Company Name: Yatra Online Ltd.

Quarter under review: Q4-FY26

Yatra Online Ltd. – Q4-FY26/FY26 Concall Highlights:

Yatra Online Ltd. (Consolidated)								
INR In Mn	**Q4-FY26**	**Q4-FY25**	**Y-o-Y**	**Q3-FY26**	**Q-o-Q**	**FY26**	**FY25**	**Y-o-Y**
Operational Income	1,890	2,190	-13.7%	2,568	-26.4%	10,065	7,914	27.2%
EBITDA	109	171	-36.2%	225	-51.6%	804	444	80.9%
EBITDA M (%)	5.76%	7.80%	-204 bps	8.77%	-301 bps	7.98%	5.61%	237 bps
PAT	82	152	-46.1%	83	-1.6%	468	366	28.0%
PAT M (%)	4.34%	6.95%	-261 bps	3.25%	109 bps	4.65%	4.62%	3 bps
Diluted EPS	0.52	0.97	-46.4%	0.53	-1.9%	2.98	2.33	27.9%

Operational Highlights:

- We continued to strengthen our corporate travel business with the addition of 163 new corporate logos during FY26, representing nearly ₹1,000 crore of annual billable potential, highlighting strong client acquisition momentum and the significant low online penetration opportunity that exists in corporate travel.
- B2E/corporate travel penetration in India remains low at ~23–24%, providing us with significant long-term headroom for growth.
- We are seeing strong traction in the mid-market segment and are increasingly focused on expanding our presence in South India.
- We are building an AI-led travel automation ecosystem with API-based workflow integrations across airlines, hotels and intermediaries, alongside development of MCP protocol capabilities to enable agents to execute end-to-end travel functions directly on our platform.
- We are accelerating development of our corporate credit card and payment platform initiative, aimed at improving customer payment flows and reducing receivable cycles.
- We expect this product to be market-ready within the next couple of quarters. Our hotel-side virtual credit card infrastructure has already been implemented, and we are now focused on improving digital adoption among mid-sized hotel suppliers and streamlining payment integrations.
- We expect MICE demand to strengthen meaningfully in H2 FY27, supported by pent-up travel demand and "revenge travel" trends similar to post-COVID recovery patterns.
- Our AI implementation continues to improve customer acquisition, operational efficiency and margin optimization, while enhancing automation across internal travel workflows.
- We are confident that recent travel disruptions are temporary in nature and do not alter the long-term structural growth opportunity across our corporate travel, MICE and digital travel ecosystem businesses.
- Our corporate customer retention remains strong despite temporary travel disruptions, with the structural demand environment for managed business travel continuing to remain healthy.
- We expect a materially stronger H2 FY27 as travel demand normalizes, with historical periods of disruption typically followed by a meaningful release of pent-up demand.
- We are focusing heavily on API-led automation of end-to-end travel workflows, enabling tighter integration with airline, hotel and intermediary systems to improve operational scalability and reduce manual intervention.

- Our air passenger volumes grew 9.6% YoY in Q4, roughly 2x the industry growth rate, reflecting continued market share gains.
- We delivered strong hotel business momentum with room nights growing 36% in Q4 and hotel gross margins expanding from 8.6% to 9.25% in FY26.
- We have meaningfully reduced our IT services concentration risk, with IT services as a share of our B2E business declining from ~20% at IPO in FY24 to just ~7% currently, when including MICE and the Globe acquisition.

Key Questions & Answers discussed during the Concall:

- **How is Yatra leveraging AI and automation across its platform?** We are building a strong API-led automation framework across airlines, hotels and intermediaries to automate end-to-end travel workflows. We are also working on MCP protocol integration to enable agents to directly execute travel-related functions on our platform.

- **What is driving strong growth in our B2E/corporate travel business?** Online penetration in corporate travel remains only around 23–24%, leaving significant headroom for growth. We added 163 new corporate logos during FY26 with nearly ₹1,000 crore of annual billable potential, driven by strong traction across geographies and growing adoption among mid-market enterprises.

- **Which geographies are contributing most to B2E growth?** North India and Mumbai continue to contribute significantly due to our strong presence in these regions. However, South India remains underpenetrated and we expect it to become a major incremental growth driver, especially within the mid-market corporate segment.

- **How will the corporate credit card initiative improve our business economics?** We expect this initiative to help optimize receivable cycles and improve working capital efficiency. That said, implementation is complex because airline partnerships are required to offset payment gateway and card processing charges, margins could get impacted alongside any improvement in capital efficiency.

- **What progress have we made on hotel-side payment solutions?** We have already implemented a virtual credit card platform for hotels. The key challenge now lies in onboarding and digitizing fragmented mid-sized hotel suppliers who may not yet be fully digitally integrated.

- **What is our outlook on travel demand after recent disruptions?** We believe the recent disruption is temporary and does not alter the structural growth outlook for our business. Based on historical trends, we expect periods of disruption to eventually lead to a release of pent-up travel demand, particularly in the second half of FY27.

- **How are we improving operational efficiency through technology?** We are using AI not only in customer-facing products but also across backend workflows and operational systems. We are automating processes across the travel lifecycle to improve execution efficiency, scalability and customer experience.

- **What gives us confidence despite near-term travel disruptions?** The core structural drivers of our business remain intact, including strong corporate client additions, healthy customer retention, growing MICE opportunities and increasing use of AI-led automation. We view the recent slowdown as a short-term disruption rather than a structural demand issue.

- **How sustainable is our corporate customer acquisition momentum?** Our quarterly additions have been accelerating, reaching 55 new logos in Q4 FY26, up from 40 in Q3, indicating sustained momentum in enterprise travel adoption. We believe the low penetration of online corporate travel in India provides a long runway for continued customer acquisition growth.

- **How will the shift to the airline offer-and-order model affect your take rates?** We are one of the only OTAs to have consistently improved net air margins over the last three years, with air gross margins improving from approximately 2.7% in FY24 to 3.4% in FY25 and further to approximately 4.0% in FY26. Enterprise travellers spend approximately 50% more per ticket than B2C travellers, making airlines more willing to partner with enterprise travel platforms and support take rates on that side of the business.

- **What is your ROCE trajectory and what are the medium-term targets?** ROCE stood at approximately 4% in FY25 and improved to approximately 6% in FY26. Had the conflict-related disruption not occurred, ROCE would have been in the range of 7–7.5% for the year. Over the medium term, we are confident of reaching high-teens ROCE over the next three to four years, driven by operating leverage from a largely fixed cost structure, continued scaling of the corporate customer base and ongoing optimization of the working capital and receivable cycle.

- **What is the scale and strategic rationale for retaining the B2C business?** B2C accounts for approximately early-30s percent of gross bookings for FY26 and is profitable at mid-to-high single digit operating margins, making it both contribution and EBITDA positive. B2C does not consume any incremental capital, and therefore a decision to exit it would not be warranted at this stage.

Key Participants:

- Vedang Kothari – Anand Rathi
- Anmol Garg – DAM Capital
- Peter Nielsen – Citi Group