

Date: January 25, 2024

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 January 19, 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 January 19, 2024 to discuss the performance for the quarter ended December 31, 2023 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.

Yours faithfully,
For **Aurum PropTech Limited**
(Formerly known as Majesco Limited)

Sonia Jain
Company Secretary &
Compliance Officer

Encl: As above



“Aurum PropTech Limited
Q3 FY ‘24 Earnings Conference Call”

January 19, 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,
AURUM PROPTECH LIMITED
MS. VANESSA FERNANDES: INVESTOR RELATIONS,
AURUM PROPTECH LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Aurum PropTech Limited Q3 FY 2024 Results 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Vanessa Fernandes, Investor Relations, Aurum PropTech Limited. Thank you, and over to you, ma'am.

Vanessa Fernandes: Thank you, Lizann. Good evening, esteemed participants and a heartfelt welcome to the third quarterly Earnings Call 2024 of Aurum PropTech Limited. It's truly a pleasure to have you all on the line with us today. On this call, we are privileged to be joined by Mr. Ashish Deora, the visionary founder and CEO of Aurum Ventures; Mr. Onkar Shetye, our accomplished Executive Director; and Mr. Hiren Ladva, our insightful EVP Investments at Aurum PropTech.

As we navigate through the financial highlights of the quarter ended December '23, we will also share some exciting updates on the performances of our businesses. Before we delve into the details, I would like to emphasize that any forward-looking statements we discuss today are accompanied by risks and uncertainties outlined in our prospectus and annual report. To gain a comprehensive understanding of these risks, we encourage you to refer to the documents available on our website.

Without further ado, let's initiate the call with Mr. Ashish Deora.

Ashish Deora: Thank you, Vanessa. Good evening, everyone. It is my pleasure to welcome you to this 11th Earnings Call of Aurum PropTech. I wish all our participants a very happy 2024. Continuing in our third year, having committed to bringing technology in the real estate sector. It gives me immense confidence that our purpose of creating an integrated proptech ecosystem is getting more refined and yielding the desired results.

With each passing quarter, Aurum has consistently showcased sustainable revenue growth. Since inception, we have been focused on unit economics and profitability. This ensured that we were sensible with our capital deployment across our products and partner companies.

We have our eyes set on 3 specific proptech opportunities now in the form of rental, distribution and capital opportunities. Let me talk about the metrics we are targeting for the upcoming quarter.

In the rental space, we are targeting to manage 30,000-plus units by Q4. This solidifies our position as the largest residential rental management platform in India. Also by the fourth quarter of 2024, in the distribution space, our business would have ensured sale of 3,000-plus apartments and subscription of 8,500-plus CRM licenses. We would have generated 150,000-plus qualified leads of home buyers across the country.

In the capital opportunity, we would have facilitated INR 600-plus crores of real estate investments and housing loans within this quarter. I would like to state that all 3 businesses are growing with unit economics in mind.

Moving on to NestAway. At the end of Q1, we set an ambitious goal to achieve profitability from NestAway by year-end. I am pleased to announce that we have successfully reached this target through our dedicated approach. Our next organic move is to now deploy capital in NestAway to propel the business into a hyper growth trajectory, aiming to manage over 50,000-plus rental units at the earliest.

Our resolve to dominate the residential rental market, which is estimated at an annual recurring business of \$25 billion, has further intensified over the past few quarters. Moving forward, we are delighted to share that we are EBITDA positive this quarter. It showcases our unwavering commitment to building businesses with profitability and sustainable unit economics. This success is a result of our laser-sharp focus on maintaining EBITDA as a constant North Star metric.

From the outset, profitable growth has been our guiding mantra, and this principle will continue to drive our endeavours throughout the calendar year of 2024. In the past 3 years, we have diligently expanded our capacities across various business offerings, resulting in sharper business metrics and a more evolved understanding of our industry.

Looking ahead, we anticipate doubling the revenues of some of our products in the upcoming quarters, simultaneously also enriching our ecosystem through cross-benefits amongst all our offerings.

At Aurum, we are gradually transitioning our journey that began in July 2021, with a strategy of acquisitions and inorganic growth to now address needs across tech, capital and services within the real estate value chain. We believe that our ecosystem will benefit the stakeholders in the real estate industry by accelerating tech capabilities. I would now like to conclude by wishing all our participants a very successful year as our country progresses towards greater glory.

With this, I now hand it over to Onkar to talk further on financial achievements. Thank you, everyone.

Onkar Shetye:

Thank you, Mr. Deora. Aurum envisioned an integrated proptech ecosystem that creates a seamless digital experience to help consumers across their real estate needs, including buying, selling, financing and renting, serving as one ecosystem of connected solutions for all the stakeholders and needs of real estate and services related to moving.

We have brought this vision to life through a sustained buy-and-build strategy across 3 clusters of tech, capital, services and an integrated data strategy. Each product in our ecosystem achieved a key milestone during the quarter.

Sell.do, our integrated real estate CRM, continues to drive immense efficiency in real estate businesses across the globe and has been ranked number 1 in the easiest-to-use real estate CRM across the world by G2, a global software marketplace. BeyondWalls, our broker aggregation software, showed a 27% increase in the number of transactions registered on the platform, demonstrating a strong demand for tech-led institutionalization in the real estate distribution business.

Analytica, our data analytics business, showed an impressive growth with 36% quarter-on-quarter increase in revenues and search in new customers, a stable renewal rate, increased price per unit and more units sold in the business.

Monk Tech Labs continued sustained growth with a 16% quarter-on-quarter revenue growth and 84% net revenue retention in Q3 FY '24. WiseX and Integrow also increased quarter-on-quarter revenues by 3.6x with the new feature and product launches.

HelloWorld and NestAway continue to enhance tenant experience and efficiencies in the rental and property management business. NestAway remains India's top rental marketplace platform by Recall amongst rental consumers.

A huge effort went in ensuring customer grievance addresses and bank correction. The team tracked conversations across consumer forums and social media platforms and now has bettered the consumer sentiment. The sentiment has been bettered from a negative 35% to a positive 69% in the quarter.

The team closed non-operational cities as a part of the restructuring program. The organizational design has also been revamped with right sizing and efficient performance metrics. NestAway 2.0 is now geared up to emerge as the undisputed market leader in Indian home rental sector with primary emphasis on consumer experience and fortifying supply chain. By 2027, the team is targeting to reach 50,000 homes under management with a focus on NestAway becoming the ultimate one-stop solution for everyone seeking a rental home in India.

Let me start the financial results by underlining that we reported positive EBITDA this quarter with a 37% year-on-year increase. Of the last 5 quarters, we have reported positive EBITDA in 4 quarters. The only quarter reported negative was the JAS '24 (Jul-Aug-Sep), in which NestAway was acquired. This defies the trend of surmounting losses in most technology businesses.

In a noteworthy achievement, we are excited to announce that as of December '23, we have turned NestAway losses -- turned around NestAway's losses completely. This is an astounding feat considering NestAway was at negative 85% EBITDA pre-acquisition in June '23. This was achieved with a 5-step strategy of NestAway cleanup plan. The team rationalized tech and infra costs, redesigned the org structure with focus on rightsizing, refined customer acquisition and servicing strategies, addressed consumer grievances and had a strong register mechanism.

This helped us reduce aggressively losses and, at the same time, ensure sustained GTV at INR 41 crores and a net revenue of INR 7.7 crores. Total income for the quarter at Aurum PropTech increased by 51% to INR 62 crores. This is a 1.5x year-on-year increase in revenue from operations.

A core contributor to sustained performance was residential rental revenue products and platforms, which grew by 2x. Despite an increase in revenue, we are ensuring a tight control on expenditure, which has not increased over the last quarter. The teams are constantly working on ensuring tight control on unit economics with enhanced consumer experience and operational efficiencies.

With this, I will now pass on the call to Lizann to open the floor for Q&A. Thank you.

Moderator: Thank you. The first question is from the line of Nihar Shah from Crown Capital. Please go ahead.

Nihar Shah: Yes. My question is regarding the road map. We have stated on Slide number 22 of our presentation that we have a 3-year strategic roadmap. So can you please elaborate on that, like what's the roadmap like? What's the growth we are looking at?

Hiren Ladva: Mr. Nihar, this is Hiren this side. Thank you for your interest and the question. So basically, what we have put up on the investor presentation is an indication of what we are working towards in terms of a 3-year strategic roadmap. And in terms of the outcome, we are finalizing what the outcome will look like and come back to you in detail in terms of what that roadmap looks like. But at a high level, we are looking at multiplying our revenues multifold by 2030 - 2027, I'm sorry.

March 2027 is our goalpost that we have all taken up from the bottom-up from all different businesses. And the numbers that we have are very achievable numbers in the market given the way the tailwinds are there in the property sector, coupled with tech developments that are happening. But the exact figures and exact roadmap we will be able to communicate subsequently.

We are not allowed to give forward-looking statements that is prohibiting me precisely to kind of give you the numbers. But overall, as I said, we have laid down our path on 3 specific aspects. One is what is the top line that we are going chase, which, as I said, is a multifold from what we are looking at the current revenue.

Second is the milestone to achieve PBT level profitability at the consol level. So we will also come back to you with the exact quarter that we are gunning and planning for that. And third is the overall business portfolio planning in terms of which are the opportunities in the PropTech canvas that we see that we should be targeting and then where we would like to develop our market leadership. And with what -- and how are we able to quantify that leadership. So these are the 3 main, I would say, goalposts that are part of the 3-year strategic roadmap.

Onkar Shetye: In addition to Mr. Ladva's statement, we would like to emphasize that we see large opportunities. One is in the residential rental space, where we feel between the businesses of NestAway and HelloWorld, we should be able to increase our market share and provide a marketplace solution for all rental needs on the residential segment side.

The second is on the -- in the monetization segment is the CRM and the broker aggregation space; is where we also see good opportunities coming in. In addition to this, not just the revenue plan, but we have also focused on ensuring how do we increase the revenue stack and how do we ensure that we have cross-platform data integration and better unit economics by leveraging customers across the ecosystem at PropTech.

Nihar Shah: Okay sir. That was the only question. Thank you and all the best.

- Moderator:** The next question is from the line of Deepak Singhal from Valtech. Please go ahead.
- Deepak Singhal:** My question is like are we focused only on revenues or what is the plan for breakeven?
- Onkar Shetye:** I would like to reiterate that right from start of Aurum PropTech's journey until now, which is from April 2021 to now, we have gone on to aggressively build revenues. But at the same time, revenue has not come at an exorbitant cost of losses like we see typically in the tech businesses.
- If we see our last 5 quarters, we have been positive in 4 quarters at EBITDA. And only 1 quarter was at EBITDA negative, which was in the July, August, September '24 quarter in the NestAway acquisition. We will continue this approach of ensuring that we grow our businesses but not at an exorbitant cost of losses.
- And we have demonstrated that successfully in businesses like NestAway, where our first milestone was to ensure that we are able to control the losses in that business and NestAway is a great platform, which has got the top recall value in the rental marketplace space. One of the topmost brands in proptech in India.
- However, it was at a minus 85% of EBITDA negative when we acquired it. And from then to now, we have aggressively gone on to address measures, which has not only controlled costs, but it has brought it to a breakeven. So yes, we are cognizant about what happens in tech businesses and with respect to growth at the cost of losses, and we will not be taking the same path on growth.
- Ashish Deora:** To add to what Onkar said, this is Ashish here. This has been a constant endeavour of the Company to be very, very prudent and careful about the expenditures and about the losses at all, right from very beginning. So, we are happy to continue to be on a very high growth trajectory. But definitely, it won't be at the cost of any losses or any cost of cash loss.
- Deepak Singhal:** Okay. Thank you. And my next question is any dates on when we are planning for calling for remaining money for partly paid shares or as of now, no such plans?
- Ashish Deora:** Yes. So again, this is Ashish here. This is something that we are planning to do within the first half year of 2024. So definitely, in the next 2 or 3 months, this process would have started, and we are looking to consummate the calling of the second tranche of our rights money before June 2024.
- Deepak Singhal:** Okay.
- Moderator:** Thank you. The next question is from the line of Bimal Panchal from Bimal Panchal & Associates. Please go ahead.
- Bimal Panchal:** Good evening sir. My name is Bimal Panchal. Congratulations for the excellent results. And your presentation as well as opening statements are very optimistic and seems to be realistic. And lots of questions have been asked by previous questions, so there's not much questions. Call money, you said you are in the second half of about '24.

But on this partly paid shares and fully paid shares, there's a spread, which is on a large scale business existed always INR10 to INR25 -- INR10 to INR15 spread is there, which always in favor of a partly paid. Generally what happens, people tend to sell fully paid shares and buy partly paid shares.

So partly paid remain as, but okay, there is not a look out from the management, but just my observation. And my one question is that what is the percentage of sales and services of Aurum PropTech Limited in total Aurum Group?

Onkar Shetye:

Noted, Mr. Panchal. To your observation, we will not be able to comment as it is a function of market. On the second question, sir, at PropTech, the entire stack of products that we have is on the build side, where first instance is to build a 0 to 1 in that business, whereas the buy side of businesses or the acquired businesses were at a 1 to 10 in terms of scaling up.

Of the entire revenue stack, Aurum PropTech contributed in the quarter INR 1.6 crores of revenue for the in-house products, which were three essentially, Aurum CREX, Aurum KuberX and Aurum instaHome.

Hiren Ladva:

Just to add on to that, the way we view all these businesses now no more as in-house or kind of acquired businesses. So they are all part of the way what we are trying to build at the PropTech ecosystem. So we don't -- and as you would have followed the numbers, all of them are majority stake acquisitions, a few of them being 100%.

So in a way, they are not -- they are no more -- I mean their period of being considered as inorganic business, except probably for the recent most being NestAway, which is already 9 months old. So we no more see them as in-house and outside, kind of acquired businesses. They are all being part of or kind of nurtured as being part of the PropTech ecosystem that we are building.

Bimal Panchal:

Okay, sir. Sir, another question is, are new acquisitions smoothly absorbed by the company?

Hiren Ladva:

So the way we bring the businesses into the ecosystem fold is that the management continues to run acquisition they have full freedom to do that. We at Aurum level, we play an oversight on the corporate development part, on strategic oversight, on governance, risk compliance, etcetera.

So those are the areas where we play a role. We kind of bind them together in terms of cohort and cohesive joint strategy. So that's where this function -- that's how these functions operate. And hence, it's actually not really a tough task to onboard these businesses.

So they continue to operate the way they used to or they have been except for like NestAway where we had done a complete turnaround. So which is in the positive side. So that's our experience with all the businesses that we have brought into the portfolio.

Bimal Panchal:

Total number of employees, including that of subsidiaries?

Hiren Ladva:

Total number of?

Bimal Panchal:

Employees, employees. Tentative figure.

- Hiren Ladva:** Close to 800.
- Bimal Panchal:** 800. Okay. And to understand the operations, would it be possible to have some kind of a physical analyst meet or some sort of facility visit, that will be better for the analysts as well investors?
- Hiren Ladva:** Mr. Panchal, I think as the interest level of the research and analyst community has been growing, we definitely are planning an event of such a kind. We will be really honoured and happy to have you and host well-wishers like you and brief them about our strategy and the way forward.
- Bimal Panchal:** That's right. Because many people are unaware about this company vision in spite of this residual business. They still consider a residual business of Majesco. After that lots of development there are not -- many people are not aware. So that will be a matter. Okay. Thank you very much and all the best for the future. Thank you sir.
- Moderator:** Thank you. The next question is from the line of Divesh Shrimali from DF Investments. Please go ahead.
- Divesh Shrimali:** Yes, am I audible?
- Management:** Yes.
- Moderator:** Yes, sir. Please proceed.
- Divesh Shrimali:** Yes, hi. So quick questions around first would be, the last call we sort of had aspirations of around INR100 crores revenue in Q4. Just wanted to check trajectory-wise, do you think you are still on track to do that?
- Onkar Shetye:** So sir, your question is noted. There are two lenses that we looked at the business from. One is, of course, we now have good control on the unit of growth where we know exactly where to spend and where to expand, but after NestAway's acquisition, our focus was how do we first control the unit economics and bring out a breakeven in the most premium business in the entire stack. That is where the focus went into.
- And we did observe that I think there are a lot of inefficiencies that come in when you chase growth at the cost of expenditure. The first port of call that is why was to make sure that we start building profitability in each business one quarter at a time. And the first port of call has been NestAway and we'll follow it up.
- Yes, because of that, our revenue growth has gotten a little calibrated we would not see that we have -- we are shying away from the aspirational number of revenue that we had called out, but we have definitely calibrated our aspirations there so that we are ensuring profitability.
- Ashish Deora:** Divesh to add to what Onkar said, when we were targeting the Q4 revenue of INR 100 crores, the goalpost changed a bit after acquiring NestAway. We realized that reaching INR 100 crores Q4 revenue was very much achievable, but probably building business for a longer term and

dealing with the unit economics at the earliest was more important, especially in case of NestAway.

And that is why we kind of delve into it, and you'll probably -- that is why you'll probably see that in 6 months, a company which was losing INR42 crores to INR45 crores of annual losses has now got restructured and has got profitable in the month of December. So we did change the goalpost a little bit internally after the acquisition of NestAway and the growth numbers are well -- the revenue numbers are on the well growth trajectory as well.

Onkar Shetye: Sir, and one more point to add to it is that despite the calibrated growth numbers, we are still growing at 100% growth over the last year. Our last year was INR 125 crores of consolidated revenue, whereas in this quarter, we have reported INR248 crores of ARR.

Divesh Shrimali: Got it. That explains. Another would be, if you look at year-on-year number for segments reported, the SaaS, Software-as-a-Service, it shows 9% type of growth. Can you help us understand how exactly you are measuring? Because in general, we would assume that SaaS as a segment would grow much faster than other segments. So just wanted some color on that?

Onkar Shetye: So sir, in SaaS, I'll give you a quick form to the kind of calibration we have done in the SaaS businesses also. Our SaaS business stat had two things. One is -- got calibrated on two things. One is the revenue stack and the genuity of the clients. We have consciously started taking lesser enterprise clients, which bring us larger form of revenue.

And we have focused on clients with smaller wallet size so that we are able to derisk concentration risk of revenue. So that's one calibration that has happened. Second is that we have gone on to add platform or marketplaces on our CRM businesses. So for example, sell.do a great product on the CRM side, we have now added an additional marketplace. I mean after acquisition, we have added a marketplace model of BeyondWalls, which is a transaction or a marketplace model on the CRM business.

So that has bought us a larger -- I would say that has bought us a different stack of revenue, which is more transaction-based in a different product segment. The TAM remains the same, which is the real estate enterprises or real estate developer and the broker community. Whereas we've been able to have a product segmentation in this.

Hiren Ladva: And just to elaborate on the second point. Basically, what happens is Sell.Do is a developer targeting or real estate developer targeting CRM. Our strategy has been to take that into as in double-click on the developer community, and that's where both BeyondWalls and Analytica as the next line of higher revenue-generating products have encashed on the existing customer set of Sell.Do. So, while we don't see specifically probably 100% kind of a growth in Sell.Do. But from the same set of clients, the revenue growth has been much higher in the form of BeyondWalls.

Divesh Shrimali: Got it. That's understood. In the opening statement, you sort of articulated that you have a three-year roadmap, which you will disclose at some point. But just wanted some qualitative color on that. When you say that you are sort of looking at multifold growth in, what is the base we are

looking at? Is it going to be this year ending revenue? Or what exactly are the parameters you are considering for that roadmap? Just some color.

Hiren Ladva: Yes. Definitely, it's FY'24 revenues, the projections that we have. So, this exercise we did in the last week of December and the first week of Jan. So we had some idea of the Q3 numbers and did some projections on Q4, and based on that that has been taken as the baseline. So the multifold applies on FY'24 number.

Ashish Deora: Also add to what Hiren just said is, it's also now we feel that the Company has over the last couple of years, matured itself to make a decision and a discussion within all our senior management team to start thinking about a three-year roadmap. And to my mind, that itself was the sort of validation of the maturity that our companies and our products and our partners are starting to demonstrate. It was a very, very interesting exercise over two days in Mumbai in our Aurum office.

Divesh Shrimali: Got it. And the last one, if you could -- we have a lot of information floating around the real estate cycle revival and things like that. And typically, last few years, that's what they say. But in your experience, as a company, how we are sort of exploiting, number one, the tailwinds which you probably have factored in your roadmap? But in general, what is the delta that you see from last year to this year versus going forward in terms of tailwinds, if you could sort of, again, some qualitative commentary, specifically in our context?

Hiren Ladva: So, what you hear and see in the market at the high-level metrics, two things are being tracked. What are the transaction closures? And second is what are the investments which are happening in the real estate sector? Now earlier, as you would have heard from Mr. Ashish, how we are focusing on the three opportunities.

The last two of them being the distribution opportunity and the second -- the third one being the capital opportunities. And so these two are directly linked to the heightened activity that we are seeing in the overall property sector. And how so?

So in our distribution businesses, what we do is we essentially first enable real estate developers to take their products to the market to their homebuyers specifically through two, three businesses that we have, which could be in the form of getting them potential homebuyers as qualified leads or in terms of digitally managing their transaction journey.

And third, definitely, the CRM. So that's one area that we see a good kind of further revenue coming in, in terms of more demand for both qualified leads as well as transaction support. So that's the first area of opportunity.

Second is in terms of the investments which are happening in the real estate sector, and there are both institutional investments, which are very high ticket-sized investments which are happening. And then there are HNIs who are willing to participate in this journey.

So that's where our investment platforms, which are part of the WiseX as well as the Integrow Asset Management Company. We feel that there will be a higher interest from the investor community to participate in the real estate story. And there are many more reasons also behind

it and a lot of credit also goes to things like RERA and SEBI have been absolutely supportive in terms of bringing regulations to give comfort to the investors.

So these are some of the things which we have started seeing in the last couple of quarters in terms of investor interest in these kind of products. So that's something that we are banking on as far as the tailwinds are concerned.

I'll also take an opportunity to kind of talk about this space, which doesn't get talked so much about in research reports and as such, which is the rental opportunity. So that's something that's going to be our focus area, specifically. And the moment we have more supply -- and just this week, we were looking at the kind of inventory that is there with the developer, which means that the occupancy of the houses which are getting constructed is rising.

That means the rental market is also going to thrive. And that's something that's going to help both our NestAway as well as HelloWorld businesses. So while it doesn't get talked about directly, that's something that's going to benefit us tremendously as a business.

Divesh Shrimali:

Got it. That was quite helpful. And if one last one I can squeeze in. It was connected to what you just said. Can you help us understand who would be our top competition, each of the segment they would be different, but just broadly, if you can call out a few names and how we differentiate ourselves? Because to be honest, we do hear a lot of names on TVs or digital media and things like that. Probably our presence is minimal at this point, but it would be beneficial for us to understand your viewpoint, who do you see as competition and our positioning?

Hiren Ladva:

Sure. Let me -- it will take me a lot of time to go through each business' competition, but I'll focus on maybe three or four of them. So let's say, if we look at HelloWorld as a co-living business that we have. Now we are the third largest in terms of capacity and second largest in terms of revenue, in terms of co-living business in India, right, as far as HelloWorld brand is concerned. Within the top three, possibly are Stanza Living and Zolostays. These two are the immediate competitors in the space. I'll encourage you to research more. I will not elaborate in the interest of time.

Similarly, for NestAway, practically, this is the only digital family rental platform that is there in the country. And if we have to see a very lookalike kind of model, it's there in Brazil, it's called QuintoAndar. I would say that's the only business that comes closest to what we are building. Having said that, within the rental opportunities, yes, you would see players like NoBroker as a prominent player enabling interest. So that's the second line of business.

Now as far as the CRM business is concerned, which is Sell.Do, we are the largest real estate focussed CRM in the country. And practically, there is nobody who comes close to not just the revenue, but also in terms of number of clients that we have, number of licenses that we sell under this business. So, we are a clear market leader as far as real estate CRM is concerned.

Divesh Shrimali:

Thank you, sir.

Hiren Ladva:

Divesh, next I can talk about is Aurum Analytica, which is a data science-enabled sales and marketing automation service that we provide to the developers through which we are able to

sell highly qualified leads to developers. I would say we are at the top of the pyramid in terms of the quality of leads that we sell. There are larger players who sell just leads, it may not be really that highly qualified. So those kind of players constitute of platforms like 99acres and Makaan.com. So those would be our, I won't say direct competition, but yes, you can see they kind of target the same share of wallet.

Divesh Shrimali: Got it. Thank you so much for patiently answering. I might have some more queries but I'll reach out offline. Thank you so much and wishing you all the best.

Hiren Ladva: Thank you so much. Look forward to your queries.

Moderator: Thank you. The next question is from the line of Pranav Mashruwala from Dolat Capital. Please go ahead.

Pranav Mashruwala: Yes, hi. am I audible?

Moderator: Yes, sir.

Pranav Mashruwala: Yes, hi. Sir, this is some continuation with the value creation three-year strategic roadmap. So now we have about 14 products spread across various verticals. So do you think that given these set of portfolio of 14 products, we can achieve this three-year strategic roadmap? Or do we plan to have a few more products that can take us beyond the INR100 crores target that we had set? Any white spaces that we need to fulfill to get to a larger aspiration?

Hiren Ladva: Mr. Pranav, thank you for that insightful question. Yes, the three-year roadmap that we are building is based on the assumption that we will continue with only these products at the moment. So that's our Phase 1 of the roadmap. I would say in Phase 0 of what we started building as a roadmap, we had undertaken our own in-house study on what the proptech canvas would look like over the next -- not just three years, but all the way till 2030. So definitely, there are some spaces that we could enter in future, but I would say not in the immediate future.

So, with the current, I would say, one or two-year horizon, I think these 14 products are something that we would want to focus on, build them in a very profitable way, and target leadership across the specific segments that they are in. So that would be our immediate focus. In the journey, we are not completely closed to looking at opportunities that could be added on, but we'll be very selective in terms of what adds to the overall ecosystem play or the competitive advantage we could get out of those kinds of acquisitions. So that's in terms of adding on to not just products, but also possible acquisitions.

Pranav Mashruwala: Okay. Just on the customer fees. So, we have about 16,000 customers in RaaS and 530 customers in SaaS. How are the retention rates for these?

Hiren Ladva: So, when we look at 16,000 customers in the rental side of the business, what happens is instead of retention, if I could talk about how they typically stay with us on an average, anywhere between 9 to 12 months. And why I'm using a range is because we have one co-living business and then a rental business.

In rental business, the average tenure is slightly higher. In the co-living, it is close to eight months. So that's the longevity because that's the young generation, which is, I'm just saying, are just fresher out of college and it's very agile in terms of their living choices. So that's the kind of nature of customers there.

Having said that, we did an analysis around a quarter back, around 30% to 40% of tenant clients are there with HelloWorld, which have been there for more than two or three years or so. So that's also a case that we have. In terms of our SaaS products, the retention rates are upwards of 90% that we have. So overall customer retention number that we are tracking.

Pranav Mashruwala: So, one of my question is basic backup plan cancellation comes out about 16,000 customers on FY'23 revenue. Per customer, we earn about INR 65,000, just slightly less than INR 66,000 per customer and for RaaS it is about INR4 lakh. So, is there any way we can improve upon the realization per customer?

Hiren Ladva: So, within rental, what I think -- what we internally do is from a revenue realization point of view, we split the RaaS customers into the two segments, which is co-living and the actual rental, simply because in co-living, for various taxation point of view, we are to recognize the entire rental revenue. Whereas in case of the rental segment, we recognize the tech platform revenue. Hence there's a sizable difference in the revenue per customer that way.

So roughly, you can say that co-living customers, which are roughly 60% of the 16,000 are giving us an average monthly revenue of around INR 12,000. Whereas the rental customers would be giving somewhere around INR 3,100 per month. That's the revenue realization that we get from these customers. And for the SaaS, I think it's fairly easy to calculate because it's a similar ticket size across the crops for the products.

Onkar Shetye: So, in addition to what Mr. Ladva said, there's an active effort to ensure that we are increasing the wallet share of our RaaS and SaaS customers boot. We have gone on to now form cumulative LTVs across every consumer that comes into any neutral point of our ecosystem and are ensuring that the strategy is to make sure that we are able to move one consumer to other by forming consumer cohorts.

So that's one initiative that we are running actively. The other initiative on SaaS is we will rather be able to increase the number of active customers in SaaS because the stack of revenue here is now moving from enterprise to more of a mid-segment kind of a customer gentry. So, these are the two active initiatives that we are following to increase this metric.

Pranav Mashruwala: Okay. That's it from my side. All the best.

Onkar Shetye: Thank you.

Moderator: Thank you. The next question is from the line of Agastya Dave from CAO Capital. Please go ahead.

Agastya Dave: Thank you very much for the opportunity, sir. A lot of my questions got answered. Sir, just a couple of doubts that I have regarding the properties that you have created. So just going

completely by eye test, if I go through HelloWorld and NestAway websites and I go through the listings, I see that the listings are concentrated in very few cities. Bangalore definitely dominates, Kota dominates, some areas of Bombay dominate. Pune also dominates.

So geographically, to me, it looks like you are still fairly restricted. You have not spread out completely, yet you have entered into a phase where you were trying to rationalize the costs and control the costs, which I really appreciate. Now sooner or later, you will expand geographically and also in the geographies where you're currently concentrated, you will try to expand in those geographies, that's the most logical thing to do.

So, what will happen to the cost structures? Will the cost structures not go haywire once more? Or is there a way to keep the lid on the cost structure that you have done as of now and still grow, is that possible? Or will we see another spike in cost going forward?

Hiren Ladva:

So, Agastya, partly you've answered our question itself, but let me attempt it any which ways. So, see, as far as HelloWorld is concerned, we have -- and this, again, linked to our three-year strategic roadmap. We have made certain choices. And one of those choices is that as far as HelloWorld is concerned, we'll focus on the top 15 cities.

Actually being present in a limited number of cities and having a micro locality focus has actually enabled us to get very good operational efficiency. And how that happens is because we are able to have one tenant movements, we are able to offer them tenant -- offer the tenants movements across the micro localities, that's the typical transition that we see within cities. So one is we are able to cash on to that.

Second, we are able to optimize our teams, which are servicing these properties. So, our entire - right from the operations to sales teams, we are able to optimize. And that has been our learning with HelloWorld even before we acquired NestAway. So that way, the strategy is very clear as far as the choice of cities is concerned, we don't -- and we believe that these top 15 cities is where a lot of services, job generation is going to happen.

A lot of education centres are going to become as a kind of concentration in terms of universities and colleges. So, we see both the student living demand coming from the cities as well as the young workforce, which is moving to metros. So that's something that we feel is going to help the HelloWorld business.

Now similarly, on NestAway, your observation is bang on as far as both the websites are concerned because in NestAway, one of the levers of cost optimization was also on a single line, which is to, one, ensure that we have operational efficiency. And all the more for NestAway, you need to have a platform running where both your demand and supply are in tandem.

With this learning in mind, what we did was immediately to exit cities which are less than, let's say, 200 set of properties that we have -- or I would say, 200 set of tenants, not properties. Now with that, we actually did away with more than 2,000 properties or 2,000 units that we had on a platform. We had to, unfortunately, kind of take the tenants out of the system, but that has been done because we were able to remove the entire presence or costs -- the fixed costs that are there in those cities and etcetera.

So that's something that has helped us. Now when do we plan to go back to the cities? I would say not in the next one or two years. And hence, we feel that within this one or two years, we would be able to build that -- and then see, when you look at from a tenant point of view and when you have seen this platform, you would also want to see a wide number of options available to you as a tenant.

To do that, we have to concentrate on some of the cities, and that's what we intend to do as to build supply within this set of cities and the tenants will naturally come, the moment they start seeing options.

Agastya Dave:

Got it. So, sir, in the 15-odd cities, if I again take HelloWorld and NestAway together, in their respective segments in these 15 cities of focus, so to speak, what kind of market share can you get? Because as of now, the market is extremely fragmented. So the macro analysis that you have done on the property segment and on the proptech side, that's -- yes, that's -- I completely agree. It's a huge opportunity, and it's going to grow dramatically going forward.

The only thing is that the market, unlike other such services and products and platforms, this is extremely fragmented. So how -- first of all, what is like targeted -- the TAM is known, but what kind of market share can you get in these 15 cities?

Hiren Ladva:

So as far as the organized student living market is concerned. So we are already having a market share of close to 20%, right, with HelloWorld itself. And I'm not counting NestAway in that. So, the organized shared living market, which includes the new-gen set of players that are offering co-living solutions that itself, we have a market share of 20%.

Now what is the share of organized in the overall student living, I think it will be a very small fraction if you look at the entire India story. Why? Because there are -- that's where you're talking about the TAM. So that's roughly -- I mean the numbers are out of the way, INR35,000 crores of rental market in India only out of student living.

So -- and we are actually competing with -- and we are actually competing with the PGs and individual houses, which offer either single room or a set of rooms to students at a very kind of affordable rate. But what is helping, and I think there has been an article in one of the media kind of daily journals, The Ken, just today itself.

I would encourage you to read it, is that there is a significant trend which is going towards people wanting much better accommodation for the students and even not the students even freshers, who just out of college are joining their first jobs. And some of us would be those engineers and kind of graduates who move from a small town to cities like Bangalore or a Mumbai or a Pune.

And would have gone through those struggles living in hostels and PGs and etcetera and we would be able to relate to, so to say, the pain that we have gone through. And that is where the organized players are actually delivering value to this -- not just students, the freshers but also the parents who get a tremendous peace of mind that their children are sitting in a very nice, comfortable houses and accommodation.

So that is where a big shift is happening. Roughly, if I were to give you a guess of -- as of today, there is a capacity of more than three lakh to four lakh beds in the organized segment itself. So that's going to grow. I mean that pie is itself going to grow, and that itself is going to help us grow is what we see.

Agastya Dave: Right. Sir, I have a lot of questions, but I think I'll wait till you come out with your strategic roadmap. What is the tentative timeline for that, sir, will you be coming out for next -- during next quarter?

Hiren Ladva: Yes, we intend to finalize it in the quarter, which is ensuing right now. There is a lot of follow up activity, which is also happening. It will conclude in the next week or so. And we intend to start the internal, not just communication, but socializing with every team member of the ecosystem right from the CEO to the frontline people as to what our goals are and etcetera. So that's going to be an internal communication exercise so going on in the next two, three months. So --

Agastya Dave: Great, sir. All the best, sir. Thank you very much for answering the question. And I'll ping you next quarter then. Thank you, sir.

Hiren Ladva: Thank you, sir.

Moderator: Thank you. The next question from the line of Faisal Hawa from H.G. Hawa. Please go ahead.

Faisal Hawa: Sir, we have been also developing our own products using AI and for different applications. So have we had any progress in being able to develop any kind of product which will yield good revenues for us? And sir, what about the fractional ownership company Integrow? Is that also making some good progress?

Onkar Shetye: So, I think I was not able to get the first question's last part. I understood the own products something. Can you please repeat the first question?

Faisal Hawa: Yes. So, we were going to develop a lot of products using AI and also to solve various other pain points of the real estate industry. So, have you made any progress with our own products as yet?

Hiren Ladva: Right. So, there are two sets to it. One is that we are building our own products. where we see ancillary opportunities with the existing businesses. And second is that we are focusing on building features which are new gen. So, AI, blockchain, marketing automation, all of these features are being developed and shipped out of our individual products like Sell.Do, NestAway and Analytica.

So, this is a constant feature update that we go on to roll out quarter-on-quarter. So that is already happening. On the fractional ownership side, we waited out patiently for the regulatory environment to give clarity on the way of going about the fractional ownership business in an institutionalized format. We see two parts to it. One is the financial instrument, which is with our business Integrow.

And the other part is, of course, the velocity of monetizing that financial instrument by the way of having retail distribution, where we see playing a crucial part. Both have done their GTMs in creating financial instruments and creating a gentry of retail investors who will be a part of the fractional ownership ecosystem. I think we have got the components in place, and both have done their GTMs in their own formats.

Faisal Hawa: So, we are just waiting for regulatory approval?

Ashish Deora: Yes, and Faisal, this is Ashish here. And now with the clarity from SEBI, I think it's a very pragmatic regulation that SEBI has now approved. And with that, we are now launching the first fractional ownership asset next week through Aurum WiseX. It's, I think, an INR 70 crores opportunity, which is being marketed from next week in our pre-leased transaction, pre-leased asset in Pune.

So yes, as soon as we got that clarity, we didn't want to kind of do it when there was this sort of a grey scenario. Some players opted to continue doing the fractionalization in this period. But we made a conscious call that we will wait for how the regulators view this whole thing. And I think we have had a very pragmatic regulation on that. And we have started the fractionalization again, and you will see one asset being launched next week itself.

Faisal Hawa: So basically, the INR 70 crores asset has a leaseholder already and it will be now sold on our platform to our retail investors whom we are already having. So, it is just that formally, we are now doing it on our platform?

Ashish Deora: Absolutely. And there are some new retail investors also that come in with every opportunity. So, we have overpassed I think, 1,100 retail investors that have participated in through Aurum WiseX and we will see some of them to come back in this INR 70 crores opportunity and some of the new ones will be joining as well.

Faisal Hawa: So, this INR 70 crores would yield around like, say, around INR 2 crores to INR 3 crores as fees for Integrow?

Ashish Deora: This will be on Aurum WiseX. The fee of Aurum WiseX will discuss with them. But yes, I think you are at the ballpark number that what we will be the fee -- it will be in that range itself.

Faisal Hawa: But this company is also part of Aurum PropTech only.

Ashish Deora: Yes. It's a 100% subsidiary. And the fractional business is being now run by Aurum WiseX team.

Faisal Hawa: And we have like enough such properties coming on that we can launch probably every quarter or so? Or that's not the right statement?

Onkar Shetye: Yes. The property TAM is quite large. On the supply side, we have enough pre-leased properties, which can come on to the platform once the first launch is demonstrated successfully.

Faisal Hawa: Thanks a lot for answering so well and I really appreciate the performance of the company.

- Onkar Shetye:** Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Rahul Jain from Dolat Capital. Please go ahead.
- Rahul Jain:** Thanks for the opportunity. I know this has been discussed to some degree, but still, I'll take an attempt to understand it in a different way. Regarding the NestAway business, of course, we have done a good execution in terms of the roadmap of bringing it to a breakeven point.
- But in terms of scaling, it back to the potential that the business carries, what would be the kind of investment that may go into it because on the consumer side of it, driving the traction would need a push from the performance marketing side or any other strategy that you might have, we would love to hear from you?
- Ashish Deora:** Rahul bhai, this is Ashish here. As a first step, we wanted to ensure that there are no losses in NestAway. We have achieved that in the month of December. We would like to see that in the upcoming quarter, similar trend is sort of observed. We don't want to get too excited about this whole thing now. We want to go a little easy on this.
- But having said that, the immediate target is to take it back to 50,000-plus beds that were being handled by the platform earlier. As of now, we are at around 11,000-plus beds at NestAway. And take it to 50,000 beds is almost 4x to 5x of the growth that we have to achieve there. This is a commitment that we have made internally.
- Having said that, we would also like to hearsay that when we acquired NestAway, the idea was that there were two pools of capital, first pool of capital was the acquisition cost of INR 90 crores and the other was INR 80 crores to stabilize the company and grow the company.
- Over the last six months, we have only put like a couple of crores in the business all that INR 80 crores that we had initially provided for to grow the business and to stabilize the business has not been taken by the management of NestAway and they have been able to manage from their internal accruals, which is the discipline that they brought to the business.
- So, I think we have the growth capital in place already and the growth target of getting back to 50,000 beds is already in place as well. This company has dealt with the capacity of 50,000 beds earlier. So that should be the next big step for NestAway.
- Rahul Jain:** Yes. Right. Just one extended thought on the same thing. Since the first objective, as you rightly said, was to make it profitable and now you have a goal post, which is a much larger number than your current run rate.
- So, will it be a very balanced approach of like annual breakeven plus growth kind of a model? Or you would say that once you have to accelerate, you may again go back in the red and come back in the green once you achieve a certain scale or this will always be like self-funded kind of a growth, and we may keep the balance at atleast zero EBITDA from it?
- Ashish Deora:** Yes, look, the hypergrowth does come with some sort of expansion of capacity. And whenever you expand capacity exponentially, it does take time to fulfil that capacity. So any time you --

our experience in the last three years in the PropTech business is that any time you want to kind of increase capacity, you will have one or two quarters of a little bit of challenges because you have kind of contracted beds, you have contracted team and you still need to kind of expand and fulfil.

So that cycle will be there for sure. But having said that, as we have demonstrated over the last 11 quarters, we will be extremely careful about where the investment is being made, where the capital is being deployed, where the unit economics is failing if it is, and we will definitely mention it.

Onkar Shetye:

Just as a reference, Mr. Jain, one parallel that we can give one of the largest co-living companies in the country is doing INR115 crores kind of an ARR. But their losses are at INR572 crores for the year -- for the last year. So, growth actually also comes at certain strategic choices and metrics that you define on the supply and demand side. And you can compare our numbers of HelloWorld growth. We are at INR100 crores-plus revenue but with the marginally EBITDA-negative number.

Rahul Jain:

Got it. That's quite helpful and encouraging. Thank you.

Moderator:

Thank you. The next question is from the line of Nikhil, an Individual Investor. Please go ahead.

Nikhil:

Thank you for the opportunity. Just on NestAway a little bit more. You mentioned that, so on one of the previous questions that geographically, you are not looking to expand any time soon. So where is the capital infusion then going to be used? And for the short term, let's say, one or two years, what's your plan in terms of growth for NestAway? What are you looking at -- some of the low-hanging fruits that you possibly want to kind of convert at this point?

Hiren Ladva:

So within the -- this is Hiren here. Within the cities of choices, the top five or six cities, we will be investing in getting acquisition on both the sides of demand and supply. So here, it's a platform business. So there is a homeowner also we need to target, and there is a tenant also we need to target.

So, our marketing efforts, our customer acquisition efforts would be in that direction. There is a, I would say, not a very significant, but there's a small cost in kind of continuously upgrading the platform with newer features that will help both homeowners as well as the tenants in their respective journey of finding the right property or listing the right property for the homeowner.

So partly on the tech and the product development side and probably 3x to 4x the investment in the product and tech would go behind customer acquisition and which includes branding marketing expenses.

Nikhil:

Perfect. Okay. Just a couple of more questions on this. When I was looking at the number of units or the number of beds per se, it's kind of decreased over the last couple of quarters. I understand that this would possibly be one of the measures, as you mentioned, in order to kind of improve the profitability metric. But internally, what do you target over the next couple of years? One- or two-years number say soon?

Hiren Ladva: If I were to just give you the number of both HelloWorld or rather only NestAway, as we have said, it's going to be a journey towards the 50,000 units by '27. As far as HelloWorld is concerned, we are looking at somewhere between 25,000 to 30,000 beds in that segment.

Nikhil: Okay. Okay. And just one final question on NestAway. Of course, there's a lot of talk outside as to that business, the kind of brand that they have right now. And there were a few struggles when it comes to services, etcetera as well, that a lot of tenants not having that kind of trust anymore owing to previous difficulties.

For you, what do you consider as key metrics or key areas to solve for that business? And moving forward, when it comes to brand, just that brand equal kind of a metric, how are you looking to kind of address that?

Hiren Ladva: Yes. So, our journey in addressing that had already begun from day one of the acquisition, wherein there was an entire, I would say, kind of a war room set up to take care of all the prior customer grievances and entire kind of team was set up behind one, addressing and kind of bringing closer to some of those discussions that we have. So that is one thing that has happened.

Specifically, yes, the digital negative content, which Onkar had already talked about, right, so that is something that we have actively taken having done the satisfy -- getting the satisfactory rating from the customer, we have been able to improve overall ratings of NestAway tremendously.

There were, I would say, a few, not many, kind of specific articles or kind of interesting articles which were kind of created to malign the brand reputation, and we have taken corrective actions on some of those as well. So it's been a multipronged approach already, and we are continuing in that effort in terms of building the brand presence, focusing on SEO, focusing on the all possible ratings that could impact the customer experience and the tenant experience.

So even platforms like MouthShift, JustDial, TrustPilot, etcetera, right, so this is where we have actually seen -- the proof of the footing is in the ratings that have got improved. So, our MouthShift ratings has gone up from 1.7 before acquisition to 4.1 now, right. Even JustDial, which actively people refer to for rentals within Mumbai itself, it's gone up from 1.8 to four. Similar number we have in Delhi and Pune, right, somewhere around four for all the cities.

So that's the -- these are things that help a tenant to find the right information, the right feedback about our property. So that's something that we are doing. There are a few rebranding initiatives, which are under the hood which we will be launching in the coming months and quarters. So, you would see a fresher NestAway brand in the market, which will just disassociate us from the prior or the past unfortunate years that NestAway had to go through. But I think we are past that and we'll continue to focus on customer experience throughout the journey.

Nikhil: And just one last question, sir. Considering all of these steps that you're taking, are you seeing any kind of increase per se in the customer acquisition costs? Could you perhaps quantify that a little?

- Hiren Ladva:** I'll have to come back on the exact number, but I -- my rough sense is that given the way the overall P&L looks at NestAway and the very fact that despite us giving out the other seven, eight odd cities from which we exited and despite that the number of tenants that we have with us has remained the same, right, it kind of gives me an impression that the CAC costs have not gone up significantly. In fact, they would have stayed either the same. I'm not kind of -- that's not been a worry for us, specifically.
- Nikhil:** Understood. Well, thank you a lot for that, and good luck with your journey.
- Hiren Ladva:** Thank you, Mr. Nikhil.
- Moderator:** Thank you. Ladies and gentlemen, we have a few more questions in line, but due to paucity of time, I now hand the conference over to Mr. Vanessa Fernandes for her closing comments.
- Vanessa Fernandes:** Thank you, Lizan. Looking at the increasing participation in our calls, it's just another testament to the growing interest in our endeavours at Aurum PropTech. This level of engagement and these insightful queries are integral to the collaborator dialogue we value at Aurum PropTech. Looking forward to this continued support, thank you, and have a great evening.
- Moderator:** Thank you. Ladies and gentlemen, on behalf of Aurum PropTech Limited, that concludes this conference call. We thank you for joining us, and you may now disconnect your lines. Thank you.