To, **Date:** 18th November, 2026

The Manager BSE Limited P. J. Towers, Dalal Street Mumbai-400001 (BSE Scrip Code: 523796)	The Manager, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051. (NSE Symbol: VHLTD)

Dear Sir/ Madam,

Unit: Viceroy Hotels Limited

Sub: Transcript of the Earnings call held on 13th November, 2026 under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"]

With reference to the subject cited, this is to inform the Exchanges that pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Post Earnings (Group Conference) Call for Q2 and H1 ended 30th September, 2026 held on Friday, 13th November, 2026.

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,

For Viceroy Hotels Limited

CHAPPIDI SIVA KUMAR REDDY
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"Viceroy Hotels Limited
Q2 & H1 FY27 Earnings Conference Call"
November 13, 2026

MANAGEMENT: **MR. ANIRUDH REDDY KONDA REDDY – NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR – VICEROY HOTELS LIMITED**
MR. P.V. KRISHNA REDDY – CHIEF FINANCIAL OFFICER – VICEROY HOTELS LIMITED
MR. PRADYUMNA KODALI – CHIEF OPERATING OFFICER – VICEROY HOTELS LIMITED

MODERATOR: **MR. CHIRAG BHATIYA – MUFG IR**

Moderator: Ladies and gentlemen, good day, and welcome to Viceroy Hotels Limited Q2 and H1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Chirag Bhatiya from MUFG IR. Thank you, and over to you, sir.

Chirag Bhatiya: Thank you, Huda. Good afternoon, everyone, and welcome to Q2 and H1 FY27 Earnings Conference Call of Viceroy Hotels Limited. From the management today, we have with us Mr. Anirudh Reddy, Non-Executive and Non-Independent Director; Mr. P.V. Krishna Reddy, Chief Financial Officer; and Mr. Pradyumna Kodali, Chief Operating Officer.

Before we proceed with this call, I would like to give you a small disclaimer that this call may contain certain forward-looking statements, which are based on belief, opinion and expectation of the management as of date. A detailed disclaimer has been given on the company's investor presentation, which has been uploaded on the stock exchange. I hope you all had a chance to go through the same.

Now I would like to hand over the call to Mr. Anirudh Reddy. Over to you, sir.

Anirudh R. Konda Reddy: Good afternoon, everyone, and thank you for joining us for the Q2 and H1 FY27 earnings call of Viceroy Hotels Limited. I hope you have had a chance to go through our financial results, investor presentation and press release. If I had to sum up this quarter in one line, it is the quarter in which the work we have put into our hotels over the last 2 years has started to show clearly in our numbers even with our convention center at Marriott closed for renovation.

For the first half, total income grew 61% to INR94 crores and EBITDA grew by 81% to INR25 crores. Mr. Krishna Reddy will take you through the details. So let me talk about the environment we operated in, how our hotels performed and where we are taking the business going forward.

Q2 is usually the quietest quarter for city hotels, yet it is a good one for Indian hospitality. Industry estimates put RevPAR growth at around 18% year-on-year with room rates rising in double digits by September. Domestic travel remained the anchor. The conflict in West Asia has kept international arrivals subdued, but with most demand coming from within India, the impact has been contained. Part of this growth also reflects a softer base last year.

Hyderabad remains one of the country's strongest business hotel markets with September RevPAR up around 19% to 20%. The driver is global capability centers. They took record office space in the first 9 months of the year, and Hyderabad accounted for about 37% of July-September leasing. Each new center brings business travelers, project teams and relocating executives, the guests our hotels and executive apartments are built for. With branded room demand outpacing new supply and little new premium supply in the city, we expect rates to stay well supported.

Against this backdrop, our hotels did well. Combined RevPAR across Marriott and Courtyard grew 39%, roughly twice the industry's pace. Much of this came from Courtyard, which, with all the 168 rooms back in service after Phase 1 ran at over 87% occupancy. Marriott improved both occupancy and rates even with Phase 2 work underway. And to the question many of you asked last quarter, whether rates would follow occupancy, I am happy to say they have started to. Our combined ADR rose about 9% over the first quarter back to last year's level. But now with occupancy more than 22% points higher, full hotels with firming rate is exactly the combination we have been working towards. Our executive apartments in Gachibowli continue to do what we acquired them to do.

With occupancy running at around 90%, we said our focus would shift to rate. And this quarter, ADR grew 12% to about INR15,337. Our renovation program, Phase 1 at Courtyard is complete. And in August, we opened Vayu, the rooftop restaurant bar that was part of it, overlooking Hussain Sagar and celebrating regional cuisine from across India. Phase 2 at Marriott, covering the expansion of our convention center to 20,000 square feet across 3 banquet halls is progressing well and remains on track for completion by end of December. Giving up our banqueting business while the convention center is closed is a cost we planned for. Once it reopens, Marriott and Courtyard will work together as a complex of close to 500 rooms with a much larger convention facility, well placed for weddings, social events and conferences, some of the most profitable business we do. Phase 3, covering the 295 rooms at Marriott, our restaurants and the lobby is planned for FY28. This was also an important quarter for our balance sheet.

We completed our INR105 crores rights issue, which was oversubscribed 1.19x. And I want to thank every shareholder who participated for your confidence in us. The issue brings our public shareholding in line with the regulatory requirements, and most of the proceeds are going towards reducing debt, which gives us more room to grow. We also continue to evaluate running or near complete hotels that could join our portfolio with the same discipline on returns.

Looking ahead, the second half is traditionally our strongest period with weddings, conferences and corporate travel all picking up. With Courtyard at full strength, the convention center returning, our executive apartments pushing rates and a stronger balance sheet, we go into it with confidence. Our priorities remain unchanged: complete the renovation on schedule, turn occupancy into higher rates, improve margins and grow the portfolio with discipline.

With that, I hand over to our CFO, Mr. P.V. Krishna Reddy. Thank you.

P. V. Krishna Reddy: Thank you, Anirudh, and good afternoon, everyone. Let me take you through our financial performance for the quarter and half year ended September 30, 2026. For Q2 FY27, on a consolidated basis, total income stood at INR48.8 crores compared with INR31.9 crores in Q2 FY26, a growth of 53% and 8% higher than the first quarter. EBITDA came in at INR12.9 crores against INR8.8 crores last year, up 46% year-on-year and 9% sequentially. EBITDA margin was 26.7%, an improvement over 26.3% in Q1.

Two items shaped this quarter's margin: the temporary loss of banqueting business at Marriott during the renovation, which had an EBITDA impact of around INR2 crores, and a onetime expense of INR66 lakh for the launch of Vayu restaurant towards marketing expenses.

So for the first half, total income grew 61% to INR94 crores and EBITDA grew at 81% to INR24.7 crores with EBITDA margin expanding by 221 basis points to 26.5%. Profit after tax for H1 rose 171% to INR3.7 crores from INR1.4 crores in H1 FY26.

Coming to our operating metrics across Marriott and Courtyard. Combined occupancy rose to 79.2% in Q2 from 56.9% a year ago. Combined ADR was INR6,655, in line with last year and up 9% from INR6,107 in Q1, and combined RevPAR grew 39% to INR5,272. At Courtyard, occupancy was 87.4% against 31.5% last year and RevPAR rose more than 2.5x to INR5,711. At Marriott, occupancy improved to 74.5% from 71%~~.4%~~. ADR increased 1.8% to INR6,738 and RevPAR grew 6.3% to INR5,022. For the half year, combined RevPAR grew 30% to INR4,955.

Looking at the revenue mix across the 2 hotels, room revenue grew 39% to INR22.5 crores in Q2, while Food & Beverage revenue was INR10.8 crores against INR13.5 crores, 20% lower with the convention center offline since the first week of April for the Phase 2 upgrade. For the half year, room revenue grew 39% to INR42.1 crores, while F&B revenue was 5% lower at INR22.7 crores. We expect F&B to return to growth once the convention center is back in service.

At the Marriott Executive Apartments, room revenue grew 17% to INR9.3 crores in Q2 and F&B revenue grew 18% to INR3.5 crores. ADR rose 12% year-on-year to INR15,337 and 15% over Q1 with occupancy at 88% against 84% last year, taking RevPAR up 17% to INR13,461.

For the half year, room revenue grew 19% to INR17.8 crores and RevPAR grew 19% to INR12,991 on an occupancy of 91%.

Turning to the balance sheet. Our rights issue raised INR105.8 crores with shares allotted on 15th September. Of the issue proceeds, about INR80 crores is earmarked for repaying debt in Viceroy Hotels and in our subsidiary, SLN Terminus, and we have already begun deploying it. With the RBI raising the repo rate in October for the first time since 2023, we believe reducing debt is the right use of this capital.

On cash generation, operating profit before working capital changes more than doubled to INR24 crores in the first half. Looking ahead, three things should work in our favor in the second half.

First, seasonality as the second half is traditionally our strongest period.

Second, the return of the convention center at Marriott, which brings back banqueting, one of the highest margin streams in our portfolio; and third, lower interest cost as we retire debt. Together with continued cost discipline, these keep us firmly focused on taking our EBITDA margin above 30% in the near term and towards our long-term benchmark of 40% once the renovated portfolio is complete.

With that, I would like to open the floor for questions and answers.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Rajeev Jain from Arcane Investments.

Rajeev Jain: Congratulations for the exceptional set of results. So I just have a couple of questions. So starting with your total income grew by 53% year-on-year, but the executive apartments were not part of last year's base, right? So for the two hotels alone, room and F&B revenue grew about 12% with rooms up 39% and F&B down 20%. So is that the right way to read the organic growth this quarter? And perhaps what could growth have looked like without the banquet closure?

Management: There's two parts to that question. So the first part in terms of the organic growth, yes, I mean, mostly was organic, but what we also saw was in Q1, we were partly hit by the war in the Middle East, whereas a lot of that business that was then on pause came back to us in Q2, and we're happy that a lot of the business that we thought may not has come our way. And in terms of the banqueting revenue that we had started losing from April onwards itself, the impact it has is about INR2 crores of EBITDA per quarter.

Rajeev Jain: Understood. And secondly, at the executive apartments, ADR was around INR15,337 in Q2. It was almost 12% up year-on-year, but below the INR16,570 reported for Q44Q for '26. So how much of that is seasonal? And with occupancy close to about 90%, are you now prioritizing rate over occupancy? Also what share of room nights still on long-stay corporate contracts? And how often do these reprice? If you could throw some light on that?

Management: Yes. So like you said, this is a business where there's obviously a lot of seasonality where your Q3 and Q4 are significantly stronger than Q1 and Q2. So what happens is even your strategy of selling rooms changes. In Q3 and Q4, obviously, the priority is completely on pricing and you want to maintain that high pricing because anyway, the occupancy takes care of itself.

Whereas in Q1 and Q2, especially maybe during those months where the strategy slightly changes where you're looking at occupancy as a metric more than the ADR, in which case, that's why in Q1 and Q2, your combined ADR is slightly lower than that of the entire YTD number last year. But having said that, the way we see Q3 and Q4 pan out, we are very confident that the YTD number for this year will again be a good 10%, 12% growth on last year.

Rajeev Jain: Understood. And lastly, on balance sheet side, equity share capital rose from INR67.6 crores to INR76.8 crores with the rights issue, in which the promoters will not participate, taking promoters holding from earlier 84.11% to 74.03%. So was the issue structured primarily to meet minimum public shareholding norms? And is that requirement now fully met? And should we expect any further dilution?

Management: See, the main reason was to come to the SEBI requirement, and that's why the dilution was done, even though the debt level which we had before was sustainable, and we were very comfortable with that. Since no new acquisitions were there, the strategy was to pay down the debt on the books and raise the capital so that we can meet the SEBI requirement of 75%.

And now we are positioned that we have a lighter debt on our books, and we are positioned to grow more. So that is what the whole rights issue was for. And yes, we are not looking for any further dilution. But in case of some opportunities that may arise, we will obviously look at that stage.

Moderator: The next question is from the line of Suhani Singh from ROS Capital.

Suhani Singh: The Courtyard Q2 RevPAR of INR5,711 is now about 14% above Marriott's INR5,022. So even though Marriott is the flagship, is that mainly product age, the convention center closure or segment mix? And what RevPAR are you targeting at Marriott once all 295 rooms have been upgraded?

Management: Right. Yes. See, like you said, it's a combination of all the things that you had mentioned. 1 is the fact that Courtyard currently has upgraded new rooms. That is one. Point number 2 is Marriott currently doesn't have its convention center where a lot of its rooms, especially at higher paying areas comes along with the convention center. Part 3 also is the fact that Marriott is now going to go on -- undergo renovation for the rooms in the next financial year.

So once these metrics are all taken care of, that's when you see that the Marriott ADR will be about 5%, 7% at least higher than the Courtyard, like it's normally positioned in the market. But having said that, in our complex, there is also a unique advantage for the Courtyard in the sense that it's a smaller inventory. So as and when the Courtyard keeps getting filled up, the ADR of it keeps going up, whereas the Marriott is a much larger inventory.

So that's where the price is still competitive. But yes, in the long run, once the entire renovation for both the hotels is done, we expect the Marriott to be at about 7% to 10% higher than the Courtyard.

Suhani Singh: Understood, sir. So in February, the renovation program was sized at INR120 crores with about INR50 crores for Courtyard, INR20 crores to INR30 crores for convention center and about INR40 crores for Marriott 295 rooms, and INR10 crores to INR15 crores for lobby and rooftop. The presentation now refers to INR100-plus crores. So how much has been spent to date? What remains by phase? And has the scope changed?

Management: So we are on track to -- so we completed Courtyard and we are on track to complete the convention center also within about INR100 crores, about INR110 crores to INR115 crores. So that is what we are at now. So we're sticking to the budget we had presented earlier. And the Marriott budget also, we're just going to stick to that INR40 crores to upgrade the rooms.

Suhani Singh: Okay. That helps. So last question. In March, the West Asia conflict weighed on travel sentiment. So how has the international guest mix across our three properties trended since then? And has the inbound corporate and leisure travel from overseas fully recovered from at here.

Management: Yes. So see, in terms of recovery, based on what we saw in Q2 and what we are observing in Q3, we are fairly confident that whatever a little bit was lost in Q1 will be covered for. A lot of the pending -- I mean, apart from what we obviously lose a little bit in terms of convention center upliftment, that is something that we may not gain.

But like all the other stuff that we lost from war, we do intend to get it back. In terms of the mix between foreign and domestic demand, usually, our complex that is Marriott and Courtyard runs at about 85% domestic business versus 15% of foreign business.

That percentage contribution in our Marriott Executive Apartments, which is in a different micro market is slightly different, where 20% to 30% of that business comes from foreign demand versus domestic demand. But this is, again, that's something that keeps varying across the seasons.

In Q3, Q4, we see a lot more foreign demand than Q1, Q2. Q1, Q2, a majority of our business is domestic based and which is what also kind of reflects in your ADRs and other F&B revenues because a lot of the foreign demand comes with additional benefits.

Moderator: The next question is from the line of Nimish Varma from Vexora Solutions.

Nimish Varma: So my first question would be Q2 is ideally one of the softer quarters for the business, yet consolidated EBITDA rose around 9% sequentially to INR12.9 crores even after absorbing the one-time Vayu launch cost. Could you break down how much of the improvement came from Courtyard's ramp-up, the executive apartments and cost initiatives and whether we should read this as the base to build on through the stronger second half?

Management: Yes. So I mean, the Marriott Executive Apartments, anyway, you can read that as a separate irrespective of that, we had grown in terms of performance both in Courtyard and Marriott in itself. A significant part of that improvement has come from the Courtyard because if anything, in the Marriott, we only saw a convention center go out of the inventory. So all of the improvement that you see -- along with the INR70 lakhs, it has entirely come from the Courtyard.

Nimish Varma: Okay. And sir, the presentation lists the 200-key Courtyard at Madhapur as the next addition in the same Western business corridor as the executive apartments in Gachibowli. How do you see the 2 properties working together on corporate accounts, sales and shared back office functions? And where do the approvals stand? And when do you expect the construction to begin?

Management: So we are right now in the process of getting the permissions. We expect the construction to start in the next financial year. In terms of the properties running together, you are right because one is a 75-room inventory and one is a 200-key Courtyard, both of which can have a common senior management team, especially on the Marriott front. So we are obviously going to work on not just these 2 -- in fact, we are currently in the process of having some departments that could be common to all of our hotels in Hyderabad. These are not inventories that necessarily require, say, for example, 4 general managers across 4 properties.

So wherever we can have that sort of efficiencies, we'll definitely work on that. Even in terms of some of the back of the house spaces like say, laundry or something where we can have a common facility where all the hotels are using the same facility. These are things that we are actively working on and which is something that I think in the years to come, you will see in the EBITDA percentages also like going up.

Nimish Varma: Okay. That answers the question. Sir, last question would be on bookkeeping. So goodwill of INR58.6 crores sits on the balance sheet from the SLN acquisition, where INR59.67 crores of the INR206 crores consideration was paid for shares in the company with -- and FY25 net worth of about INR8.6 crores. Could you explain what goodwill represents and how it is tested for impairment?

Management: So the goodwill, we have acquired SLN Terminus and the goodwill is created based on the book value of the assets minus liabilities and what we paid for the acquisition of the shares. So every year, it is tested for impairment. Right now, the executive apartments are doing very well. So there is no scope for the impairment.

Moderator: The next question is from the line of Soumya Raguvanshi from Nirva Investments.

Soumya Raguvanshi: I just had a few questions from my end. The executive apartments account for 75 of your 538 operating keys, about 14%, but generated INR12.8 crores of rooms and F&B revenue in Q2, roughly a quarter of the consolidated total. Given the rooms led higher margins profile, its share of EBITDA is likely larger still. Could you share the property's Q2 EBITDA and margin?

Management: Property-wise, you mean?

Soumya Raguvanshi: Yes, yes.

Management: So in terms of EBITDA margins, so our current three properties work at slightly different percentages. So the Marriott Executive Apartments is something that is primarily like a room business. So the EBITDA margins there are close to 40% at a year-long level. Courtyard, again, is similar in the sense that a lot of the revenue comes in from room revenue. So there, again, we operate closer to that 40% mark, about 37%, 38%.

The Marriott where the contribution from F&B is very significant in the sense that we have 10,000 square feet of convention space, it is now becoming 20,000 square feet of convention space. We also have 4 restaurants in the hotel along with a lot of in-room dining services because the kind of clientele is slightly different.

So in this hotel, in terms of revenue contribution, close to about 48% to 50% of the revenue comes from F&B, where the profitability is obviously not as high as room. So that's why the Marriott functions closer to that 30% mark based on which quarter we are at. And at a consolidated level as the company, we currently see ourselves at EBITDA percentages slightly above 30% for the year, which in the long run, the target is to move close to that 40% at an entire portfolio level.

Soumya Raguvanshi: All right. So that was very helpful. So for the half, Marriott's ADR was about 5% lower year-on-year, even as occupancy rose from 65.7% to 73.3%, if I'm not wrong. And on the Q44Q call, you mentioned filing rooms with the airline crew and MICE group while the convention center was closed. With ADR back up about 2% year-on-year in Q2, how much of Marriott's business is still on such contracts? And how quickly can you rotate back to higher-yielding corporate and MICE demand?

Management: We're only a quarter away. See, as we mentioned in our press release and the presentation that we shared, we expect the convention centers to be back live in Q4. So that's when you roll back on some of these contracts that are not as high paying as some of the MICE groups or like even wedding, social groups, which pay significantly higher ADRs.

So until the convention center is back is when we use some of these other sort of corporate businesses to help protect our revenues, which obviously come at slightly lower ADRs, but in Q4, you should see very, very strong ADRs.

Soumya Raguvanshi: Okay, sir. Just a last question from my end. Cash and equivalents stood at INR110.5 crores at the end of H1, up from INR19.4 crores, largely from the rights issue of the proceeds. About INR80 crores is earmarked for debt repayment at Viceroy and SLN. How much has been repaid since 30 September? And how do you intend to use the roughly INR25 crores set aside for general corporate purposes?

Management: So out of INR105.83 crores, we have repaid INR80.25 crores of debt in the month of October, first week of October. And the balance funds are earmarked for utilizing it for the capex for the convention center and for the daily operations.

Moderator: The next question is from the line of Yash Mehta from Grit Securities.

Yash Mehta: So I've got a few set of questions. So firstly, you mentioned about your investment strategies, which includes the NCLT and other distressed assets on the Q4 call. And you also mentioned the expression of interest in several, though nothing has been materialized yet. So is there any update like what ticket size would you consider? And what would you prefer to own assets outright, take long leases or acquire other operating companies as you did with SLN?

Management: So the strategy is still to find these good sweet deals in the distressed market and add it to our portfolio. But because of the 3 years of very good run in the hospitality industry, there's not much stress. So we're not getting such good deals, but we are still scouting for them on an everyday basis, and that is our first number 1 priority if something comes up.

The second priority, what we have -- what we're trying to do is find other operating assets to add to our portfolio. So just a stand-alone one, which is there anywhere in the country, we're trying to add to our portfolio and move out of Hyderabad. So that is something else we are constantly looking for.

And the third avenue, which we are looking for is the brownfield ones where there is half built or near completion, some more capex is required to complete it and things like that. So these are the 3 avenues we are looking at. But we've also recently trying to see which different government, state governments are offering land parcels for building hotels.

And -- but these greenfield projects are obviously going with caution because they involve a lot of capex and the return is on a higher time period. So we're still evaluating these other opportunities also which we get ahead.

Yash Mehta: Got it. Got it. And also, like in October, Viceroy extended somewhat around INR38 crores loan to SLN at 8.75% to retire external borrowing. And if I'm not wrong, INR41 crores of the rights proceeds is earmarked for paying Viceroy's old loan. So can you let me know what rates were those loans carrying? And once both repayments are complete, what quarterly finance cost could we work with like compared with INR5.8 crores in Q2?

Management: Yes. So one INR10 crores loan was at 9.75% and the balance loans were at 8.5% to 8.75%. And then the next half year, the interest cost would be roughly like for the 6 months period, it will be roughly INR8.8 crores. So for the financial year -- for the next financial year based on this repayment, it would be roughly around INR17 crores.

Yash Mehta: Okay. Understood. Understood. That's helpful. And lastly, so it's about the ADR, which rose about 2% year-on-year at Marriott in Q2 and fell about like kind of 4% at Courtyard and both were lower for the half.

So most of the rate upside is still ahead. So the Marriott room upgrade now scheduled for FY28, how do you plan to phase rate increase until then? And by when do you expect the complete complex to approach the INR9,000 to INR9,500 ADR range you mentioned on the Q44Q call?

Management: Yes. So I mean, like I said, I think some of the rate improvement did come from the fact that the market bounced back in itself. We did recover from the war, and that's where we saw some of the improvements. In terms of the Marriott, we also -- I mean, a little bit effect we saw in Q1 was partly also because of the convention center not being available.

Now we -- as we mentioned, we will go through the Marriott room renovation in FY28 and the effect of the overall inventory being fully renovated and possibly reaching a complex ADR of 9,000 or even 9,500 is something that will take time to what we call scale. And FY29 is when I think we would realistically see the real potential of the entire complex.

Moderator: The next question is from the line of Santosh Shetty from LGC Capital.

Santosh Shetty: Just a couple of questions. So H1 EBITDA rose 81% to like INR24.7 crores with the margin up from around 24.3% to 26.5%. So how much of that improvement is structural from the Courtyard relaunch and the executive apartments? And how much reflects a soft base last year when Courtyard ran at 35.5% occupancy during its renovation?

Management: Yes. So like I said, almost all of it has come from the Courtyard stand-alone numbers, that's what we are comparing. The entire uplift has come from the Courtyard. We've seen a significant increase in both occupancy because of the additional availability of rooms as well and also ADR because we have like the newer inventory. At the same time, on a consolidated level, again, the SLN Terminus has had a very good contribution because that's the hotel that runs at the highest occupancy for us and at the highest ADR.

Santosh Shetty: Okay. So like at the executive apartments like revenue, like room revenue grew 19% in H1, but F&B only 5%, even with occupancy at 91%. So what is holding back F&B at the property? And is there scope to grow in-house dining or catering for corporate clients in the other areas?

Management: Yes, there is. So the thing is to start with in terms of contribution from room revenue in that hotel, the room revenue in itself contributes like north of 75%. So the contribution from F&B majorly comes from our all-day dining restaurant Mazzo and a little bit of banqueting where we have like a small banquet on the 8th floor. But what we've recently also started doing is a lot of catering to the likes of Genpact and some of these other GCCs that are in the micro market. So that's where we have scope in terms of increasing the F&B contribution in that hotel.

Santosh Shetty: Just a last question. The presentation positions the convention center as the next earnings analyst like catalyst and opening in December with uplift expected from Q4 FY27. So you have earlier spoken of 2x to 3x banquet revenue and a payback of about 18 months. So like could you just quantify the incremental revenue and EBITDA you expect in the first full year of operation and how long the ramp-up to full utilization should take?

Management: Yes. So typically, any convention center, I mean, if suppose -- if it was a greenfield project, it normally takes about 18 months for full ramp-up. But in our case, because it's an existing hotel facility where people are aware of the premises, we already have an existing team that's already working on bringing in business and leads.

We expect our ramp-up time to be half of that, like within 9 months of being live, I think we'll be at full throttle, which is basically also coincides with your strongest quarters. So I think by Q3 next year, we will be at full occupancy and like extremely high ADRs for any business that is coming through the convention business.

So that's one. In terms of additional revenue that it can bring, we still stick with what we said in terms of potentially doubling our revenue from the convention business, which also means that we will have a payback period in about 18 to 24 months.

Moderator: The next question is from the line of Snehil Surana from Nine Star Broking.

Snehil Surana: So I have a couple of questions. The first one is related to the depreciation and interest together absorbed over 90% of EBITDA this quarter. So leaving the PBT at just INR1 crores as debt repaid from the rights proceeds and the seasonally stronger second half begins. So how do you see profitability evolving? And when do you expect operating leverage to outpace the step-up in depreciation from the renovation?

Management: So yes, I mean, like I said, I mean, from -- in the next 2 quarters, you will see higher PBT because EBITDA in itself to start will be significantly higher, whereas your depreciation will be similar in nature. The interest cost is something that is obviously going to go down now that we've paid back a significant portion of the debt.

So we will see improvements in PBTs. The other thing is also once a majority of our hotel is done with renovations, again, the EBITDA numbers that we see at a consolidated level across our hotels is going to be significantly higher, where we see our PBT numbers potentially even like tripling or quadrupling in the next couple of years.

Snehil Surana: Okay. Got it. So the second would be the Courtyard has rebuilt occupancy to 87% after the renovation. So the focus now turns to rate at 6,532. Quarter 2 ADR was still below the last year

level. So what is the rate gap today between the 56 new rooms and the original inventory? And how much headroom do you see to push pricing as the peak season sets in?

Management: Right. So in terms of that ADR difference that you see from last year, last year, we only had about 30% of the rooms available. It was easier to sell at a slightly higher ADR than this year where you have all of the inventory available. Having said that, the number that you're seeing is still H1 number, which had part effect of the war and all of that.

But in Q3, Q4, in fact, while I can't give you the exact numbers, we already see significantly higher numbers than what we see last year or in Q1 and Q2 this year. So we are already seeing that benefit of the upgraded room. In terms of the parity, we sell the newer inventory at about 35% to 40% higher than the older rooms.

Snehil Surana: Okay. Got it. And the last question is related to the long-term borrowing. So it stood at around INR243.8 crores at the end of H1. Could you share the profile of the debt that will remain after rights funded repayment, the blended cost, the share at floating rate, the tenure and the scheduled repayment over the next 2 years?

Management: Yes. The loan tenure is ranging from 10 to 12 years and the blended rate is 9.15%. And in the month of October, in the first week, we have repaid INR80.25 crores of the loan. So that brings down the overall debt to INR182 crores.

Moderator: The next question is from the line of Nimish Varma from Vexora Solutions.

Nimish Varma: Just a follow-up question. The operating profit before working capital change roughly doubled to INR24 crores in H1, although a working capital outflow compared with a large release last year. When the operating cash flow came in at INR18.1 crores, what is the cash conversion cycle we should expect for the full year? And what receivable days should we assume now the executive apartments, corporate longstay business is part of the mix?

Management: Yes. The difference is mainly because of this Marriott Executive Apartments compared to last H2. And we will be at the same pace going forward. And the operating cash flows have been increased because there is an increase in payables and a decrease in receivables as well.

Nimish Varma: Okay. And sir, the last question would be in February, the Marriott room refurbishment was described as running in parallel with the convention center work. The presentation now places all 295 rooms in Phase 3 for completion in FY28. Could you explain the change in sequencing and when the first renovated rooms will come back into inventory?

Management: So we have taken a strategic step where the convention center is going to come back in December, and we have the mockup room ready and the rooms to go under renovation quickly. But we want to do it in a very phased manner because the revenues are very good, and we see the convention center also being occupied very well. In fact, in this micro market, the big convention center is -- the other big convention center, which is Novotel is going under renovation in February.

So we want to capitalize on that and use maximum rooms which we have with the convention center to get good revenues when that is in renovation. But parallelly also start doing the Marriott rooms from April of next year. So even though it's moved to Phase 3, it is going to start from -- the next thing that's going to start is the rooms of Marriott.

Moderator: Ladies and gentlemen, that was the last question for today. On behalf of MUFG IR, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you very much.

Management: Thank you.