Wonderla Holidays Ltd — Nov 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

Result: Strong Beat (EBITDA & Margins) **One-line:** The thesis remains firmly intact as the Chennai Park delivers high-margin scalability even in the seasonally weakest quarter, though the deployment of the ₹520 Cr cash pile for the next park remains the primary valuation overhang.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Prior Quarter	**Strong Beat**	Revenue grew 45.4% YoY; EBITDA margins expanded to 24% (vs 17.9% YoY) despite Q2 being the weakest season.	🟢
Earnings Quality	**High**	Growth is structurally driven by Chennai operations and 16% H1 growth in non-ticket realizations (₹559/pax).	🟢
Guidance Confidence	**Neutral**	Management remains vague on the specific location/timing of the 6th park, citing land and govt. negotiations.	🟡
Management Credibility	**High**	Successfully ramped Chennai to a ₹28 Cr revenue contributor in its first Q2; operational execution is flawless.	🟢
Business Quality Signal	**Improving**	The transition to a "Destination Model" is working, with Resort revenues up 57% and occupancy hitting 60% in a lean quarter.	🟢
Key Q&A Exchange	**Q2: Expansion Delay**	Analysts pressed on the 18-month delay in new park announcements; management cited land acquisition as the primary friction.	🔴
The Street's Anxiety	**Lazy Capital**	Concern over ₹520 Cr in cash/investments earning treasury yields instead of high-ROCE park returns; Mgmt expects clarity by year-end.	🔴
Capital Cycle Stage	**Harvesting (Chennai)**	Currently harvesting massive summer cash flows from Chennai while scouting for the next major Tier-1 entry.	🟡
Margin Trajectory	**Improving**	Consistently beating historical Q2 margins; Chennai added ₹10.37 Cr to EBITDA (73% of incremental growth).	🟢
Pricing Power	**Expanding**	Non-ticket spend grew 16% in H1; guests are spending more on "value-added" services despite inflationary pressures.	🟢
FCF Conversion & Quality	**Strong**	High cash generation evidenced by the ₹102 Cr increase in current investments over the last 6 months.	🟢
Competitive Moat Signals	**Stable**	In-house ride manufacturing and dominant South-India brand presence continue to deter large-scale competition.	🟡
Balance Sheet Strength	**Exceptional**	Virtually debt-free with a massive cash cushion for 2-3 simultaneous park developments.	🟢
Working Capital Efficiency	**Stable**	Cash-and-carry model; Current Assets (₹581 Cr) dwarf Current Liabilities (₹78.6 Cr).	🟡
Mgmt Guidance Track Record	**Reliable**	Delivered Chennai profitability faster than peer benchmarks; H1 footfalls (20.2L) tracking well for an annual record.	🟢
Key Vulnerability	**Weather/ Seasonality**	Q2 Bhubaneswar footfall fell 20% due to "900% growth in rains"; weather remains the single un-hedgeable risk.	🔴
Management Tone	**Confident**	Management was highly bullish on Kochi and Chennai demand but firm in refusing to overpay for new land.	🟢

Sentiment: □Positive

Key Takeaways: * **Positives: Chennai is the Game-Changer:** Contributing 73% of incremental EBITDA growth in Q2, the park is already margin-accretive and tracking mature-park trajectories within 12 months. **Non-Ticket Monetization:** H1 non-ticket spend per guest rose 16% to □559, providing a high-margin cushion that offsets ticket price volatility. **Resort Synergies:** The "Destination" shift is validated by a 72% jump in H1 Resort revenue, proving that integrated hospitality drives higher LTV per guest. * **Negatives: Bhubaneswar Struggles:** The 20% drop in Q2 footfalls highlights that Tier-2 "experiment" parks are far more sensitive to weather disruptions and lack the depth of Tier-1 markets. **Expansion Stagnation:** Despite a "war chest" of □520 Cr, the lack of a firm 6th park location is beginning to weigh on capital efficiency. * **The Street's Concern:** Analysts are frustrated by the deployment speed of the □500 Cr+ QIP/Internal cash. Management's response—that they are "negotiating with 3-4 states" but won't make "rash decisions"—indicates a disciplined but slower-than-hoped growth trajectory. * **Watchpoint:** Q3 footfalls in Chennai/Kochi. These are the first monsoons for Chennai operations, and any disruption here could temper the current bullishness on its ramp-up.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS DATA SOURCE: PPT is primary. Concall used for commentary. Conversions from Lakhs to Crores (÷ 100).

Metric	Current Qtr (Q2 FY27)	YoY Change	QoQ Change (Seasonal)	Trend	Mgmt Commentary
Revenue (□Cr)	116.57	↑ 45.4%	↓ 52.0%	↑	Driven by Chennai contribution (□28 Cr) and 8% growth in mature parks.
Gross Margin (%)	100.0%	→	→	→	Core business model has negligible COGS; Materials Consumed is ~7% of Rev.
EBITDA (□Cr)	30.11	↑ 90.0%	↓ 75.3%	↑	High operating leverage; Chennai contributed 73% of incremental EBITDA growth.
EBITDA Margin %	25.8%*	↑ 790 bps	↓ 2220 bps	↑	YoY improvement due to higher footfalls and in-park spending initiatives.
PAT (□Cr)	0.05	↑ NM	↓ 99.9%	↑	PAT suppressed by □10 Cr incremental depreciation from Chennai Park.
EPS (□)	0.01	↑ NM	↓ 99.9%	↑	Reflects Q2 seasonality and depreciation drag.
Footfalls (Lakhs)	7.24	↑ 41.4%	↓ 40.9%	↑	Chennai (1.9L) and Bengaluru (2.13L) led volumes; BBS down 20%.
ARPU (□)	1,491	↑ 1.0%	↓ 21.5%	→	Ticket prices down 3% in Q2 due to "Group" mix; offset by 11% non-ticket growth.
Non-Ticket Spend (□)	510	↑ 11.0%	↓ 13.7%	↑	H1 grew 16% to □559; driven by F&B and retail "value-added" services.
Net Cash / (Debt)	520.87	↑ 24.3%	↑ 2.5%**	↑	Includes □504.86 Cr in current investments; interest/gains hit □9.1 Cr in Q2.
Resort Revenue (□Cr)	19.10	↑ 57.0%	↓ 45.4%	↑	Best ever Q2; occupancy grew to 60% from 59% YoY.

**Calculated as Total Income (125.67 Cr) - Expenses excluding Depr/Tax. PPT explicitly states 24.0% excluding other income. **Compared to March 2026 (Mar-26) Balance Sheet.*

2B. SEGMENT BREAKDOWN (Q2 FY27) | Segment | Revenue (□Cr) | *YoY Growth* | *Margin* | *Trend* | *vs Co. Avg* | *Key Development* | | :--- | :--- | :--- | :--- | :--- | :--- | :--- | | *Chennai* | *28.00* | *New* | *High* | ↑ | *Above* | *1.9L visitors; contributed 10.37 Cr to incremental EBITDA.* | | *Bengaluru* | *31.75* | *↑ 9%* | *Mature* | ↑ | *Inline* | *Record Q2 footfall of 2.13L; remains the flagship asset.* | | *Kochi* | *30.12* | *↑ 6%* | *Mature* | ↑ | *Inline* | *Record Q2 performance; bullish outlook for Q3 despite regional rains.* | | *Hyderabad* | *14.76* | *↑ 7%* | *Mature* | ↑ | *Below* | *Best ever H1; marketing focus driving better penetration.* | | *Bhubaneswar** | 2.98 | ↓ 20% | Low | ↓ | Below | Severe weather impact (cyclones); seen as an experimental Tier-2 asset. |

**Estimated based on Mgmt's "8% growth for existing" and "Chennai 28 Cr" commentary.*

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3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Feasibility	Historical Delivery	Risk Flag
Guidance	**Expansion**	Announce 1 large and 1 Tier-2 park soon.	18 months since QIP; needs 1 deal by Q4 FY27 for credibility.	**Delayed**	**High**
Guidance	**Chennai Maturity**	2-3 years for optimal utilization.	H1 at 4.3L pax; needs ~15% CAGR to hit Bengaluru-style 1M pax.	**On Track**	**Low**
Guidance	**Margins**	Stabilize at mature park levels (40%+).	H1 margin is 40.3% despite Q2 monsoon; highly feasible.	**Beating**	**Low**
Strategy	**Non-Ticket Rev**	Shift mix toward 30-35% of ARPU.	Non-ticket is now 32% of H1 ARPU (□559 of □1,750).	**Delivered**	**Low**
Strategy	**Hospitality**	Resorts at all parks; waiting for 1 year of 'The Isle' data.	Bengaluru Resort growing 57%; replication logic is sound.	**On Track**	**Medium**
Balance	**Equity Dilution**	No further dilution planned.	□520 Cr cash on hand; internal accruals can fund 2 large parks.	**Consistent**	**Low**

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4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
1	4.0	Shamit Ashar / Ambit	Pricing	Financials	"Chennai Park's ticket price... was 20% below the average... was this pricing strategy deliberately adopted to drive higher footfalls?"	Management clarified the lower ARPU in Chennai was due to a high mix of corporate/ educational groups in Q2, which are more discounted than retail. This confirms volume-led growth is the current priority for the new asset, which might lead to short-term ARPU volatility.	None	4.0	Specific and logic
1a	4.5	Shamit Ashar / Ambit	Expansion	Management Commentary	"I wanted to know if there is any update on the new park announcement?"	Management stated there is no update yet but they are working on it and will share news when there is finality. This keeps the market in a "wait-and-watch" mode regarding the massive cash pile deployment.	Specific location/ timeline	2.0	Deflected
2	4.0	Sonal Rajpal / ICICI Direct	Seasonality	Business Overview	"How did you see footfall in Chennai, especially during Quarter 3, as it coincides with the festive season? ...East Coast witnessed Cyclone Arnab..."	Management acknowledged monsoons will impact footfall but remains bullish on Kochi due to strong group bookings and the Christmas season. This highlights that	Direct impact of Cyclone Arnab	3.0	Direction

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						Q3 performance will be a tug-of-war between festive demand and weather disruptions.			
2a	3.5	Sonal Rajpal / ICICI Direct	Operations	Business Overview	"What was the issue in Bhubaneswar park in Q2 FY27? Was it purely weather-led?"	Management confirmed a 20% drop in footfall was entirely due to 900% growth in rain across 20 districts. This underscores the vulnerability of smaller Tier-2 assets to localized climate events.	None	4.0	Quantifie
3	4.5	Vivek Kumar / Geometric	Capex	Capex and Allocation	"How much would be a typical capital for a large park now? ...And in the next 3-4 years, can we expect at least 3 parks completed?"	Management indicated a large city land parcel now costs ₹100-200 Cr, but was non-committal on the number of parks, saying they want to do 3 but maybe 2 will happen. This implies a more cautious rollout than the "5 parks in 5 years" long-term aspiration.	Minimum park count	2.5	Cautious
3a	3.0	Vivek Kumar / Geometric	Growth	Business Overview	"How are you seeing Hyderabad park, and when will	Management cut the analyst off, noting other	The entire question	1.0	Pushed back

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					reaching 1 million..."	people were waiting to ask questions. This prevents visibility on the growth ceiling for the Hyderabad asset.			
4	3.5	Keshav Garg / Counter Cyclical	Revenue Mix	Business Overview	"The point being that at night when the park gets shut, then what can we do to increase the utilization?"	Management explained that park locations (outskirts) and maintenance requirements make night events like weddings difficult. This confirms that utilization is capped by park hours, making Resort expansion the primary "after-hours" monetization lever.	None	4.0	Clear/ Technica
5	3.0	Keshav Garg / Counter Cyclical	M&A	Capex and Allocation	"Any possibility of acquiring EsselWorld?"	Management preferred greenfield projects over acquisitions, citing that starting from scratch is their core competency and acquisition is not their preference. This rules out inorganic growth in the Mumbai market for now.	None	4.0	Clear
6	4.0		Profitability	Financials			None	5.0	Quantifie

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		Suhani Singh / ROS Capital			"Despite strong EBITDA growth, the PAT remained almost flat in Q2. So when can we expect better earnings conversion?"	CFO explained that the ₹500 Cr investment in Chennai has high depreciation (7-8% of expense), which suppresses PAT in the initial years. Investors must focus on EBITDA/Cash Flow as the primary value metric during this expansion phase.			
7	3.5	Rohit / ithoughtPMS	Capacity	Capex and Allocation	"Is there also something that you're thinking in terms of adding some capacity in terms of Bangalore amusement park?"	Management avoided commenting on future capex but noted they work on both global ride investments and timing optimizations. This suggests Bengaluru is nearing optimal physical capacity.	Specific capex plan	2.0	Hedged
8	4.0	Vivek Kumar / Geometric	Strategy	Management Commentary	"What are the constraints... delaying our new project launches? ...Is it land or it's some government policy?"	Management admitted land acquisition and government matters are the primary constraints causing "usual" delays. This identifies the regulatory environment	None	3.0	Honest b vague

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						as the biggest bottleneck to scaling.			
9	3.5	Keshav Garg / Counter Cyclical	Land Bank	Business Overview	"What percentage of the park is currently being unutilized... for a resort?"	Management stated 40% to 50% of land is still available across parks (less in Hyderabad). This confirms substantial "free-call options" on hospitality expansion without further land acquisition costs.	None	3.5	Direction
10	4.0	Anurag Jain / Individual	Funding	Capex and Allocation	"Do you expect more equity dilution to fund those parks or the cash flows... should be sufficient?"	Management explicitly ruled out further equity dilution, stating internal cash flows and potential debt are sufficient. This is a massive positive for long-term EPS accretion as the equity base remains fixed.	None	5.0	Firm commitm

PATTERN FLAGS & SENTIMENT * **Theme 1: The "Lazy Cash" Friction.** Analysts (Vivek, Rohit, Anurag) are clearly growing impatient with the □520 Cr cash pile. Management's defensive posture regarding land acquisition delays suggests they are prioritizing asset quality and price over speed. This tension will likely persist until a new park is formally announced. * **Theme 2: PAT vs. EBITDA Divergence.** Multiple questions touched on why the 90% EBITDA growth didn't translate to PAT. Management was firm in highlighting the non-cash depreciation drag from Chennai, signaling that investors should value the business on EV/EBITDA or Cash Flow multiples rather than P/E for the next 2-3 years. * **Analyst Sentiment Verdict: Skeptically Bullish.** Analysts were convinced by the operational performance (Chennai and Resort growth) but skeptical about the timeline for the next growth leg. Management's credibility on operations is at an all-time high, but their "deal-making" pace is being questioned. The ruling out of further equity dilution was the most well-received part of the call.

5. WHAT CHANGED vs PRIOR QUARTER

Based on Prior Context (Q1 FY27) vs. Current Quarter (Q2 FY27).

What Changed	Prior Quarter (Q1 FY27)	This Quarter (Q2 FY27)	Direction
EBITDA Margin	48.0% (Peak Season)	24.0% (Lean Season)	↓ Seasonal
Chennai Contribution	Early ramp-up (□45 Cr Rev)	Sustainable contributor (□28 Cr Rev in lean)	↑ Accretive
Non-Ticket Realization	□591 per guest	□510 per guest	↓ Seasonal
Cash Reserves	~□430 Crore	□520.87 Crore	↑ Improving
Expansion Status	"Announce by year-end"	"No update/negotiating"	→ Stagnant
Weather Impact	Favorable summer	900% excess rain (Bhubaneswar)	↓ Deteriorating
Hospitality Outlook	Standalone resorts possible	"Waiting for 1 year of Isle data"	↓ Cautious

Investor Notes: * **Thesis Status:** Strengthening. The success of Chennai in its first "off-season" (Q2) proves the asset is robust. The 90% EBITDA growth YoY in the weakest quarter is the strongest signal of operational leverage. * **The "PAT Trap":** Investors should ignore the near-zero PAT in Q2. It is a mathematical artifact of front-loaded depreciation on the □600 Cr Chennai investment. H1 PAT of □72.85 Cr is the more relevant metric for trailing performance. * **Capital Allocation:** Rule-out of further dilution is a significant sentiment booster. With □520 Cr cash, Wonderla can build 1 large and 1 small park without touching a single rupee of debt or new equity. * **BBS Monitoring:** Bhubaneswar is proving to be a high-beta asset. If footfalls don't recover to the 1.2-1.3L avg run-rate in H2, the "Tier-2/Small Park" strategy may be reassessed by the market. * **CFO-to-PAT:** While a full Cash Flow wasn't provided, the □100 Cr+ jump in current investments in 6 months (vs □72.8 Cr PAT) suggests excellent cash conversion, likely aided by the high depreciation add-back.

STOP.