

Date: August 01, 2025

To,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400 001

Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051

BSE Scrip Code: 539289

NSE Symbol: AURUM

Dear Sir/Madam,

Sub: Transcript of Earnings Call held on July 25, 2025.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Transcript of Earnings Call held on July 25, 2025 to discuss the performance for the quarter ended June 30, 2025 and the same is available on the Company's website at <https://www.aurumproptech.in/investor/financial-information/quarterly-earnings>.

You are requested to take the same on record.

Thanking you.

For **Aurum PropTech Limited**

Sonia Jain
Company Secretary & Compliance Officer

AURUM PROPTech LIMITED **Q1 FY2026 EARNINGS CALL TRANSCRIPT**

July 25, 2025

MANAGEMENT:

MR. ASHISH DEORA: FOUNDER & CEO, AURUM VENTURES &

DIRECTOR, AURUM PROPTech LIMITED

MR. ONKAR SHETYE: EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED

MR. KUNAL KARAN: CFO, AURUM PROPTech LIMITED

MS. VANESSA FERNANDES: INVESTOR RELATIONS, AURUM PROPTech LIMITED

DURATION: 01:04:37

PRESENTATION LINK: [Q1 FY2026 INVESTOR PRESENTATION](#)

MEETING AUDIO: [Q1 FY2026 EARNINGS CALL](#)

TRANSCRIPT

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Ladies and gentlemen, good day and welcome to the Q1 FY2026 Earnings Conference Call of Aurum PropTech Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. I now hand the conference over to Ms. Vanessa Fernandes. Thank you and over to you.

VANESSA FERNANDES (INVESTOR RELATIONS, AURUM PROPTech LIMITED)

Thank you, Yashashree. Good evening, everyone. And thank you for taking the time to join us today. A warm welcome to the Q1 FY 2026 Earnings Call of Aurum PropTech Limited. We are joined today by Mr. Ashish Deora, Founder and CEO of Aurum Ventures, Mr. Onkar Shetye, Executive Director of Aurum PropTech and Mr. Kunal Karan, CFO of Aurum PropTech.

Quarter 1 has been a significant quarter for us in more ways than one. What you'll see in our performance this quarter is not just financial progress, but signs of a maturing ecosystem where regulatory milestones, institutional partnerships and strategic expansion are beginning to converge meaningfully. These developments are not just standalone events, they reflect the direction we are headed in as a company, focusing on long-term value creation and tech-led disruption in real estate.

Before we begin, I'd like to remind you that some of the statements made during this call may be forward-looking in nature. These are subject to risks and uncertainties as detailed in our annual report and investor disclosures available on our website.

With that, I'll now hand it over to Mr. Ashish Deora to begin.

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR, AURUM PROPTech LIMITED)

Thank you, Vanessa, and good evening, everyone. It's our privilege to welcome you all to the 17th Earnings Call of Aurum PropTech. I am deeply grateful to each of you for joining us. Your continued interest and belief in our journey fuels everything that we do. Today, I want to share five key developments, not just numbers, but the story of how we are scaling a purpose-led ecosystem, empowering our people and staying relentlessly focused on building long-term value.

Let's begin with our financials, our clearest signal of disciplined execution and operational excellence. Our total revenue grew by 29% on a Y-O-Y basis. Our profit margins improved by 852 basis points year-on-year basis. Our EBITDA margins grew by an impressive 826 basis points and our adjusted EBITDA rose by 395 basis points.

These results reflect more than just our commitment to revenue growth and cost control. They reflect a culture where every team member operates with a founder's mindset. We do make every rupee work, every metric matter. With this momentum, we are on track to deliver positive adjusted EBITDA in the near future, confidently and sustainably.

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR, AURUM PROPTech LIMITED)

Moving on, the second milestone is the successful completion of our rights issue. This is more than capital, it's a commitment. It gives us the firepower to double our organic revenue in the next 27 to 30 months, while staying true to our principles of capital efficiency and focused deployment. It lays the financial foundation for everything that comes next.

The third and in many ways, most transformative development, we have officially received the SM REIT registration from SEBI. Backed by our real estate and tech expertise, we are now fully equipped to scale this offering with transparency, trust, and integrity. We believe we will become India's largest SM REIT platform within 3 years. A heartfelt thank you to SEBI for enabling this revolutionary asset class. Through SM REIT, India will democratize real estate investing and open new doors for millions of investors.

Our fourth milestone is the strategic integration of PropTiger into the Aurum family. We are thrilled to welcome 350+ team members with deep expertise in primary residential sales and unmatched access to 300+ developers across India's top eight cities. This acquisition not only accelerates our path to INR 1,000 crores revenue, it also meaningfully rebalances our ecosystem, strengthening the distribution side along with our rental business.

With synergies across Sell.Do, Aurum Analytica, NestAway, and KuberX, we are now better equipped to serve the INR 38,000 crore addressable market in residential distribution segment. Finally, we are humbled to announce that REA Group, a global leader in PropTech, has become a strategic shareholder in Aurum PropTech, subject to the regulatory approvals.

For context, REA Group is a US \$20 billion publicly listed company in Australia and majority owned by News Corp. Their presence spans across Asia and North America. REA's conduct and rigorous due diligence before partnering with us has been inspiring and insightful. I would like to take this opportunity to thank the REA team, both in India and Australia. We have learned a lot from you. Additionally, I would also like to thank the advisors for the transaction. I believe that this is a profound vote of confidence in Aurum, in India's PropTech future, and in all of you who have been part of this journey.

To conclude, investor calls are increasingly special for me. Every investor call is a moment of reflection and reminder of a larger purpose. We are building trust. We are creating an ecosystem that empowers people, that empowers builders, that empowers families, and that empowers communities. We are shaping a future where Indian real estate is transparent, accessible, and intelligent, powered by data, AI, and your continued belief. It's a shared mission, which now feels more possible than ever. Thank you for your trust. Thank you for your partnership.

With deep gratitude, I now hand over the call to Onkar.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Thank you, Mr. Deora. The quarter yielded consistent year-on-year income growth. Rental businesses focused on tech adoption, improved customer experience, and unlocking more revenue streams. As a result, income from Rental segment between HelloWorld and NestAway grew 31% year-on-year, standing at INR 48 crores. At the Co-Living business HelloWorld, we stood at a blended occupancy of 77% across 230+ properties in 17,900 rental units under management.

There was a 50% surge in short-stay revenue, driven by rising demand for flexible living. Our customer service turnaround time significantly reduced from 8 days to 2.2 days. NestAway improved its operational efficiency and narrowed down losses. NestAway launched its digital resale platform to leverage its relationships with property owners to unlock an additional revenue stream.

The distribution business witnessed growth with multi-product adoption across key accounts and growth in new markets. With additional offerings in transaction management, we are looking at the distribution segment growing multi-fold in coming years. Aurum Analytica continued its growth momentum with INR 13 crores in revenue, a 64% year-on-year uplift. They sold 75,000+ leads to 120+ active clients across 230+ projects.

In the capital segment, AMSA Investments, a subsidiary of Aurum PropTech, has received approval from the Securities and Exchange Board of India (SEBI) to register its Small and Medium Real Estate Investment Trust (SM-REIT) under the name AMSA SM-REIT. AMSA is evaluating a robust pipeline of Grade-A income-generating commercial real estate properties, strictly adhering to the SM-REIT framework standards. We will take a prudent view before launching the first SM-REIT scheme.

I will now elaborate on the PropTiger transaction, its business and operations, REA Group, and our synergies with it. PropTiger is a leading tech-enabled real estate sales and marketing firm with Pan-India presence. Through its full-stack online-to-offline services proposition, it specializes in new-built properties, serving as an institutional intermediary, connecting consumers with properties and real estate developers.

PropTiger has 300+ developer relationships across 8 Tier-1 cities in the country with a mandate partnership and 350+ people team engaged in sales and mortgage advisory. It has enabled more than 50,000+ home sales since its inception and specifically 10,000 homes in the last few years.

Homebuyers put immense trust on the institutional brand that has 75+ industry-leading NPS. We acquired PropTiger from REA India Pte., a Singapore-based entity which owns PropTiger and Housing.com. In this strategic transaction, REA India Pte. will get 5.5% ownership of Aurum PropTech Limited. REA India Pte. is owned by Rupert Murdoch's News Corp. and REA Group.

The REA Group is an ASX-listed multinational, a globally recognized digital advertising business specializing in the property market. It has investments across the globe, including RealtAir, PropTrack, realestate.com.au, flatmates.com.au, amongst many others.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

REA Group's Revenue from FY24 stands at US \$1.1 billion with EBITDA of US \$450 million and Net Profit of US\$370 million. This demonstrates the scale of the group and our conviction in engaging with them for this Grade-A PropTech operation.

The acquisition adds a key piece to scale up our distribution business, which includes sales and marketing and transaction management business in primary residential sales. We will also be able to unlock synergies with the ecosystem, with rental business getting access to a large multi-city network to offer its resale services.

The distribution segment products can leverage PropTiger's relationship across 300+ developers, in addition to the transaction management to offer more services to developers and increase its wallet share in the enterprise segment. The capital business benefits from access to home buyers, fuelling our loan recommendation engine, Aurum KuberX. With these milestones, robust operational performance, strategic engagement with REA India Pte. and the approval of SM-REIT, we have started Q1 FY26 with the right building blocks in place to scale up our PropTech ecosystem across all three segments.

I will now hand over to Mr. Kunal Karan, CFO, to take us to the financial results.

KUNAL KARAN (CFO, AURUM PROPTech LIMITED)

Thank you Onkar. I will quickly take you through the consolidated results for the quarter ended June 30, 2025. The revenue from operations INR 68.40 crores as compared to INR 70.41 crores in the previous quarter and INR 64.89 crores in the corresponding quarter of the previous year. Total income INR 76.96 crores as compared to INR 78.04 crores in the previous quarter and INR 69.10 crores in the corresponding quarter of the previous year. Loss before tax INR 10.78 crores as compared to INR 9 crores in the previous quarter and INR 13.74 crores in the corresponding quarter of the previous year.

The EBITDA for the quarter 28.4% as compared to 29.8% in the previous quarter and 17.4% in the corresponding quarter of the previous year.

Segment information: For the quarter, Rental revenue contributed 70% of the total revenue from operations at INR 47.84 crores. Revenue for distribution and the capital segments were at INR 18.88 crores and INR 1.68 crores respectively. Rental and capital segment had a loss of INR 4.07 crores and INR 3.86 crores respectively, while the distribution segment made a profit of INR 1.79 crores.

An update on the rights issue, we have received INR 131.15 crores from the second and final call of the right issue and further INR 3.05 crores on follow-up for the unpaid money. In totality, we have received INR 341.29 crores from the rights issue in three tranches on application, first call and second call.

I will now hand over the call to Yashashree to take it forward. Thank you.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Thank you very much. We will now begin the question-and-answer session. We'll take the first question from the line of Param Vora from Trinetra Asset Managers. Please go ahead.

PARAM VORA (TRINETRA ASSET MANAGERS)

Hi, thank you for taking my question. So, what I wanted to ask was that the company has demonstrated compounded sales growth of 156% over the last 3 years. So, despite this strong top-line growth, the company continues to report negative profitability. So, are there any industry-specific cost pressures that are contributing to this? And how does management plan to mitigate this to achieve sustainable profitability?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Thank you Param for your question. We are operating in two areas majorly, one is the rental business, which is the largest scale of our operation which contributes to 60% of our income. By the nature, it is a consumer-tech business. It's a marketplace platform which requires expenditure on marketing, operations, till the time it reaches a steady state in terms of number of consumers on the platform seeking rental properties and the right supply on the platform that can service these consumers. We see majority of expense going to boost this and support this.

The distribution segment is profitable at an operational level. And we see this trajectory going ahead with an operational profitability at the distribution segment. The capital segment by the scale of its operation is not as large and is to be scaled up once we have a decent control on the SM-REIT license.

PARAM VORA (TRINETRA ASSET MANAGERS)

Okay, thank you. So can you give 1 or 2 years forward projections regarding your financials?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

While we are not allowed to make forward-looking statements, we look forward to continuing this growth trajectory in terms of revenue. Just to call out, over the last 3 years post completing our previous acquisition at NestAway, we have demonstrated a robust growth. The CAGR for the last 3 years has been at 40%.

In the subsequent, in the coming years, sans the PropTiger business, we are looking to grow at 25% CAGR. With this trajectory, we are also looking to improve our operational efficiency and reach a break-even by FY27 or FY28. Sorry, just to correct myself, we should be looking at growing at a 38% CAGR in the next 3 years.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Thank you. Next question is from Shivang B. from Emkay. Please go ahead.

SHIVANG B (EMKAY GLOBAL)

Thanks for taking my question. Congratulations on a wonderful set of numbers. So, my question, I have a two-part question. First is regarding the Capital segment in general and the SM-REIT license in particular. Can you provide a timeline for launching the scheme and when do you plan to launch various schemes, what AUM are you targeting, what will the legal structure be, I think you said that AMSA Investments will be a subsidiary of Aurum PropTech, is it?

And my second question is on the Distribution segment. I can see a quarter-on-quarter dip in revenue and margins. Is there seasonality to it? Also, just to add on, the PropTiger acquisition will start reflecting in revenue from the next quarter, is it? Thanks.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Shivang, may I request you to mute your connection, please? There's a lot of background disturbance. Thank you.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Shivang, we were able to get your first two questions, and we are going to answer them and we'll come to the third one later. With respect to the SM-REIT, first of all, we've gone through a very rigorous and detailed process in consultation with the Securities Exchange Board of India (SEBI) to receive the nod to conduct this regulatory business of SM-REIT.

The nature of the regulation is new. Here, we would like to take a prudent view post looking at the market, evaluating the SM-REIT supply that is coming in for us to get evaluated and then take a cognizant view on when to launch it. We would not want to be the market-maker in this segment.

We would rather want to wait out, see how the other SM REIT players are unfolding. This is a large TAM and we don't need to rush into it. So, this will be a wait-and-watch and then gradually launch the first SM-REIT once we have fully understood the scale of supply and demand on this.

With respect to Distribution, previous year, same quarter, we had an additional revenue coming in from two exited businesses, which we exited in H125, namely BeyondWalls and Kylas, which is why you are seeing a difference in revenue. Like-to-like, comparable, there has been however, an income growth when you look at two continued businesses between Analytica and Sell.Do.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

As I mentioned in my transcript earlier, the Analytica business has grown, the distribution segment as such has grown 36% Y-o-Y when you look at both these operations, Analytica and Sell.Do. Shivang, we were not able to get your third question. If you can please repeat it.

SHIVANG B (EMKAY GLOBAL)

Sure. So it was regarding the PropTiger acquisition. Will we start seeing the revenue from next quarter?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

The PropTiger acquisition by nature is in form of a preferred allotment. This will take time till end of August to get concluded. Post the conclusion of it, post the closing date, the revenues and the operations will be in our control and will be coming on to at Aurum PropTech.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Thank you. We'll take our next question from Darshil Jhaveri from Crown Capital. Please go ahead.

DARSHIL JHAVERI (CROWN CAPITAL)

Yes, Hi. Thank you so much for taking my question. So, sir, I just wanted to ask, like I think we're planning to grow at 38% CAGR over the next 3 years. But in the last, if you could allow me, I think the last 5 quarters our revenue has been in a range. So, what do we see the current market status as and like how do we break out of this range? Because this seems like something the last 5 quarters we want to deliver on growth, but we are in a range, right?

So how do we look at it quarter-on-quarter or should we just take an annual approach to it? Because a lot of businesses are starting right now for us. There have been four to five different active businesses, so growth should kick in from somewhere. So that's my first question, sir.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Thanks for your question. Both the segments, rental and distribution are seasonal and cyclical in nature. We should be seeing gradual upticks in Q3 and Q4 with respect to income in both the segments. And you're right, we should be looking at the revenues and the income growth year-on-year rather than quarter-on-quarter.

DARSHIL JHAVERI (CROWN CAPITAL)

Okay. Fair enough, sir. And I just wanted to know about our breakeven plan, I think, sir, you mentioned around FY27-28. So by that calculation, I had around roughly INR 600 crores levels is what we would consider as our breakeven. Is that a fair assumption, Sir?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Onkar Shetye: That's correct. We are looking to reach INR 550 crores to INR 575 crores of revenue in FY27, which is where we are looking at breakeven.

DARSHIL JHAVERI (CROWN CAPITAL)

And that would be a breakeven on operations level or EBITDA?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

At EBITDA level. Sorry, at operational level.

DARSHIL JHAVERI (CROWN CAPITAL)

At operational level, not at PAT level, right? So PAT level would be even further away, right?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

That's correct.

DARSHIL JHAVERI (CROWN CAPITAL)

Okay. Fair enough, sir. Just with regards to the acquisition of PropTiger, I think in the presentation we mentioned FY24 figures. So anything that we could get about FY25? How has that been? Is it a profitable business or what's the revenue scale for it, sir?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

While we would have loved to give you the FY25 numbers, these are provisional in nature. And we are waiting for the complete audit to be completed by REA India Pte. And then as it goes, the FY24 numbers are available publicly. They have done INR 95 crores revenue. But I would look at the business from a 3 year perspective. Last 3 years, PropTiger has done INR 245 crores+ revenue in the transaction management business.

While it has come at losses, we see areas of optimization across three areas. One is the business support services, which PropTiger ends up paying to their parent entity for functional support and management support coming in from the group entity. Second is the royalties, that go in, that are paid from PropTiger to the group entity for IP. And third is the marketing fee, that also comes in as support from the group entity to PropTiger.

With these three and certain operational efficiencies, we are looking at the next 12 to 18 months to turn around the business and make it profitable, while maintaining the revenue growth and also increasing it in the next 12 to 18 months.

DARSHIL JHAVERI (CROWN CAPITAL)

Okay, fair. And just one clarification. Like, I think we are seeing INR 550 crores to INR 600 crores for FY27. That doesn't include any PropTiger revenue, right? That's an additional figure that we'll have, right?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

That's correct. It does not include PropTiger.

DARSHIL JHAVERI (CROWN CAPITAL)

Okay, fair enough. Just like a broad range. I just wanted to ask, now from maybe a 4 to 5 year perspective, we are having rental, distribution, capital and even PropTiger is now coming in. So in our journey, how would it be like, will one business just scale up to another level or will all be growing simultaneously? How do we see, like just what is your vision for how do we see ourselves 5 years down the line? I know it's maybe a bigger thing, but I just want to understand our thinking and how do we see the Indian market and how do we see our role in servicing the needs of Indian customers?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Sure. So that's a very crucial question and we have also taken this view while going into the PropTiger acquisition. As of this quarter, 60% of the revenue contribution at Aurum PropTech comes from the Rental business, primarily NestAway and HelloWorld, which are the most mature and scaled-up businesses from an operational standpoint.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

With the transaction management business of PropTiger, the revenue contribution in the coming years will be a balance between rental and distribution with both contributing 45% each and then the rest of it getting contribution from the Capital business. We see scale in the PropTiger business by the nature of its operation, the network presence and also the brand it has established itself for in the last few years.

DARSHIL JHAVERI (CROWN CAPITAL)

Okay, fair enough. And sir, just wanted to know in terms of our Capital business, so SM-REIT, we've got the license but we are waiting for other players to come in. So, what do you feel like when could we be able to launch or what is your internal timeline for that, sir?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So one entity has already launched their SM-REIT. They are in the process or have already launched the second SM-REIT. And we are closely looking at how the regulation is playing out, how investors of SM-REIT are looking at it, how the supply for the SM-REIT is being looked at. We will take another two quarters to look at this market very closely and then the subsequent quarter which is either Q4 or Q1 FY27, we will look at entering into the SM-REIT business or launching the first SM-REIT asset.

DARSHIL JHAVERI (CROWN CAPITAL)

Okay, fair enough. That's it from my side, sir. All the best. Thank you so much.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Thank you. We'll take our next question from Govind Salian from Artek Surfin Chemicals Ltd. Please go ahead, Govind, please check if your connection is on mute mode. Govind Salian. I repeat, Govind Salian from Artek Surfin Chemicals Ltd. Since there is no response, we'll move on to the next question from Faisal Hawa from Hg Hawa & Co. Please go ahead.

FAISAL HAWA (HG HAWA & CO.)

So, sir, we had set a target of reaching INR 400 crores revenue by FY26 ended, sorry FY27 ended. So, will that target now be just pulled ahead because now with INR 70 crores rendered in this quarter itself and if we had headed for INR 280 crores and another INR 100 crores come from PropTiger, this may come through in FY26 ended itself.

And can you also throw some light as to how our competition is now doing like NoBroker.com, etc. Are they still bleeding and throwing money to expand or has some kind of change of mind taken place?

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

Faisal bhai, first of all, I'd like to share with you that we have got the SM-REIT registration. It has been weighing on our minds for the last two or three investor calls when you asked this question about the SM-REIT registration and we finally got it and I was delighted to share with you on this particular call. So, that's one great news.

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

As far as numbers are concerned, Onkar has given some sort of forward-looking numbers without kind of talking about it. So, I think you have to look at last 3 or 4 years of improvement of metrics, improvement of profitability across our businesses. You can look at it on a consolidated basis and you can look at it on each and every business.

While we are continuing to grow in revenue, we are improving our profitability metrics each and every quarter. And I think we just have to continue with that discipline. I think we just have to continue with those the same numbers for next 2 or 3 years. PropTiger integration is something that we are looking forward to because there are some great synergies with the existing business. Of course, PropTiger has its own revenues, own profitability that we will achieve, but it has great synergies with our businesses that are already in place.

So, I guess what we have done in last 4 years in terms of revenue growth and a keen eye on profitability, we just have to probably continue that for next 2 or 3 years. And the numbers that you are talking about, I think can be done faster than projected.

FAISAL HAWA (HG HAWA & CO.)

Would you be able to throw some light on the parents' involvement in PropTiger and if they are a Singapore-based entity, then what kind of benefits they could give us? Because now the royalty payment will cease to them. So, will they still help us out?

And can you also throw some light on what the present management, the CEO who has been retained, brings to the table for us and how you feel he could be of much value to us? Because we saw in the case of NestAway that the previous management really helped us a lot in turning around and scaling up the business.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

Thank you, Faisal ji. I'll answer the second part first. PropTiger was founded in 2011 by Mr. Dhruv Agarwala and with REA India Pte. and the REA Group coming in, the way the PropTiger business has evolved over the past 3 to 5 years, is that they have institutionalized it and made it not individual dependent.

The present management team that has continued to be with PropTiger and is transitioning to Aurum with, of course, the PropTiger business has been at the helm of driving operations and this 24% CAGR that PropTiger has achieved in the last 3 years in terms of income growth.

REA definitely helped them institutionalize this business with respect to management support, with respect to functional support, with respect to processes, with respect to Tech and IP. REA definitely helped them institutionalize this business with respect to management support, with respect to functional support, with respect to processes, with respect to tech and IP owing to their global understanding of the PropTech business in general. REA Group not only owns these India investments between Housing.com and PropTiger, but it also owns PropTech businesses across Australia and the US.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

What we will continue to get from the group is two things, one is of course, the processes set by them, which continue to be a part of the existing management team, and the process run by them. And as a part of a transition support, we will have transitional support from the REA team over the next few quarters, so that we are able to absorb, integrate and stabilize the business under the Aurum PropTech fold. I hope I have been able to answer your second question.

FAISAL HAWA (HG HAWA & CO.)

Sir, have they left also any cash on books in this company and is there any particular reason that they decided to sell off this business, because we have almost got this business at one-time sales valuation?

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

Well, this is Ashish here, Faisal Bhai. I think now the PropTech industry as a whole and the investors do look at Aurum to kind of integrate together. They look at working together and we believe that PropTiger was one of those initiatives. I mean sellers sell for a certain reason, buyers buy for a certain reason. So, I'm unable to answer why were they selling. But yes, I think, it's a great synergy for the products and existing offerings of Aurum which made great sense for us.

As far as 1x that you are talking about, as you know, we are very conservative acquirers. We value companies very conservatively. And by now, I think, this is our eighth acquisition. By now, I think, when someone reaches out to us, they already know that we will buy very conservatively.

But what we bring to the transaction is certainty, what we bring to the transaction is transparency, and probably that is why global capital allocators, global investors like REA or Tiger or CapitaLand, they are generally comfortable working with us in real estate. So probably that could be the reason if that answers your question.

FAISAL HAWA (HG HAWA & CO.)

And sir, are you open to taking someone onboard for the SM REIT, someone like a Brookfield or a very large institution with extremely deep pockets, because you have been known in your previous avatar to always been collaborating with very big names.

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

See, first of all, we would like to build a little bit, right? I mean, it's too early in the game now. We believe it's a nascent sector. It's a business that is going to become very large. It is just starting. We have some players who have got this registration before us. As Onkar said, we are keeping a keen eye on what's happening in the industry. So, I think next year or so is about keeping that keen eye and kind of getting the first SM-REIT out. Then couple years after that will be to really scale up. And then is the time to really talk to some domain experts or domain specialists if any.

But, I mean, we have our own real estate experience at the group level. We have our own tech experience at the Aurum PropTech level. So, we believe that we have all the right ingredients to build out this business in the near future. So, any collaboration on this if any, would happen in future.

FAISAL HAWA (HG HAWA & CO.)

I'll come back into the queue for more questions.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Next question is from Pranav Mashruwala from Dolat Capital.

PRANAV MASHRUWALA (DOLAT CAPITAL)

Hi. Thanks for the opportunity. So, one of my questions was on the Distribution and Capital segments. So, Distribution segment profitability, as well as revenue have declined quarter-on-quarter and Capital segment even though the revenue has declined by about 60%, the losses have gone up by 2x.

So, was there some divestment over here or property or some business that we exited? And on the Distribution segment as well, have we made any restructuring efforts that led to this?

KUNAL KARAN (CFO, AURUM PROPTech LIMITED)

So first the Distribution segment, if you are comparing the numbers from March, actually, because the last quarter of the financial year and we are really conservative in booking the revenues and other things, till we know exactly the receipt and other things. So that is why March definitely gets some additional revenue on that front.

So there is no change in the structure and other things that has happened for Distribution. And in March, we got one-time revenue for our efforts over the last 15 months. So that is why the March revenue was definitely higher, so that is why the dip is now seen in this quarter. But as such from operational side, there is no change as compared to March.

And for the Capital segment, more or less the same thing and maybe what we see in this current quarter will continue for the rest of the three quarters in the current financial year, if we are not doing something in the SM-REIT part in the current year.

PRANAV MASHRUWALA (DOLAT CAPITAL)

Okay. And on the rental side in HelloWorld. So, I think, one of the things that we have highlighted is, we have off-boarded some of the underperforming properties, has been something similar in NestAway as well?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So in NestAway, I don't think we can have same apple-to-apple comparison in terms of supply with HelloWorld, because NestAway is a completely asset-light, no lease, no occupancy risk model. We have definitely activated more micro markets that are generating demand hotspots for us. And that is where our focus on getting more signups and more properties at NestAway will also be at.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Next question is from Rahul Jain from Dolat Capital.

RAHUL JAIN (DOLAT CAPITAL)

Yeah. Hi. First of all, congrats on two developments. I understand the SM-REIT part of the thought process, that it may take some time for us to scale up on that opportunity. But meanwhile, on the Distribution side, how we are going to leverage some of this opportunity into a much larger scale of that we intend to do. Can you bit elaborate on that?

You also shared that some of the synergy of this capability could be leveraged across businesses. So what are the plans for us in terms of scaling this business and also synergy of this asset into different segments for us?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So we see PropTiger as a great fit for all three segments in terms of the network it brings on and the enterprise relationships it also brings to the table. For the Rental segment, we are able to get intelligence on apartments that were sold in the last 5 to 7 years, from a primary residential sales point of view, that can be offered for rentals or prompt for rentals or also resale. Likewise, NestAway gets access to the 350+ people team that is engaged in sales advisory for consumers who are looking to purchase apartments.

On the other side, PropTiger also gets an additional resale inventory or the PropTiger team also gets a resale inventory to be looked at from a sale point of view, thus bettering their offerings in a market from a portfolio point of view.

On the Distribution side, the developer is a clear winner here where he gets one point of access and institutional listed entity providing all three tech-enabled solutions for him to generate leads with data analytics to manage its consumer communication through sales automation, and now also add on to the transaction management that PropTiger brings on.

And at the other side, we also get to increase our wallet share across the 700 developer relationships that we have at Sell.Do around 150 odd developer relationships that we have at Analytica and likewise the 300 developer relationships that we have at PropTiger. So, it's going to be a great cross-sell opportunity for all three businesses.

For the Capital business, KuberX, our homegrown, our proprietary loan origination software gets a shot in the arm, which is now having access to this 350 people team network across 8 cities where we are not only getting home loan seekers or prospects, but we are also getting a fulfilment arm that can go on to transact home loans for them and at the end of it, service it to the right bank. So, all these segments benefit and that's why we felt this is a great strategic fit for our business at the scale it is at.

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

I would also like to add to what Onkar just said, post our NestAway acquisition, we had decided that we are going to look into businesses which are extremely synergic for our ecosystem. So, for example, it could be a very compelling business in PropTech, but if it doesn't have a synergy with our other products or other segments, then we are not going to look at that. So, we had kind of made this internal sort of strategy two years ago.

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

And when we started looking at PropTiger, we thought that one, the business itself is very solid, of course, secondly, then it was bringing synergies to three or four of our offerings. And it was just sitting either in the forward integration or backward integration of these businesses. And we thought that it was a great strategic fit.

And of course, then the way REA Group, both in India and Australia, the way they kind of handheld this discussion and the comfort that they brought on the table, that really kind of helped us to kind of make this decision.

RAHUL JAIN (DOLAT CAPITAL)

So that's an interesting thing. Just more extension on that, if you could share, Ashishji, in terms of how we are going to leverage the tech part of it, because all of these businesses are somewhere interlinked. And secondly, from the people side of it, what was the plan to do collaboration from a people's point of view? So is it like a centre of excellence kind of a model or they would be more getting on to a common call or something? So both on the tech and people's side, if you could see how you plan to leverage that?

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

So you are right, the assets or the strength that PropTiger has, its team, its tech, its relationships and we have a roadmap in how NestAway and Sell.Do and Analytica and KuberX, how should they be able to over next few quarters utilize this strength, and at the same point of time, also strengthen PropTiger with our ecosystem. So, it's not only a one-way traffic. It's to both right and that is how the network effects of ecosystem should work.

What we have also done for that same reason, so that the integration is smooth, we have requested one of our founders of Aurum Analytica, to get freed up from Aurum Analytica as a CEO position from there, and take over as CEO of PropTiger, as and when the acquisition is completed.

So that also helps us do the integration with the ecosystem. Prakash is somebody who understands the company, who understands Aurum for last three years. People like Jitu, they understand the system. And we kind of try to integrate this right at the management level from day one, rather than first acquiring and then trying to bring on actually.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So just to add, there is already an existing centre of excellence practice that PropTiger has, which we intend to extend as a practice to the entire ecosystem. Very robust practice set by REA India Pte., and that will definitely benefit the ecosystem overall.

There's one more added benefit of this business from a cross-integration standpoint is that we get access to those 50,000 units that were sold by PropTiger historically, which can be now sweated across multiple PropTech revenue opportunities. Likewise, the average revenue per employee also gains to increase across all the three segments. And that's a dual benefit that we see coming in from the PropTiger transaction.

RAHUL JAIN (DOLAT CAPITAL)

Yeah. And just last one from my side, with REA coming into our cap table, and they are being a big investor in a similar PropTech ecosystem. Do we see more opportunities to work along different form of business within the India or any other market? Or do you think there's not much future opportunity out there with them?

ASHISH DEORA (FOUNDER & CEO, AURUM VENTURES, DIRECTOR AURUM PROPTech LIMITED)

The way we see that these are very early days. We have always regarded REA Group from the very beginning, since the time we started PropTech back in 2020, 2021, we have very high regards for the group. They have demonstrated fantastic business in India already with Housing.com and PropTiger. And now we have this opportunity to also have them on our cap table.

So, to answer your question, it's early days that what can we work out in future. But I guess that is how our journey with most of the other global players have started, it starts small, and then it gets built onto a big opportunity. But having said that, as of now, we are welcoming them, and we are hoping that there is great synergy in future.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Next, we'll take a text question from Ashish Kumar, an individual investor.

ASHISH KUMAR (INDIVIDUAL INVESTOR)

Congrats on the recent development, earlier it was mentioned INR 2,000 crores AUM in SM-REIT. Can we assume 1% management fee? What's the EBITDA margin for PropTiger? How much savings expected from ending marketing royalty payments to REA?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So, I think, we'll elaborate on both the questions. The INR 2,000 crores AUM was required to be built over the next three years to five years in a manner where we start looking at how the space is evolving first and then start on the building. Like we called out in the call, we will look at next two quarters, observe the markets very closely and then go on to build this INR 2,000 crores AUM journey in the SM-REIT structure. Yes, you're right. The management fee can vary from asset-to-asset, but you can look at a management fee in the range of 0.5% upwards. In addition to it, there's also an acquisition fee that comes at 1.5% for every asset. And then, of course, if you exit the fee with a good performance, there's an exit fee also that is built into this. So, with these three revenues stream on each asset, we are looking at a decent spread to be made over the assets.

With respect to the second question, this is a little preemie to the transaction. We will definitely elaborate this over the next call. We are aware about the numbers, but all three nature of the payments that are going back to the group are substantial in nature and that will definitely reduce the losses that we are presently seeing in the FY24 numbers that are available publicly. We don't see a challenge in running this operation profitably and we expect that within the next 12 months to 18 months, we should be able to achieve profitability at the same scale of revenue in the PropTiger business.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

We have a follow-up question from Faisal Hawa from HG Hawa & Company.

FAISAL HAWA (HG HAWA & CO.)

Is it a right comparison to make that this REIT business, we could be the AMC of choice for years together and this business could be almost like, say, a half of what the mutual fund business is today, say 10 years to 15 years ahead or am I just hallucinating?

RIHEN SHAH (INVESTOR RELATIONS, AURUM PROPTech LIMITED)

So, Faisalji, that is right, in terms of the way this business is structured, and the SM-REIT regulation has been made. It is similar to a mutual fund where you have multiple schemes under one trust. And the way we foresee is like that, this business of an investment manager in SM REIT will be able to grow to that scale. However, as we called out, we will be looking over the tenure for the next three quarters, it's very nascent in itself and the product is very new. So, over the tenure, we'll just look how the market is going and then we'll enter the space.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

It's going to be looked at as a mutual fund business from a genre of investors that could be looking at this grade of asset and this quantum of asset. And that is one key difference between a REIT and a SM-REIT where INR 50 crores asset size is being looked at by non-institutional investors, hence making it very, I would say, a potential path to a product akin to mutual fund.

FAISAL HAWA (HG HAWA & CO.)

So, just like HDFC in AMC business for mutual fund has its brand name as a very big differentiating factor, Quant Mutual Fund is having its mathematics-based investment as a differentiating factor, can you name two to three differentiating factors that we have that will help us succeed in this SM-REIT business? And where we could potentially get the investor at least 1.5% to 2% higher returns just because of these two or three USPs?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So, there are three parts to it. One is, of course, the profiling of supply that, that is very crucial for onboarding the right supply, which comes in with our group company's real estate expertise and sits on the SM-REIT AMSA business unit. The second is the property management and the churn of leasing and churn of tenants that also comes in and is very crucial for maintaining a certain rental yield for that asset. And the third is integration of tech platforms that will help investors in form of portfolio management and ensuring easy entries and exits into the SM-REIT model. These three are going to be differentiating us and are going to put us in, like you rightly said, in compared to the graded or the branded mutual funds category. And we should be looking at, as you rightly said, the go-to or the fourth to call for SM REIT units by investors.

FAISAL HAWA (HG HAWA & CO.)

Within management, is there any thought that at some time between these four or five optionalities that we have in the business, which is one of the Distribution side, one of the Analytics side, then the SM REIT business. At some time, is the management cognizant of the fact that one or two of these horses will really bolt ahead? And then at that time, these businesses will either have to be demolished, or some special attention will have to be placed on them so that they really become the crowning diamonds of our crown.

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So, we in a way concluded our last transaction in 2023 and the recent one now this quarter. There are three businesses that we will definitely call out, which have grown multifold post-acquisition. One is, of course, HelloWorld, which has grown more than 3x from the date of acquisition, which we feel will continue to scale up in the same trajectory.

The second is Aurum Analytica, which has grown 6x from the date of acquisition in 2022. We also feel that this is a business that will scale further. NestAway by the whole nature and model of its marketplace model, and a very scalable model in terms of its revenue is also one business that we are looking to scale.

And now with PropTiger, the majority of the business, the network presence it has, we see this business is also going multifold. This, by the way, is INR 38,000 crores TAM that we are looking at, which is between transaction management expenditure, sales and marketing expenditure that is done annually by real estate developers across these top 8 cities in the country. And we have not even scratched the surface in this business as of now. So, all three businesses not just have the headroom for expansion, but also inherent potential in terms of its maturity and network scale at present.

FAISAL HAWA (HG HAWA & CO.)

And is there some ambition to make a Knight Frank kind of a structure within us or which actually becomes like a go-to kind of a place for anything related to real estate?

ONKAR SHETYE (EXECUTIVE DIRECTOR, AURUM PROPTech LIMITED)

So you're right, but we would like to be larger than Knight Frank in terms of the brand presence, in terms of the network presence and also in terms of revenue operation. But the aspiration is in the right direction.

FAISAL HAWA (HG HAWA & CO.)

I really appreciate your answering my question so in-depth, sir.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

While we do have questions in queue, but due to paucity of time, we'll have to end the session here. I would now like to hand the conference over to Ms. Vanessa Fernandes for closing comments.

VANESSA FERNANDES (INVESTOR RELATIONS, AURUM PROPTech LIMITED)

Thank you, Yashashree, and thank you everyone for making this session engaging. Quarter one has set the tone for an exciting year ahead, and as we move forward, we do so with the quiet confidence that comes from building patiently, purposefully and with conviction. We look forward to staying connected with all of you and sharing more updates in the quarters to come. Until then, stay well and have a pleasant evening ahead.

YASHASHRI DHURI (MODERATOR, CHORUS CALL)

Thank you, members of the management team. On behalf of Aurum PropTech Limited, that concludes this conference. We thank you for joining us and you may now exit the meeting.