

OYO Investor Deck

August 2024



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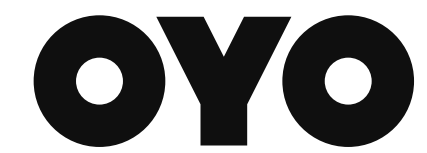
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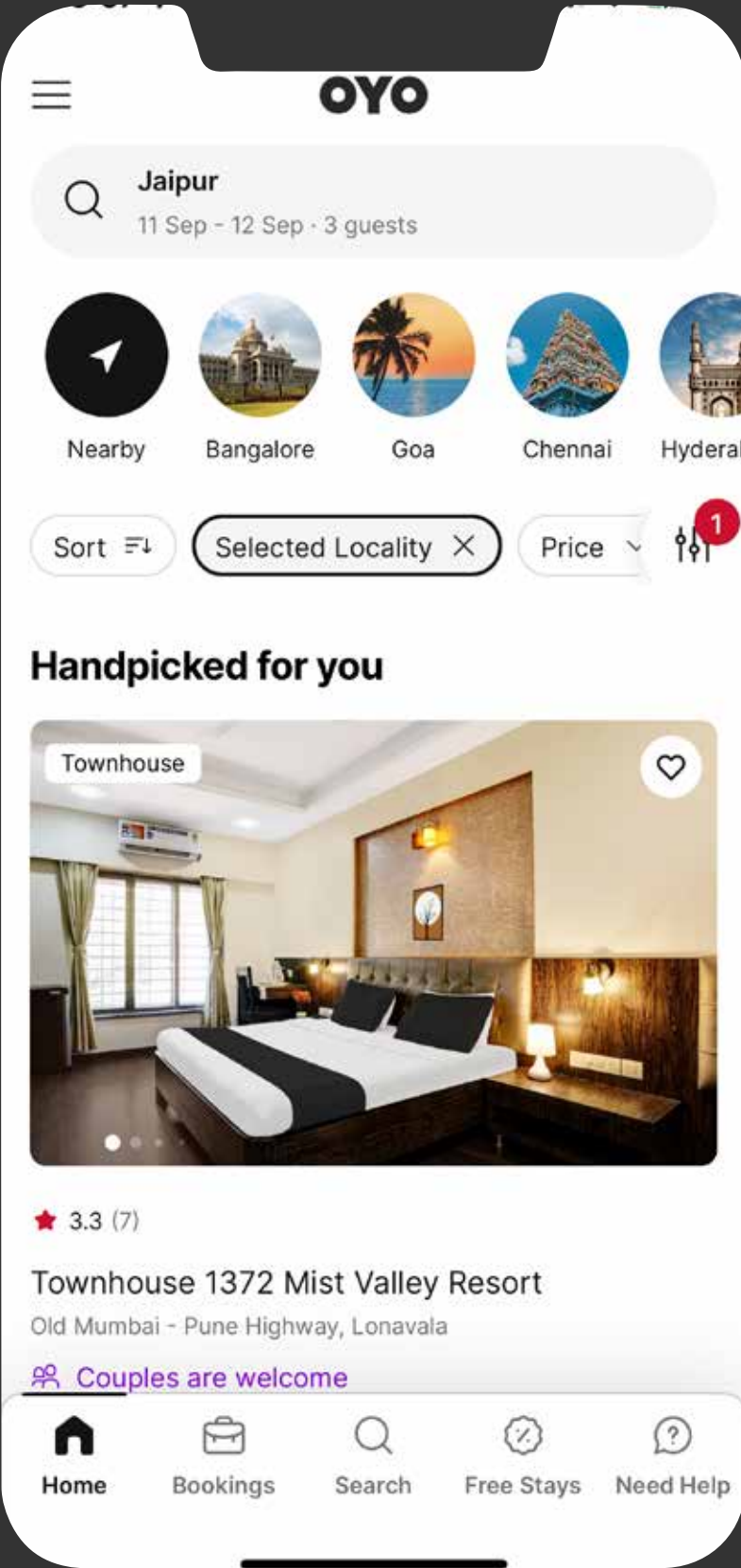
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is a **global platform** that **empowers entrepreneurs and small and medium businesses** that own or operate **hotels and homes** by providing full-stack technology products and services that aim to increase their revenue and ease their operations, and to enable our global network of customers to book affordable and trusted accommodations through a seamless digital experience on our platform



Key Operational Highlights



~132mn

App download

#5


Most Downloaded app globally¹


16.4Mn²

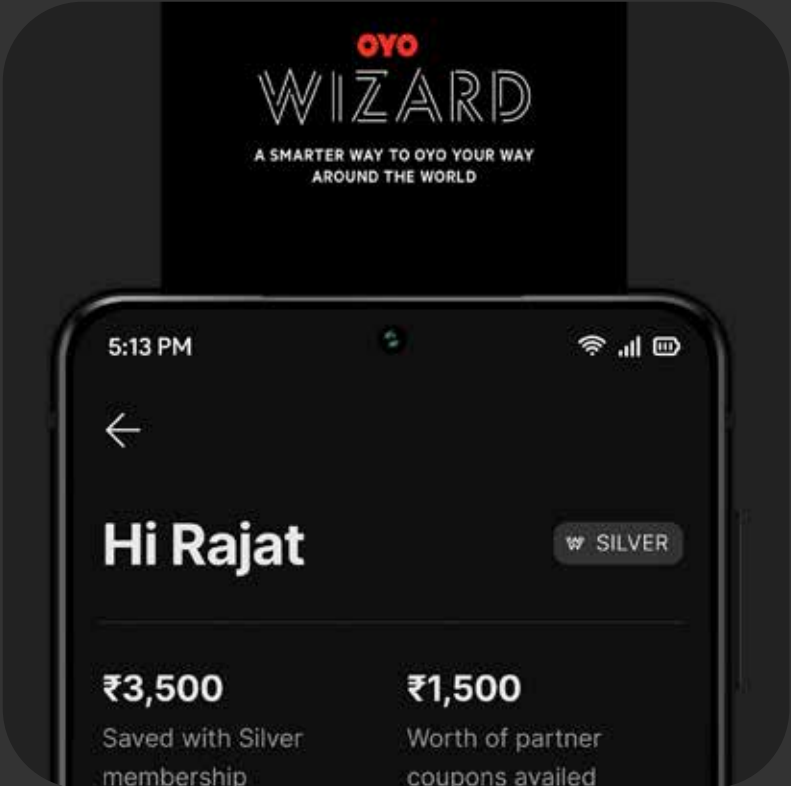
Wizard Membership - Distinct leadership in travel loyalty program


70%+

Global Direct Demand





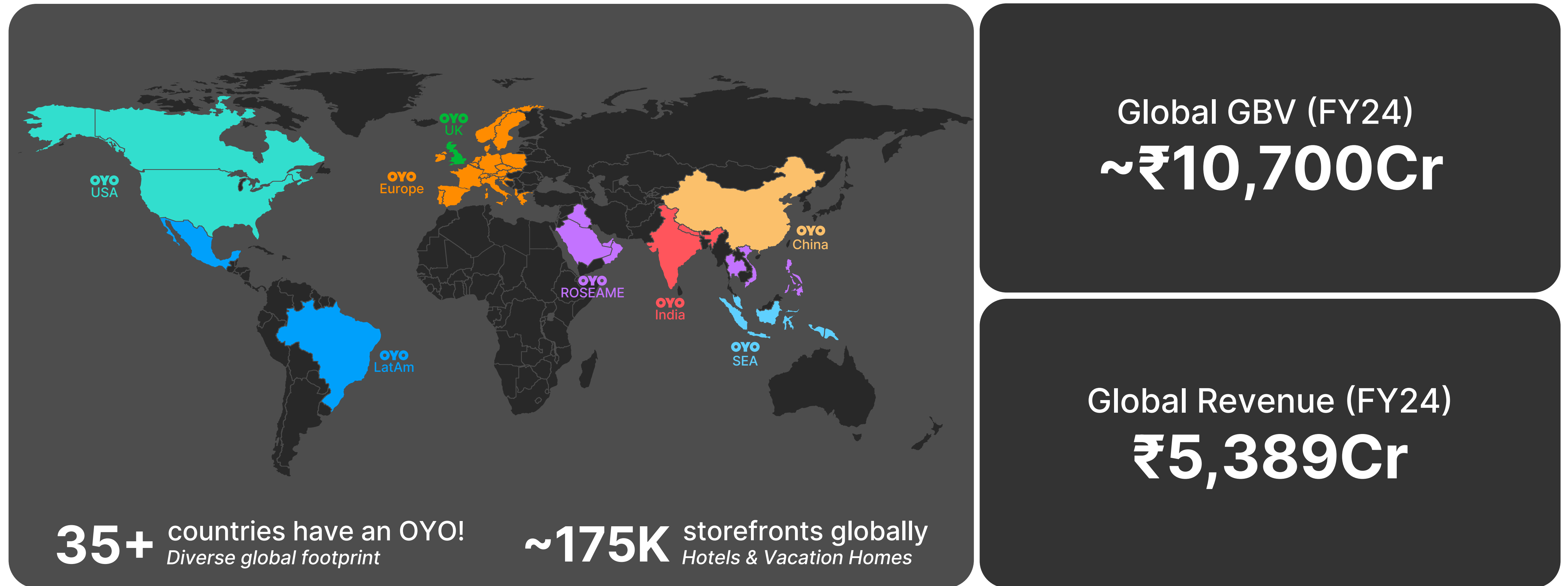




Note: 1 Source: RedSeer Research, leading travel mobile applications by downloads globally (Dec-23). Travel as a category does not include maps, cabs, railways and other local services, it only focuses on apps that enable hotel/flight bookings. Includes both Android and IOS app store downloads; 2as of Dec 2023

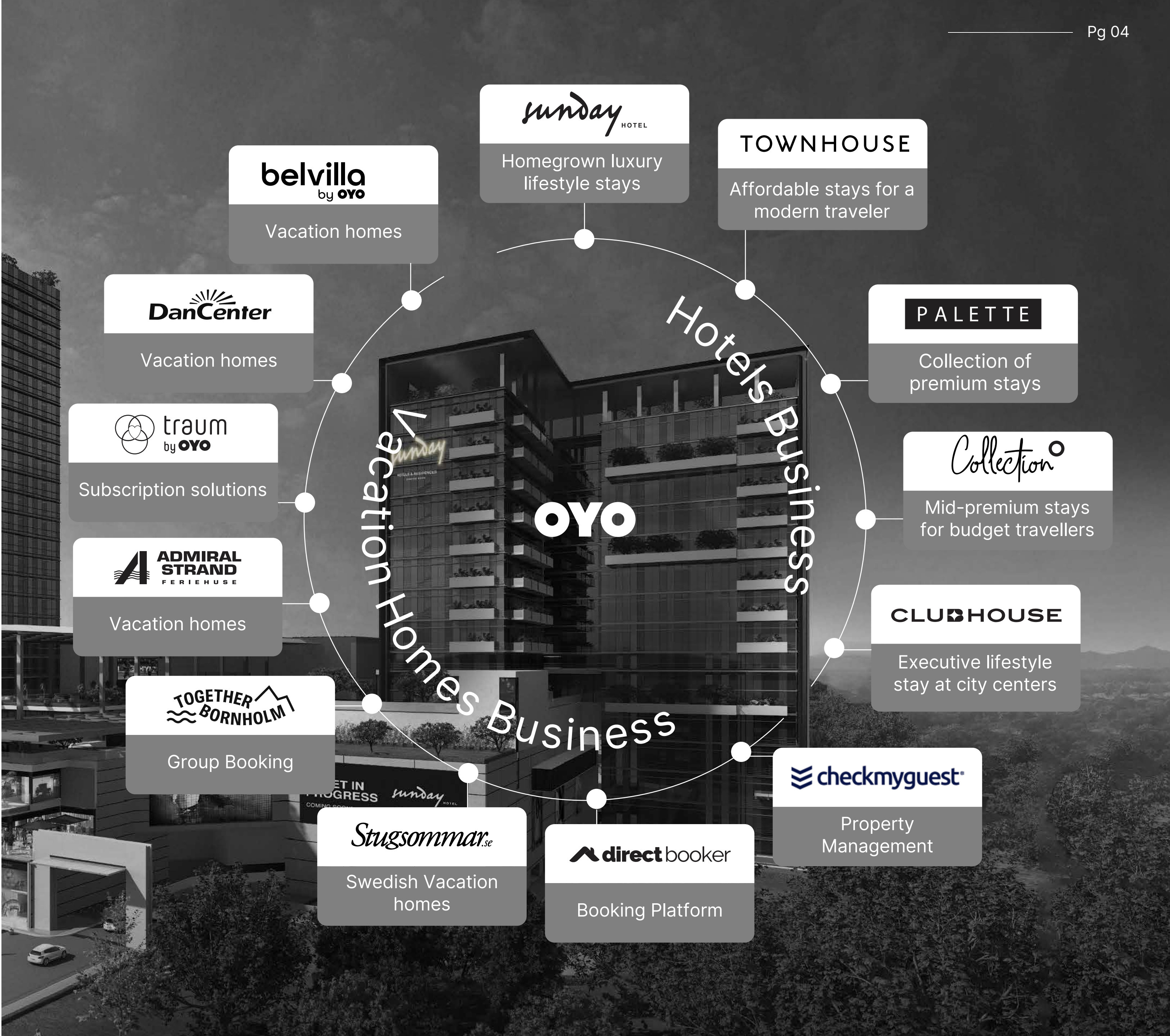
Global platform built from India

Significant Growth in Core Markets, steering away from China



Note: Key Markets Include India, Europe (Vacation Homes Business), International (US, UK, ROSEAME), SEA (Indonesia and Malaysia).

Operates
10+ brands
across Hotels
and Vacation
Homes



Delivered EBITDA¹ of ₹888Cr ; Performance of ₹229Cr of PAT in FY24

₹5,389Cr

Revenue

With launch of new brands, stronger focus on customer experience, and premiumization of brands, Revenue growth gearing to take off

46%

8% YOY growth



Gross Margin (GM)

Stable Gross Margins post transformation of business

₹1,616Cr

8% drop as % of Revenue



Operating Expenses

Operating expenses are projected to largely remain stable, as we achieved cost-effectiveness this year

₹888Cr

₹614Cr incremental growth over last year



EBITDA

Multifold increase in EBITDA. Post-Covid EBITDA turnaround through transformation holds strong and is expected to strengthen year over year

₹229Cr

First ever PAT positive year

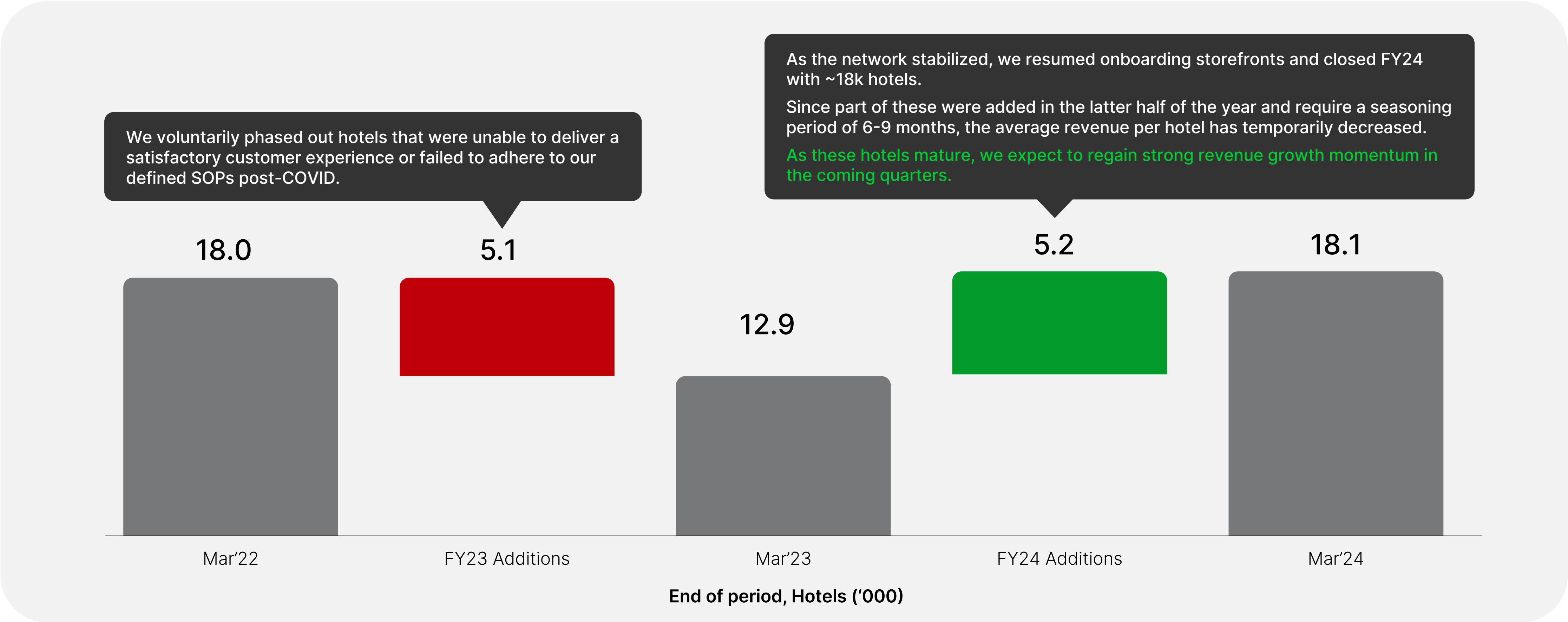


Profit After Tax (PAT)

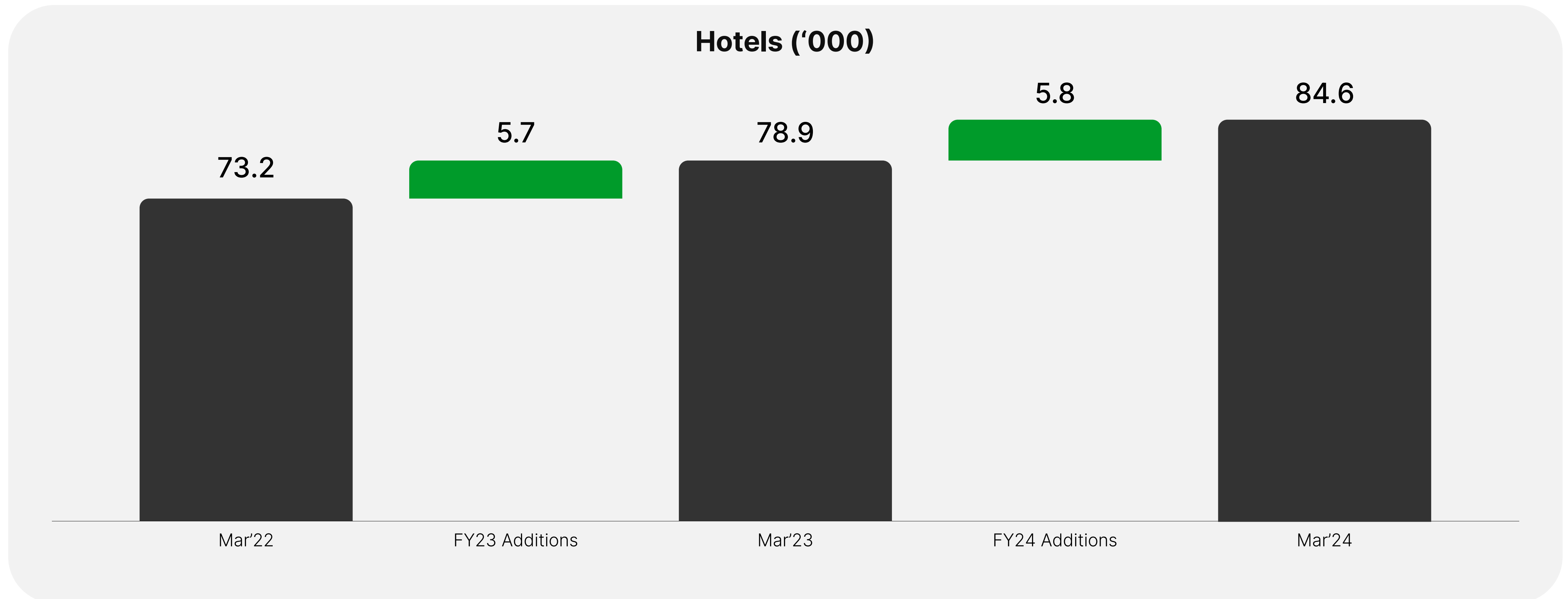
Achieved our first year of positive PAT. Moving forward, our focus will shift towards deleveraging and optimizing interest expense

40% hotel count growth in FY24 to drive revenue further in future

Post-COVID Network Optimization and Strategic Growth for Future Revenue Momentum



We have consistently added ~5-6k homes in the OVH segment, and expect the strong momentum in storefront growth to continue



Key Financials

(In INR Cr.)	FY22	FY23	FY24
Revenue from Operations	4,781	5,464	5,389
Gross Margin	1,908	2,327	2,503
<i>Gross profit margin (% of Revenue)</i>	<i>40%</i>	<i>43%</i>	<i>46%</i>
Contribution Margin ¹	1,789	2,178	2,388
<i>Contribution margin (% of Revenue)</i>	<i>37%</i>	<i>40%</i>	<i>44%</i>
Operating expenses (Employee & G&A)	1,617	1,162	817
Marketing expenses	652	759	683
EBITDA ²	(480)	257	888
PAT	(1,941)	(1,287)	229
EPS (in ₹)	N.M.	N.M.	0.34

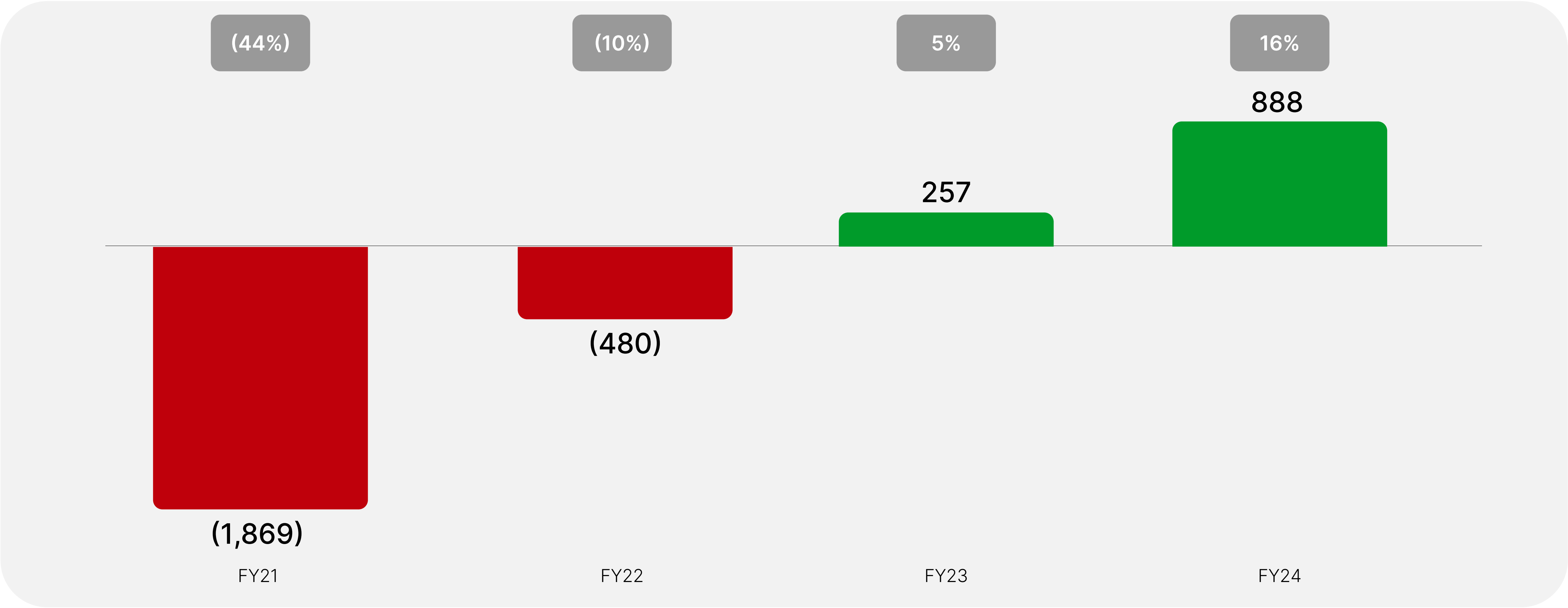
Note: USD/INR Fx Rate: \$1 / ₹83.068

¹Contribution margin has been calculated by subtracting Call center charges (part of G&A in financial statements) and Payment Gateway charges (part of Marketing expenses in financial statements) from gross margin

²EBITDA is net of ESOP costs (Non-cash).

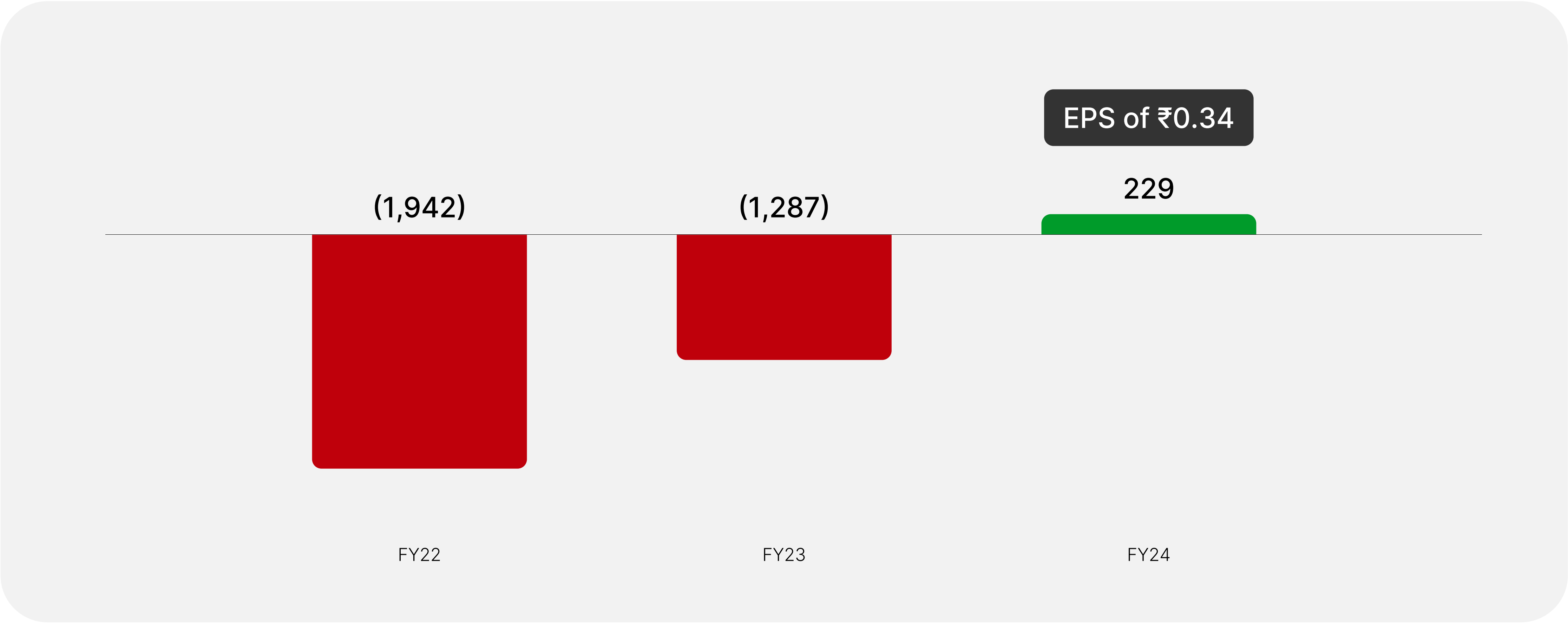
Stable Gross Margins coupled with operating leverage resulting in visible EBITDA accretion

EBITDA & margin (INR Cr. and % of Revenue)



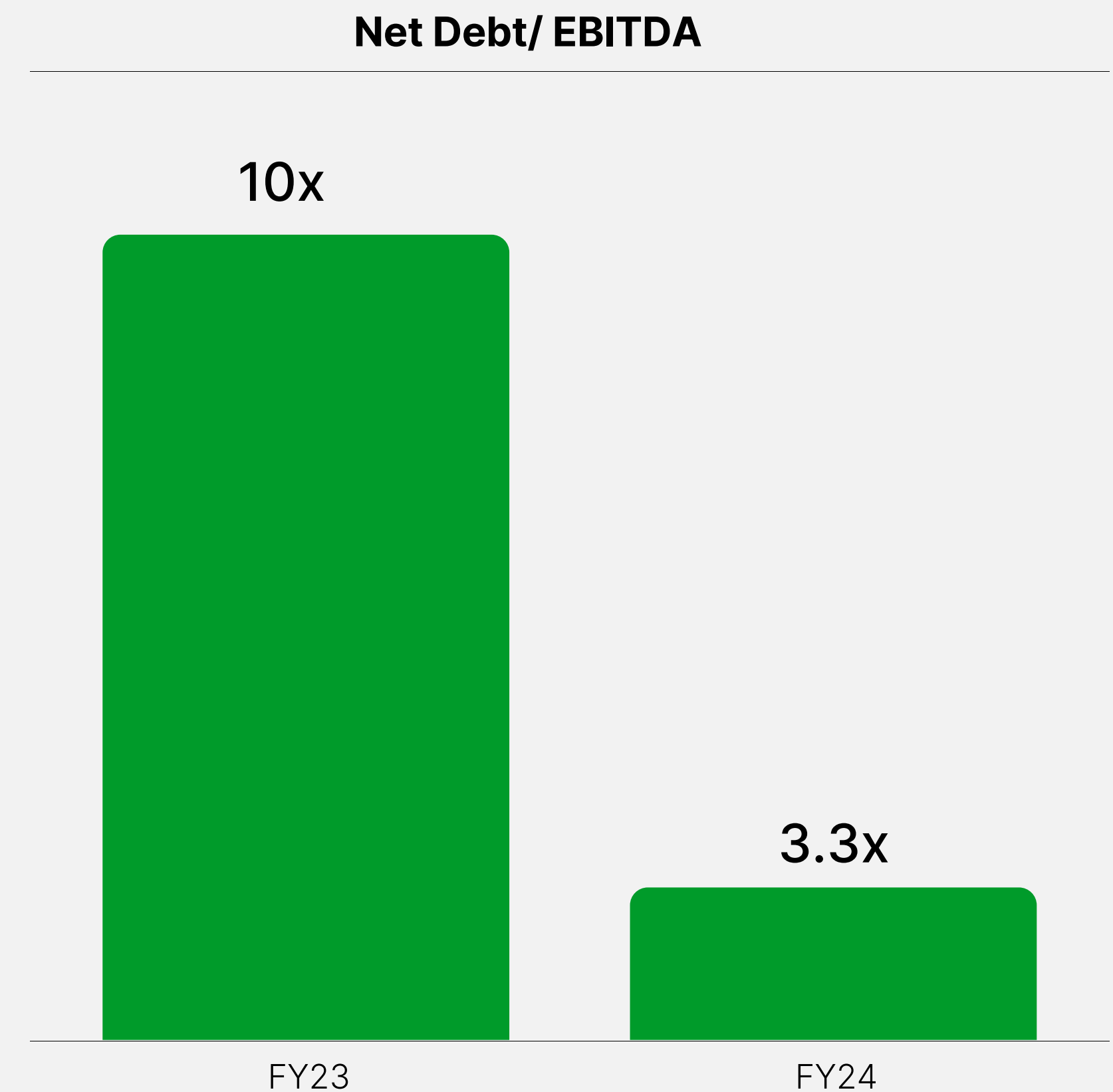
Achieved **first-ever PAT profitability** with PAT of ₹229Cr in FY24,
marking a significant milestone that strengthens the company’s financial foundation and accelerates its growth trajectory

Profit after tax (INR Cr.)



Well capitalized balance sheet and Effective Liability Management

- Outstanding Debt (as on 31-March-2024)
 - Gross Debt - ~\$449 Mn
 - Cash ~\$104 Mn
 - Net Debt - ~\$345 Mn
- Notes held by prominent lender stack
- OYO voluntarily prepaid ~\$195mn of debt in FY24 from our internal accruals and balance sheet cash, achieving annual interest rate savings of close of ~\$27mn annually
- This strategic move improved our Net Debt/EBITDA ratio to ~**3x**
- With positive cash flows accruing quarter over quarter, we are committed to further deleveraging, reducing interest costs, and improved PAT profitability



What's driving our success

- ✓ Achieved operational efficiency and profitability across all markets
- ✓ Market leader with one of the largest portfolio of hotels in key geographies
- ✓ Leading the industry as a comprehensive full-stack service provider for customer and patrons
- ✓ A dedicated focus on elevating our offerings towards premiumization
- ✓ Unlocking a fragmented vast total addressable market (TAM)
- ✓ Powerful supply acquisition engine across all geographies we operate in
- ✓ Delivering a seamless and exceptional customer experience



OYO Abbey Hotel, London Shepherd's Bush Market



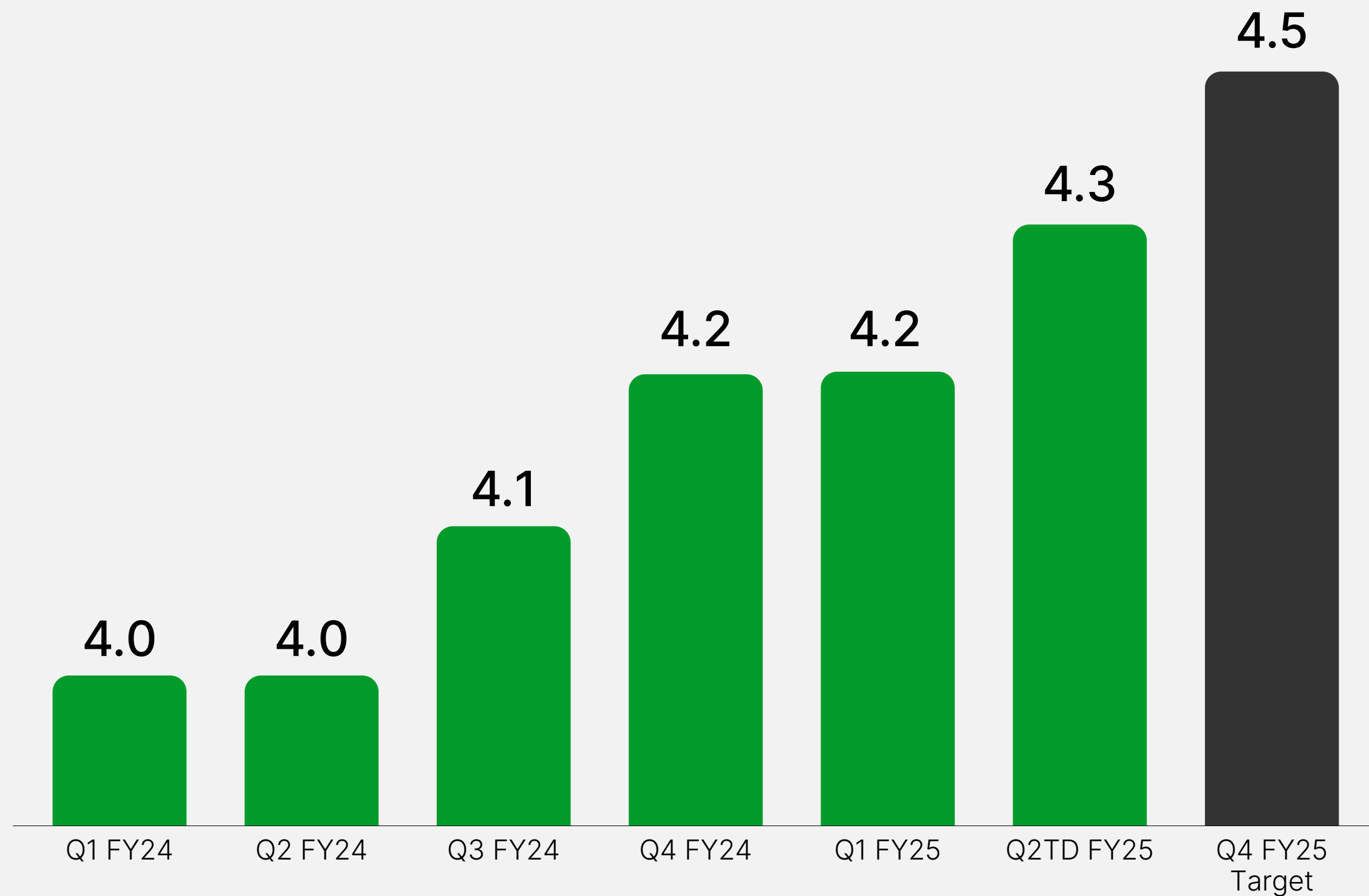
Chalet in St. Johann in Tyrol near Kitzbühel, Tyrol, Austria



Super Oyo GS hotels near Strand Mall, Kuala Lumpur – First SOB 2.0 hotel in Malaysia.

Improved Ratings Reflect Our Enhanced Focus on Customer Experience

India App ratings



OVH Business Trustpilot ratings for key markets (current ratings)

★ 4.0



**Belvilla
Netherlands**

Rating of 4.0
Vs 3.3 in
March 24

★ 4.3



**DanCenter
Germany**

Rating of 4.3
Vs 3.9 in
March 24

★ 3.0



**DanCenter
Denmark**

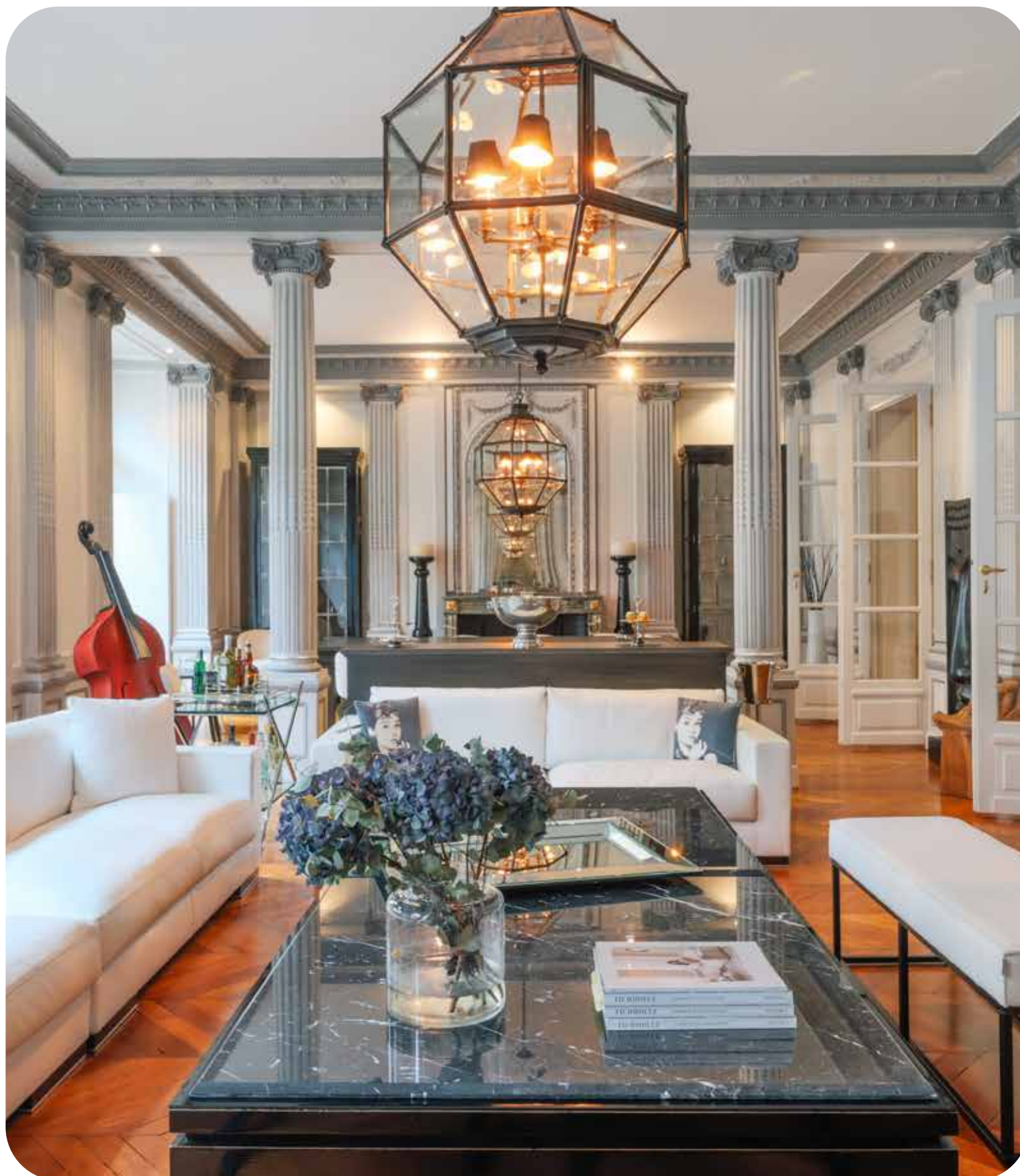
Rating of 3.0
Vs 1.9 in
March 24

M&A

Duplex - 4Bed/8P - Eiffel Tower View, Paris

Acquired premium rental homes company

OYO has consistently evaluated & pursued strategic partnerships to enhance its accommodation offerings, benefiting both customers and patrons



About Checkmyguest:

- Acquired French premium rental homes company "**Checkmyguest**" ("The Company") in July 2024 via cash and stock deal
- Checkmyguest **specializes in vacation rental properties, including homestays and luxury apartments**
- As part of the deal, Acquisition also includes:
 - Housing renovation business "**HMG**" (formerly "**Helpmyguest**")
 - Luxury rental apartment management company "**Studio Prestige**"
- In 2023, the Company generated a GBV of €82mn

Supply Base

- The Company has a total of ~2,000 assets under management; majority in Paris
- Supply base consists of commercial properties in prime Paris locations for short-term rentals, while residential properties are used for mid-term rentals

Strategic Rationale

- "**Checkmyguest**" expands OYO's footprint in the urban home accommodation sector both within Europe and Globally
- Expected payback period of 2-3 years, with key synergies anticipated within 12 months, ensuring a swift return on investment and improved financial stability

BUSINESS TRANSFORMATION JOURNEY



Business Transformation – Journey and way forward

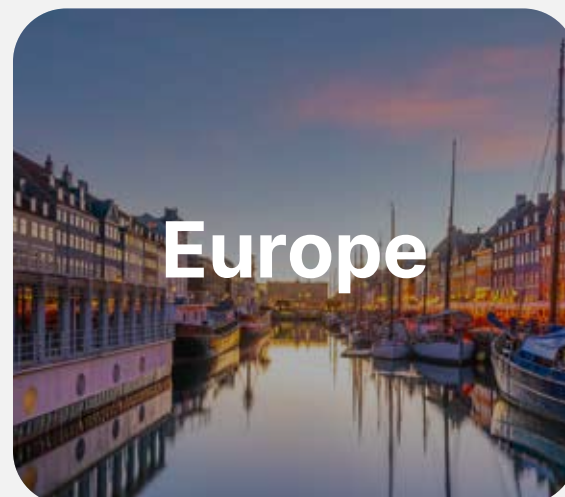
1

Streamlined footprint

Focus on Core Growth Markets with established leadership and proven unit economics



India



Europe



USA



Indonesia

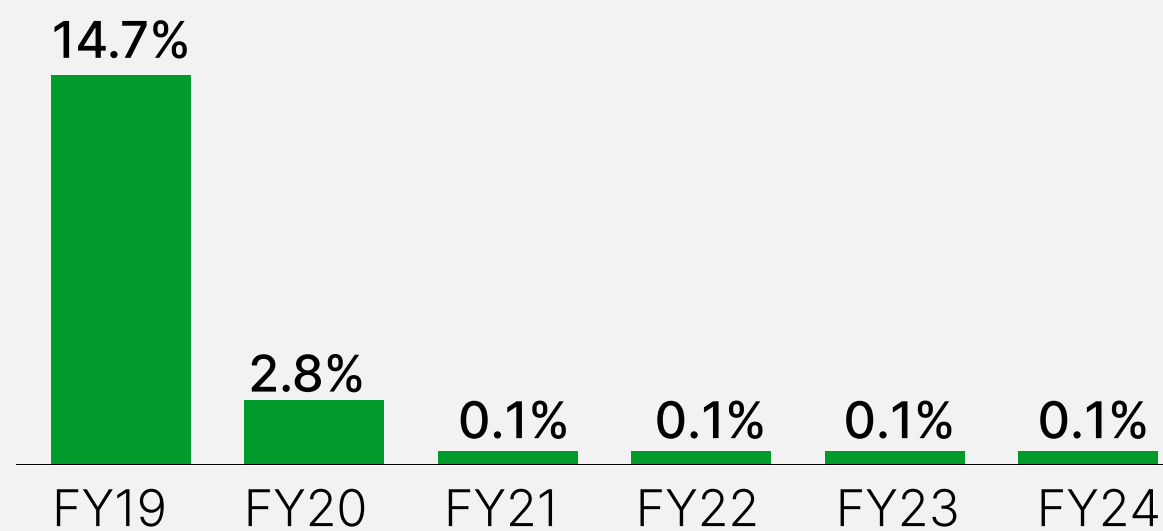
95% storefronts in Core Growth Markets

2

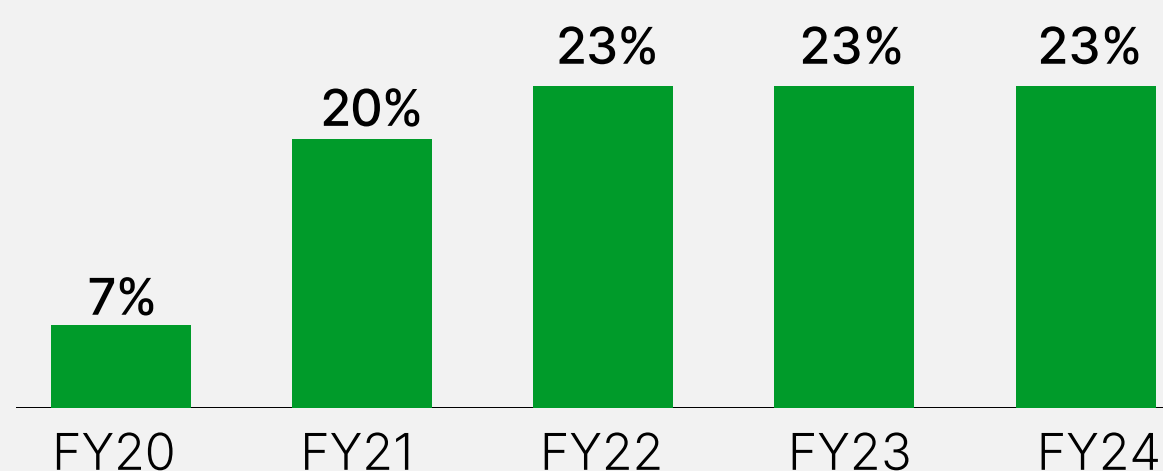
Simplified contract structure & increasing gross margins

Revenue share arrangement, with elimination of fixed payout commitments

% of storefronts with MGs and fixed payout commitments



Adj. Gross profit margin (% GBV)



3

Simplified contract structure & increasing gross margins

Tech-led acquisition and support – OYO 360, Re-seller model, Yo! Help Global shared services model for key support functions

Employee benefit expenses (FY24) ↓ 88%

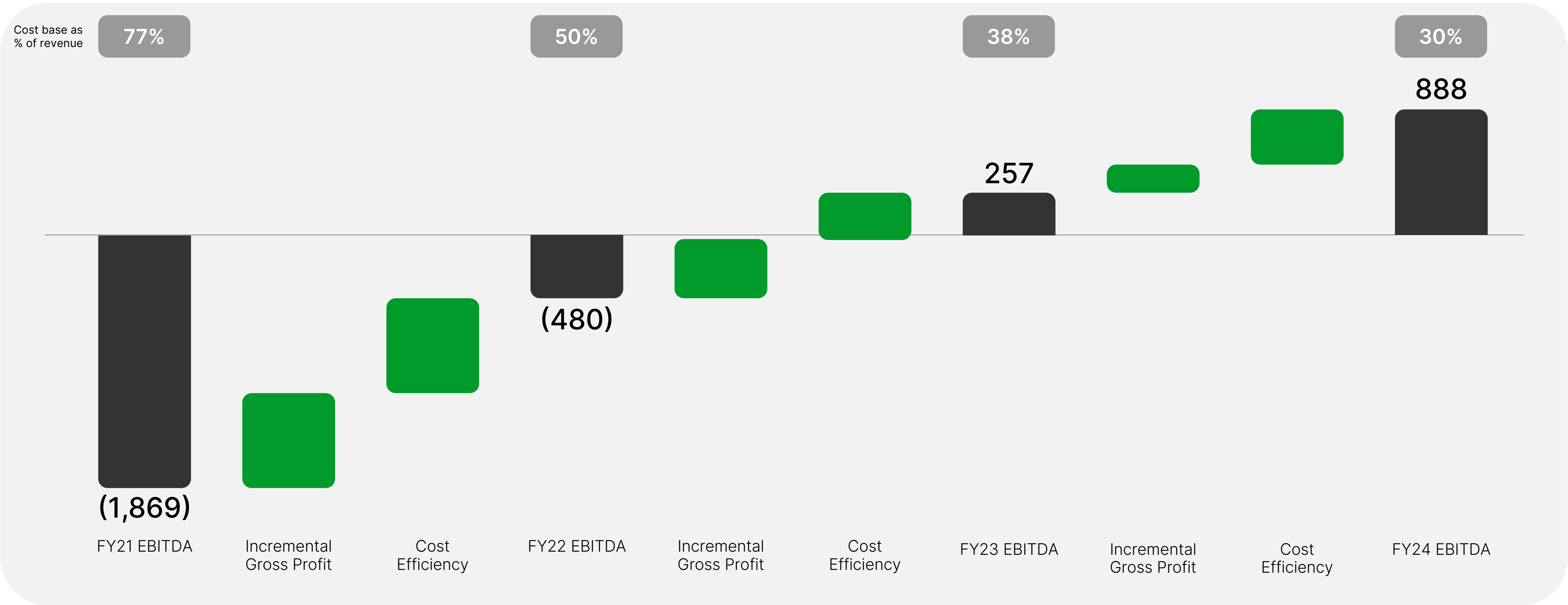
G&A expenses (FY24) ↓ 91%

Marketing & Promotion expenses (FY24) ↓ 63%

↓ % represents reduction in cost items from FY20 to FY24

The transformation was fueled by combination of business growth and strategic cost savings

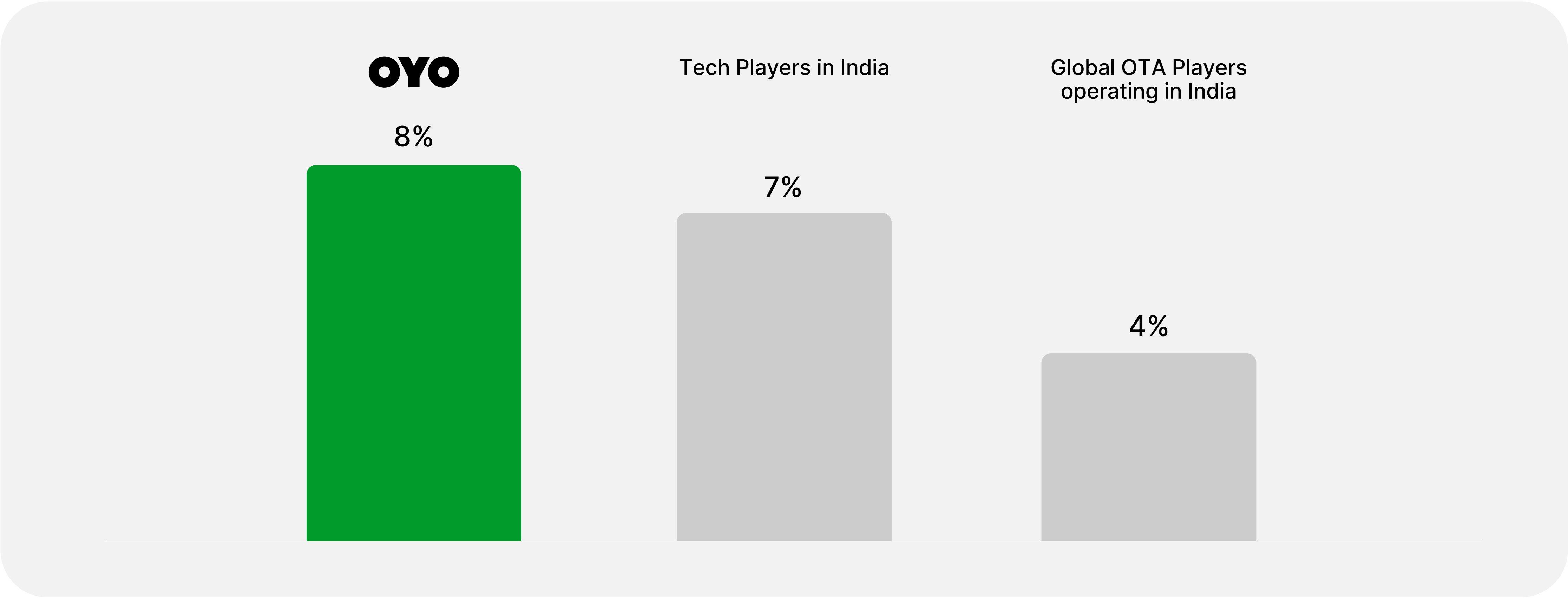
Leading to a robust post-COVID EBITDA turnaround that continues to strengthen year over year



Note: EBITDA in INR Cr

Achieving Superior Margins, driven by our efficient operations and strategic cost management

EBITDA Margin as % of GBV for last closed fiscal year



Note: Average Tech is the average of 3 tech players listed in India. Average OTA is the average of 3 listed global OTAs operating in India

YEAR AHEAD!

Defining themes for FY25!

Quality supply growth

Quality accretive Hotels;
adding large parks in Europe



Customer satisfaction

Value for money, presence;
ratings improvement

Patron satisfaction

Consistent returns, choice
of brands, SF branding

Consumer outreach

DAU & direct demand
growth, brand campaigns,
social boost

Premium Brand

Scaling Sundays
across Key Markets



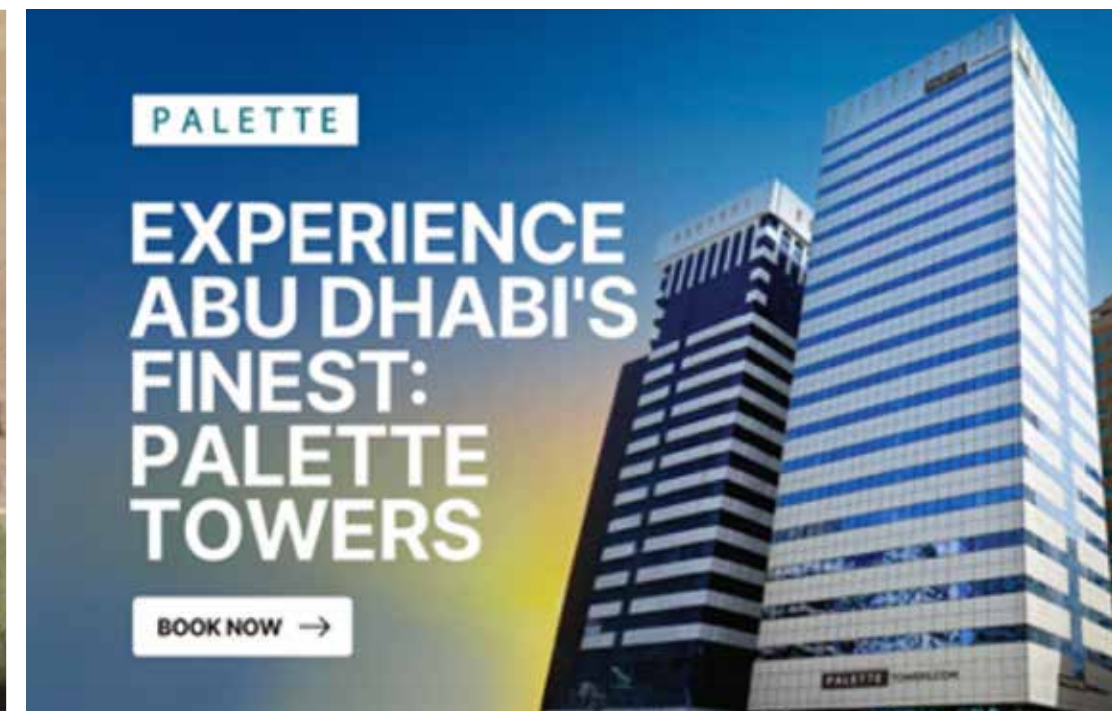
Alternate biz growth

Adding marquee Innov8s,
quality wedding venues

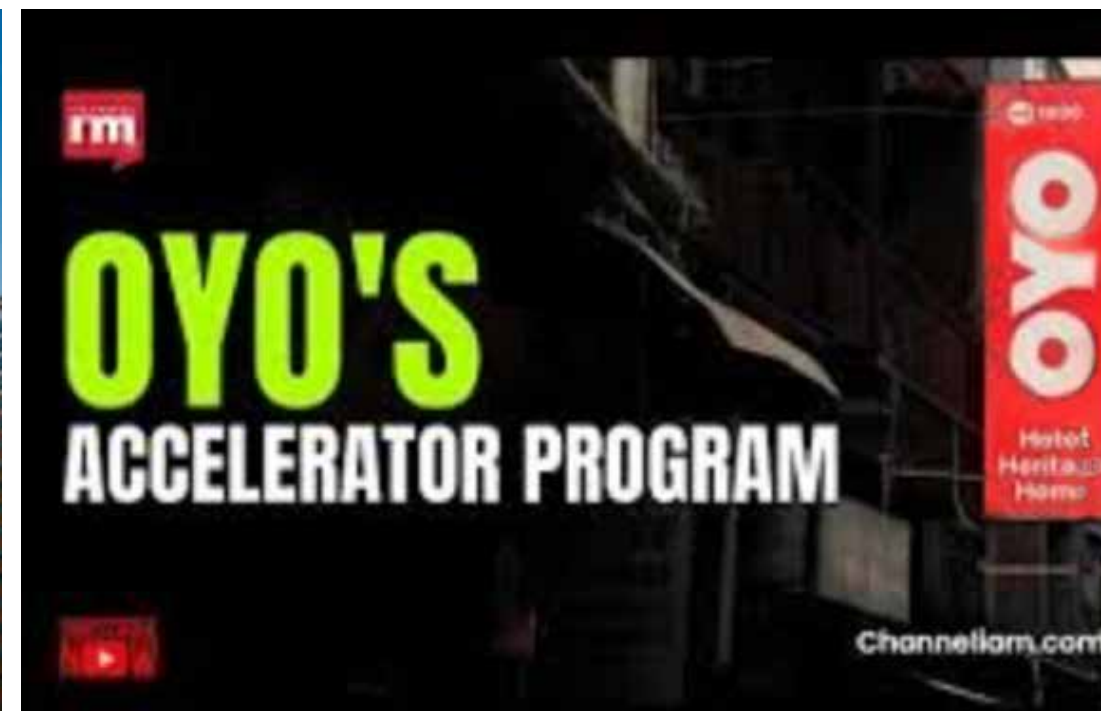
Global hotel expansion with a focus on enhancing customer experience, optimizing unit economics, and premiumizing our offerings



CONTINUED GROWTH MOMENTUM in opening of Palette, Reflection and Sunday brands in India and Internationally



Expansion of Premium properties in Middle East



Focus on adding portfolios under Accelerator Program



Expansion in Managed by OYO by Third party business



250 premier apartments launched in the UK with SOJO Stays, the biggest business deal of the UK biz so far



Huge focus on Holiday Parks & Large Inventory Vacation Homes in VRMC Business

Gen-AI Initiatives





For Consumer Conversion Improvement



Unlocking Valuable Insights from User Reviews

Launched a feature that delivers concise and impactful insights from customer reviews to help users make more informed booking decisions

Why book this home?

-  Rooms were spacious and clean
-  Near Veerse Meer lake
Ideal destination for water sports enthusiasts
-  1km away from North Sea coast
Ideal for beach activities such as sunbathing, swimming, etc.
-  Well equipped with amenities like bathtub, microwave oven, etc.



Crafting Unique Selling Propositions for Holiday Homes

Launching "Why Book This Home" widget to enhance the user experience and increase booking conversions

Highly rated for New

Location (7) Amenities (6)

Accommodation Quality (6)

Property Condition (5)

Outdoor and Surroundings (5)

Value for money
People who stayed in this property found their stay here worth the booking value.

Sparkling clean
People who have stayed here found the property to be super clean.

For improving Customer Service

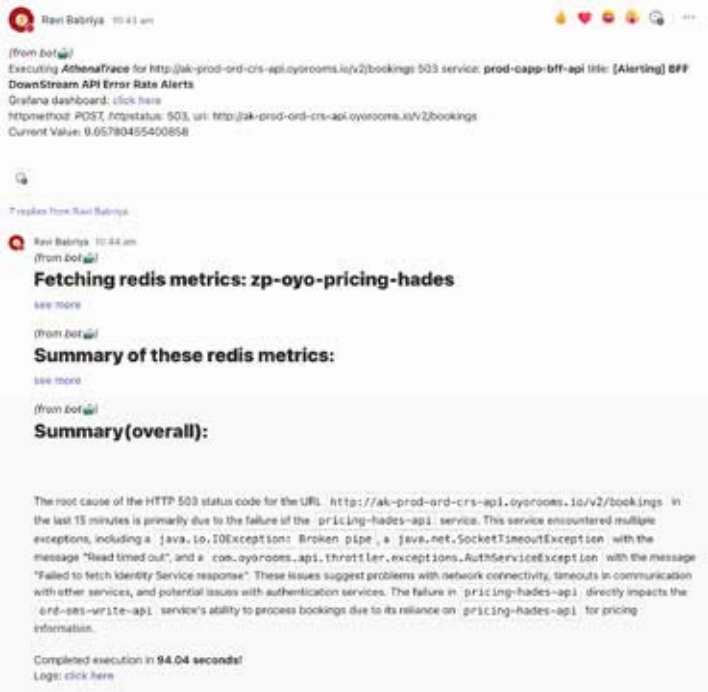
Complete customer service stack

- Voice Bot - Sounds human-like and displays empathy to the customer
 - 85% voice queries to be automated by 2024 end
- Real Time Translation - Realtime translation tool will translate to English for Indian agent
- Email/Chat Automation - 90% emails to be automated by 2024 end

For improving developer efficiency

Downtime issue identification bot using LLMs to reduce downtime detection significantly

Implemented a process optimization utilizing Large Language Models (LLMs) for enhanced debugging across microservices, databases, cloud resources, and other critical infrastructure



Focus on App-Based Bookings in Homes Business

Launched a new DanCenter app, targeting the geographies of Denmark, Germany, Norway, and Sweden. Within just one month of its launch, the app rapidly gained popularity, **becoming one of the top 3 trending apps in Denmark on the Play Store**

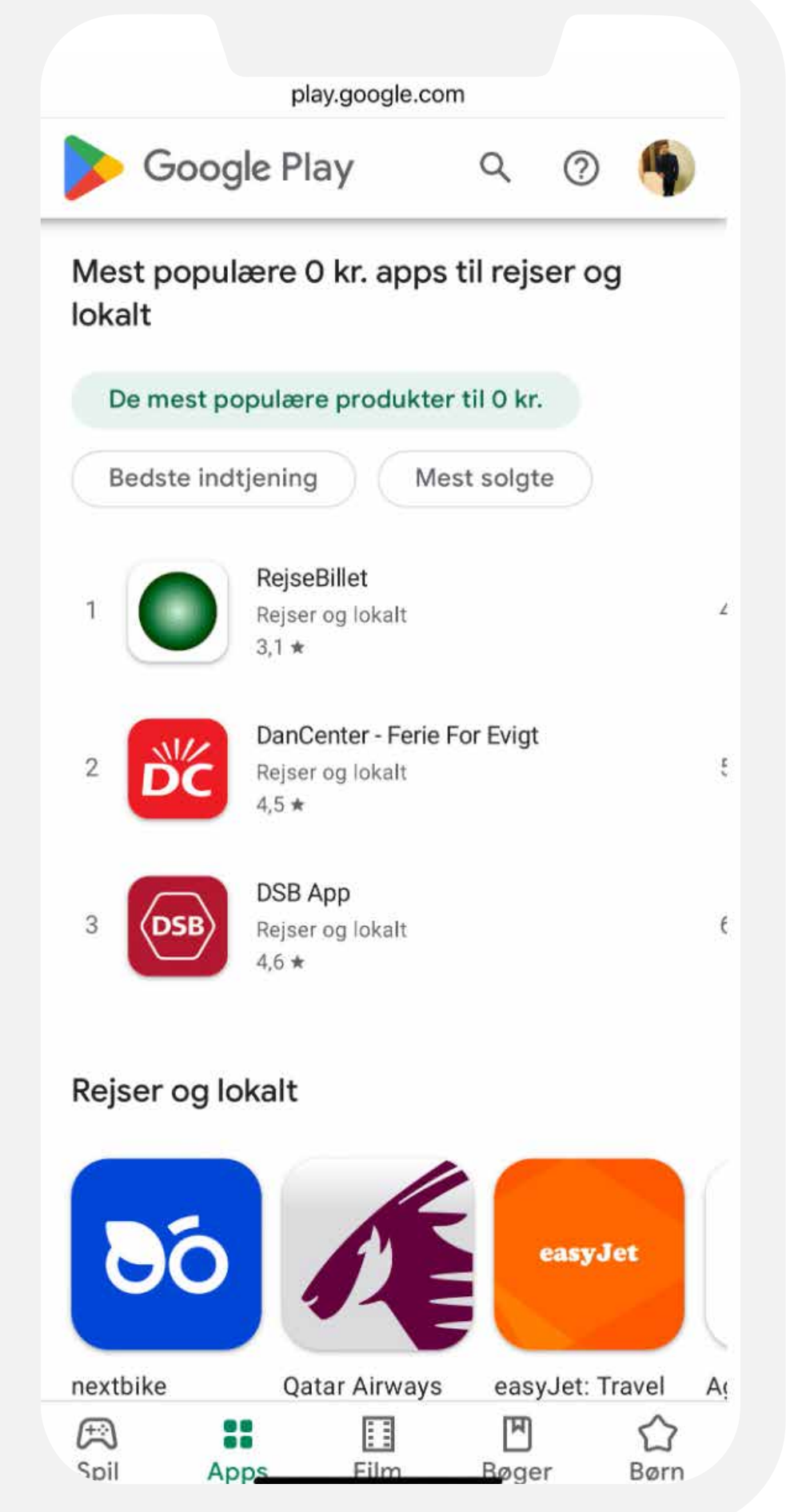
Key Performance Highlights:

Conversion Rate: The app's conversion rate is already **1.1x higher than that of the website**. A roadmap is in place to further scale this, with the goal of reaching the **BV app's conversion rate, which operates at 3x the website's rate**

New Capabilities Introduced in the DC App (Compared to Website):

- ✓ Modern UI/UX with a contemporary design
- ✓ Autosuggestion for Location Search
- ✓ Simple 3-step booking creation
- ✓ Integration of a points wallet for user rewards

Development Efficiency: All new capabilities, along with the features of the DC website, were developed within 30 calendar days. This achievement was made possible by building on top of the global stack, ensuring rapid and efficient deployment





THANK YOU