



**Mondee Holdings, Inc. (Nasdaq: MOND)  
Conference Call to Discuss  
Orinter Acquisition and Affiliate Network Launch**

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**Corporate Speakers:**

- Jeff Houston; Mondee Holdings, Inc.; SVP
- Prasad Gundumogula; Mondee Holdings, Inc.; Founder, CEO & Chairman
- Orestes Fintiklis; Mondee Holdings, Inc.; Chief Corporate Strategy & Business Development Officer and Vice Chairman
- James Dullum; Mondee Holdings, Inc.; COO

**Participants:**

- Darren Aftahi; ROTH MKM Partners, LLC; Research Division, MD & Senior Research Analyst
- White Hanson; D.A. Davidson; Analyst
- Michael Grondahl; Northland Capital Markets; Research Division, Senior Research Analyst & Head of Equity Research
- Brett Knoblauch; Cantor Fitzgerald & Co.; Research Division, Research Analyst
- Matthew Pfau; William Blair; Analyst
- Nicholas Jones; JMP Securities; Director, Internet Equity Research

**PRESENTATION**

**Jeff Houston**

Good morning, everyone. Welcome to Mondee's conference call to discuss the acquisition of Orinter and the launch of the Mondee Affiliate Network. With me today is Chairman, CEO and Founder, Prasad Gundumogula. Also participating in the Q&A session, our Chief Financial Officer, Dan Figenshu; Vice Chairman; and Chief Strategy Officer, Orestes Fintiklis; and Chief Operating Officer, Jim Dullum.

Before we begin, I'd like to note that this call may contain forward-looking statements, including statements about revenue, growth of our business, our management and growth plans, and other nonhistorical statements as further described in our press release.

These forward-looking statements are subject to certain risks, uncertainties and assumptions, including those related to Mondee's growth, the evolution of our industry,

our product development and success, our management performance and general economic and business conditions. We undertake no obligation to revise any statements or reflect changes that occur after this call.

Descriptions of these and other risks that could cause actual results to have a material difference from these forward-looking statements are discussed in our reports filed with the SEC and in our press releases that was issued yesterday and earlier in the week. During the call, we also refer to non-GAAP financial measures. Reconciliations of the most comparable GAAP measures are available at [investors.mondee.com](http://investors.mondee.com). With that, I would like to turn the call over to Prasad.

### **Prasad Gundumogula**

Thank you, Jeff. Good morning, everyone, and thank you for joining us today to discuss two exciting developments for Mondee. We appreciate your interest whether you are a shareholder, a client, suppliers, business partners, employees, prospect to shareholders or analysts.

I will begin today's call with a brief introduction, then open up the call for Q&A. First of all, I'm excited to announce that yesterday, Mondee acquired Orinter, a leading B2B travel company in Brazil and Latin America and to welcome their stellar management team to the Mondee family. This acquisition aligns with our strategy of acquiring complementary and synergistic businesses that expand our footprint and product offerings.

Let me share a few highlights and benefits of this transaction. First and most of U.S. is the expansion of Mondee's geographic footprint. With the addition of Orinter, we are leveraging our North American market leadership into Brazil, and there a strong growth market.

This acquisition enhances the Mondee's marketplace by adding 4,800 travel companies to our network. Second is the expansion of our global content. Orinter expands our local and global content with several additional direct hotel packages and ground transport company connections. These provide even more options for all Mondee customers and their travels as well as the opportunity to further improve our take rate as seen with Orinter's approximately 13% takerate.

Third, is adding significant local expertise and experiences to Mondee's marketplace offerings. Or interest Network brings numerous local experts who can create new and interesting experiences on Mondee's technology platform enhancing our already rich offerings for our 50,000 live experts and 125 million closed group members.

Fourth, are the substantial synergies to be realized by combining our 2 companies. These synergies include additional Orinter revenue from cross-selling, more rapid growth with tech enable differentiation as well as cost savings by deploying Mondee's innovative technology.

Fifth, this transaction is immediately accretive on an economy economic basis. with a purchase price of \$40 million on 2022 EBITDA of approximately \$9.3 million. This is approximately 4x multiple for the transaction is materially accretive at Mondee's current market multiple.

The second initiative, I'm excited to comment on is the 1 we announced earlier this week of the launch of Mondee's Influencer and Affiliate Network Program. That is a win-win-win for customers, suppliers and Mondee. Within this program, our customers who include emerging influencers, it workers and existing travel affiliate benefits from vertical integration into Mondee's full stack of content services and technology.

This leveraging of our full ecosystem helps Mondee's customers and a creates drive growth, profitability and product expansion in the rapidly changing travel space. In parallel, our supplier partners is enhanced and more efficient distribution of their highly perishable seats and bets in a channel that doesn't compete or conflict with their direct booking efforts.

For Mondee, the benefit is in further organic growth in the near term as the program is based on exclusivity with our participating influencers and expert affiliates. Orinter's acquisition allows us to expand our influencer and export ala program more rapidly and into the Latin America markets.

In conclusion, we are confident that these two exciting developments will drive growth and increase competitiveness for Mondee in \$1 trillion portion of the travel market we are disrupting. Our goal is to continue to provide our customers with the best travel experiences and risk content in the rapidly expanding global gig economy. We'll open up the call now for Q&A.

## QUESTIONS AND ANSWERS

### **Operator**

(Operator Instructions) Our first question comes from the line of Darren Aftahi of Roth MKM.

### **Darren Aftahi**

Congratulations on get this transaction done. A couple of questions, if I may. First, can you talk on Orinter just the composition of the business? Is it exclusively domestic Latin America and Latin America to other international markets? And if so, can you kind of talk about the cross-sell opportunity to your current install base?

And then my second question, can you just talk about -- I know you did a little bit in the press release, but just talk about the types of verticals Orinter's in kind of what adding Mondee can do from a low-fruit perspective, just both on a sales and a profitability

perspective? And I didn't see anything about airlines. I'm just curious if 1 of the low-hanging fruit elements is cross-selling airlines from your installed base?

**Orestes Fintiklis**

yes. Thank you. Thank you for the question. This is particularly the Vice Chairman of the company and also business development of set. So taking your second question first, which is about the product. What Orinter sales primarily now is hotels. So more than 60% is hotels, but they also have tours, cruises and they do have a certain component of their, which is mostly bundled at this moment with flights, right?

So the cross-selling opportunities, they work on both sides. So there is a big low-hanging fruit of giving our market-leading travel content to diner to sell to their own 5,000 travel affiliates, over which there is no overlap, right? Because currently, we do not have any experts or affiliating in Brazil.

And then the second of this opportunity is for their content, which is not just Brazil and we'll get into your first question is global Latin America, North America for their unique direct contracts with hotels, tours, cruises, et cetera, for us to sell the content of our Orinter to our 50,000 extenders. So that's the second question about the synergies in the project.

The first question about geography is that what Brazil is primarily is when Brazilians travel outside Brazil. That was the main market of the company before the pandemic. More than 90% of their total revenue was effectively residents in Brazil, more than 221 million people. So it's a very large market, traveling from Brazil outside.

So in the pandemic, and that's another thing that we like about the company, which also underlines the entrepreneurial culture and the ability to adjust to circumstances. What this company is pivoted to more domestic, of course, because there was no international travel.

And this is one of the reasons that it drove this impressive 40% growth which includes in a 3-year period, effectively the 2 years of the pandemic, right? So it's -- on the one hand, the pivoting capture in the domestic market, and then on the other hand, was effectively the growth and the recovery and the growth of market share in the 1.5 years post the pandemic. So that's kind of the geographical footprint of the distribution of the company, how it is made.

**Darren Aftahi**

Great. If I could squeeze 1 more in. Based on kind of what you gave in the release, it seems like at a minimum, you're sort of doing, I think, \$31 million plus in sales annually at least for Orinter. Like is that directionally accurate? And do you have any kind of commentary about financial impact in '23? Or is this something we're going to hear more about with your guidance when you report Q4 numbers?

## **Orestes Fintiklis**

Yes. Yes. On the second point, the guidance we haven't reported for '23. So when we report for the whole year, we will, of course, include the target that would have been acquired until that moment, right? So that's kind of -- on the kind of the numbers you can infer them indirectly right, because we gave the take rates and we gave the EBITDA margins and everything.

So if you work backwards, you would see like a net revenue of more than \$25 million and then in gross revenue more than \$170 million. So you can just -- you can calculate and reverse the figures. But we are focusing more on the profitability of the company. And of course, on its growth, we just underline basically the thesis for acquiring the company.

## **James Dullum**

This is Jim. Let me just add to what Orestes was saying relative to the, I think, the first question. When you think about the cross-sell, upsell opportunity here, as Orestes pointed out, Orinter has primarily been hotel and packages ground transport, et cetera.

So now if you think about the Mondee full suite of fintech services of ancillaries, et cetera, and you now bring that to Orinter's distribution network, that's a big part of the cross-sell, upsell opportunity here that we should be able to take advantage of really quickly.

## **Operator**

Our next question comes from the line of Tom White of D.A. Davidson.

## **White Hanson**

This is White Hanson on for Tom. To start, could you guys talk a little bit about how the travel recovery in Latin America has been evolving post-pandemic?

## **Orestes Fintiklis**

Yes. So basically, Latin America has been one of the main beneficiaries of the recovery, right, because it's so close to the United States. So a big part of the first few years of the travel by the North American traveler has moved to Latin American countries. Now of course, geographies Latin America is not one market.

It has multiple markets, and there are particularities for each individual geography but Brazil and Mexico were -- we have seen a very strong recovery and what is, again, even more interesting in the case of Orinter, we have seen an even stronger recovery when it comes to Brazilians traveling outside their country.

So overall, the recovery has basically occurred slightly after the United States, the U.S. market but has been very strong. And in certain markets like Mexico and Brazil, it has been even stronger than the U.S.

### **White Hanson**

Okay. That's great. And then can you remind us whether this is your first expansion into Latin America? And could you talk a little bit about the competitive landscape there? Like is this deal enough for you to scale broadly? Or are there other assets in that market that might be interesting to you?

### **Orestes Fintiklis**

Yes. So this is not only just the -- this is the 15th acquisition of Mondee, and it's not just the first in Latin America, it's also the first outside the U.S. and Canada aside North America, it's an important milestone. The way that Mondee captured a big part of our segment of the market in the U.S., we entered into a very fragmented market.

We consolidated certain players, and then we brought technology right? And then with the technological disruption, the acceleration of the growth in market share was evident in the period between 2015 and 2019, but we almost quadrupled our market share. So we see the exact same dynamics in geographies of settings of Latin America.

Again, we're not going to go into every little small country of Latin America, but the biggest market south of the U.S. is Brazil, right? So we are entering into the second biggest market of the Americas continent, right, which has very similar dynamics, but what were -- what evident in the U.S. in 2011, 2012 when Mondee was launched. So we see a very fragmented market.

We buy one that is possibility to do further acquisitions here. And then by bringing our technology to the platform that we are establishing through this first acquisition we're fairly confident that we will lead the same disruption into this fragmented space with a lot of tech debt that we did in North America.

### **Operator**

Our next question comes from the line of Mike Grondahl Northland Securities.

### **Michael Grondahl**

How should we think about the growth rate for Orinter? Maybe what has it been the last couple of years in revenue growth, adjusted EBITDA growth, what do you think it can be the next couple of years?

### **Orestes Fintiklis**

Yes. So like the figures that we have published is the figure between 2019 and 2020, which was on an annualized CAGR basis 38%, right? So these 3 years, they include the entire duration of the pandemic, which this company had some positive growth especially because like we said, with people that capture a part of the domestic market, which is now maintaining as the international market is coming back, right?

So we are fairly confident that the company will be able to maintain and accelerate the rate growth, especially with that are coming from the adoption of the Mondee technology, from the utilization of the mobile content, the fintech that Jim has mentioned. So we are fairly confident that the company will maintain and accelerate the current levels of growth.

In terms of the EBITDA and the take rate and these metrics that we have been presenting from Mondee's perspective, This, I think, is a case but that validates many things that we have been saying, right? One of the main things is that the margin in hotels is much larger than the margin of flights, right?

So you see this company, which is mostly hotels and you have a take rate of 15% even without the very sophisticated technology Mondee that has of the fintech or the fraud protection tools or shortage market. So it validates the case, but as we get more and more into this adjacent to a slight kind of hotels, cruises, tools, the company take rate is going to benefit.

And then, of course, that also translates into half EBITDA margins, this company without even having the scale of Mondee primarily again because of the type of product that we're selling and also because we feel and -- I mean, the is managing Orinter, they have proven operators. So they are very cost conscious.

They know how to control the cost. So a 30% EBITDA margin is again something that we're targeting in the medium term for Mondee. And again, this is the case but that shows that this is very feasible. And actually, with the additional benefit scale and technology that Mondee has, you can see what the potential could be to be in the medium term and the long term, treatment had higher than the 30% that we have communicated to the market as kind of a packet the next few years.

## **James Dullum**

Mike, this is Jim. Let me just add on to what Orestes saying to Obviously, we're excited about Orinter and the growth prospects just as Orestes outlined. And we're especially excited. This is a really excellent management team and we're really looking forward to working with them.

Now one of the things they have done is all had the pandemic and yes, they've grown from 2019, but this great management team, what they were able to do was take advantage of further market penetration, right? So they've grown their market penetration

throughout the market, while it was depressed, which allowed them to continue to keep the business going. And then obviously, as the recovery is now happening, they're getting the multiplier effect of that.

Having said that, you're a numbers guy, you understand sort of the law of the larger numbers. And so once you've made that penetration, the rate of penetration is naturally because it's coming from a bigger baseline, probably going to moderate a little bit as is the rate of growth coming off of the pandemic with that enhanced baseline might moderate a little bit.

So just as you think about the future, we're excited about it. We really think this is going to be a great thing. Orestes mentioned all the points of the additional products, the cross-selling, upselling, et cetera. But Keep in mind that the base that this growth rate should be applied to as it goes forward. So I mean that's stuff you do every day, so you understand it.

### **Michael Grondahl**

Fair, fair. And I think someone mentioned hotels at 60%. Did you guys roughly break out where tours are or cruises or any other buckets we should be aware of?

### **Orestes Fintiklis**

Yes. The rest of that is a combination of those, but it's not that is to decide for them because the company is selling a lot of bundles, right? So we mentioned that they do sell flight but they bundle them together with other products, right? So the rest of the category is the other 40% basically bundles that include flights, cruises, tours and ground transportation.

### **Michael Grondahl**

Got it. And any seasonality in the business to call out?

### **Orestes Fintiklis**

Yes, there is some seasonality, which is similar to the seasonality of -- that you have in the United States, but is in reverse because whenever -- because of the North South Hemisphere kind of divide, right, when it comes to leisure travel, right, when do you have the holidays and the school closed, et cetera, et cetera, when in summer in North America, it's winter in south.

So that's another good point of how basically it basically reduces the seasonality of the whole combined kind of Mondee holdings because whenever we have a high season in the U.S., they would have a loss Brazil and the other way around. So it's a good complementary to there.



## **Operator**

Our next question comes from the line of Brett Knoblauch Branch of Cantor Fitzgerald.

## **Brett Knoblauch**

Just curious on what you've historically seen from a synergy perspective in previous transactions and what you're going to be expecting kind of to see out of this? And maybe the time line that you expect to integrate this acquisition with your much larger kind of global distribution network?

## **Orestes Fintiklis**

Yes, so if you look at the history of Mondee, Mondee made two ways of acquisitions. The first was at inception in 2011 and 2012. And then the second one was during the pandemic, right? So when we have the data we have, we have provided into the market, the first seven acquisitions that were made in '11 and '12 within a few years, being quite rubble the revenues being part of the Mondee ecosystem.

So we have this data point that we have given out there. And again, it's the obvious way that the synergies work, right? So for example, this company travel affiliates, when we have 50,000. So when we sell the Mondee monthly, it would be sold to 5000 travel. When all Orienter sales, it will be sold to 50,000 travelers in month. So you kind of how kind of the center and the network effect work there.

Now the other thing that is important about Mondee is that we tend to integrate the acquisitions because the main motivation for the acquisition is not just to do an accretion on the EBITDA, which clearly this case is, but is to apply a different components, certain pieces that fit within the whole puzzle of the future growth of the company.

So within a fairly short period of time, there are the basic synergies are realized, and then within 1 or 2 years at the maximum, the companies tend to basically just be an integral part of Mondee, which to remind you again, it has one content hub and one tech stack, right?

So it's not that we're leveraging different companies and maintaining their systems over a decade. We are integrated with this unified ecosystem with one tech, one content hub and one kind of distribution machine. So the objective here again is within a year or so to basically integrate the part into the Mondee ecosystem.

## **Brett Knoblauch**

Perfect. That's very helpful. And then maybe just on the deal terms. I mean, it seems like a very attractive kind of purchase price and purchase multiple for you guys. Can you talk a bit about the kind of the sellers thinking and kind of selling at that price? Is it really

because Mondee gives much larger and that future earn-out likely fares maybe what they could do as a standalone?

### **Orestes Fintiklis**

There are three reasons. The first one is that they haven't real leads because we communicated already at almost half of the profitability is in the form of Mondee shares that have fairly long lockup, right?

So it's a way for them to align themselves with a big player that they feel is going to come and disrupt this segment of the market and realize much more upside because in their minds, seeing how Mondee is growing, seeing what technology we are bringing, what continent the \$10 price at which we gave them the stock, there is a huge upside there.

So the management team is deeply excited to basically get half of what their company consideration was in cash and the other have a license sale with Mondee to realize by far higher multiples to ownership the stock over a fairly long period of time.

Again, I mean, the go in detail, which has been published on the regulator kind of website, you can see that the local periods there are very long 2 years, et cetera, right? So the first one is that they are not really active. The second point is that they also have, as you mentioned, very good earn-out, right, which it is a much higher EBITDA target which, again, you can basically get a closer look from the sales.

But the point there is that the team is feeling confident now that with the synergies that Mondee will bring, they will be able to realize a much higher EBITDA in the future, and they will be able to basically get much more than in the combination of the shares that they got plus the route done a fairly small multiple at which they are transacting at this point in time.

And then the third reason is that there are a number of particularities but basically shape the valuation. For example, this is a company that has been growing fast. One of the reasons dressing pass because it has introduced technology in Brazil but they don't own any technology.

So they use different bits of pieces of technology for lack of a better word, is inferior, from a number of vendors, some day license and et cetera. So basically, the fact that they are working with somebody now that brings the best tech in the space to them, it was kind of for a push and a pull for, right?

I mean, of course, Mondee is valued on a much higher valuation, but the primary differentiation apart from the scope, scale, the distribution is the fact that Mondee has this unique technology, which is becoming the market leader in the pay.

So that's kind of another reason that shape the consideration, the difference between a company having the whole stack concept ecology distribution, another one relying mostly on content and distribution. And then, of course, in this family and companies, that is also the general component, the founders of all the rage, transitioning over time. So if you add all these considerations together is what effectively shaped a valuation that people at first glance would say it's too good to be true, right? So that's how it will shape the consideration.

### **Operator**

Our next question comes from the line of Matt Pfau of William Blair.

### **Matthew Pfau**

Just a follow-up on the commentary around the purchase price. It was really helpful. If we were to sort of take all those considerations, would that mean that the purchase price that you pay for Orinter was from a multiple perspective, perhaps unique relative to what's in your pipeline? Or is your pipeline of deals that you're looking at, are you looking to sort of pay a similar type multiple on those?

### **Orestes Fintiklis**

The first point there is that our M&A strategy again is not driven by pure finance considerations. Right now, our M&A strategy is driven more by what pieces we need to create this vision of the super hub of consolidating the experience, the experts.

So we have identified certain businesses in the geographies that are strategic to our vision. So the first reason with M&A is not because we find an attractive multiple, but because we are acquiring something with things unique to our equity and based on which we can realize extreme revenue and cost synergies, right?

Having said that, we always strive to be very disciplined and very financed accretive. So I mean, I cannot disclose the precise details of the M&A we have now in the pipeline. But what I can tell you is that we have targets that, of course, we are paying higher multiple because we have -- there is more strategic or certain growth are valuable pieces that we think are crucial to our ecosystem. And also surprisingly to you, you will hear there is even better multiples. So that's kind of the short answer to your question.

### **Matthew Pfau**

Yes. That's helpful. And then when you look at your pipeline of deals that you have, are you starting to see that loosen up in terms of people being more willing to sell and valuation expectations just coming more in line with reality and what you're willing to pay?

### **Orestes Fintiklis**

Yes. I mean we announced when we -- when the company went public, the main reason, as you know, we've highlighted many times, is the cash flow positive, it's an EBITDA-positive company. It doesn't need liquidity to drive the organic growth or keep the lights on, which is the case for many high-growth travel tech players. So the main motivation was M&A. So we did raise \$70 million pipe from industry names, a series (inaudible), et cetera, then we raised another \$85 million tranche. So the motivation is to execute M&A.

And the M&A that we are executing is not that we are waking up today and we say let's buy this company. These are companies that we have been working for many years. These are companies that work potentially customers, suppliers. So at any moment in time, Mondee has a number of mature discussions. And now we are crystallizing the stage where the stars are aligned. The company is public, it has the stock, the month total liquidity as a currency it has cash liquidity.

The market has improved. But again, for this size of companies that we are talking about, there is always the benefit of being part of these larger groups, there is always the uncertainty changing market conditions. Again, if you are an owner of a company like, for example, Orinter, you just went through the pandemic, right? Your 60 years of age, you went through four cycles. You build this amazing company, you have \$9 million EBITDA. You're saying God knows what will happen in 3 years, right?

So there is always at this size of companies, there are always opportunities regardless of market conditions to strive this win-win and value accretive acquisitions.

### **Matthew Pfau**

Very helpful. And just one more for me on the Affiliate Network. Maybe it would just be helpful if you could frame how you're thinking about the revenue opportunity associated with that or the impact to growth rates?

### **James Dullum**

Yes, it's Jim. So I guess, revenue growth opportunity and we start there. These similar to what is you just mentioned, we do business with a lot of these people already, most of them or some of the experts that are out there that are in our affiliate network. Our affiliates that we deal with today.

So we've formalized the program where there's a set of these entities, these people, these experts, these travel experts who will join us for more direct and vertical integration into our full stack. So they will be able to take advantage of all the things that Mondee offers. And as part of doing that, they will become an exclusive affiliate of Mondee's. So they will be doing all of their business to us.

Today, I think a number of these companies are doing probably a lot of their business with us, but not all. So as they become affiliates, there will be a revenue pickup for us by

all of their business coming through the directly on our platforms and have access to all of our, as I said, full stack of services to include, again, all the fintech solutions, et cetera. So that's the first tranche of, if you will, growth opportunity with the affiliate network.

The second tranche is going to come as we expand the products and the services that they can have. These are local touch. They will be able to expand within their local and/or regional markets. So that is the second tranche. And then the third is, we will start in the way we operate today with them, which is primarily transactional.

So we'll have a relatively smaller set of SaaS-type revenue. But as the program expands we would expect to be able to also expand that and show more of that type of revenue stream for us, which is yet another means of growth and stability to our revenue stream. So those are sort of the primary ways in which you can expect that to impact our organic growth and opportunities here.

### **Orestes Fintiklis**

Yes. And may I add, this is Orestes. I was actually -- I mean, most of the people, they got excited about the M&A activity. But in reality, if somebody looks at the details of this new program that we have launched and understands the strategic dynamics in the space, this could be equally or even more exciting. So let me just give you a simple example, right?

Mondee now has 50,000 travelers. This is 1 of the biggest, if not the biggest market penetration globally in this segment of the market. This market affiliates for the most part, what we do is we sell them air. So we are the market leader in air, which, as everybody knows, it's the lowest margin of the business and the way that we are making money, we have all these ancillaries et cetera, Mondee is one of the very few players that has the ability to drive tier margins and different take rates with air.

Now the most valuable thing that Mondee has is not necessarily the margins that come there, but the fact that it has built the distribution network with 50,000 travel affiliates, more than 50% of the occupation in the world, and it is the market leader in air.

Now there are more interesting things to sell higher margins, like, for example, hotels. So our 50,000 travel agents, we are using us for. But for the most part, they are using other companies, other technology, other traditional companies for hotel.

So what is this program doing? This is one-on-one strategy. I'm leveraging my dominance in 1 segment of the market to get another market. So I go to their affiliate and say, "Look, I know you are buying the flights for me, but I know you're buying from these other folks, the hotel, so what are we going to do"?

I'm going to give you better economics. I'm going to give you a better technology. I'm going to do a few other -- give you access to certain tools that you have, you don't have. And in return, you will become exclusive to me. This is potentially transformational.

Not only is ingenious and marginally as an idea, but it's a potentially transformational to the business model of body because the strength of Mondee is not the 7% take rate and the 12% margin that we had is that we own the biggest network. So Mondee took 11 years. It acquired 14 companies, most of which got around for decades, from 70s from the 80s, and it created the most powerful network. So the value is the network.

So now with the liquidity that we have with the profile of being a public company with ideas like this we are leveraging to extract value from the network. So the way that you see the history of Mondee, in their first 11 years, it created the network and now it's going to start monetizing the network. And it's ideas like this that have a potentially transformational effect.

### **Operator**

Our last question comes from the line of Nick Jones of JMP Securities.

### **Nicolas Jones**

Orestes you talked about taking about a year to integrate these kind of acquisitions, what kind of incremental investment is also required to kind of get the tech stacks aligned as we think about this acquisition or future acquisitions?

### **Orestes Fintiklis**

So certain things, the integration happens right away, for example, finance or exchanging content, right, plugging our content on the distribution of Orinter and tracking the Orinter business. So some of the things fairly fast, which are kind of the low-hanging fruit. The ones that take usually a bit longer is a technological integration, right, which, as you mentioned, it has a certain cost but the cost synergies that are being realized in parallel are usually more than enough to offset the additional cost of the integration.

### **Nicolas Jones**

Got it. Helpful. And then one more just about kind of the M&A strategy. This 1 kind of fits, if I look at the long-term targets you guys have in your deck, kind of fit in where you're looking to drive the business over time. As we look at future acquisitions, is there a pipeline of acquisitions that kind of fit this mold that can get take rate to double digit and have 30% plus EBITDA margins? Or is it a mix of kind of businesses that are going to need a little bit of work to scale profitability?

### **Orestes Fintiklis**

Yes. Like I said before, each acquisition brings a unique component, right? We always strive to -- and as a general rule, I don't think that we will ever make an acquisition of a company that is not EBITDA positive, right? Of course, the take rates and the EBITDA

margins, they vary. They're very depending on geography. They very depending on the component that we think has value that we are acquiring.

So you will see some companies of business chart, you will see others with lower EBITDA multiple margins that are maybe in geographies that have a higher growth or higher scope. So it's always a balancing act of basically you take into consideration all the different parameters and clearly buy through buying components that add value and make the ecosystem more complete and realizing immediately accretive value through the multiples, right?

### **Operator**

Ladies and gentlemen, as there are no additional questions waiting at this time. I'd like to hand the conference back over to Jeff for closing remarks.

### **Jeff Houston**

Sure. So thank you for participating or listening to this call to discuss our exciting acquisition of Orinter and launch of our innovative influencer and affiliate network program. We would welcome the opportunity to schedule a call, present the company and answer any questions you may have. And you can get more information at our investor website, [investors.mondee.com](http://investors.mondee.com) or you can send us an e-mail to [ir@mondee.com](mailto:ir@mondee.com). Thank you.