is some merit, it will show up on our radar.

Miten Shah: Yes. I know these are very small and I had to receive a response that the company is normally looking for anyone which is \$5 million northwards and these are pretty much smaller. So I can understand, but the only thing is because I see a lot of names cropping up from this sector. So that's what -- but I -- that's all you know from my side, and I've really enjoyed this ride since almost last 4 years and wish you all the best and heartiest congratulations, once again?

Bhanu Chopra: Thank you. Thank you, sir.

Moderator: The next question is from the line of Anmol Garg from DAM Capital.

Anmol Garg: A couple of things that I wanted to understand. Firstly, if I look at our total customers, that has not increased despite Sojern acquisition coming in. Does that mean that most of the customers -- in most of the customers, there is an overlap between Sojern and RateGain?

Rohan Mittal: No. I'll take that. What we are doing is we are reevaluating the methodology through which we report our customer count, right, because there's a difference in the way we look at customers in a parent-child grouping versus how Sojern looks at it. So this quarter, we have just shown the Sojern count of customers as is. In the next quarter, you'll see a harmonized count of customers, yes? The overlap is less than 5% at an overall level.

Anmol Garg: Okay. Sir, the current customer count is basically the RateGain customer count, not the -- Sojern is not included in this number?

Rohan Mittal: Yes. The current RateGain customer count hovers at around 3,200. Sojern talks about 13,000 to 14,000 customers, but we didn't want to just add the 2 and report it. It didn't make sense to us because the methodologies are different. So we'll report a harmonized number Q4 onwards but that's the individual customer count.

Anmol Garg: Okay. Secondly, if I look at our DaaS revenue on a sequential basis, then it's more or less a range bound however 2 months of Sojern acquisition has been taking place in this quarter. So just wanted to understand how is the classification over there?

Rohan Mittal: Sojern does not have any revenue which is getting classified in DaaS. That was only the case for the Adara business, yes? So Sojern entirely sits in the MarTech division. And excluding the Adara DaaS business, which Anmol recall, we've been sharing active commentary on this, strategically, it didn't make -- it did not make sense for us. So that business has been gradually unwinded. There's no rush to unwind it, but it's been gradually unwinding. If you were to exclude that business, our DaaS business is growing at 10% to 12% year-on-year.

Anmol Garg: Understood. And thirdly, is that -- should we expect that the initial investment cycle that we were doing for our revived GTM strategy is now largely complete or there would be some impact on that in the fourth quarter as well?

Rohan Mittal: No. So other than a few offers which might be pending for rolling out as part of the original investment plan and the sustainable accrual of the payroll expenses, there is no other expense item that's likely to hit Q4, right? So if a person has joined in, in November, the full payroll has not reflected in the Q3 numbers. To that extent, there will be true-ups.

Anmol Garg: So from that perspective, we expect that on a sequential basis, basically, our margins should inch up in fourth quarter?

Rohan Mittal: Yes. Not just because of that, but a few other reasons. Expecting better than Q3 margins in Q4.

Moderator: The next question is from the line of Aditya Jhawar from AK Investments.

Aditya Jhawar: Yes. I have a few questions related to Sojern. Is Sojern reporting gross revenue or it is net revenue only?

Rohan Mittal: Gross revenue in line with what we've been reporting on MHS in Adara side of business because the businesses are almost exactly the same.

Aditya Jhawar: Okay. But RateGain, we, as a company, we generally have net revenues, right?

Rohan Mittal: No. Adara MHS, which are the comparable businesses for Sojern, we've been reporting gross revenue. So accounting policies, revenue recognition policies are absolutely consistent. No change.

Aditya Jhawar: Okay. So what is the net revenue for Sojern?

Rohan Mittal: We will avoid reporting those kind of numbers.

Aditya Jhawar: Okay. My question to Bhanu is a little broader one. So Bhanu, what are your top priority is right now going FY '27? Because you know that we have now this Sojern asset and RateGain asset, and we are building a lot of AI stuff underneath the companies, right? So what are your top priorities on top of your mind for next year or upcoming 1 or 2 years for the RateGain to build or leverage on these AI tools or stack or whatever comes to your mind?

Bhanu Chopra: Yes. So I think from a product perspective, we have a very comprehensive set of capabilities that we have built and acquired. A lot of these capabilities are at -- some of them are at the infancy stage and some of them are at a different point to scale. So really focus is now accelerating on the products that we have already built or acquired through the Sojern acquisition.

So a lot of focus on GTM and unifying team. So as I mentioned, our big effort right now is consolidating our go-to-market teams in Adara and Sojern for the DMO and the corporate customer segment that we see a massive opportunity given in DMOs we will be in a very, very dominant position and that should give us significant pricing power as well.

And on the property side, I am very, very excited about realizing our vision of having this integrated tech stack that can pretty much do everything from a guest acquisition, guest retention, engagement and guest wallet share expansion perspective. So we have invested quite significantly, as Rohan mentioned, about \$5 million to \$6 million, and a large portion of that went into building our APAC deal.

And it's showing in our numbers from a bookings perspective, but I feel we haven't seen the full benefit of all the investments that we have made. And now that we have such a powerful and compelling value proposition, I see a massive opportunity to dominate in the APAC region as well which something that historically we haven't really focused on.

So net-net, I think key priority will be to really calibrate our go-to-market motions because I see significant opportunity and significant acceleration in our organic growth. I think we will have

some pumps, but I feel very, very confident that we are poised for a very, very good growth in the next couple of years.

Aditya Jhawar: So if I understand, basically, you are happy with the products, whatever we have, but your most focus is on go-to-market strategy because we have the right asset in the place? Is my understanding right?

Bhanu Chopra: Yes. That's absolutely right. That's the right way to sum it up.

Aditya Jhawar: Yes. And one more thing in this agentic world, right, I mean a lot of agents are coming through and are we also putting the company in the right shape that we have internal teams who are dedicatedly working on this agent and AI stack so that whatever the vision we have for \$1 billion, we have to be making sure that the internal teams are also -- I mean, as you know, right, a lot of stuffs are being written through AI. So are we focusing -- how much are we putting efforts there also?

Because I know you are happy with the product, but in order to move one step ahead and gain more margins for our business, right? So are we also putting leaders over there who are upfront on the AI side?

Bhanu Chopra: Yes. So let me reinforce like I was saying earlier, even from our perspective, whatever products we are building now half of the code that we write is AI generated. Pretty much all across these, we have large initiatives that our HR department is leading on how AI can lead to automation and productivity gains and pretty much across all our teams we have introduced by vibe coding and build AI tools to get these productivity gains, for instance, in HR, we're using an AI agent to answer any queries or questions and provide HR support.

We have an AI agent from a talent acquisition perspective. Similarly, we are using it in much faster prototyping in new ideas. What used to take us several months to build and prototype now can be done in weeks and is -- so there is a concentrated effort in continuously to promote this culture grounds up, but there is a cross functional team also that's dedicated on understanding new capabilities that are emerging and how that can be put to use.

See, AI has a huge opportunity, but it's very, very important to use it as an enabler with an end outcome insight. And so we're defining those end outcomes and bases that devoting our energies and delivering those outcomes.

Aditya Jhawar: Right, right. Okay. Great. Last question I have. Basically, I know that we are putting a lot of efforts on the product. And you also said a couple of years back that the products, whatever you are building are very high margin, this kind of thing, right? But now with the acquisition, I know that this is large. But what is the aspiration you have being a product tech company and we know that the cost might not go up if we have the operating leverage in the business, right?

But where do you like to see the business, I mean, margin in the -- over the long run? What is the juncture you see internally the product pipeline that can gain as a very big margin expansion. Like currently, people are afraid of the SaaS, but I think with this AI, I mean, the SaaS product

companies can gain more and more market share and be the best there, I mean, in this AI. So what is the aspiration you have, Bhanu, on this? That's my question.

Bhanu Chopra: Yes. So I think Rohan addressed this in his commentary earlier. Our goal will be to be between that 18% to 20% range and we will continue to reinvest additional margins back into the business? Because as I stated earlier, the aspiration or the next goal in our mind is to hit \$1 billion in revenue. The market is there. The opportunity is there, and we need to continue to accelerate.

So we'll continue to reinvest wherever we get the confidence that we have clear conviction that additional investments will deliver the ROI expect. So we'll continue to invest. But we are very comfortable with that 18% to 20% margin profile and reinvesting the balance to gain more growth.

Moderator: Ladies and gentlemen, that was the last -- due to time constraint that was the last question. I would now like to hand the conference over to the management for the closing comments.

Bhanu Chopra: Thank you, everyone, for your support. As I indicated, this was a transformative quarter for RateGain. We are very excited about the opportunity ahead, and we will continue to deliver on the promises that we have made. Thank you.

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