

The logo for RateGain, with "Rate" in grey and "Gain" in orange.The logo for RG Enterprise Connectivity, featuring "RG" in grey and orange, "ENTERPRISE" in grey, and "CONNECTIVITY" in blue with a globe icon.The logo for BCV, with "BCV" in orange and "A RateGain Company" in grey below it.The logo for MYHOTELSHOP, featuring a yellow and black diamond icon, "MYHOTELSHOP" in black, and "A RateGain Company" in grey below it.The logo for ADARA, featuring a pink circular icon with dots, "ADARA" in black, and "A RateGain Company" in grey below it.

## Smart Technology for the Travel Industry

MIS - September & Q2 YTD FY'25

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# Section 1: Executive Summary

# Executive Summary

## Consolidated (Incl Adara)

- ✓ **FY25 H1**, gross revenue stands at \$62.8mn (Including Knowland revenue), reflecting a 14% increase from the previous year but falling short of the \$54.9mn budgeted target. EBITDA is reported at **\$12.27mn**, compared to the **\$12.69mn** budgeted, marking a **3.3% shortfall primarily** due to lower distribution performance, largely attributed to AWS costs. The EBITDA margin for H1 FY25 is 19.5% of gross revenue. Q2 EBITDA Margins before Statutory adjustments (*like ESOP*) stand at **21.3%**
- ✓ In Sep, with Adara included, gross revenue was \$11.53mn, achieving a gross margin of 72% and an EBITDA of \$2.85mn. Costs were better than forecasted across all departments. The company is performing well in key revenue streams such as **DaaS and MarTech**, demonstrating strong year-over-year growth. However, the decline in new bookings is a concern and will require close monitoring.

## Adara:

- ✓ Adara estimated revenue for Sep'24 is **\$4.2mn** with 63% GM and \$846k EBITDA.

## DaaS:

DaaS Sep revenue was entirely in line with the forecast.

- ✓ **1HFY25** New bookings were off by 33% and is an area of concern. With \$3.5mn this year, we're down by 13% in new bookings Y-o-Y basis.
- ✓ COGS were higher due to *Booking.com POC cost (\$29k); Expedia issues for which we moved to premium proxy (\$20k); Expedia new Skyscanner project (\$14k) data procurement cost; Expedia Priceline website captcha cost (\$4k)*; IT & telecom costs were higher due to **Gong License** costs true-up for 8 months. This is due to a delay in the vendor's invoice.
- ✓ EBITDA for Sep'24 was in line with the forecast. **H1** EBITDA is entirely in line with the budget showing overall good performance; **H1 EBITDA at \$5.24mn (Act) v/s \$5.24 (Bud); INLINE. H1 Margins are at 37%**

## Travel BI:

Travel BI Sep revenue was entirely in line with the forecast.

- ✓ **1HFY25** revenue growth stands at 23% and off from the budget by 5%. Out of all BI products, only OTA revenue is behind the budget on an H1 basis.
- ✓ EBITDA for Sep'24 was in line with the forecast. **H1** EBITDA is off the budget due to lower OTA revenue; **H1 EBITDA at \$5.04mn (Act) v/s \$5.30 (Bud); BEHIND. H1 Margins are at 40%**

# Executive Summary

## Hospi BI:

Hospi BI's revenue for September 2024 was below the forecast by 4% due to one-time credit notes. Hospi BI Sep'24 revenue was 4% below the forecast, with an EBITDA beat of \$28k vs \$24k forecasted. YTD Sept EBITDA is at \$209k vs. -\$67k budgeted due to Scandic one-time billing and savings on the data and proxy cost

## Distribution

- ✓ Sep'FY25, the total Distribution revenue (Excluding IHG) is reported at \$2.12 in line with the forecast of \$2.13mn; lower CM & UNO business revenue was partially offset by higher enterprise connectivity business

## RZ

- ✓ Sep-24 revenue (\$281k) is lower than the forecast by \$26k mainly due to credit notes for integration deals (\$18k), OYO (\$5k) & Sabre (\$3k)
- ✓ Overall expenses are lower than the forecast by \$21k mainly due to savings in Marketing & SG&A which was partially offset IT & telecom (true up of Gong license)
- ✓ Sep-24 EBITDA negative \$33k act v/s forecast of negative \$28k; YTD burn is better at negative \$174k vs. negative \$221k budgeted

## Enterprise Connectivity

- ✓ Sep revenue of \$1.81mn is marginally higher against the forecast of \$1.79mn mainly due to higher GDS volume (delay in Hyatt's CRS migration had a positive impact)

## Martech (Ex. Adara)

- ✓ For September 2024, revenue excluding Adara was approximately \$920k, falling short of the forecast by \$80k. BCV revenue was 4% below forecast (\$18k short), while MHS net revenue was down by 10% (\$62k short) from forecast.

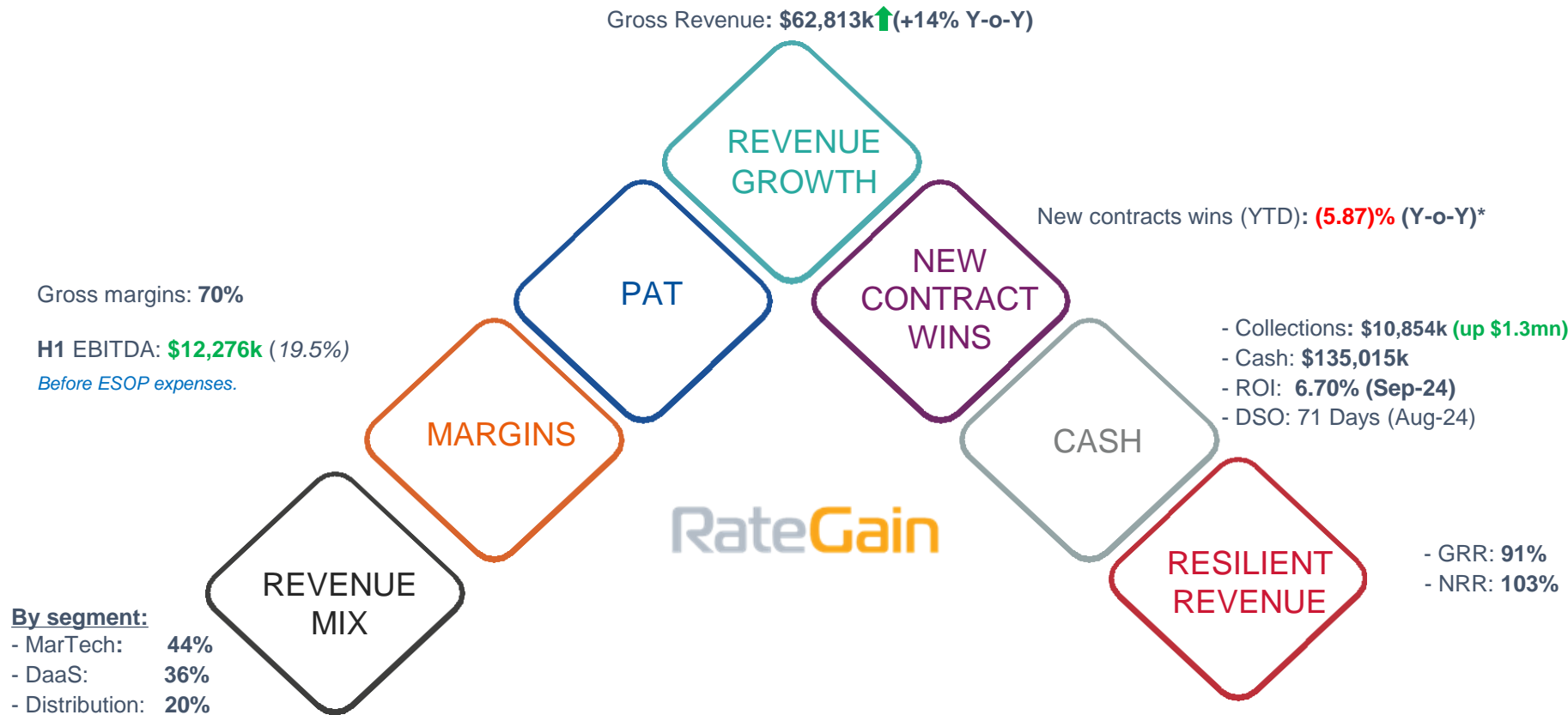
## BCV

- ✓ BCV reported September revenue of \$385k against the forecast of \$402k, The decrease in revenue was primarily due to a drop in the **One-Time-Upsell** revenue. The COGS were high due to Video editing services non budgeted expenses of \$16.6k.
- ✓ BCV reported EBITDA of -\$73k in Sep'24 due to lower revenue and high COGS. YTD EBITDA loss in BCV is -\$118k

## MHS

- ✓ GOI for September was \$535k; H1 FY'25 GOI at 46%. MHS Sep.'24 revenue is lower by \$62k compared to forecast due to a tracking issue for one of the clients (this is rectified now); MHS September EBITDA at \$44k vs. forecasted EBITDA of \$74k driven majorly by the decline in revenue, partially set-off by bonus not accrued due to low performance.
- ✓ H1 FY25 EBITDA is lower by \$162k in comparison to Budgeted EBITDA and down by \$236k in comparison to H1 FY24 actual EBITDA due to Novum churn.

# Growth and Margins Snapshot (H1 '2025)



\*Excluding Adara

# Operational Metrics – Snapshot

**917**

Employees (incl. Adara)  
*13% up YoY*

**3,093**

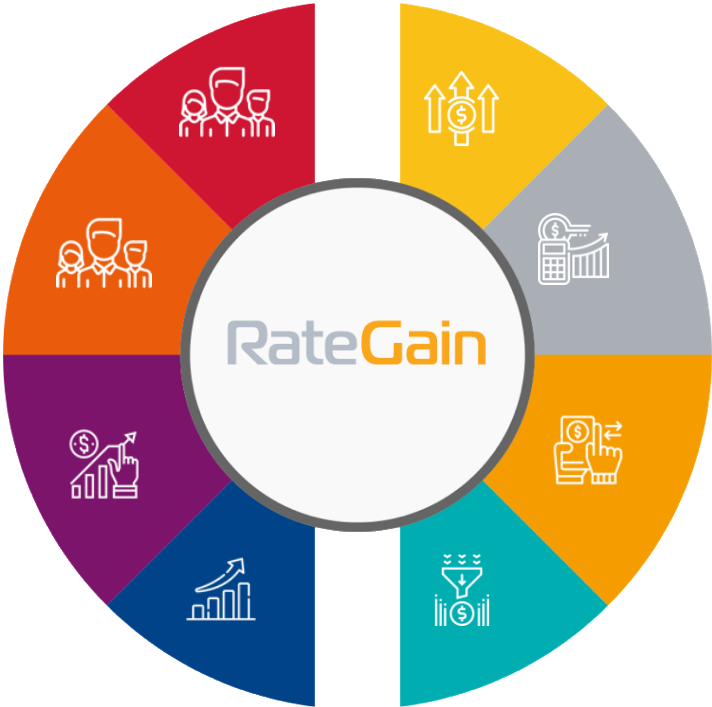
Customers (incl. Adara)  
*Lower compared to last month of 3,258  
due to NOVUM Churn-120 properties*

**10.28%**

TTM Employee Attrition  
(Voluntary exit)

**~\$123k**

Net Rev per Employee  
(Higher due to Adara)



**\$126mn**

Basis YTD run-rate

**15.06x**

LTV to CAC

**\$6,772k (Sep-24)\***

New contracts win  
*(5.87)% YoY growth  
(35.5%) off v/s. budget*

**\$40,620k**

Total Pipeline for FY25  
(w/o Adara)

\* Excluding Adara

# CEO Dashboard

Adara GRR, and NRR, numbers are based on 12 month's revenue analysis.

Key operational metrics	FY 24-25							
	<u>Travel BI</u>	<u>Hospi BI</u>	<u>Channel Manager</u>	<u>Enterprise Connectivity</u>	<u>BCV</u>	<u>MHS</u>	<u>Adara</u>	<u>RG</u>
Gross Renewal Rate (%)	96%	91%	94%	97%	60%	87%	78%	91%
Net Renewal Rate (%)	113%	98%	93%	110%	66%	96%	100%	103%
Monetization (%) - FY24 till date	71%	79%	68%	73%	63%	46%	76%	69%
Net Rev per Employee (\$)	91,667	47,219	61,458	1,36,182	56,895	88,250	335,001	122,818
Customer Count (#)	262	516	681	125	138	807	565	3,093
Avg. Rev per client (\$)	99,762	7,074	5,816	154,104	35,580	9,093	69,393	n/a
TTM Attrition (Vol.) Rate (%)	11%			3%	9%	3%	11%	10%
S&M Multiple (x)	2.00x	1.44x	0.94x	0.96x	1.64x	1.40x	5.34x	3.52x
S&M (% of Rev)	10%	14%	12%	3%	20%	17%	20%	15%
G&A (% of Rev)	11%	11%	16%	12%	7%	17%	3%	8%
GMPP (in Months)	7.62	12.49	19.29	16.50	25.62	10.47	11.9	-
LTV:CAC	31.48	6.40	4.15	24.24	1.00	28.65	9.91	15.06
<u>40% Rule Check</u>								
- GAAP Basis	63%	23%	-22%	39%	-16%	20%	36%	36%

Adara S&M Multiple, GMPP & : CAC is calculated based on Adara’s YTD FY’25 New Sales (YoY Advertisers recurring methodology)

- Adara customer count is based on the advertisers served in the last 12 months Sep’23-Aug’24 with revenue of more than \$1k



# YTD FY24-25: GRR, NRR Ratios (with Churn and Upsell Summary)

Particulars (\$'000)	PG-OTA	PG-Car	Rev.AI	PG-Air	TravelBI	Optima	Parity	HospiBI	DaaS	Channel Mng	Ent. Conn.	Distribution	BCV	MHS	Adara	Martech	Consol
<b>FY 23-24</b>	\$6,515	\$1,972	\$652	\$1,088	\$10,381	\$1,153	\$422	\$1,659	\$12,040	\$2,004	\$8,403	\$10,407	\$2,996	\$3,459	\$33,173	\$39,627	\$28,901
<b>Churn</b>	(\$126)	(\$78)	(\$121)	(\$94)	(\$425)	(\$39)	(\$58)	(\$146)	(\$570)	(\$122)	(\$219)	(\$342)	(\$1,206)	(\$437)	(\$7,152)	(\$8,795)	(\$2,555)
<b>Downsell</b>	(\$237)	(\$182)	(\$11)	(\$206)	(\$654)	(\$47)	(\$17)	(\$65)	(\$719)	(\$261)	(\$846)	(\$1,107)	(\$153)	(\$346)	(\$5,265)	(\$5,765)	(\$2,325)
<b>Upsell</b>	\$1,619	\$389	\$89	\$260	\$2,367	\$133	\$33	\$170	\$2,537	\$199	\$1,867	\$2,066	\$332	\$661	\$12,502	\$13,496	\$5,597
<b>Deferred/Early Bill</b>	\$10	\$16	\$0	(\$15)	\$11	\$4	(\$3)	\$0	\$11	\$41	\$0	\$41	\$0	\$0	\$0	\$0	\$52
<b>New Revenue</b>	\$43	\$90	\$254	\$266	\$656	\$119	\$51	\$171	\$828	\$98	\$240	\$338	\$694	\$472	\$12,090	\$13,255	\$2,331
<b>Exceptional Items</b>	(\$51)	\$22	\$0	\$17	(\$12)	\$55	\$5	\$62	\$50	(\$42)	\$0	(\$42)	\$0	\$0	\$0	\$0	\$8
<b>FY 24-25</b>	<b>\$7,774</b>	<b>\$2,229</b>	<b>\$862</b>	<b>\$1,316</b>	<b>\$12,325</b>	<b>\$1,379</b>	<b>\$433</b>	<b>\$1,851</b>	<b>\$14,176</b>	<b>\$1,917</b>	<b>\$9,444</b>	<b>\$11,362</b>	<b>\$2,662</b>	<b>\$3,809</b>	<b>\$45,347</b>	<b>\$51,818</b>	<b>\$32,009</b>
<b>GRR</b>	98%	96%	81%	91%	96%	97%	86%	91%	95%	94%	97%	97%	60%	87%	78%	78%	91%
<b>NRR</b>	119%	107%	93%	95%	113%	104%	89%	98%	110%	93%	110%	106%	66%	96%	100%	97%	103%
<b>GRR Last Month</b>	98%	96%	81%	88%	96%	96%	87%	91%	95%	96%	97%	97%	59%	94%	75%	75%	92%
<b>NRR Last Month</b>	121%	104%	94%	98%	114%	104%	108%	103%	112%	96%	106%	104%	61%	102%	106%	102%	102%

Adara GRR, and NRR, numbers are based on 12 months data. Hence, not included in the Consol calculation

## **Upsell:**

- **Travel BI:** Sixt SE, Expedia, Air India, Air Senegal, Ace rent a car, Away resorts
- **Hospi BI:** Choice – RateParity; Cross hotels & Resorts, Red lion - Navigator
- **RezGain:** Sabre and few other Retail accounts
- **DHISCO:** Marriott, Choice & Hyatt
- **BCV:** Namacolin Casino, Fairfield Inn Moab, Hyatt Regency Bellevue and few other properties

## **Down-sell:**

- **Travel BI:** Agoda, Klook, Singapore Airlines, Hertz, Budget of Harrisburg
- **Hospi BI:** Navigator –Travel & Leisure, Kempinski - Rate Parity
- **DHISCO:** IHG, Pegasus, Hilton, Expedia
- **BCV:** The Peninsula Beverly Hills, AC Hotel Denver Downtown, Le Meridien Denver and few other properties

## **Churn:**

- **Travel BI:** Condor Ferries, Action Car Rental, Travel Fursan, Air Belgium
- **Hospi BI:** Kerzner – Navigator, G\_Six - RP
- **RezGain:** Archipelago and Ayenda Account churn
- **BCV:** Aqua Aston, Hilton Orlando, Fairmont Scottsdale Princess, The Henderson Beach Resort, L'Auberge de Sedona and fore other properties

Note – All numbers are based on net revenue basis (Cash Basis) and Adara revenue numbers are in 1 month lag.

# Key Performance Indicators - Heatmap

Particulars	New Sales		Net Revenue	Churn	Monetization
BU/Product	FY25 Achievement Vs Bud %	Growth % (FY25 vs FY24)	Growth Revenue (GAAP Basis, % FY24 )	Churn	FY 24 + YTD FY 25
Daas	67%	-13%	21%	5%	73%
HospibI	61%	-29%	11%	9%	79%
Optima	63%	-34%	19%	3%	83%
Rate Parity	57%	-9%	6%	14%	63%
Others	0%	-44%	-45%	59%	92%
Travel BI	68%	-11%	23%	4%	71%
PG - OTA	87%	1%	24%	2%	70%
PG - Car	41%	-40%	13%	4%	81%
Rev.AI	33%	-58%	31%	19%	66%
PG - Air	51%	5%	30%	9%	74%
PG - Cruise	0%	28%	1%	4%	43%
Distribution	55%	-12%	6%	3%	68%
Channel Manager OTA	117%	-16%	-13%	6%	68%
Enterprise Connectivity OTA	59%	-23%	-8%	3%	73%
GDS	32%	-48%	51%	3%	73%
Content	3%	-92%	-4%	3%	73%
Others	23%	460%	24%	3%	73%
Content.AI	0%	0%	0%	0%	0%
UNO	79%	85%	2371%	0%	21%
Martech	89%	14%	13%	25%	64%
BCV	64%	77%	-11%	40%	63%
MHS/Demand Booster	85%	10%	6%	13%	46%
Adara	90%	13%	17%	22%	76%
Total	83%	9%	13%	9%	69%

Adara GRR numbers are based on 12 months data. Hence, not included in the Consol calculation

- New sales achievement: if Achieved >100%, "Green" <80%, "Red" otherwise yellow
- New sales growth & revenue growth: If Positive "Green", Negative "Red"
- Churn: If >15%, "Red" if <10%, "Green", otherwise "Yellow"