



## Aeries Technology Reports Results for First Fiscal Quarter 2025

October 15, 2024

**Revenues for the first fiscal quarter of 2025 were \$16.7 million, up approximately 2% year-over-year**

NEW YORK, Oct. 15, 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 quarter ended June 30, 2024.

“Our results for the quarter reflect the impact of investments in ongoing growth strategies which should yield long term benefits. While we expect the next few quarters to reflect the focus on our strategies, we are confident regarding the resultant business growth and the costs realigning to an optimum level required for sustaining a growth-oriented business. We are, in parallel, focused on accelerating our return to high profitability with a number of operational initiatives completed and underway that will achieve that goal,” said Sudhir Panikassery, CEO of Aeries Technology.

### Fiscal Quarter Ended June 30, 2024 (First Fiscal Quarter 2025) Financial Highlights

**Revenues:** Revenues for the first fiscal quarter 2025 were \$16.7 million, up 2% compared to \$16.3 million for the first fiscal quarter of 2024.

**Income from Operations:** Income from operations for the first fiscal quarter 2025 was \$(16.4) million, down compared to \$0.8 million for the first fiscal quarter of 2024.

**Net Income (Loss):** Net loss for the first fiscal quarter 2025 was \$(15.3) million compared to net income of \$0.5 million for the first fiscal quarter of 2024.

**Adjusted EBITDA:** Adjusted EBITDA for the first fiscal quarter 2025 was \$0.4 million compared to \$2.9 million for the first fiscal quarter of 2024.

### Conference Call Details

The company will host a conference call to discuss their financial results on Wednesday, October 16, 2024 at 8:30 AM ET. The call will be accessible by telephone at 1-877-407-0792 (domestic) or 1-201-689-8263 (international). The call will also be available live via webcast on the company’s investor relations website at <https://ir.aeriestechnology.com> or directly [here](#).

A telephone replay of the conference call will be available following its conclusion at 1-844-512-2921 (domestic) or 1-412-317-6671 (international) with access code 13749658 and will be available until 11:59 PM ET, October 23, 2024. An archive of the webcast will also be available on the company’s investor relations website at <https://ir.aeriestechnology.com>.

### 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)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
<b>Revenue, net</b>	<b>\$ 16,667</b>	<b>\$ 16,330</b>
Cost of revenue	12,657	11,883
<b>Gross profit</b>	<b>4,010</b>	<b>4,447</b>
<b>Operating expenses</b>		
Selling, general & administrative expenses	20,430	3,670
<b>Total operating expenses</b>	<b>20,430</b>	<b>3,670</b>
<b>Income from operations</b>	<b>(16,420)</b>	<b>777</b>
<b>Other income/ (expense)</b>		
Change in fair value of forward purchase agreement put option liability	(696)	-
Change in fair value of derivative warrant liabilities	757	-
Interest income	79	64
Interest expense	(147)	(123)

Other income/(expense), net	19	(6)
<b>Total other income/(expense), net</b>	<b>12</b>	<b>(65)</b>
<b>Income/(loss) before income taxes</b>	<b>(16,408)</b>	<b>712</b>
Income tax (expense) / benefit	1,091	(218)
<b>Net income / (loss)</b>	<b>\$ (15,317)</b>	<b>\$ 494</b>
Less: Net income / (loss) attributable to noncontrolling interests	(506)	73
Less: Net income attributable to redeemable noncontrolling interests	10	-
<b>Net income / (loss) attributable to shareholders' of Aeries Technology, Inc.</b>	<b>\$ (14,821)</b>	<b>\$ 421</b>
Weighted average shares outstanding of Class A ordinary shares, basic and diluted <sup>(1)</sup>	37,852,036	
<b>Basic and Diluted net loss per Class A ordinary share<sup>(1)</sup></b>	<b>\$ (0.39)</b>	

(1) Net loss per Class A ordinary share and weighted average Class A ordinary shares outstanding is not presented for the periods prior to the Business Combination, as defined in Note 1. For more information refer to Note 14.

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

	Three Months Ended June 30,	
	2024	2023
<b>Net income</b>	<b>\$ (15,317)</b>	<b>\$ 494</b>
Income tax expense	(1,091)	218
Interest income	(79)	(64)
Interest expenses	147	123
Depreciation and amortization	374	327
<b>EBITDA</b>	<b>\$ (15,966)</b>	<b>\$ 1,098</b>
<b>Adjustments</b>		
(+) Stock-based compensation	12,746	1,374
(+) Business Combination related costs	3,682	430
(+) Change in fair value of derivative liabilities	(61)	-
<b>Adjusted EBITDA</b>	<b>\$ 401</b>	<b>\$ 2,902</b>
(/) Revenue	16,667	16,330
<b>Adjusted EBITDA Margin</b>	<b>2.4 %</b>	<b>17.8 %</b>

#### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023
	<b>Cash flows from operating activities</b>	
Net income / (loss)	\$ (15,317)	\$ 494
Adjustments to reconcile net income / (loss) to net cash (used in) / provided by operating activities:		
Depreciation and amortization expense	374	327
Stock-based compensation expense	12,746	1,374
Deferred tax (benefit) / expense	(1,241)	100
Accrued income from long-term investments	(52)	(45)
Provision for expected credit loss	1,024	1
Profit on sale of property and equipment	(1)	-

Sundry balances written back	-	(5)
Change in fair value of forward purchase agreement put option liability	(757)	-
Change in fair value of derivative warrant liabilities	696	-
Loss on issuance of shares against accounts payable	78	-
Unrealized exchange (gain) / loss	(18)	5
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable	104	(463)
Prepaid expenses and other current assets	(231)	(1,607)
Operating right-of-use assets	326	(1,139)
Other assets	(217)	(250)
Accounts payable	105	(639)
Accrued compensation and related benefits, current	(940)	(834)
Other current liabilities	1,617	1,147
Operating lease liabilities	(321)	1,190
Other liabilities	305	445
<b>Net cash (used in) / provided by operating activities</b>	<b>(1,720)</b>	<b>101</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(370)	(258)
Sale of property and equipment	2	-
Issuance of loans to affiliates	(276)	(682)
Payments received for loans to affiliates	36	374
<b>Net cash used in investing activities</b>	<b>(608)</b>	<b>(566)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from short term borrowings	(166)	1,244
Payment of insurance financing liability	(220)	-
Proceeds from long-term debt	240	490
Repayment of long-term debt	(4)	(186)
Payment of finance lease obligations	(123)	(86)
Payment of deferred transaction costs	(20)	(446)
Net changes in net shareholders' investment	-	(10)
Proceeds from issuance of Class A ordinary shares, net of issuance cost	4,678	-
<b>Net cash provided by financing activities</b>	<b>4,385</b>	<b>1,006</b>
Effect of exchange rate changes on cash and cash equivalents	56	(8)
<b>Net increase in cash and cash equivalents</b>	<b>2,113</b>	<b>533</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,084</b>	<b>1,131</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 4,197</b>	<b>\$ 1,644</b>
<b>Supplemental cash flow disclosure:</b>		
Cash paid for interest	\$ 118	\$ 121
Cash paid for income taxes, net of refunds	\$ 802	\$ 185
<b>Supplemental disclosure of non-cash investing and financing activities:</b>		
Unpaid deferred transaction costs included in accounts payable and other current liabilities	\$ 643	\$ 1,317
Equipment acquired under finance lease obligations	\$ 38	\$ 221
Property and equipment purchase included in accounts payable	\$ 1	\$ 37

**BALANCE SHEET**  
(In thousands)

JUNE 30, 2024	MARCH 31, 2024
(Unaudited)	

## ASSETS

### Current assets:

Cash and cash equivalents	\$	4,197	\$	2,084
Accounts receivable, net of allowance of \$2,299 and \$1,263 as of June 30, 2024 and March 31, 2024, respectively		22,406		23,757
Prepaid expenses and other current assets, net of allowance of \$1 and \$1, as of June 30, 2024 and March 31, 2024, respectively		7,196		6,995
<b>Total current assets</b>	<b>\$</b>	<b>33,799</b>	<b>\$</b>	<b>32,836</b>
Property and equipment, net		3,552		3,579
Operating right-of-use assets		6,953		7,318
Deferred tax assets		3,203		1,933
Long-term investments, net of allowance of \$113 and \$126, as of June 30, 2024 and March 31, 2024, respectively		1,677		1,612
Other assets, net of allowance of \$1 and \$1, as of June 30, 2024 and March 31, 2024, respectively		2,584		2,129
<b>Total assets</b>	<b>\$</b>	<b>51,768</b>	<b>\$</b>	<b>49,407</b>

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

### Current liabilities:

Accounts payable	\$	6,633	\$	6,616
Accrued compensation and related benefits, current		2,163		3,119
Operating lease liabilities, current		1,953		2,080
Short-term borrowings		6,395		6,778
Forward purchase agreement put option liability		10,940		10,244
Other current liabilities		10,744		9,288
<b>Total current liabilities</b>	<b>\$</b>	<b>38,828</b>	<b>\$</b>	<b>38,125</b>
Long term debt		1,675		1,440
Operating lease liabilities, noncurrent		5,383		5,615
Derivative warrant liabilities		610		1,367
Deferred tax liabilities		118		92
Other liabilities		4,233		3,948
<b>Total liabilities</b>	<b>\$</b>	<b>50,847</b>	<b>\$</b>	<b>50,587</b>

### Commitments and contingencies (Note 10)

<b>Redeemable noncontrolling interest</b>	<b>735</b>	<b>734</b>
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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; 44,102,041 shares issued and outstanding as of June 30, 2024; 15,619,004 shares issued and outstanding as of March 31, 2024	4	2
Class V ordinary shares, \$0.0001 par value; 1 share authorized, issued and outstanding	-	-
Net shareholders' investment and additional paid-in capital	26,895	-
Accumulated other comprehensive loss	(641)	(574)
Accumulated deficit	(26,489)	(11,668)
<b>Total Aeries Technology, Inc. shareholders' deficit</b>	<b>\$ (231)</b>	<b>\$ (12,240)</b>
Noncontrolling interest	417	10,326
<b>Total shareholders' equity (deficit)</b>	<b>186</b>	<b>(1,914)</b>
<b>Total liabilities, redeemable noncontrolling interest and shareholders' equity (deficit)</b>	<b>\$ 51,768</b>	<b>\$ 49,407</b>



Source: Aeries Technology, Inc.