Aeries Technology, Inc.

Annual FY 26 Earnings Call

June 8, 2026

CORPORATE PARTICIPANTS

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

PRESENTATION

Operator

Good morning, and welcome to Aeries Technology's Full Year Fiscal 2026 Earnings Conference Call. Joining us today is Aeries' Chief Executive Officer, Ajay Khare. The call will review the results for the fiscal year ended March 31, 2026, outline strategic priorities shaping Aeries' next stage of growth, and share the Company's outlook for fiscal year 2027.

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 SEC filings and the earnings press release for a full discussion of risks and uncertainties. Additionally, this call will include certain non-GAAP financial measures. Reconciliations of these measures to the most directly comparable GAAP measures are available in our earnings release and on our website.

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

Ajay Khare – Chief Executive Officer

Thank you, Operator. Good morning, everyone, and thank you for joining us. Today, I will walk you through our performance for the full fiscal year 2026—covering both our business progress and financial results—and share our outlook for fiscal year 2027.

Fiscal year 2026 was a year of meaningful operational progress for Aeries. We laid a foundation for sustained profitability, positive cash generation, and disciplined execution. Throughout the year, we remained focused on execution, driving efficiency across the business, strengthening our delivery model, and continuing to scale our GCC platform across key client segments. This focus is reflected in our financial performance, with revenue of $70 million and Adjusted EBITDA of $8.3 million exceeding our increased guidance range — and Adjusted EBITDA margin expanding to 11.9% from (6.6)% in fiscal year 2025. We generated $6.8 million in cash from operating activities, reported our fourth consecutive quarter of positive operating cash flow, and returned to net income of $3.5 million — underscoring the underlying strength and sustainability of our operating model.

As we look at the broader environment, the shift toward GCC-led operating models continues to accelerate. Enterprises, particularly those backed by private equity, are increasingly prioritizing control, scalability, and long-term value creation in their global operating structures. This structural shift reinforces the relevance of our model and creates a durable growth opportunity across multiple industry segments. In this context, we continue to deepen our engagement across the private equity ecosystem. What has evolved more meaningfully over the past year is the depth and scale of these relationships.

As we deliver outcomes across individual portfolio companies, we are increasingly positioned to support a broader set of initiatives within the same ecosystem. This is leading to more integrated, multi-function engagements and longer-duration relationships, which are important to how we scale the business. Our ability to combine GCC strategy with execution capabilities - across talent, technology, and operations - positions us well as these organizations look to scale efficiently and drive transformation across their portfolio companies.

A key element of this transformation is the growing role of AI and automation. Over the past several quarters, we have been embedding AI-enabled capabilities into our GCC delivery model, enabling productivity gains and more efficient execution for our clients. This is not a one-time initiative but an ongoing shift in how GCCs are designed and operated. We see this as a long-term driver of both value creation for clients and margin improvement for our business. Recently, we announced the launch of the AeriesOne A1 GCC Platform, which integrates AI-enabled automation into GCC operations, enabling improved efficiency, scalability, and real-time decision-making across client engagements.

This evolution in our engagement mix toward larger, multi-year, multi-function GCC programs, along with the growing role of AI-enabled delivery within these engagements, is strengthening visibility into our business as we enter fiscal 2027.

From an operational standpoint, the improvements we've delivered this year largely reflect disciplined execution. Revenue strengthened through the year, and we saw meaningful gains across key profitability metrics. We continue to focus on cost optimization, tighter governance, and improved utilization, while also leveraging automation to enhance productivity. Together, these efforts have enabled us to expand margins while maintaining quality and consistency in delivery.

Geographically, we continued to expand our nearshore presence in Mexico, which is becoming an increasingly important part of our multi-country GCC strategy. Clients are placing greater emphasis on diversified delivery models that combine offshore scale with nearshore proximity, and our ability to support this through our operations in Mexico is emerging as a key differentiator.

Underlying all of this is a continued emphasis on governance and leadership. As we scale, maintaining strong oversight, operational rigor, and a disciplined approach to growth remains central to how we run the business. We believe this is critical not just for performance, but also for building long-term credibility with our clients and investors.

Let us now look at the consolidated financials for FY 2026.

Revenue: $70 million.

As a reminder, in fiscal year 2025, we received a non-renewal notice from a significant customer related to its dedicated offshore operations, which was expected to result in an annual revenue loss of approximately $11.5 million. New customer business signed during fiscal year 2026 successfully offset the majority of that loss, resulting in revenue that was essentially flat year-over-year.

Gross Profit: $17.3 million at a gross margin of 24.7%.

SG&A Expenses: $12.7 million, a 72% reduction year-over-year from $45.5 million in fiscal 2025. While the year-over-year change is driven in part by the absence of prior-period one-time items—de-SPAC-related stock compensation ($12.7 million), transaction and M&A costs ($7.0 million), non-core business exit losses (~$12.0 million), and severance from management changes ($0.7 million)—it also reflects focused execution on cost discipline and operating efficiency. We have rightsized SG&A to a sustainable run rate, creating a lean cost structure that supports scalable growth without a proportional increase in expenses.

Income from Operations: $4.5 million, compared to $(28.8) million in fiscal year 2025.
Net Income: $3.5 million, compared to $(21.6) million in fiscal year 2025.

Adjusted EBITDA: $8.3 million, with a margin of 11.9%, above the Company's increased guidance range of $7 million to $8 million, compared to $(4.7) million and a margin of (6.6)% in fiscal year 2025.

Operating Cash Flow: The Company generated $6.8 million in cash from operating activities during fiscal year 2026, compared to $(1.0) million used in operations in fiscal year 2025, and reported positive operating cash flow for the fourth consecutive quarter.

As we close out the fiscal year, our portfolio of client engagements is also maturing. Programs that were in early stages of deployment over the past several quarters are now scaling, and a growing share of our revenue base is transitioning toward run-rate operations. This shift toward a more seasoned mix of engagements is contributing to greater predictability and a stronger foundation as we look ahead.

Looking ahead to fiscal 2027, we enter the year with improved visibility supported by our expanding base of multi-year GCC engagements and continued client expansion across our existing portfolio. As more of our recently onboarded programs progress through their lifecycle and AI-enabled initiatives move into full-scale deployment, we expect broader, more consistent contributions to revenue and profitability. This progression, combined with the operating discipline we have established over the past year, positions us to deliver continued margin improvement and cash flow generation as the business scales. Based on this foundation, we reiterate our fiscal 2027 guidance for revenue in the range of $80 to $84 million and Adjusted EBITDA between $10 and $12 million.

As we deliver improved EBITDA, margin expansion, and consistent cash generation, we believe these underlying fundamentals position the business for stronger long-term value creation and a stronger market position for our shareholders. Our focus going forward is on building on this foundation - sustaining profitable growth, operational discipline, and disciplined capital allocation. We believe consistent execution against this approach is what ultimately drives long-term outcomes for our investors and the underlying value of the business.

Thank you for joining us today.