

Date: October 27, 2024

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 October 22, 2024.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Transcript of Earnings Call held on October 22, 2024 to discuss the performance for the quarter and half year ended September 30, 2024 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
H1 FY '25 Earnings Conference Call”**

October 22, 2024

MANAGEMENT: MR. ASHISH DEORA: FOUNDER AND CHIEF
EXECUTIVE OFFICER, AURUM VENTURES
MR. ONKAR SHETYE: EXECUTIVE DIRECTOR,
AURUM PROPTECH LIMITED
MR. HIREN LADVA: EXECUTIVE VICE PRESIDENT,
INVESTMENTS, AURUM PROPTECH LIMITED
MS. VANESSA FERNANDES, INVESTOR RELATIONS,
AURUM PROPTECH LIMITED

DURATION: 00:56:01 MINUTES

PRESENTATION LINK: [H1 FY2025 INVESTOR PRESENTATION](#)

MEETING VIDEO: [H1 FY2025 EARNINGS CALL](#)

Moderator: Ladies and gentlemen, good day, and welcome to the H1 FY '25 Earnings Conference Call. 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. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Vanessa Fernandes. Thank you, and over to you, ma'am.

Vanessa Fernandes: Thank you, Sagar. Good evening, everyone, and a warm welcome to the Q2 FY 2025 Earnings Call of Aurum PropTech Limited. Joining us on the call today, we have Mr. Ashish Deora, the Founder and CEO of Aurum Ventures; Mr. Onkar Shetye, Executive Director, Aurum PropTech; Mr. Kunal Karan, CFO, Aurum PropTech, and Mr. Hiren Ladva, EVP Investments. Today, we shall take you through our quarterly and half yearly performance for the period ended September 2024, as well as our future outlook.

Before we proceed, I would like to remind everyone that the forward-looking statements we may discuss are subject to risks and uncertainties that are detailed in our prospectus and the annual report. We encourage you to review these documents, which are available on our website to fully understand the risks associated with any future projections or statements.

We shall now start the call with Mr. Ashish Deora.

Ashish Deora: Thank you, Vanessa. Good evening, everyone. It's my pleasure to welcome you to the 14th earnings call of Aurum PropTech. I'm excited to update you on the progress we have made in Q2 FY 2025, marking another significant step in our journey towards building a robust and Integrated PropTech Ecosystem.

In our fourth year of this venture, I'm proud to share how our ecosystem has evolved. We have the right product fit, a balanced blend of professional expertise and entrepreneurial energy, and a suitable capital structure, all anchored by Aurum's commitment to profitable growth and strong unit economics. During today's call, as we review our progress for H1 FY 2025, I would like to highlight five key achievements that we are building upon.

First, in our Rental vertical, we are consolidating our market dominance with each passing quarter. We now manage 32,000 rental units and are on track to exceed 50,000 rental units by FY2026. We are also projecting that our Co-living business will generate INR 500 crores, I repeat INR 500 crores in ARR by FY2028. We are committed to allocating the necessary capital to our co-living business over the next 3 years. The proceeds from our planned rights issue and the monetization of buildings Q5 and Q6 will be utilized for this growth capital. Within the Rental vertical, NestAway is also on a growth path with its unit economics under control. We are now confident in setting bolder targets to achieve INR 100 crores in revenue from NestAway.

Second, regarding our distribution vertical, I'm pleased to share that we successfully undertook the realignment of our distribution business, and we have now sharpened our focus on tech. Sell.do continues to be the leading real estate CRM in India, and we are actively working with the management team to explore international expansion. Our lead generation business has grown exponentially over the last 2 years and has reached an ARR of INR 41 crores. We have set a target of ARR of INR 100 crores for our lead generation business, Aurum Analytica. We believe that it is now our responsibility to scale the distribution business in a manner similar to how we have successfully scaled our rental operations.

Third, moving on to our capital vertical. We are excited about our initiative to become an SM-REIT. We once again applaud SEBI for this initiative, which we believe will create a very significant asset class and provide investment opportunities in real estate for retail investors. We are gearing up to launch our first asset in the next 2 to 3 quarters. Our robust tech stack developed for this segment and our in-house expertise in real estate leasing and management can compound the returns in this business.

Fourth, I would like to share our thoughts on our acquisition strategy. In the period of 24 months from July 2021 to June 2023, we completed seven acquisitions. Post the acquisition of NestAway in June 2023, we committed to deepening unit economics and ensuring NestAway is profitable. Since both these objectives are now met, we see the opportunity to make 1 or 2 acquisitions that are highly complementary to our businesses. I need not emphasize that we will continue to adopt an extremely conservative approach to valuations, as demonstrated in our previous seven acquisitions.

Finally, as a fifth highlight, I'd like to emphasize our unwavering focus on profitable growth and unit economics. This commitment has become our mantra for our diverse businesses, allowing us to consistently exceed our revenue and profitability projections. I'm thrilled to share that our ESOP adjusted EBITDA improved from -5.9% last quarter, once again to -4.1% this quarter. Our target to achieve profitability by FY26-27 appears well within reach.

To conclude, as we progress during this year, we'll further intensify our focus on leveraging data to enhance the value Aurum PropTech delivers to its key stakeholders, including homebuyers, developers, tenants, investors and channel partners. Our commitment remains centered on deepening our integrated ecosystem, ensuring continuous improvement in unit economics and driving profitable growth across our three verticals.

I will now hand over the call to Onkar. Wishing all our participants a prosperous Diwali and a successful year ahead. Thank you very much.

Onkar Shetye:

Thank you, Mr. Deora. Long-term rental demand stays robust, with urban influx changing real estate consumption patterns of Gen Z and millennials. There is a demand for INR 2 crores rental units in co-living and family rentals, across student living, young professionals and young families in openings. Driven by need for enterprise efficiency and consumer experience, real estate distribution presents an INR 34,000 crores opportunity across Data Analytics, Sales Automation, Transaction Management and Customer Relationship Management.

In capital, a series of destructive regulations and reforms paved the way to unlock the INR 32 crores square feet SM-REIT able commercial invested stock in India for rapid transformation and participation of institutional investors, family offices and H&Is in India's property sector. To bring more focus on these three macro sector opportunities, we have aligned our proptech business into 3 segments: rental distribution and capital.

Rental business segment, offering C2C and B2C marketplace business models, demonstrated 33% revenue growth, which was measuredly driven by expansion in rental offerings and improved wallet shares. The Co-living business added new -- exciting new cities, Ahmedabad and Goa; increased the number of properties and launched short stays, contributing to higher revenue growth.

The Family Rental business added more revenue streams with NestAway Lite and managed services through -- thus increasing customer base and wallet share. In the upcoming quarters, our Co-living business will continue strategic supply acquisition in high-demand areas across top performing cities, continuing its demand-based strategy. NestAway, the family rental business, will launch residential resale business, leveraging its relationships in rental property owners, unlocking a large sector TAM.

The Distribution segment contributed largely from the enterprise tax suite offerings, contributing 29% to the revenue mix. We saw an 18% year-on-year growth in income, driven by increased account base and account penetration.

Also, the addition of new locations has yielded outstanding results to the Data Analytics business. The realignment of Sales Automation business brought more focus on technology, scale and improved profitability. In the upcoming quarters, Aurum Analytica shall launch Lucknow, and Sell Do shall launch the broker apps CRM and chatbots along with it.

Capital business segment commenced transformation through the structural ownership business model. We started consultation with SEBI and applied for SM-REIT license in August '24. In the upcoming quarters, we intend to conclude our consolidation procedure with SEBI and launch our first assembly property under the new licensing framework.

I will now hand over to my colleague, Kunal Karan, to take us through the financial performance.

Kunal Karan:

Thank you, Onkar. Thank you, everyone, for taking out time to join us on this call today. I will take you through the consolidated results in brief. The revenue from operations for the quarter was INR 64 crores as compared to INR 64.9 crores in the previous quarter. The total income was INR 67.6 crores as compared to INR 69.1 crores in the previous quarter. The loss before tax for the quarter was at INR 12.1 crores compared to INR13.8 crores in the previous quarter, an improvement of 200 bps in terms of PBT to total income.

The EBITDA was 21.5% in the current quarter compared to 17.4% in the previous quarter, improvement of 410 bps. Now the results as compared to the corresponding quarter previous year. The revenue from operations grew by 21.2% from INR 52.82 crores. The total income for the quarter grew by 18% from INR 57.3 crores. The loss before tax for the quarter improved by 3,160 bps in terms of PBT to total income. EBITDA improved by 2,650 bps.

The results for 6 months ended September 30, 2024. Revenue from operations was INR 128.9 crores compared to INR 96.9 crores in the half year of the previous year, a year-on-year growth of 33%. The total income was INR 136.7 crores compared to INR 105.2 crores, 30% year-on-year growth. The loss before tax was INR 25.8 crores, that is 18.9% of the total income, as compared to INR 47.3 crores that is 44.9% of the total income, improvement of 2,600 bps. The EBITDA was 19.5%, an improvement of 2050 bps year-on-year.

Now on the balance sheet. The total assets of the company as on September 30, 2024, was at INR 624.6 crores, and equity applicable to the equity holders was INR 284.2 crores. Total borrowings INR 65.6 crores compared to INR 193.9 crores as on March 31, 2024. The cash and cash equivalent was INR 14 crores as compared to INR 7 crores as on March 31, 2024.

The segments. During the quarter, the company has reported segment information under new segments.

‘Rental’ operations comprised of activities of the company derives revenue from customer for services offered to comprehensive technology base solutions standard for rentals, property owners and property managers.

‘Distribution’ operations comprised of activities where company derives revenue from customers for Data Analytics, Marketing and Sales Automation offerings, and licensing of the CRM products.

‘Capital’ operations comprise of activities where the company derives revenue from customers for the management of investments through technology-based platforms. All the previous periods and years figures have been reclassified as per the new segments.

Segment revenue for the quarter. Rental revenue contributed 68% of the total revenue from operations at INR 43.2 crores.

Distribution on the capital segment were at INR 16.8 crores and INR 4 crores, respectively. The segment results, Rental and Capital segment had a loss of INR 1.2 crores and INR 2.5 crores, respectively; while the distribution segment made a profit of INR 1.3 crores during the previous quarter.

I'll now hand over the call to Sagar to take it forward.

Moderator: Our first question is from the line of Vinay Gupta from Previs Wealth.

Vinay Gupta: I just want to check what is the rationale for yesterday's transaction which was given to the Stock Exchanges with respect to WiseX Technologies?

Management: Look, WiseX Techno was created as an SPV. So, the purpose of that SPV was to acquire that property in Pune for the fractional ownership business. So, we just hold equity of one lakh shares and the investors actually own the property. So, the time the investors came in, we are holding the property now the investors have invested in that company. And now it is the benefit and reward of that property goes to the investors of WiseX.

Ashish Deora: Also, Vinay this is Ashish here. The SM-REIT that we have applied for, asks you to migrate all the other fractional ownership assets. And in this case, there is now no fractional ownership asset of Pune in the company which has applied for the license.

Vinay Gupta: So the second question is, previously in your previous con-calls, you had indicated that the growth that the company is aspiring is upwards of 40%, 50%. While if we see the first half itself, the growth has been about 30%, 35%. So, can you underline that, are we expecting a very strong second half of the year? Or is it because there is some slowdown in the economy due to which we have not really been able to grow to our targeted levels?

Onkar Shetye: This is Onkar here. I'll quickly answer your question in two parts. One is while our growth targets are at 45%, typically, the sector is such that it picks up in the second half of the year, versus H2, both in the rental and the distribution side from revenue contributions as well. Second is that, in Q2 we have executed one key corporate action which brings focus on technology and scale in the distribution vertical where we have exited or we have led on a specific services or a services offering of the business.

If we had retained the services arm or services offering on the business, this quarter and effectively the total income would have an additional INR 9 crores contribution from the services arm. Effectively, we would have grown at a 10% quarter-on-quarter growth over the last quarter to the next quarter. But what we have done is to make sure that we are able to focus on scale, we are able to improve profitability, we are able to have better cash flow management and only retain businesses that are core in tech and scale, we have taken this corporate action.

While the revenues were at INR 9 crores for the quarter, we've been able to improve our net margins in the distribution business from 9% to 7%, which otherwise within the services arm would have been at a -9%. and effectively, it has contributed to an overall consolidated positive outcome.

Vinay Gupta: So you're saying that we let go of revenues of about INR 9 crores so as to have a positive contribution margin because this INR 9 crores was essentially sort of a business which was not going to give us better margins? Is my understanding correct?

Ashish Deora: Yes. Your understanding is correct. Also, we realized that, that business was not scalable and was a business that required a lot of cash flow, was also a business which we thought was not tech heavy, whereas we want to run businesses which are led by tech. And that is why we have that business. And that has improved the revenue by INR 9 crores.

Vinay Gupta: Okay. Thank you so much for answering my questions.

Moderator: Thank you. The next question is from the line of Vidit Shah from Spark Private Wealth Management. Please go ahead.

Vidit Shah: Thanks for taking the question. My first question was just in continuation to the previous clarification you all gave. You said that this loss-making business was let go, could you share some details on what this business really was and if we actually look at absolute EBIT, that has

sort of remained flat at about INR1.3 crores quarter-on-quarter. So, there's not really been an improvement despite this business going, so what is the trajectory we expect going forward?

Onkar Shetye:

So Vidit, your line was a little muffled, but I'll quickly try to interpret and give you a response to the question. Vidit, the nature of the business that we exited was in the transaction management area of the distribution vertical, basically facilitating aggregation of real estate channel partners and brokers and helping real estate developers achieve a velocity of real estate sales. It required aggregation of real estate brokers in every micro market, to contribute to the sales volume and effectively the revenue that could come through Aurum PropTech's business.

This was not scalable or was taking time to scale in micro markets which were new to the business operation, and hence we took a call to exit this. While I think it had contributed to an overall consolidated net profitability at the consolidated level, it has got balanced out with certain extra expenditure that we incurred in the rental business. The distribution segment at the consolidated level has improved in terms of profitability with this corporate action of restructuring.

Vidit Shah:

So my question, my second part was really on the absolute profitability of the distribution business.

Onkar Shetye:

At distribution, we are at a 7% net margin, Vidit.

Vidit Shah:

Okay. So when I look at your segmental results, the EBIT - the distribution business is INR1.3 crores. And this has really remained flat, quarter-on-quarter despite letting go of this loss-making business. So, I'm trying to understand if there's some add-on expenditure that we are incurring in this distribution business to offset this loss-making business?

Onkar Shetye:

I think the complete effect of this realignment will be visible in the coming subsequent two quarters because this action was taken in mid-quarter and while there were certain benefits that we could incur this quarter, the subsequent net margin benefit we will offer in the subsequent quarter.

Vidit Shah:

Would you be able to quantify the benefits that we can get?

Onkar Shetye:

So I think we should be able to send you a detailed note on this, quantifying how we plan to do better in terms of that.

Ashish Deora:

Vidit, sorry, this is Ashish here today. In our investor presentation, we have tried to articulate the benefits through the last few slides on this that why it makes sense to kind of be heavy on tech, why our revenue per team member is going up with this business, how the EBITDA margins that Onkar spoke about is going up with this. So it was something that we were looking to realign for the last two quarters. We were working on this. We, in fact, articulated this as well in one of our previous calls to say that we want to do this. And I'm happy that we have successfully been able to do this.

Vidit Shah: Okay. Understood. And I had another question on the NestAway Lite business that you've launched this quarter. Could you just help take us through what is the TAM according to you and what is the business model in terms of revenue.

Moderator: Really sorry to interrupt. Sir there is a background noise which is coming when you are speaking and because of which your voice is sounding a bit muffled. So, if you're using the speaker mode, request you to use a handset mode, please.

Onkar Shetye: Vidit, are you still there?

Vidit Shah: Yes.

Onkar Shetye: Yes. Vidit the introduction of the lite model for us is again twofold. One is from an improvement of efficiency of supply, where properties we have, I would say, occupancy requirements, so properties which we have got a 20% of occupancy still to be factored in our fulfil. These units are being offered for short stays which are in a way improving the unit of that particular building from an occupancy standpoint.

With this, we've been able to better our overall handover occupancy level for around 50 properties which are now accounting around which are now at 90% of occupancy level. So that is one. The TAM for this is really large because this competes in a way one to one with your business hotels, service apartments, which are typically looking to host business travellers, young professionals traveling to cities for projects for a short-term duration of a week or a couple of weeks. So, without really creating a new brand, without really creating new supply, we've been able to leverage the same supply, improve the efficiency of that supply and also unlock one more TAM in this supply.

Vidit Shah: Thanks so much, I'll get back in the queue.

Moderator: The next question is from the line of Mayuresh. Please go ahead.

Mayuresh M: So I have a question. You said that you do have some acquisitions coming in pipeline if you find some good companies to acquire. And I also see that there is a considerable debt on the company. So how do you plan to fund the acquisitions? Do you plan to take more debt? Or do you plan to raise more funds through diluting the equity or through QIP's? And to reduce the debt, what is the plan?

Ashish Deora: Thank you, Mayuresh for your question. This is Ashish here. When we acquired NestAway in June 2023, we had made an internal sort of commitment to ourselves that let's ensure that we are seeing profitability in every single business in every single offering of ours. It was also very important at that point of time, to ensure that NestAway is turned around, because NestAway was losing INR 42 crores a year when we bought that in June 2023.

Now since NestAway is profitable, and we have been able to improve unit economics in every offerings, every businesses of ours to a point where we are seeing profitability in near future. We believe that we can now go back to making just one or two acquisitions that are extremely

synergic to our businesses, complementary to our businesses. It should sit between the two of our businesses. That's the idea.

To answer your question how are we going to fund that acquisition. We have our own capital that we can call for in terms of the rights issue, which we are planning to do in Q4. So that is one way to do it. We have our own buildings that we can monetize. So that is the other way to do that. And irrespective of whatever acquisitions we look, we are always very conservative with our valuation metrics. We are very, conservative in looking at the sort of cash that we give out for these businesses. So, we will not really be spending a lot on these acquisitions as we have done in the past.

Mayuresh M: Yes. And do you plan to reduce the debt or you plan to continue until you have more profitability and it automatically pays off?

Ashish Deora: So, the only debt we carry is the lease rental discounting that is against our properties. And they are at a very attractive interest rate. They are self-liquidating debt facilities because they are backed by the rental agreements. So that's the only debt we carry. Definitely, we will not carry any more debt than that, than the LRD possibilities. Irrespective, no acquisition can be funded by debt. We are very debt averse to do something like that.

Mayuresh M: Understood. It's great to hear that. I have one more question, if I may. So regarding the REIT license from SEBI, when do you expect to receive that license? Is there a timeline?

Hiren Ladva: So typically, we are in the next level of discussions and exchanging responses with SEBI on our application. So, it's difficult to put a timeline to when the license will be approved by SEBI because it's in the hands of SEBI. But if you ask me for an estimate, another 2, 3 weeks is what we are keeping our fingers crossed on, as the timeline for getting the license.

Mayuresh M: Okay. And for HelloWorld, the Coliving platform, I just wanted to understand the business model. Is it other properties wholly owned by Aurum? Or it's also a platform where each and every property owner can lease their property through the website?

Onkar Shetye: So I'll quickly give you a color of the HelloWorld business model in a short span that actually doesn't do justice to the large scale that they have established. Now HelloWorld is present in 17-odd cities with 210-odd properties and around 16,000-odd rental units being managed by the team. It's a complete asset-light model of operation, where they do not own any buildings or real estate assets on their portfolio or on their books or in the business.

They serve two types of consumers, one, student living, which is a large cohort in India, around 40 lakh students are required to be serviced from a private rental accommodation standpoint across urban cities in India. And the other cohort is young professionals, which is around 60-odd lakh professionals working in 9 corporate sectors across the country in urban areas who we're seeing in shared rental spaces. That's on the demand side.

On the supply side, you only have around 3 lakh organized rental unit supply on the co-living side. So, the opportunity for expansion here from a demand-supply mismatch point is large, purely from an operator point of view as well. And when I say operating co, it means that an

institutionalized team which has got tech-enabled services, it has got institutional grade property management servicing network that engages with aggregated supply, typically buildings with minimum 30-odd rental units, to be offered for co-living, and given the community experience to these 2 cohorts, is the Gen Z and millennial cohort that we are looking at. So I hope you have tried to do justice in the short span of time.

Mayuresh M: Yes. But these units that are built are they owned by Aurum? Or are they owned by owners and Aurum is an aggregator, it provides a platform for the students who are looking for accommodation?

Onkar Shetye: So these units are not owned by Aurum. They are taken as a operating contract with the property owners or the building owners who own them, effectively, and HelloWorld goes on to Op-co, prop-co model. We have one more model of rental, which is the NestAway model, which is more of a marketplace which services a different cohort of consumers, which is younger families who are looking to rent out individual family rental units or individual apartments for their consumption. So that's a different model where that team is a technical service and absolutely asset-light in the marketplace.

Mayuresh M: And may I know what is the margin for HelloWorld?

Onkar Shetye: So HelloWorld operates at a gross margin of 40% and so typically, 60% of the entire I would say revenue goes into the rentals that are to be paid for these properties and then 40% comes to HelloWorld. Out of which, HelloWorld goes on to manage its P&L, its building management expenses and our teams that move on to service.

Mayuresh M: So the net would be approximately 25% to 30%, right?

Onkar Shetye: That's correct. Some of it, of course, goes into city fees and G&A. But we can look at an ideal state in a micro market, which has got enough demand/supply and the team and the right mix of team managing it -- right balance of team managing it, we can operate at a 15% kind of growth margin.

Mayuresh M: And at what growth are we growing year-on-year for HelloWorld?

Onkar Shetye: So I'll give you a quick history of HelloWorld. We acquired this business 100% in April 2022. This was at INR 38 crores of revenue. As of H1 '25, we are looking at INR 135 crores revenue from HelloWorld business.

Moderator: We'll move on to the text questions. The first text question is from Vikul Arora. And the question is, congrats on the recent announcement. Could you please elaborate on the strategic reasons behind the decision to sell Wisetechno Private Limited to Aurum Facility Management Private Limited, which is a part of the promoter group?

Kunal Karan: Look, Wisetechno is actually, if you try to understand the model of the business is that it is a property which has been taken on rent by a third party. Whatever rental comes in, the consideration of the rent goes to the investors and the lenders of Wisetechno. So Aurum PropTech does not derive any kind of benefit from the holdings of Wisetechno. And since the

property is on rent, it needs somebody to manage, to collect the rent, to keep up the property on its health, which Aurum PropTech doesn't do.

So that is why Aurum Facility Management, who are actually experts in these areas, so they have been given that work to do. That is the reason to sell it. So right now, we have not sold it. We have just entered into an agreement to sell it. But definitely, we do not want to manage a property, collect the rent and give it back to the lenders in that way. So that is why it has been transferred to a company which actually does those kind of activities.

Moderator: And the second follow-up question is also from the line of Vikul Arora. And the question is, can you share cash and cash equivalents at the end of the quarter? And when is the company planning to initiate the second tranche of the rights issue?

Kunal Karan: So the cash and cash equivalent as given in the cash flow statement is around INR 14 crores. So over and above that INR 14 crores, we have got around INR 7 crores to INR 8 crores as fixed deposit, which doesn't form a cash equivalent as per the definition of cash. But if you really try to see the total cash, it is around INR 25 crores. INR 14 crores, which is coming in the cash flows as a closing balance plus INR 7 crores as cash equivalent, which comes in the balance sheet, which is in form of fixed deposits with bank with a maturity of more than 3 months.

Ashish Deora: And as far as rights issue is concerned, we have planned it in Q4. This is what we communicated in Q1 earlier this financial year, and we'll carry on with that same plan to kind of call for the rights issue in Q4.

Moderator: The next question is from the line of Sriram R. And the question is, which vertical is creating lease liabilities, ROU asset on your balance sheet? Is it HelloWorld or NestAway?

Onkar Shetye: So both HelloWorld and NestAway comes in the rental segment and ROU asset is only at HelloWorld, not in NestAway. So that is why if you see the asset liabilities of rental, both of them are heavy because of the ROU asset and liability sitting on both sides of the balance sheet.

Moderator: The next question is from Vinay Gupta. And the question is, so on what basis has the consideration payable for transfer of Wisetechno shares been decided? Did Aurum receive any money from providing the services of facility management earlier?

Kunal Karan: So, the capital is the investment of Aurum in Wisetechno is INR 1 lakh. So right now, the question and the valuation that has been done is based on the book value of Wisetechno and the book value of Wisetechno actually looks high. That is why the consideration is looking high because the building has been accounted as per Ind AS 116, which will create the ROU asset in that company. Otherwise, the investment in the company is only INR 1 lakh.

Moderator: The next question is from Sabareeshan CK. And the first question is, can you share segment-wise P&L?

Onkar Shetye: So we'll give you a quick contribution of each segment to the revenue. We have a total income of INR 137 crores for H1 '25. INR 80 crores or 58% of that has come from the rental business between NestAway and HelloWorld, which has grown at 33% Y-o-Y. Another 29% or INR 40

crores has come from the distribution business, which is a combination of analytics, sales and marketing automation, which has grown 18% Y-o-Y. And the balance of 30% has come from the capital and other income contribution.

Moderator: Next question is from Rahul Jain. And the question is, can you share the adjusted guidance for FY'25?

Kunal Karan: So Rahul, we would still want to keep our North Star of the Y-o-Y 45% growth metric. While there is an organic build forward in the existing businesses, there could also be opportunities that could take us to a strategic 45% growth trajectory.

Moderator: Thank you. The next question is from the line of Vikram Munjal. And the question is how fast can NestAway be expected to grow? As tech businesses, why not accelerate it 3 digits growth?

Onkar Shetye: I think we like this question, because people have started recognizing the potential of its growth at scale. Typically, marketplace models work best when they have the right amount of supply, demand and fulfilment partners coming on to the platform and contributing to this accelerated growth journey. Because we saw this potential in the NestAway marketplace model, we invested in June '23. It's been roughly a year post the investment or the acquisition rather, 100% acquisition.

The first half of the last year has gone in stabilizing the business, ensuring that we are able to have control on unit economics and demonstrating that the business can hit breakeven, even though it's a high-growth tech and marketplace business. And this we achieved in December last year, where hit at the unit level of rating. And post that, we started factoring in the growth opportunities in NestAway.

The growth opportunities there are twofold. One is by introducing more revenue stream, which is effectively increasing the wallet share per consumer. So introductions like NestAway Lite have gone on to increase the wallet share of consumers. Second is, of course, supply acquisition, where we have gone on to continuously be on a continuum of supply acquisition quarter-on-quarter.

The third is -- and which was the most crucial in this brand of NestAway, which has got some INR 450 crores of invested capital by the previous teams and the previous investors, was correction in the customer experience and the consumer perception of the brand. We have now brought back the brand to a 4.1% average out rating on most consumer rating portals, which demonstrates confidence in the brand and confidence in the promise at the bank pools.

We would like to have this controlled growth on unit economic driven supply acquisition and also your increased customer base and wallet share for the next 2 quarters, before then fully accelerating the growth effects that where we would also like to, at some point, expect a 3-digit growth in the NestAway business.

Moderator: The next question is from the line of Shiv P. And the question is, could you elaborate on how Aurum PropTech Limited, strategic focus on integrated advanced analytics with your platforms? And how is it expected to create value for Aurum PropTech's financials and when?

Ashish Deora: So there is a quite complex structure of data or data strategy, but I'll try to simplify it for you. Essentially, we are focusing on 2 things. One, any consumer that comes at any native touch point across the ecosystem, be it a student or a young professional or a family rental or a purchaser or an investor, has to be given a unique consumer profile and ID that sits in a data lake across the ecosystem.

Second, any asset, which means Real Estate asset, be it a co-living property or a family rental property or a buy-sell property or an investment property that comes on to any native touch point of the business sits again in the consolidated data lake. And then there are upstream and downstream angles to pushing this lead up. The upstream angle to put this data is to push opportunities for every business to monetize the consumer and asset across its business model.

And the downstream strategy is to make sure, that our teams are equipped with the right data sets to go engage with consumers to go and fulfill the requirements of consumers with better efficiency. So it's an experience and efficiency driven business model for data analytics.

Moderator: Thank you. The next question is from Rahul Jain from Dolat Capital. And the question is, what is the need for investment in NestAway, both from a growth perspective and also new initiatives such as resale market?

Onkar Shetye: So first and foremost, let me outline the investment that has already gone into NestAway. We have invested around INR 90-odd crores to buy the NestAway marketplace and the brand. And the model is quite unique is because your most of the rentals pay there rents upfront. And then, of course, the supply has to be paid at the end of the month. So that helps us in good working capital cycle management.

In addition to the INR 90 crores of investment into the brand and the platform, we have invested around INR 20 crores in tranches over the last 1 year, that have gone in stabilizing the business and that have gone in, making sure that we are able to introduce these new verticals or the revenue streams that we spoke about.

And additional INR 30 crores has already been outlined to take the business to a certain scale. But one investor asked about -- or one speaker just asked about a 3 digit growth. We feel that once we have an ideal state of marketplace, there could be a larger investment that can be outlined for this business with the growth strategy.

Ashish Deora: And I would also add to what Onkar just said, we are very excited with the resale market because, as you know Rahul, that there are not too many people and not too many companies who have been able to successfully do this. And with NestAway, the kind of data that we have as a marketplace it's that much easier for us to operate in this space. It's a very attractive place to be. It's going to be a C2C segment, and we are pretty hopeful and working very, very closely on this opportunity to take the resale market, like we have taken the Coliving market.

Moderator: Thank you. The next question is from the line of Pranav Mashruwala. And the question is, can you please share details of NestAway Lite?

Onkar Shetye: Sure. So Pranav, NestAway Lite offers short stays. It offers short stays for travellers who are looking to stay in certain micro markets for the duration of a month or so, and then quickly travel out of the city. It, again, is similar to the HelloWorld model of offering of short space, which unlocks the same supply with the sort of better efficiency of occupancy.

Moderator: Next question is from the line of Vikram Munjal. And the question is, are there any plans to get any big strategic investor partner in NestAway to scale business?

Ashish Deora: So, because we think that these are early days to bring any big strategic investor or partner in either NestAway or in HelloWorld or in any of our current businesses. The businesses are growing and very, very good sort of scale currently. And we have the capital to kind of grow these businesses. We have grown them over the last 2 years, including NestAway, including HelloWorld, including Analytica. Most of these businesses have grown multiple times with very little capital that has been put in by us.

We believe that as a Real Estate company, we understand the problems of Real Estate, and that is what we try to bring to the PropTech and the PropTech management to kind of solve that problem. So with little capital, we are able to scale up. With little growth capital, we are able to grow all the businesses. And we believe that there's still time to get a big strategic investor in NestAway or any others.

Moderator: Thank you. As there are no further questions from the participants. I now hand the conference over to Ms. Vanessa Fernandes for closing comments. Over to you, ma'am.

Vanessa Fernandes: Thank you, Sagar. Thank you, everyone, for taking the time out to join us on this call. We wholeheartedly appreciate your continued interest in Aurum PropTech, and we look forward to having you all in the next call again. Have a good evening ahead.