



Aeries Technology Reports Results for the Full Fiscal Year 2024

September 30, 2024

Revenues for the full fiscal year 2024 were \$72.5 million, up approximately 37% year-over-year

NEW YORK, Sept. 30, 2024 (GLOBE NEWSWIRE) -- [Aeries Technology](#) (Nasdaq: AERT), a global professional services and consulting partner for businesses in transformation mode and their stakeholders, today announced financial results for the fiscal year ended March 31, 2024.

"We are pleased to release our results for the fiscal year, which were in-line with our expectations," said Sudhir Panikassery, CEO of Aeries Technology. "Expansion within existing client engagements and new client relationships were the main performance drivers and reflects our continued focus on expanding our footprint within the addressable pool of private equity portfolio companies and mid-size businesses. Coupled with our technology driven, solution specific approach, we believe we will derive positive outcomes over the next few years as we progress in our current growth phase."

Fiscal Year Ended March 31, 2024 (Fiscal Year 2024) Financial Highlights

Revenues: Revenues for fiscal year 2024 were \$72.5 million, up 37% compared to \$53.1 million for fiscal year 2023.

Income from Operations: Income from operations for fiscal year 2024 was \$3.0 million, up 28% compared to \$2.3 million for fiscal year 2023.

Net Income: Net income for fiscal year 2024 was \$17.3 million compared to \$1.7 million for fiscal year 2023. Net income included \$16.2 million dollars in non-cash income related to the Forward Purchase Agreements in connection with our SPAC business combination.

Adjusted EBITDA: Adjusted EBITDA for fiscal year 2024 was \$9.2 million compared to \$8.7 million for fiscal year 2023.

About Aeries Technology

[Aeries Technology](#) (Nasdaq: AERT) is a global professional services and consulting partner for businesses in transformation mode and their stakeholders, including private equity sponsors and their portfolio companies, with customized engagement models that are designed to provide the right mix of deep vertical specialty, functional expertise, and digital systems and solutions to scale, optimize and transform a client's business operations. Founded in 2012, Aeries Technology now has over 1,700 professionals specializing in Technology Services and Solutions, Business Process Management, and Digital Transformation initiatives, geared towards providing tailored solutions to drive business success. Aeries Technology's approach to staffing and developing its workforce has earned it the Great Place to Work Certification.

Non-GAAP Financial Measures

The Company uses non-GAAP financial information and believes it is useful to investors as it provides additional information to facilitate comparisons of historical operating results, identify trends in its underlying operating results and provide additional insight and transparency on how it evaluates the business. The Company uses non-GAAP financial measures to budget, make operating and strategic decisions, and evaluate its performance. The Company has detailed the non-GAAP adjustments that it makes in the non-GAAP definitions below. The adjustments generally fall within the categories of non-cash items. The Company believes the non-GAAP measures presented herein should always be considered along with, and not as a substitute for or superior to, the related GAAP financial measures. In addition, similarly titled items used by other companies may not be comparable due to variations in how they are calculated and how terms are defined. For further information, see "Reconciliation of Non-GAAP Financial Measures" below, including the reconciliations of these non-GAAP measures to their most directly comparable GAAP financial measures.

The Company defines Adjusted EBITDA as net income from operations before interest, income taxes, depreciation and amortization adjusted to exclude stock-based compensation and business combination related costs. Adjusted EBITDA is one of the key performance indicators the company uses in evaluating our operating performance and in making financial, operating, and planning decisions. The Company believes adjusted EBITDA is useful to investors in the evaluation of Aeries' operating performance as such information was used by the Company's management for internal reporting and planning procedures, including aspects of our consolidated operating budget and capital expenditures.

Forward-Looking Statements

All statements in this release that are not based on historical fact are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "hope," "intend," "may," "might," "should," "would," "will," "understand" and similar words are intended to identify forward looking statements. These forward-looking statements include but are not limited to, statements regarding our

future operating results, outlook, guidance and financial position, our business strategy and plans, our objectives for future operations, potential acquisitions and macroeconomic trends. While management has based any forward-looking statements included in this release on its current expectations, the information on which such expectations were based may change. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of risks, uncertainties and other factors, many of which are outside of the control of Aeries and its subsidiaries, which could cause actual results to materially differ from such statements. Such risks, uncertainties, and other factors include, but are not limited to, changes in the business, market, financial, political and legal conditions in India, Singapore, the United States, Mexico, the Cayman Islands and other countries, including developments with respect to inflation, interest rates and the global supply chain, including with respect to economic and geopolitical uncertainty in many markets around the world, the potential of decelerating global economic growth and increased volatility in foreign currency exchange rates; the potential for our business development efforts to maximize our potential value; the ability to recognize the anticipated benefits of the business combination with Worldwide Webb Acquisition Corp., which may be affected by, among other things, competition, our ability to grow and manage growth profitably and retain its key employees; the ability to maintain the listing of our Class A ordinary shares and our public warrants on Nasdaq, and the potential liquidity and trading of our securities; changes in applicable laws or regulations and other regulatory developments in the United States, India, Singapore, Mexico, the Cayman Islands and other countries; our ability to develop and maintain effective internal controls, including our ability to remediate the material weakness in our internal controls over financial reporting; our success in retaining or recruiting, or changes required in, our officers, key employees or directors; our financial performance; our ability to continue as a going concern; our ability to make acquisitions, divestments or form joint ventures or otherwise make investments and the ability to successfully complete such transactions and integrate with our business; the period over which we anticipate our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital expenditure requirements; the conflicts between Russia and Ukraine, and Israel and Hamas, and any restrictive actions that have been or may be taken by the U.S. and/or other countries in response thereto, such as sanctions or export controls; risks related to cybersecurity and data privacy; the impact of inflation; the impact of the COVID-19 pandemic and other similar pandemics and disruptions in the future; and the fluctuation of economic conditions, global conflicts, inflation and other global events on Aeries' results of operations and global supply chain constraints. Further information on risks, uncertainties and other factors that could affect our financial results are included in Aeries' periodic and current reports filed with the U.S. Securities and Exchange Commission. Furthermore, Aeries operates in a highly competitive and rapidly changing environment where new and unanticipated risks may arise. Accordingly, investors should not place any reliance on forward-looking statements as a prediction of actual results. Aeries disclaims any intention to, and undertakes no obligation to, update or revise forward-looking statements.

Contacts

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CONDENSED CONSOLIDATED STATEMENTS OF INCOME (In thousands, except percentages)

	Year Ended March 31,		\$ Change	% Change
	2024	2023		
Revenues, net	\$ 72,509	\$ 53,099	\$ 19,410	37 %
Cost of Revenue	50,868	39,442	11,426	29 %
Gross Profit	21,641	13,657	7,984	58 %
Gross Profit Margin	30 %	26 %	4 %	
Operating expenses				
Selling, general & administrative expenses	18,654	11,326	7,328	65 %
Total operating expenses	18,654	11,326	7,328	65 %
Income from operations	2,987	2,331	656	28 %
Other income / (expense)				
Change in fair value of derivative liabilities	16,167	-	16,167	100 %
Interest income	275	191	84	44 %
Interest expense	(462)	(185)	(277)	150 %
Other income, net	160	429	(269)	(63) %
Total other income / (expense), net	16,140	435	15,705	3,610 %
Income / (loss) before income taxes	19,127	2,766	16,361	592 %
Income tax expenses	(1,871)	(1,060)	(811)	77 %

Net income	\$ 17,256	\$ 1,706	\$ 15,550	911 %
Less: Net income attributable to noncontrolling interests	202	260	(58)	(22)%
Less: Net income attributable to redeemable noncontrolling interests	1,397	-	1,397	100 %
Net income attributable to the shareholders' of Aeries Technology, Inc.	\$ 15,657	\$ 1,446	\$ 14,211	983 %

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(In thousands, except percentages)

	Year Ended March 31,	
	2024	2023
Net income	\$ 17,256	\$ 1,706
Income tax expense	1,871	1,060
Interest income	(275)	(191)
Interest expenses	462	185
Depreciation and amortization	1,352	1,172
EBITDA	\$ 20,666	\$ 3,932
Adjustments		
(+) Stock-based compensation	1,626	3,805
(+) Business Combination related costs	3,067	946
(+) Change in fair value of derivative liabilities	(16,167)	-
Adjusted EBITDA	\$ 9,192	\$ 8,683
(/) Revenue	72,509	53,099
Adjusted EBITDA Margin	12.7 %	16.4 %

CASH FLOW
(In thousands)

	Year Ended March 31,		\$ Change	% Change
	2024	2023		
Cash at the beginning of period	\$ 1,131	\$ 351	\$ 780	222 %
Net cash provided by operating activities	(4,299)	2,111	(6,410)	(304)%
Net cash used in investing activities	(1,740)	(1,557)	(183)	12 %
Net cash provided by financing activities	7,056	252	6,804	2,700 %
Effects of exchange rates on cash	(64)	(26)	(38)	146 %
Cash at the end of period	\$ 2,084	\$ 1,131	\$ 953	84 %

BALANCE SHEET
(In thousands)

	As of March 31,	
	2024	2023 (Restated)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,084	\$ 1,131
Accounts receivable, net of allowance of \$1,263 and \$0, as of March 31, 2024 and March 31, 2023, respectively	23,757	13,416
Prepaid expenses and other current assets, net of allowance of \$1 and \$0, as of March 31, 2024 and March 31, 2023, respectively	6,995	4,117

Deferred transaction costs	-	1,921
Total current assets	\$ 32,836	\$ 20,585
Property and equipment, net	3,579	3,125
Operating right-of-use assets	7,318	5,627
Deferred tax assets	1,933	1,237
Long-term investments, net of allowance of \$126 and \$0, as of March 31, 2024 and March 31, 2023, respectively	1,612	1,564
Other assets, net of allowance of \$1 and \$0, as of March 31, 2024 and March 31, 2023, respectively	2,129	2,259
Total assets	\$ 49,407	\$ 34,397

LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND SHAREHOLDERS' EQUITY (DEFICIT)

Current liabilities:

Accounts payable	\$ 6,616	\$ 2,474
Accrued compensation and related benefits, current	3,119	2,823
Operating lease liabilities, current	2,080	1,648
Short-term borrowings	6,778	1,376
Forward purchase agreement put option liability	10,244	-
Other current liabilities	9,288	4,201

Total current liabilities	\$ 38,125	\$ 12,522
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Long term debt	1,440	969
Operating lease liabilities, noncurrent	5,615	4,261
Derivative warrant liabilities	1,367	-
Deferred tax liabilities	92	168
Other liabilities	3,948	3,008

Total liabilities	\$ 50,587	\$ 20,928
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Commitments and contingencies (Note 17)

Redeemable noncontrolling interest	734	-
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Shareholders' equity (deficit)

Preference shares, \$0.0001 par value; 5,000,000 shares authorized; none issued or outstanding	-	-
Class A ordinary shares, \$0.0001 par value; 500,000,000 shares authorized; 15,619,004 shares issued and outstanding as of March 31, 2024	2	-
Common stock, no par value; 10,000 shares issued and paid-up as of March 31, 2024, no share issued and outstanding as of March 31, 2023	-	-
Class V ordinary shares, \$0.0001 par value; 1 share authorized, issued and outstanding as of March 31, 2024	-	-
Net shareholders' investment and additional paid-in capital	-	7,221
Accumulated other comprehensive loss	(574)	(1,349)
(Accumulated deficit) retained earnings	(11,668)	6,318

Total Aeries Technology, Inc. shareholders' equity (deficit)	\$ (12,240)	\$ 12,190
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Noncontrolling interest	10,326	1,279
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Total shareholders' equity (deficit)	(1,914)	13,469
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Total liabilities, redeemable noncontrolling interest and shareholders' equity (deficit)	\$ 49,407	\$ 34,397
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Source: Aeries Technology, Inc.