

RateGain announces results for Q3FY23; EBIDTA Surges 147% YoY, Revenue up 40%

Noida, February 10, 2023: RateGain Travel Technologies Limited (NSE: RATEGAIN), a global provider of SaaS solutions for the hospitality and travel industry, today announced its financial results for Q3 & 9MFY23 ending on December 31, 2022, reporting robust growth and higher margins on the back of sustained global travel demand and higher operational efficiency.

While the global business environment has been challenging for most of FY23, the travel industry has seen healthy growth helping the company to report its best quarter yet on new contract wins recorded at INR 492.6 Mn. With this, the company bettered its performance on new order wins compared to Q3FY22; which was the strongest quarter in the company's history prior to this.

The growth driven by continued strong traction with existing clients and the ability to deliver interoperable product offerings, allowed RateGain to deepen relationships across existing enterprise clients as a trusted partner to help them modernize their technology stack to drive guest acquisition and meet their expectations.

With the opening of China, and a strong increase in outbound international travel expected from the United States – the travel and hospitality industry is expected to see healthy growth, but at the same time will need to modernize their existing technology systems to deliver at scale without any interruptions, and this is expected to benefit technology players like RateGain.

RateGain continues to report healthy operating margins at 16.6% in Q3FY23 against 9.4% in the corresponding period last year. This is on the back of operating leverage playing out and healthy volume growth contributing to strong broad-based growth across all three business lines.

For Q3FY23, quarter ending December 31, 2022, compared to the same quarter last year the company reported:

- Operating Revenue at INR 1,382.9 Mn v/s INR 990.1 Mn (+ 39.7% YoY)
- EBIDTA at INR 229.3 Mn v/s INR 92.6 Mn (+ 147.5% YoY)
- PAT at INR 132.3 Mn v/s INR 0.9 Mn (147x YoY)
- EBITDA margin at 16.6% v/s 9.4%
- PAT margin at 9.6% v/s 0.1%

For 9MFY23 compared to the same period last year, the company reported:

- Operating Revenue at INR 3,822.0 Mn v/s INR 2,587.1 Mn (+ 47.7% YoY)
- EBIDTA at INR 524.4 Mn v/s INR 151.9 Mn (+ 245.1% YoY)
- PAT at INR 346.1 Mn v/s Loss of INR 31.9 Mn
- EBITDA margin at 13.7% v/s 5.9%
- PAT margin at 9.1%

The company continues to have strong customer relationships that are helping in building predictive, stable, and sustainable revenue streams. Recurring revenues for the quarter stood at 99% and the Annual Recurring Revenue continues to grow at a steady pace to INR 5,531 Mn. The LTV to CAC for 9M FY23 came in at 22.8x as the company continues to give more value to customers.

Sharing his views on what helped in driving the performance this quarter, **Bhanu Chopra, Founder and Chairman, RateGain Travel Technologies, said,** *“We continue to drive consistent and resilient performance on the back of expansion of existing relationships with enterprise customers. We like to challenge ourselves to do better every year and I am proud of the growth that we have achieved this quarter.*



Our businesses continue to witness good traction and deliver strong growth, contributing to improving margins.

I am also excited about our recent acquisition of Adara and the opportunity ahead of us, as we look to re-capture and re-activate the client base to drive growth. This will also unlock further opportunities to grab mindshare and deepen relations with our customers."

Commenting on the key metrics, **Tanmaya Das, Chief Financial Officer, RateGain Travel Technologies, said,** *"The company has posted another quarter of well-rounded performance with healthy revenue growth, margin expansion and new contract wins. The team continues to deliver across key parameters leading to improvement in key metrics.*

A balanced approach focusing on profitable growth across businesses contributing to margin performance. We continue to deliver consistent performance on growth and margins in the backdrop of a tough macro environment."

The company recently completed the acquisition of Silicon Valley headquartered Adara to form the World's most comprehensive travel-intent and data platform powered by AI. Adara today is a trusted partner in data collection and management for helping enterprise chains in Travel and Hospitality to win in the fast-paced digital economy by allowing them to drive optimal marketing campaigns targeted at the right audience.

The acquisition is in line with the vision of the company to be the leading revenue maximisation SaaS platform for the travel and hospitality sector and will allow it to deepen relationship with leading companies in this segment.

About RateGain

RateGain Travel Technologies Limited is a global provider of SaaS solutions for travel and hospitality that works with 2600+ customers and 700+ partners in 100+ countries helping them accelerate revenue generation through acquisition, retention, and wallet share expansion.

RateGain today is one of the world's largest processors of electronic transactions, price points, and travel intent data helping revenue management, distribution and marketing teams across hotels, airlines, meta-search companies, package providers, car rentals, travel management companies, cruises and ferries drive better outcomes for their business. Founded in 2004 and headquartered in India, today RateGain works with Top 23 of 30 Hotel Chains, Top 25 of 30 Online Travel Agents and all the top car rentals including 8 Global Fortune 500 companies in unlocking new revenue everyday. For more information, please visit <https://www.rategain.com>

Forward-Looking Statements

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential, and target dates for project-related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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