

Date: June 03, 2025

Listing Manager, National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400051, India Symbol: PARKHOTELS ISIN No.: INE988S01028	BSE Limited Corporate Relationship Department 1 st Floor, New Trading Ring Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001, India Scrip Code: 544111 ISIN No.: INE988S01028
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Subject: Transcript of the conference call held with Investors and Analysts on the audited financial results of the Company for the fourth quarter (Q4) and financial year ended on March 31, 2025

Respected Sir/Ma'am,

Pursuant to Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed the transcript of the conference call held with the Investors and Analysts on Wednesday, May 28, 2025, with respect to the audited financial results of the Company for the fourth quarter (Q4) and financial year ended on March 31, 2025.

The transcript of the call is also uploaded on the Company's website i.e. <https://www.theparkhotels.com/investor-relations/financial-information.html>.

This is for your information and records.

Thanking you.

Yours sincerely,
For **Apeejay Surrendra Park Hotels Limited**

Shalini Keshan
(Company Secretary and Compliance Officer)
Membership No.: ACS-014897

Encl: As above



Apeejay Surrendra Park Hotels Limited (ASPHL)

Q4 & FY25 Earnings Conference Call Transcript May 28, 2025

Moderator: Ladies and gentlemen, good day and welcome to the earnings conference call of Apeejay Surrendra Park Hotels Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Devrishi Singh of CDR India. Thank you and over to you, sir.

Devrishi Singh: Good evening, everyone and thank you for joining us on Apeejay Surrendra Park Hotel's Q4 & FY25 earnings conference call. We have with us Ms. Priya Paul – Chairperson; Mr. Vijay Dewan – Managing Director; Mr. Atul Khosla – SVP Finance and Chief Financial Officer of the Company and Mr. Rabindra Basu – Director, Investor Relations. We will begin the call with opening remarks from the Management followed by an interactive Q&A session.

Before we start, I would like to point out that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the earnings presentation shared with you earlier. I would now like to invite Ms. Priya Paul to make her opening remarks. Thank you and over to you ma'am.

Priya Paul: Good evening, everyone. On behalf of the management team at Apeejay Surrendra Park Hotels, I would like to welcome you all to our earnings conference call.

FY25 has truly been a defining year in our journey and this performance is a direct outcome of the passion and perseverance demonstrated by our outstanding teams across the country. Their commitment continues to drive our success and strengthen our leadership position in the upper-upscale segment of India's hospitality landscape.

This year also marked a key inflection point in our luxury strategy with the successful launches of high-end properties, The Lotus Palace Chettinad, and Ran Bass The Palace at Patiala, which have further elevated our brand positioning in the upscale luxury segment. Both hotels have already won numerous awards and

accolades. In parallel, our teams have done a commendable job in advancing and securing new high-end projects, such as Juhu Mumbai and Kochi. There are other developments that are going to set to enhance our presence in strategic markets and contribute meaningfully in the near term.

Our premium hospitality vision also extends beyond hotels to F&B, with Flurys now operating 102 outlets across formats. This growth reaffirms Flurys position as a beloved and scalable brand in India's evolving F&B landscape. The F&B landscape continues to be a strong differentiator for us, with signature restaurants and bars across our properties continuing to attract robust customers. We continue to invest in curating experiences and creating new concepts that reinforce The Park Hotel's positioning as a culinary destination.

The hospitality industry is really well placed to benefit from growth in both domestic and international travel. And we at The Park Hotels and at Zone Hotels are strongly positioned across the country to capitalize on this momentum. Government initiatives are playing a crucial role in fostering sectoral growth with investments in infrastructure, airport expansion and tourism-led policies paving the way for long-term industry expansion.

All our greenfield projects at Pune, Vishakhapatnam, Kolkata, Navi Mumbai are progressing well and are at advanced stages of permissions, etc. You will be hearing more of this in the near future as we harness the growth opportunities in India.

With a portfolio of exceptional brands and a strong commitment to innovative hospitality services, we continue to maintain a distinct competitive edge. Our focus remains on sustainable growth through our clear position as a boutique luxury provider in the upper-upscale segment. Our vision of leadership through differentiation continues to be our guiding principle, setting us apart and reinforcing our unique value proposition across India.

I am delighted that our Board has approved a maiden dividend of 50%, a reflection of our performance and our commitment to sharing our success with our partners.

With this, I would like to hand over to Vijay Dewan – our Managing Director, who will take you through the detailed operational and financial highlights of Q4 FY25. Thank you.

Vijay Dewan:

Thank you, Ms. Paul. Good evening, everyone, and a very warm welcome to all of you. We are absolutely delighted to have you with us on this earnings call. On behalf of my entire leadership team, I want to extend our sincere thanks for your unwavering support and belief in our journey ahead. Your confidence has powered our momentum and today we are excited to share not just results, but real progress. We are deeply committed to creating long-term value and build a business that makes us all proud.

FY25 has been a standout year for Apeejay Surrendra Park Hotels in terms of growth, progress, and success, made possible for the commitment and

dedication of our team. It gives me great pleasure to share that we close the year on a strong note, backed by consistent performance across both our hospitality and F&B verticals. Over the year, we deepened our presence in our key business markets, sustained leadership in occupancy and RevPAR, and advanced several growth initiatives across owned and asset-light portfolio.

We have executed several key initiatives during the year laying a strong foundation for future growth. We opened two palace properties, The Lotus Palace Chettinad and Ran Bass, The Palace at Patiala, both of which marked our entry into the heritage luxury segment and have been received very positively by our guests. We also undertook widespread renovations across our portfolio, including the refurbishment of nearly 100 rooms and the successful relaunch of our four F&B venues. These efforts are already contributing to ARR upliftment and enhanced guest satisfaction.

The Lotus Palace Chettinad recorded an ARR of 14,699 for the year and Ran Bass, The Palace Patiala recorded an occupancy of 42% with an ARR of 24,000 in Q4. The ARR at Ran Bass is likely to further go up as the hotel matures and stabilizes. Ran Bass, The Palace, effective February of 2025, is now a member of Relais & Chateaux, world's leading collection of 580 luxury hotels and fine dining restaurants. Membership, marketing, branding under Relais & Chateaux, as you know, means luxury positioning and luxury pricing. Both The Palace Hotels, as they stabilize in this year, will lead to higher ARR at the ASPHL level.

Q4 FY25 has been the best-ever for us with revenue registering a strong double-digit growth of 16.3% on a Y-to-Y basis and an operating EBITDA rising by 21% on a Y-to-Y basis. PAT grew by 44.1% reflecting strong demand trends across both business and leisure segments. We continue to retain our occupancy leadership, achieving India's highest occupancy of 92%, and maintain our position as a market leader in the upper-upscale segment. Our flagship properties in Calcutta achieved 100% occupancy, while Navi Mumbai and Chennai recorded strong momentum at 95% and 93%, respectively. New Delhi, Hyderabad, and Bangalore also performed well, each recording occupancy in the range of 91%. This consistent performance reflects our sharp focus on guest experience, operational excellence, and brand strength, reinforcing our leadership in RevPAR in the upper-upscale segment. Both ARR and RevPAR increased by 13% in Q4 on a year-to-year basis, reflecting strong growth across our portfolios.

Growth in our Hotel business remains our primary goal and this will remain so. We have recently signed a binding MoU for the acquisition of 60 service apartments under Zillion Hotels and Resorts at Juhu in Mumbai. This has an acquisition cost of Rs. 209 crore for 90% of the stake. We expect to close this transaction by the end of July during the course of the year and we plan to convert these 60 service apartments into an 80-room hotel with a rooftop bar. This hotel is expected to open in July 2026 and will be positioned in the ultra-luxury boutique hotel segment. Mumbai is India's strongest market in terms of ARR and opening of this hotel will add a minimum of Rs. 25 crore to Rs. 30 crore in the bottom-line in the full year of operation of the Company.

We have also signed an MoU to acquire Malabar House at Fort Kochi, 17 rooms, and Purity Hotel, 14 rooms at Lake Vembanad. The Malabar House is also a Relais & Chateaux hotel with a high ARR. These transactions are expected to close by July this year. Since these are running hotels, they will immediately add to our revenue and EBITDA and the total cost for this acquisition is Rs. 60 crore payable in a structured deal of Rs. 22 crore in FY'26 and Rs. 38 crore in FY'27. In addition to these acquisitions, we plan to add another 206 keys on the asset light side of the model during the course of the year. The overall target on the asset light side of the model remains at 500 keys every year.

As on March 31st, 2025, we have now 35 hotels with a total of 2,394 keys and our growth momentum continues in line with our multi-brand strategy. Our development pipeline remains robust and over the next five years, we aim to more than double our total key count to 5,403 keys, including 880 keys across our own projects in Pune, EM Bypass-Calcutta, Vizag, Navi Mumbai, and Jaipur. These projects are progressing as planned with permissions and preparatory work well underway. We expect to launch sales of 100 service apartments at Kolkata ahead of the festive season with expected annual cash generation of Rs. 100 crore every year over the next three years. These developments are being executed on our in-house land banks enabling high capital efficiency and strong projected IRRs of 30% to 40%. Supported by healthy cash flows and apartment monetization, we expect to remain net cash positive throughout the development cycle, a key part of our business strategy.

I am happy to inform that we have also received a credit rating upgrade of A+ Stable from ICRA earlier this year, further validating our disciplined capital management approach.

Flurys, our iconic bakery and confectionery brand, crossed the 100-store milestone this year and currently operates 103 outlets with a growing presence across formats. During FY'25, we opened 25 new outlets, including launches in Mumbai, Indore, Hyderabad, Kolkata, Bhubaneswar, and Siliguri. We are on track to reach 200 stores by 2027, the centenary year of Flurys, supported by a new central production facility planned in the NCR region designed to propel growth in the whole of North India. Moving forward, we plan to open more cafes which would be more profitable to our business. We continue to target industry-leading margins in Flurys and have set an annual target, a benchmark target actually of Rs. 1 crore for mature cafes and restaurants under the Flurys format.

Coming back to our current financial performance on a full year basis, that is FY25. Consolidated net revenues grew by 9.1% Y-on-Y to Rs. 653 crore compared to Rs. 592 crore in FY24. EBITDA for the year stood at Rs. 226 crore, up from Rs. 205 crore in FY24. Profit before tax rose significantly to Rs. 148 crore marking a 67.1% Y-on-Y increase, while PAT stood at Rs. 84 crore, highest so far for our Company compared to Rs. 69 crore in the previous year. These results show the strength of our business model, robust customer demand, and a consistent focus on operational excellence.

I would also like to once again highlight that the Board has approved the first ever dividend of 50% a milestone event in the company's history. This reflects the

strength of our balance sheet and the strong growth momentum which we have achieved and underscores our commitment to sharing our success.

Finally, our long-term strategy continues to be guided by the 3G framework of Growth, Governance and Green. Sustainability remains embedded in our expansion plans with a focus on water conservation, carbon efficiency, and responsible waste management. I am pleased to announce that four of our hotels are now IGBC Green Certified.

As we are in FY26, we do so with optimism and strong momentum. The business fundamentals remain solid, and our development pipeline is progressing well, and our strategic roadmap is supported by prudent capital structure and a disciplined execution. As I have highlighted in the previous call, we believe that the hospitality sector is entering a long-term super cycle and would unfold over the next decade. Additionally, segments like spiritual tourism, weddings, MICE, wildlife tourism will play a key role in the sector's expansion plan. In the last earning call, we have given guidance of sustained double-digit growth, and we delivered. For this year 25-26, we are now confident to deliver high-teen growth, both in terms of revenue as well in terms of EBITDA margin.

Once again, I would like to extend my heartfelt gratitude to our shareholders, our customers, our team members, well-wishers, friends, and business partners for their continued trust and belief in us. Thank you.

Moderator: We will now begin the question-and-answer session. First question comes from the line of Huseain Bharuchwala with Carnelian Capital.

H. Bharuchwala: We acquired an asset in Mumbai, so just wanted to understand what's the rationale of acquiring an asset in Mumbai, - because we were never positioned in Mumbai and now entering into Mumbai market, so what is the long-term vision? What was the purpose of acquisition? Also, we were debt free, we almost turned debt free and now with this acquisition, how we see our balance sheet shaping up?

Vijay Dewan: So, the balance sheet, as you know, is firstly very, very strong. The Company is currently net cash positive. And we have at the moment mutual fund deposits of roughly Rs. 60 crore or so, Rs. 54 crore were there at the end of March and now they are ahead of Rs. 60 crore as of now. And I expect this to be at the Rs. 70 crore mark by the end of June. Very critically, we have to understand that every year we are producing an EBITDA margin of over Rs. 200 crore. So, this should be relatively helping us in remaining positive. Yes, there may be some short-term requirement of funds which may happen during the course of the process.

Bombay has been the missing link in our growth plan because it has always been our objective to be present in all metro cities of the country. And once we are there in Mumbai, it will create a much stronger network in terms of corporate business as well as in terms of leisure business. It will propel further; all the corporate transactions will further propel our ARR and our overall growth.

H. Bharuchwala: So, is it an existing or running hotel which is currently there? What I understand is it's an old hotel which we have to revamp and restart. So, won't it take much time than we anticipate? What is your thought process on that?

Vijay Dewan: So firstly, to explain this in detail, these are 60 service apartments which will be converted into roughly about 80 hotel rooms and it will be positioned not as service apartments but as an ultra-luxury boutique hotel in Juhu. So, what is going to happen as far as this transaction is concerned, we are supposed to pay only Rs. 160 crore during the course of the year for acquiring 76% of the stake. The balance Rs. 44 - Rs. 45 crore is actually going to be paid in the following year after about a year. So, the deal is being structured a Rs. 161 crore now and about Rs. 45 crore at the end of a year. What will happen is that with this structuring, it will help us in managing our cash flow. What is again very important is that this is an existing structure and we plan to upgrade this, renovate this, and it will take roughly about a year. So, we should be able to launch this hotel, as I mentioned in my remarks by July of next year and it'll definitely add about Rs. 25 crore to Rs. 30 crore to our EBITDA in a full stabilized year of operation. Very critically here is that we have acquired this property and it has 60,000 square feet of built-up area in the prime location of Juhu. So, the acquisition cost is roughly below Rs. 40,000 a square foot. In this area, it is important to note that most of the properties are selling north of 60,000. 60,000 is the minimum. In fact, good properties in this area are in the range of 80,000 to 1,00,000 square feet. And we have actually got a fantastic deal in the acquisition of Zillion Hotels and Resort.

H. Bharuchwala: Okay, got it. And I just wanted to add one more point, so can you guide on the growth plans for next year, what type of rooms and hotels that we will add, what would be the keys that will be added for the next year, and how do you see the growth next year?

Vijay Dewan: So firstly, I am going to only talk about the deals which are fully finalized. So, in the next year, as far as the openings are concerned, actually it's going to be, in terms of our own property, is going to be this property in Mumbai, which is going to open. But during the course of this year, in terms of our own property, we have two hotels opening, The Malabar Hotel in Fort Kochi and The Purity Hotel in Vembanad Lake which is 31 rooms together and it also has a houseboat. Both these properties, firstly the Malabar House, is part of the Relais & Chateaux collection of hotels and both the properties are high ARR projects and they are going to significantly help in further resetting our ARR at the level. During the course of this year on the asset-light side model, we have so far signed deals for 206 keys, which should open in a phased-wise manner during the course of the year, with openings at Gangtok, Patna, Katra and another property in Kolkata, as well as Darjeeling. So, on the asset light side model, 206 rooms are going to open. And on the ownership side, we are going to have 31 rooms of Malabar House and Purity. And in addition to this, we have a nine-room lease acquisition at Casa Antonio, Goa, which is also expected to open by H2 of this year. So, a total of 246 keys will open this year. And as I said, 70-80 rooms for the Juhu property and we remain committed to adding 500 rooms to our asset light model every year.

Also, in terms of our development plans, they are all in place. Firstly, the work is about to start before the festive season this year at our property in Kolkata, which

has 250 rooms and about 70 service apartments. This, as we have explained earlier, is a 6 lakh square feet development of 3 lakh square feet for hotel and 3 lakh square feet for the development of service apartments. And these service apartments are going to be sold in the market. And the selling process of these service apartments actually begins during this year and on a year-to-year basis, the sale of the apartments is going to bring in Rs. 100 crore of cash flow to our balance sheet. And this is also a very, very significant part of our growth plan.

In terms of Pune, we are at the environmental clearance stage and once we get the clearance, hopefully by the end of this month, the construction work is about to start. And similarly at Visakhapatnam which is a 100-room expansion plan. We are at the CRZ permission stage, which is virtually being granted except for one or two queries. That also is expected by the end of this month. And there also we are ready to start construction and deliver the project on time.

Similarly, I am very happy to report that there has been additional FSI now available for our property in Navi Mumbai. And instead of doing actually adding another 80 rooms, now we plan to add 180 rooms and with the kind of demand emerging in the Navi Mumbai area, we plan to make Navi Mumbai as a 250-room hotel going forward over the next four years.

H. Bharuchwala:

Got it sir, thank you so much.

Moderator:

Our next question comes from the line of Naitik from NV Alpha Fund.

Naitik Mutha:

I just wanted to understand the service apartments in Kolkata that we are going to sell. Is there going to be any effect on our P&L for the same?

Vijay Dewan:

Service apartments, it is not going to impact the P&L at this stage, because when we sell the apartments, - firstly they are sold in stages in terms of the development of the apartments. This is a 6 lakh square feet development. 3 lakhs, as I explained, is kept for the development of the service apartments. Now service apartments in Calcutta or the rate in the area of EM Bypass is roughly around Rs. 20,000 a square foot. And this on a three-year basis gives us a total revenue of Rs. 600 crore. EM Bypass Development of Service Apartments is a joint development agreement with the Ambuja Neotia Group on a 55%-45% revenue sharing basis, 55% accruing to us and 45% to the Ambuja Neotia Group with complete cost being born by the Ambuja Neotia Group. So, if you do overall math of this business, the sale of the apartments would be roughly Rs. 600 crore. So roughly Rs. 300 crore coming to us and roughly about Rs. 300 crore going to the Ambuja Group. The Rs. 300 crore which we get is going to be coming over a period of three years with Rs. 100 crore cash flow coming in each financial year. They will be booked once the service apartments are handed over to the buyers, then only they will be booked into the profit and loss statement, as per RERA guidelines. At the handover stage, it will impact the P&L, it will shoot up the P&L position. But as far as the cash flow is concerned, we would be getting Rs. 100 crore every year.

- Atul Khosla:** And in FY29, we expect to add Rs. 200 plus crore due to the sale of the apartment in the profit. 300 minus about 80 for the sale of a land, 50% cost of the sale of a land. So expected addition to the profit will be about Rs. 200 plus crore in FY29.
- Naitik Mutha:** Got it. My next question is, if you could give me the EBITDA margins actually made in Flurys for this year?
- Vijay Dewan:** The Flurys business revenues during the quarter 4 grew by 34% and on a YTD basis Flurys' business grew by 37%. And we have recorded an EBITDA margin of 12% in the Flurys business for this year.
- Naitik Mutha:** Understood. And this will be without considering rent. So, rent would be below this 12%.
- Vijay Dewan:** Yes, it will be below this. Absolutely, you are right. So Flurys' business is being currently operated, let me explain to you. We have 103 outlets with a very recent opening in the last few days in Gangtok. Actually, we were at 102 outlets as mentioned earlier. So, what happens is that out of the 100 outlets we have, about 51% are in three outlets. 51% are in the kiosk format at the moment. And 10% is in the restaurant format. And the balance 39% is in the cafe format. Going forward, we plan to, as we understand this business better and this is the fastest business in the country, growing by about 19% to 20% on an annualized basis and we have understood this now that the cafe business is more profitable. So, we are going to be changing the mix of this business from higher kiosks to cafes as we go forward. And we will make all efforts to see that it becomes further profitable. The F&B business as we are seeing on an all-India basis, these margins which we are producing for this business remain industry leading margins.
- Naitik Mutha:** Right. Is it possible to give the Pre-Ind AS margin number for full year for Flurys?
- Atul Khosla:** Post rental the margin should be around 8% to 9%.
- Naitik Mutha:** Go it. My next question is if you could give the number for management contracts, and the revenue that we have made for the full year 2025?
- Atul Khosla:** Management contract for the year is Rs. 15 crore.
- Vijay Dewan:** So important thing about the management side of the business, as Mr. Khosla mentioned, the business has grown from Rs. 12 crore to Rs. 15 crore. There has been a fantastic increase of 24% in this business. And this business is very crucial to us because it should have a flow through of about 70%. So far, we have achieved 64%-65% of flow through. So, as we move forward, this business will continue to grow at this rate or even a faster rate. And we will be further enhancing the flow through from this business.
- Naitik Mutha:** Right. My last question is regarding the acquisition we did in Juhu. So, if you could give us the expected ARR, occupancy and revenue potential that we are expecting from this property, that would be very helpful.

Vijay Dewan:

So firstly, let's look at the Mumbai market. It is really short in supply in terms of rooms. For your information, the Mumbai market has only 16,100 rooms compared to Delhi which is also running short on supply. Delhi has about 16,200 rooms. What is very important to note is that over the next five years in Mumbai, only 1,800 rooms are going to be coming into the city of Mumbai as per the last report of Hotelivate and also supported by the HTL industry report. So, Bombay is actually going to have very, very limited supply. And more importantly, there is virtually no supply coming in into this area of Juhu. No supply is expected in the Juhu area over the next five years. Bombay operates in various micro markets and Juhu ARR's at the moment are in the range of 20,000 to 25,000. So one year down the line, we also expect and with no supply coming in and particularly the 1,800 rooms are coming outside the Juhu area, we expect our ARR's to be in a similar range of 20% to 25%. And Park's biggest advantage is that it never falters in terms of its occupancy. We have always achieved for all our hotels consistently over the last 10 years, over 90% occupancy and with this huge demand supply imbalance and specifically in the Juhu area, we expect very high occupancy and very high ARR's. That is why we are confident of delivering Rs. 25 crore to Rs. 34 crore in terms of the EBITDA margin.

We are also very strong in managing nightclubs and bars and this hotel is going to have a fantastic rooftop bar, and this bar is going to be overlooking from the rooftop. One could see the sea, it's going to make a very big difference to the top-line of this hotel. And one of our biggest strengths of ours is in running nightclubs and bars, apart from having India's leading occupancy.

Naitik Mutha:

Thanks. So is there any kind of number in terms of revenue that we are looking at? I understand that Rs. 25 crore-Rs. 30 crore in terms of bottom line would be expecting this new acquisition would add to us?

Vijay Dewan:

So, Bombay, very clearly because of higher ARR, I am expecting that the margin in this would be around the 45% mark. So roughly about Rs. 70 crore to Rs. 80 crore should be the top-line which we have planned and consistently growing there on.

Naitik Mutha:

And sir, if I look at your next year's sort of guidance, double digit revenue guidance, most of it, is it safe to assume, most of it is going to come from ARR growth only?

Vijay Dewan:

No, firstly in the last quarter, I specifically made this guidance that we will achieve double digit growth. And we have actually exceeded expectations by giving us 16% growth on the topline in Q4. We expect not only double-digit growth, as I mentioned, it's going to be high teen double-digit growth, both on the revenue side as well as on the EBITDA side, and we are very, very confident about it.

But let me also give a slight amount of caution that it is going to be at a YTD basis we will achieve this high teen growth. There is a certain amount of pressure which is in Q1 of this year, but for reasons which are related to geopolitical tensions in the month of April. And our successful war against Pakistan in May and we are proud that we could defeat them. But that has had some sort of an impact on the growth. But the most important thing is that despite some sort of disruption in

the North, we continue to be at the double-digit mark. So, at the moment, at the end of May, I am happy to report that our growth rate continues to be 12% at the moment. And we expect further improvement in our business in the month of June. So there has been a little bit of pressure in the month of May, but that is because of geopolitical reasons, but everything is back in line, and we expect good results in the quarter. But I am very confident to deliver on a YTD basis, high teen double digit growth, which will come from the hotel side as well as the growth in our Flurys business.

Naitik Mutha: Got it, that's very helpful.

Moderator: Our next question comes from the line of Archana Gude from IDBI Capital.

Archana Gude: Congratulations to the management team for a very good set of Q4 and FY25 earnings. So, I have two questions. Firstly, on the topline, you spoke about maybe the higher teens growth for FY26. With these kinds of numbers, what kind of sustainable operating margins we should consider for FY26 given that on YOY the margins are slightly subdued for FY25. But since the new hotels what we open in FY25 should have higher RevPAR than the last year and that should reflect in the better operating margins for FY26?

Vijay Dewan: Firstly, thank you, Archana, for this great question and thank you for being with us over the year. The important part is that firstly, you mentioned that there has been a slight reduction in our EBITDA margin by roughly about a percent. But don't forget that this always happens when you launch new properties and you launch so many outlets of bakery and confectionery and cafes. So, these two launches are very premium luxury segment launches, which will pay high dividends as we go along, as these properties mature and stabilize. So there have been launch costs, there have been advertising costs. So, for that reason, primarily, we can say that there has been a slight reduction in the operating margin. But as we go forward, I am very confident that not only will we deliver high teen growth on the revenue side as well as on the EBITDA side, but we will be working to improving our margins from at least 100 to 200 basis point, setting aside the 1% dip which we have had in Q4.

Archana Gude: Right, sir. On this Flurys, a very robust guidance of adding 50 new outlets in FY 26 and taking the number to 150 plus and that is very, encouraging. Just on the margin side, - 12% what we achieved in FY25. I am sure, with this focus of shifting the more number to cafes from kiosks that will add to your margin expansion. Plus, how do we envisage this number, 12% taking to 15% let us say 2 to 3 years down the line? Because I think that's a very big lever for us as a Company in terms of earnings growth as well as the Company's value creation for the shareholders.

Vijay Dewan: So as I mentioned in my opening remarks, that our first objective as we have understood, of course, and as we plan, our first objective is to see how we get to at least Rs. 1 crore per store. Currently, if we look at the overall average, we are roughly about Rs. 65 lakhs per store. And why is it Rs. 65 lakhs per store, - it's because of the mix of the stores we have. So, if we were to take this first towards more cafes and more restaurants, but primarily more cafes, we would be hitting that target. So that will take us to a faster revenue growth model. In terms, and

also the margins as we have seen, because of high revenues in the cafes, actually the costs are well distributed. And as a result of this, the margins are going to improve. So, firstly the shift from kiosk to cafe is going to help in terms of improving the revenue and with the improvement of the revenue, the improvement of the margin.

And second is of course, as we stabilize and as we mature, we will be constantly working to improve the efficiencies. This business also has a certain amount of wastages, which are a lot of effort is now underway to reduce any kind of wastage and reduction in wastages will also lead to improvement of margin.

Archana Gude: Right sir, well said. And lastly, if I can ask on a book-keeping question on the CAPEX. So, with this new acquisition plan for this FY26 and the capital expenditure for Flurys and the existing hotels, what kind of CAPEX amount we should consider for FY26?

Vijay Dewan: Around roughly about Rs. 300 crore, but Atul will share with you the greater details of this.

Atul Khosla: See in case of Zillion we are putting a CAPEX of Rs. 166 crore which is the first tranche. The normal CAPEX is around Rs. 40 crore and Flurys is about Rs. 25 crore. So, about Rs. 65 crore for this, so Rs. 65 crore and Rs. 160 crore is about 225 and another Rs. 80 crore to Rs. 100 crore will be on the project so around Rs. 300 crore-Rs. 320 crore that is the normal spend which is spent for the CAPEX this year. And out of which we have a mutual fund balance of at present about Rs. 65 crore. And plus, last year EBITDA was 225 and this year even if we put some high teen growth also, so it will be, I don't want to place a number on that, but it will be about two high teen to around growth over the last year. So, you will see that it's fully covered in terms of financing. But we will be taking, keeping as a matter of precaution, we will be keeping a line of credit available.

Archana Gude: Sure, that was helpful. Thank you so much and all the best.

Moderator: Our next question comes from the line of Vikas Ahuja from Antique Limited.

Vikas Ahuja: Sir, firstly thanks for clarifying the war related impact in May. Anything, you know, with this recent virus led news, any cancellation, or any impact we are witnessing around that front?

Vijay Dewan: Could you repeat the question?

Vikas Ahuja: Sir, I was saying that initially, as the last participant asked, you clarified the impact of war led, whatever you did talk about that growth in May is a little slower than it was earlier expected. Any impact you're saying in terms of, this virus led news, which is going that, the new variant, a couple of new variants of COVID, any kind of a cancellation or any impact we are seeing on that front?

Vijay Dewan: So far it has not impacted. It's not impacted the airline business, and it has not impacted our business. But let me again tell you that as far as our hotel Company is concerned, we have gone through a crisis in both '21 and '22 and during the

COVID period also. Our objective was to give the best performance, and we had India's highest occupancy of 67% in year one of COVID and 72% in year two of COVID. So even if things were not to be at the best, we would deliver the best results. But at the moment there is no impact, and we hope that it'll have absolutely no impact because this is a variant and it's not an alarming situation. It's not being declared as an alarming virus so far. Yes, this will keep coming back. It came back in between also and it did not impact our business. I do not expect, or I cannot predict this on the whole, but as of now, I am not seeing that it's going to have an impact.

Vikas Ahuja: Sure, sir. My second question is you did clarify on this Juhu Hotel. I think maybe I missed it, but you did talk about that the bottom-line is going to be north of 20% for this hotel during the normalized operation. So, which means roughly, the acquisition is at single digit EV/EBITDA on a full year basis once it's fully operational. Is that understanding, correct? And just to follow up to that, our portfolio is pretty diversified across market and now we are entering heavily into Mumbai also. So why do we think we should be available in all markets than just focusing on a couple of our core markets where we have more advantage? I am just trying to understand why we are trying to be more and more diversified.

Atul Khosla: In terms of as you said, we expect about Rs. 25 crore of the EBITDA in case of Zillion. So Rs. 25 crore EBITDA roughly and what you are saying in terms of multiples is correct of being at single digit of about 8 to 9 is the multiple of the acquisition.

Vijay Dewan: So, the acquisition is being looked at both from the multiple point of view as well as we had to enter the city of Mumbai. So as far as the multiple is concerned, it is well in place. Actually, there is a good opportunity. I feel that once we have positioned it in the ultra-luxury segment and with virtually no supply coming in the Juhu area, there is no reason why this hotel will not give us roughly about Rs. 30 crore in terms of EBITDA. And that will fully justify our entry. And then don't forget that once you have entered the city of Mumbai and we have this entire metro city presence across all the six major metros, these are the key growth markets in the country. And this hotel at Juhu is also going to help the corporate tie-ups and it will also help in terms of increasing ARR's further for the growth.

Vikas Ahuja: Just one final book-keeping question, - you did explain that Rs. 300 crore would be the CAPEX for FY26, is it possible to give us some rough idea about FY27 and FY28 also and how much would be maybe maintenance versus expansion CAPEX?

Vijay Dewan: So, on an overall basis, I think over the next five years, the CAPEX plan is roughly in the range of around Rs. 1,700 crore to Rs. 1,800 crore depending upon existing and future acquisitions, but Atul will give you the breakups in greater detail.

Atul Khosla: So, we expect about 850 keys to be added at the rate of a Rs. 1.2 crore per annum So roughly about Rs. 1,100 crore with the construction cost you can see. These are for the Pune I am assuming; Pune 200 rooms, Mumbai 250 rooms, Vizag 100 rooms, EM Bypass 250 room, and Jaipur 150 room. So, these are the CAPEX. Out of which, we will have from sale of proceeds of, cash flow proceeds of EM Bypass

– Rs. 300 crore come back. So, we have about Rs. 800 crore as the Greenfield project cost. In addition to this, we have Zillion about Rs. 210 is the total cost, plus renovation about Rs. 50 crore so 250 to 260 is the Zillion cost for Mumbai and Kochi is another 60, so another 310 gets added. So plus, we have an operation CAPEX of 40 crore per annum which is about 200 and Flurys addition we expect in five years 200, so overall CAPEX comes to about Rs. 1,600 crore.

We expect an EBITDA on an average basis if I take is about Rs. 250 crore for five years which will cover about Rs. 1,250 crore. Now Rs. 300 crore will be financed through some lines of credit or the internal surpluses. I have not assumed further growth in EBITDA but in addition to this an important point is that as Pune gets operational and in Financial Year '27-'28 and EM Bypass post next year, FY29, Vizag FY28-'29 it will be again 6 months of operations. These hotels will have a revenue with an expected total revenue of about Rs. 500 crore in addition to the revenue, plus Pune will do Rs. 100 crore, EM Bypass is expected to do Rs. 125 crore plus. Navi Mumbai if it gets in FY30 it should also do Rs. 125 crore plus revenue. Vizag will do about Rs. 75 crore revenue. And Jaipur another Rs. 80 crore revenue. Since this addition on a year-on-year basis, this Rs. 520 crore to Rs. 550 crore will also add another 45% of EBITDA margin because all- these new additions in the market are in the prime locations and as per the industry experts like the HTL expectation is ARR in all these areas at present due to demand supply drag and the repositioning of the markets is about 10k plus is the ARR average. So I don't expect that we will remain net-debt surplus only.

Vikas Ahuja:

Okay, thanks a lot.

Moderator:

Our next question comes from line of Vaibhav Muley from Yes Securities.

Vaibhav Muley:

Congratulations on a strong set of numbers. I had a few questions on your broad strategy. So, we have recently acquired some of the smaller properties in leisure segment including two properties in Kochi and one in Goa. So, I just wanted to understand the rationale behind this given our major presence is into metro and Tier-one cities and we have limited presence into leisure. So why have we gone for a smaller scale properties where the operating leverage benefits are also limited and going forward are we expecting to do such smaller acquisitions in the future and that too on the leisure side?

Vijay Dewan:

So presently we are well positioned in the metro city as well as in the business cities across India. So, the missing link for us was being present in leisure destinations. Currently, we are operating hotels in the leisure destinations also, but under the asset light side of the model. Roughly in Goa itself, we have about 120 odd keys on the asset light side of the model. And this is a 100-year-old Casa Antonio which we are going to take under lease, is a 100-year-old Portuguese Villa which has nine keys and it's going to be very unique and very special. It is in Anjuna beach and very close to Purple Martini, one of the famous bars in Goa. So, this will be our first presence in Goa on the lease side of the model.

And there is again very high potential in the leisure markets in India. Leisure business has a higher demand supply mismatch at the moment in India over the next five years. If you were to look at the overall demand-supply mismatch in the country, demand is expected to grow at 10.6% and supply is expected to grow at about 8%. But the critical thing is to see how this is in the top eight cities as well as in the leisure destinations. So, the leisure destinations has a higher

demand-supply mismatch of about 400 basis point. So, we feel it is the right time to enter the leisure markets.

Also, we have got these two properties which are in Cochin. Firstly, it further strengthens our position in the South. It creates a fantastic circuit for us in the South, being presence in Hyderabad, Bangalore, as well as being present in Chennai and Coimbatore. So, it really strengthens our position as a brand in the South, both in the leisure now as well as the business segment. So, the overall idea is to have hotels across not only in the business destination, but overall strategy is to have a pan India presence. So, it's also part of that overall strategy. So, we want to, we are a leading player in the business segment at the moment, but we also want to become a strong and very differentiated player in the leisure segment in these destinations as we move forward. That's also part of our strategy.

Vaibhav Muley: Great sir, just a follow up on this, what kind of ARR's do you expect for your Cochin properties and Goa property and the margins that these properties are expected to generate?

Vijay Dewan: So, margins in leisure destinations because these are going to be; - firstly, the Malabar House if you were to look at it, it's a fantastic property in Fort Kochi and the first thing is that it is a Relais & Chateaux Hotel. And Relais & Chateaux Hotels always, in terms of ARR, enjoy a premium than any other hotel in the city where they are. So, this hotel has been doing ARR's in the range of 20,000. And in fact, the Purity Hotel, which has 14 rooms, is in fact even better positioned in the Vembanad lake. So as we get control and our management takes over, I am expecting firstly to retain these ARR's and then push them up further.

Vaibhav Muley: Got it. And lastly, on your management contract side, you have already given guidance for 206 keys to be added in FY26, but which is lower than your annual guidance of 500 keys to be added each year. So how do you plan to fill this gap, or should we expect a higher number of additions in FY27?

Vijay Dewan: So, it's a good question. We have just entered '25-'26. And these are the current deals which we have, which are fully, and these are signed HMAs, that is Hotel Management Agreement. There are many hotels which are in the pipeline. There are hotels in the North, there are more hotels in the pipeline in Goa, there are hotels in South India as well, there are hotels which are under negotiation. So, the target to deliver to our shareholders and investors remains 500 and we are very confident that we should be able to deliver numbers in and around that. So, 500 is the YTD target. Currently 206 are guaranteed to open as we sit in Quarter 1. There is no reason why more hotels are not going to be ready and taken over - some will get de-flagged from other brands, and we will take over, and there's no reason that we should not be able to do close to 500. 500 is the overall mark. So, the strategy at the moment over the next 4 to 5 years is that currently we have about 999 keys, so let's say 1,000 keys at the moment in the asset-light side of the model. We plan to take it to 3,000 keys over the next five years. So, there's a full effort, there's a full development team which is working on this. And their target is to deliver 500 and 600 rooms during the course of the year. 200 is signed and done deals as of now.

- Vaibhav Muley:** Perfect sir. Thank you so much for answering the question and all the best.
- Moderator:** Our next question comes from the line of Anuj Kashyap with A3 Capital.
- Anuj Kashyap:** Congratulations for the good set of numbers. What is the average time taken by a Flurys cafe to mature? And what is the sales growth of a mature cafe? Could you share that number please?
- Vijay Dewan:** So, the average time, we actually are very prudent. We are also very firstly focused in terms of the selection of the outlets. We are very careful as to where we are opening the outlets, what kind of rentals we are ready to pay in terms of the locations, the locations are hand-picked, - like we have opened in Colaba at The Sea Palace Hotel, which is a prime location. Then we have opened, say in BKC in the Crescenzo building, which is also a prime location. Likewise, we have opened in Malad in the Inorbit Mall. And similarly, we open now at the airports in both T1 and T2. So, in T2, we are present at the moment in Food Court, which is a very big outlet of ours. And then we have just opened in T1, in the T1 arrival Food Court. And if you are from Bombay and if you are arriving at T1, and if you go to the T1, it is one of the most fantastic outlets again we have opened in Mumbai. So, the selection of the outlet is very important. These outlets do stabilize in 3 to 4 months' time only. Some outlets take about six months to stabilize. The only thing is that when we are launching an outlet, yes, there are additional promotional costs, advertising costs; but they do stabilize roughly in about 4 to 6 month's time.
- Anuj Kashyap:** And what is the sales growth number of a mature store?
- Vijay Dewan:** I will give you those details. So, Mumbai is the market which we have just entered. But in Calcutta, where we are having 67 outlets, we are having the same store growth of roughly in the range of 9% to 11%. So, on an average of about 10% we have achieved, which is very significant. And this is consistent, post-COVID we are seeing 9 to 11% consistence in same store growth. The reason is - its largely dependent on the kind of products we have and the kind of service and the kind of design. So there have been branding changes, packaging changes, and design changes as we are going along, and all this is helping in same store's growth.
- Also, there is a lot of focus which we are now having not only on the confectionary section, but also on the cafe, i.e the coffee side of the business. We have launched Flurys tea under our own brand, and we have also launched Flurys Coffee. I would request you, urge you to try out our new Flurys brand of coffee. It will really surprise you in terms of the aroma, the taste, and the energy which it will sort of give you. So, it's absolutely fantastic. The beans are very carefully selected, particularly the Flurys coffee, gold beans are really special. The coffee and tea business is now 19% of our business in the city of Bombay. And that is making a difference. I would be able to give you same store growth numbers for Mumbai since we just entered just less than a year ago or a year and a half ago. We will be able to share with you possibly in the next earnings call. But in Calcutta where the outlets have matured, the earnings growth, the same store growth is in the range of 9% to 11%.

- Anuj Kashyap:** Thank you. Just for your information, I have tried Flurys tea, I have not tried the coffee yet. Congratulations and best of luck for the future.
- Moderator:** The next question is from the line of Dhiraj Kaswan with RRR Investments.
- Dhiraj Kaswan:** Congratulations on great set of numbers. My first question would be that as we are seeing on the global scenario and the Indian scenario also that most of the biggest hotel brands in the world like Marriott, Hilton and Hyatt, all of these are like the main growth driver for them is the loyalty program that they offer. Like you go anywhere in the world, one will find a Marriott or Hilton. So, most of the clients like to stay at their hotels for the reward points. And even in the Indian scenario, there's ITC, there's Indian hotels, which offers loyalty points. So, I wanted to understand that how are our loyalty programs of the Park performing. Like how much of our bookings happen from our loyal clients from our own website? If you have a number for that?
- Vijay Dewan:** So the Park also has a loyalty program and in this loyalty program we are very close to two lakh members at the moment. It's called the Park Preferred Program. So actually, to be precise, we have at the moment 1,95,000 members. And this is very-very critical to us and the market mix, so it is divided into three categories or three tiers of memberships we have.
- Dhiraj Kaswan:** Yes, I understand it's the gold, diamond, and other black memberships. I wanted to understand how much of our bookings happened from our loyalty program. Like there are third party websites where most of the bookings happen in India. But I want to know what our mix of bookings is. Like 60%, 80% of the bookings happen from our website?
- Vijay Dewan:** No, so the booking breakdown is firstly like this. 3% of our business is actually coming through our brand website at the moment. That is for the year which has gone by and roughly about 49% of our business is coming through online travel agents and the balance is through our own sources.
- Dhiraj Kaswan:** Okay, that's great. And I want to understand that we are majorly focusing on Tier-1 cities, but if we see that in the past year also, most of the hotel deals that are happening in the country are happening in Tier-2 and Tier-3 cities where most people are moving towards traveling in new areas. So, like what is our strategy for that? Like we are not very aggressive about it. We are mostly doing heavy CAPEX in the metro cities for expanding the keys. But the regional play is getting a lot of momentum right now.
- Vijay Dewan:** So, you are absolutely right that India today is very strongly emerging in hospitality business, is strongly emerging in Tier-2 and Tier-3 towns. So, most of our asset light expansion is taking place in Tier-2 and Tier-3 cities. We have two brands at the moment in that category, Zone by The Park and Zone Connect by The Park. And the Zone brand of ours is a strong social catalyst brand which is made for young contemporary Indians, who want to stay in contemporary boutique hotels at an affordable price. So, we have seen and also it is a brand which understands the contemporary global customer. It is always well connected. It is vibrant, energetic, and it is always buzzing. It is a place which is

to be seen. So, we have this brand which is there for Tier-2 and Tier-3. And as we get the right opportunity, we will invest in Tier-2 and Tier-3 cities. So, this is a social catalyst brand which is for the design conscious and the value conscious customers. It's beautifully designed. It's designed largely in-house with the contribution of our chairperson. And of course we have Project Orange supporting the design work from London.

Dhiraj Kaswan:

Okay. Another question would be that when the IPO was released, we used most of our debt from the IPO money and right now we are mostly a debt free Company only and the debt-to-equity ratio is way too low. So, my question is why are we not leveraging ourselves right now? Like most of the companies in the hotel space right now are like taking more and more debt for higher ARR projects and expanding very aggressively. But we are taking a more slow stance in debt. We have a very strong balance sheet on our books. The equity portion is high, but we are not taking a lot of debt to expand more.

Vijay Dewan:

Firstly, I will ask Atul to give you a detailed answer on this. My own take is that we have to, of course, get the property at the right price and we have to be conscious of giving the right return to our shareholders. Property prices are at the highest and at the moment and we have to be very careful in the selection of the property. Ideally for our hotel to do exceptionally well in terms of its EBITDA numbers, it's very important that the cost of acquisition of the land should not exceed in Tier-2 and Tier-3 cities more than 20%. And typically, in metro cities around maybe 25% to 30%. So, we are looking for support here from the Government to give us infrastructure status, give us increased FSI when we are able to bring in investments. But the project, according to me, has to be first viable. And the cost of the land has to be within the parameters of setting out there. The moment we will get a good deal, we will certainly be investing.

Atul Khosla:

So, I would further like to add on this that we are evaluating opportunities constantly. We have repaid all our debt post IPO. So, at present, we can leverage it, but we have projects on hand and as we explained to you, we have about Rs. 1,500 crore of CAPEX, including the recent acquisition. So that much Rs. 15 crore to Rs. 16 crore of acquisitions and project financing, which will be rooted through internal accruals as well as some line of credit which will be Rs. 200 crore of it roughly a line of credit, but we are in a growing phase with EBITDA of roughly Rs. 250 crore per annum. So that is self-financing fund.

Second is, the new projects as they kick in from FY28, FY29 and FY30 they will add in about Rs. 525 crore of topline with further addition of about 45% of EBITDA which also gives us further cash flow. So, at present that is another thing.

Third thing is we have set up an internal target, if required, will be evaluating the opportunity for growth like we had done in Zillion, but we would like to be within a debt by EBITDA of 2 which is a viable and a bankable opportunity, like let's say Zillion, if we said it's like 8 to 9 forward EBITDA multiple. So that kind of opportunity we are looking. If we get an opportunity, we will be leveraging, but with a debt by EBITDA or ratio of up to 2. And I think with sufficient EBITDA margins of Rs. 250 crore plus, we do have sufficient ground for acquisitions. So that is here, we will grow. But the opportunity has to be there in the growing

market, you have to be very sure. We will not go overboard in terms of acquisition costs; we are very conscious of that factor.

Dhiraj Kaswan: Yes, exactly that. We have a strong income statement, strong balance sheet - we are covering most of our interest expense, we have a lot of room to get into more opportunities as it will be arising. So, I think you will be working towards that. All the best for the future and thanks for answering the question.

Moderator: Our next question comes from Vaibhav Mule from Yes Securities.

Vaibhav Mule: I just had a follow up on Flurys. Can you just again share the average revenue rate and how many of your current out of 103 stores that you have, how many are doing more than one crore near one crore revenue as of now?

Vijay Dewan: So roughly at the moment more than one crore is just about four stores. The rest are in the average range of 50 lakhs plus. That's how the breakup is at the moment, but there is one store which we have which is at Park Street in Calcutta, this store first is from where Flurys started in 1927, this store does revenues of about Rs. 12 crore in a year.

Vaibhav Mule: Okay, understood. So how many of the current portfolio do you expect over next one year to cross or get near the one crore mark?

Vijay Dewan: See, at the moment, we have only a limited number of cafes. A large number of stores are in the kiosk format. So, it is the cafe format which can be looked at and pushed upward. So, it will be about 20 odd of them we are working on, and we expect to convert them moving up from 50 lakhs to 60 lakhs to how to make them go up to about a crore.

Vaibhav Mule: Got it. And any kiosks that you have shut down or any cafes that have shut down underperforming ones in the last year?

Vijay Dewan: I follow a very stringent policy. If we fail fast, we need to kill fast. But so far, we have been able to shut about three of our stores. And we constantly keep evaluating it. And as and when we feel that a store is not performing, we definitely take a quick decision and make an exit out of it.

Vaibhav Mule: Got it and the guidance remains for 300 stores by 2027, right?

Vijay Dewan: No, for 2027 it is our centenary year. We plan to add 50 stores every year, so our guidance for '27 is 200 stores.

Vaibhav Mule: Okay and by when are you planning to get to 300? 50 stores each will continue for the next 4-5 years?

Vijay Dewan: No, it will continue as we keep moving forward. The challenge of course is that being an Indian brand to bring it at level with any international competitor. So, if you were to look at Starbucks, they tend to open much more stores. So, we need to beat them at the game.

- Vaibhav Mule:** Right. And revenue targets for FY27 if you have any?
- Vijay Dewan:** For Flurys, currently the target is around Rs. 90 crore. But budgeting, the result of course is very at variance with the, budgets are always aggressive. So, but I expect somewhere between Rs. 80 crore to Rs. 90 crore for sure for Flurys business.
- Vaibhav Mule:** Perfect sir.
- Vijay Dewan:** The team may actually surprise us by giving us even Rs. 100 crore. We were always pushing for that but let's see.
- Vaibhav Mule:** Great sir, understood. Thank you so much for answering the questions.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to the management for closing comments.
- Vijay Dewan:** So, from my side, I'd like to thank everyone for attending this call and showing interest in our brand and in our Company, Apeejay Surrendra Park Hotels. I hope we have been able to answer all your questions. And should you need any further clarification, or would you like to know more about our company, absolutely be free to reach out to us or to Rabindra Basu – our Director in Investor Relations or to CDR India and we are all open for that. And thank you so much for taking time to join the call and see you all at the next quarter.
- Priya Paul:** Thank you all.
- Moderator:** On behalf of Apeejay Surrendra Park Hotels Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.

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