Aeries Technology, Inc.

Q1 FY 27
Earnings Call

August 10, 2026

CORPORATE PARTICIPANT

- **Ajay Khare**, Chief Executive Officer and Board Member

PRESENTATION

Operator

Good morning, and welcome to **Aeries Technology's earnings conference call for the quarter ended June 30, 2026 (Q1, FY2027).**

Joining us today is **Aeries' Chief Executive Officer, Ajay Khare**. The call will review the Company's results for the quarter ended June 30, 2026, and discuss the strategic priorities shaping the next stage of its growth.

Before we begin, please note that today's discussion contains forward-looking statements, including Aeries' expectations regarding future performance and market opportunities. Actual results may differ materially. Please refer to the Company's filings with the U.S. Securities and Exchange Commission and today's earnings release for a full discussion of the risks and uncertainties associated with these statements.

Additionally, today's call will include certain non-GAAP financial measures. Reconciliations of these measures to the most directly comparable GAAP measures are available in today's earnings release and on the Company's website.

With that, I'll now turn the call over to **Ajay Khare**.

Ajay Khare – Chief Executive Officer

Good morning and thank you for joining our first quarter fiscal 2027 earnings call.

The quarter ended June 30, 2026, was a strong start to fiscal 2027 and reflects the continued progress we have made in strengthening our operating model, improving profitability and building a more scalable business. The operating model we have built over the past year is now delivering results across the three dimensions that matter most: growth and profitability, positioning, and cash generation. Three themes define the quarter.

First, we delivered strong financial performance. Revenue increased 43% year over year to $21.9 million, income from operations increased to $3.4 million from $0.8 million in the prior-year quarter, net income increased 32% to $2.2 million, and operating cash flow increased to $4.8 million from $1.4 million in the prior-year quarter. These results demonstrate the operating leverage we have built into the business and our ability to translate growth into stronger profitability and cash generation.Second, we continued advancing how we position Aeries in the market. We help enterprises create enterprise value through AI transformation and managed operations. Clients increasingly engage us not only to operate business functions, but to help transform enterprise operations through AI, expanding both the scope of our engagements and the value we create.

Third, we continued converting that performance into cash. We generated $4.8 million of operating cash flow during the quarter, our sixth consecutive quarter of positive operating cash flow. Our strong cash generation enabled us to strengthen the balance sheet, continue settling legacy obligations associated with our business combination transaction and related costs, repurchase more than 10% of our outstanding common stock, and complete our previously announced 1-for-8 share consolidation during the quarter.

These results reflect the operating discipline we established throughout fiscal 2026 and demonstrate stronger operating leverage, improved cash generation and consistent execution across our operations in India and Mexico.

Strategic Progress

During the quarter, client engagements continued to expand beyond managed operations to include AI transformation, enterprise operations, automation and optimization initiatives. This reflects our continued evolution into an AI transformation and enterprise operations provider, expanding both the scope of our client engagements and the value we deliver.

Several engagements signed during fiscal 2026 progressed into steady-state operations during the quarter, contributing to revenue growth and strengthening long-term client relationships across India and Mexico.

AI and Transformation

We believe AI transformation will become one of the most significant drivers of enterprise value creation over the coming decade. The market is moving from AI experimentation to production, creating demand for partners that can help organizations move from strategy and pilots to enterprise-wide deployment and ongoing operations.

To address this opportunity, we recently launched **AxAI**, our **Agentic AI solution offering** built around our **Forward Deployed Engineering (FDE)** model. Together with **AeriesOne**, our AI-native enterprise operations platform, we now provide an integrated capability spanning strategy, engineering, deployment and managed operations. This enables enterprises to assess, build, deploy and operate AI solutions at scale while moving from AI experimentation to production.

By combining AI innovation with managed operations, we help organizations create measurable business outcomes and long-term enterprise value. That remains our objective: **helping enterprises create enterprise value through AI transformation and managed operations.**

Financial Highlights

Let me briefly cover the financial highlights.

- **Revenue: $21.9 million, compared with $15.3 million in the prior-year quarter, an increase of 43%. The previously disclosed customer buyout contributed $2.7 million to revenue and profitability during the quarter.**

- **Gross profit** increased to **$6.4 million**, with gross margin improving to **29.2%**.

- **SG&A expenses** remained essentially flat at **$3.0 million**, despite strong revenue growth, demonstrating the operating leverage in our business.

- **Income from operations** increased to **$3.4 million**.

- **Net Income: $2.2 million, representing an increase of 32% from $1.7 million in the prior-year quarter. Operating cash flow** increased to **$4.8 million**, marking our **sixth consecutive quarter** of positive operating cash flow.

These results reinforce our confidence in the outlook for the remainder of fiscal 2027.

Outlook

Looking ahead, we remain well positioned for the remainder of fiscal 2027. Our confidence in the business continues to be supported by multi-year client engagements, expanding relationships with existing customers, and programs progressing into steady-state operations.

Accordingly, we are reaffirming our fiscal 2027 guidance of **revenue between $80 million and $84 million** and **Adjusted EBITDA between $10 million and $12 million**.

Our priorities remain unchanged: **disciplined execution, profitable growth, continued margin improvement, strong cash generation, and expanding AI-led client engagements through AxAI and AeriesOne.**

We believe the operating discipline we have built over the past year, combined with our AI transformation strategy, positions Aeries well for long-term growth and continued enterprise value creation.

Thank you for joining us today.