

October 24, 2025

The Manager,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai 400 001.
BSE Scrip Code: 542772

The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5 Floor, Plot C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai 400 051.
NSE Symbol: 360ONE

Dear Sir / Madam,

Subject: Transcript of earnings call

This is further to our intimation dated October 6, 2025, informing the exchanges regarding the details of the earnings call scheduled on Friday, October 17, 2025, at 5:30 p.m. (IST) to discuss the Company's performance for the quarter and half year ended September 30, 2025.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings call held on Friday, October 17, 2025. We wish to confirm that no unpublished price sensitive information was shared / discussed in the aforesaid earnings call.

The said transcript shall also be made available on the website of the Company at <https://ir.360.one/investor-relations/>.

We request you to kindly take the above information on record.

Thanking you.

Yours faithfully,

For 360 ONE WAM LIMITED

Rohit Bhave
Company Secretary
(ACS: 21409)
Encl.: As above

360 ONE WAM LIMITED

360 ONE WAM Earnings Call for Q2 FY26

– **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**

– Good evening, ladies and gentlemen, and welcome to 360 ONE WAM Earnings Call for Q2 FY26. As a reminder, all participant lines will be in listen-only mode. In case you wish to ask any questions or require assistance during the conference, kindly signal the host by tapping on the 'raise hand icon'. Please note, this conference is being recorded. On the call today, we have with us

– Mr. Karan Bhagat - MD and CEO, Mr. Yatin Shah - CEO of the Wealth Business, Mr. Anshuman Maheshwary - COO, and Mr. Sanjay Wadhwa - CFO. I now hand it over to Mr. Sanjay Wadhwa to take this conference ahead. Thank you.

– **Mr. Sanjay Wadhwa - Chief Financial Officer, 360 ONE WAM:**

– Thank you, Anil. A very good evening to all the participants.

– Starting with the macros, broader Indian equity indices witnessed volatility in Q2 amidst geopolitical uncertainties and valuation-related sentiments. However, at the same time, we also witnessed 50-plus IPOs in H1, signalling strong domestic appetite and comfort around liquidity events. While geopolitical events are expected to influence broader markets in the near term, structurally, we continue to remain bullish about India's long-term growth story, which will act as a tailwind for India's wealth and asset management sector.

– Coming to our business, our total ARR AUM increased to 2,95,000 crores, up 22% year-on-year, with Wealth ARR AUM crossing 2 lakh crores. This growth was supported by strong net flows at 32,132 crores in H1 FY26. Q2 saw strong net flows from our core wealth and asset businesses at 8,734 crores, excluding UBS, highlighting a lower impact of attrition-related outflows in this quarter. With multiple senior high-quality teams having been added over the last few quarters, we expect strong flows on the Wealth business to continue over H2 and beyond. On the Asset Management business, gross flows remain on track, with greater visibility around new front launches in the EIF and SIF segments over the next few months. Coupled with our ongoing discussions on institutional mandates across strategies, we remain very positive on our overall flow outlook for the year.

– Our ARR revenue for the quarter grew 39.4% year-on-year, at 554 crores, led by strong growth in assets across business segments. Our ARR revenue, as a percentage of total revenue from operations, stood at 73%. The revenue from the Institutional Equities business, which is B&K, is being classified as TBR. With this business integration, the overall sustainability of our TBR revenues improved substantially and is expected to reduce the periodic volatilities that we have been witnessing in the past, thereby improving the overall quality of earnings.

– ARR retentions also remained strong at 76 basis points. Excluding carry, the retention is 67 basis points. Total revenue stood at 813 crores, an increase of 32%, driven by strong growth in both Wealth and Asset verticals.

– Total costs rose by 13.9% to 400 crores, as against Q1. The overall costs include full quarter expense related to B&K Securities and continued investments in technology in new businesses i.e. HNI and

ET Money. The corresponding cost to income ratio stands at 49.2%. However, excluding the investments being made in the strategic initiatives, opex ratio for the core businesses, which is UHNI Wealth and AMC, improved from 45.4% to 44%. We expect gradual improvement in this metric for the consolidated business over the coming quarters, as we scale up and drive synergies from the new initiatives, as well as from incoming teams in the Wealth segment.

- We are happy to report that the company recorded its highest ever quarterly PAT at 316 crores, an increase of 28% year-on-year. The tangible ROE is at 20.6% in Q2. The ratio is expected to improve in the coming quarters, as additional capital deployed in our Lending and Alternate business in FY25 begins to reflect in the overall earnings.
- I am pleased to share that the Board has approved second interim dividend of Rs 6 per share.
- With that, I would like to hand over to Anshuman to cover the key business and strategic highlights.
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- Thanks Sanjay. Good evening, everyone. Taking Sanjay's comments on the overall business numbers ahead, I would like to share updates on our strategic initiatives. Starting with UBS, with the two legs of UBS - subscription to warrants and the UBS India business transfer being completed, the focus is now on rolling out the overall global collaboration framework over the next months. This will allow us to unlock synergies in both Wealth and Asset Management over the near to medium term and, establish the robust global expressways that we had envisaged initially to foster strong international collaboration. The leadership at both firms remain committed to realizing the full potential of this strategic collaboration.
- Additionally, the transfer of UBS India business to us brings in over 5,200 crores of relevant AUM from 80 plus UHNI families, along with significant potential for scaling as they come on to our platform and get access to our product offerings.
- The ramp up on our HNI business is shaping up well with over 50 RMs and 380+ clients across 10 locations being onboarded in the first half of this year. We remain very excited about this segment and see it as a strong feeder for our core UHNI proposition.
- Our capital market expansion through the B&K acquisition is tracking very well, with the current quarter's financials fully reflecting its strong performance. While B&K continues to maintain its position in the Institutional Equity segment, we have already started to see synergies coming to life by integrating B&K's treasury and equities offerings with our existing client base and broader business lines.
- On Asset Management, our gross flows at about 7,000 crores for H1 remain stable across both listed equity and alternates. As mentioned by Sanjay, our new product pipeline remains strong for the upcoming quarters. We continue to strengthen and add sub-strategies across listed, unlisted, credit, RE and infra with this fairly unique diversified asset class platform, allowing us to navigate the market cycles and volatility with great resilience. The pipeline on institutional mandates both on public markets as well as specific alternates strategies also remains strong, though the timeline for conversion may be longer in the current global environment.
- On our core Wealth business, in addition to the continuing client and AUM flows, wanted to reiterate our strong position as the employer of choice. We are excited by the senior teams that

we've onboarded over the last few quarters. The quality of talent we are seeing across geographies is significantly higher than earlier and gives us great confidence on our business, as well as the maturity of the overall wealth industry in the country.

- Lastly, technology continues to remain a significant investment area with a focus on both, internal as well as client facing developments. We've also initiated pilots on using AI in various internal facing use cases and, look to expand on the same for a rollout across the firm.
- To sum it up, over the last few years we've been consolidating in a steadfast manner across business lines to become a full stack player around segments of Wealth Management, Public Markets, Alternates, the Global business and capital markets with B&K, with an aim to further strengthen our leadership position in these segments.
- I would also like to take this opportunity to thank all our partners and stakeholders who have bestowed this trust and confidence in us through this fantastic journey. With that I'd like to hand it over to Karan and Yatin for Q&A.

- **Question & Answer Session:**

- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**

- Thank you Anshuman. In case you wish to ask any questions, please signal by tapping on the 'raise hand' icon.
- First in line we have Mohit Mangal. Kindly unmute yourself and ask your question.

- **Mr. Mohit Mangal - Participant:**

- Yeah. Thanks for the opportunity and congratulations on an excellent set of numbers. So, my first question is on net flows. So, I think, last quarter we were little affected by attrition. But I think this quarter, even if I exclude the one off from UBS, the numbers look very very good. So, we will be able to maintain the guidance of 12 to 15% of opening AUM for the entire year, right?

- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Thanks Mohit. I think net flows continue to remain strong. I think, generally speaking, capital markets have been super strong, and obviously both deal activity as well as primary market as well as secondary markets fairly active. Our market share continues to be fairly strong in these segments. A large number of teams still have just about joined and will kind of contribute in a meaningful way over the next 6-12 months. So, we're all continuing to believe the 10 to 12% number will kind of flow through with great degree of confidence. I think, in Q2 like you rightly said, I think, outside of the UBS flows also, we've got nearly 8,000-8,500 rows of flows. So, I think that's a number which hopefully we can improve over the next two quarters.

- **Mr. Mohit Mangal - Participant:**

- Understood. So, in terms of cost to income ratio, basically I believe that you know our goal to have that 45-46%, with the acquisition as well, I think this is a few quarters away or do you see that you know that cost to income actually improving meaningfully in say next 3-4 quarters?

- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- I think 3-4 quarters fast forward to let's say a similar quarter next FY, let's say Q3, Q4. I would say 47-48 is more of a reality, and for the same quarter next to next year maybe closer to 45-46. I think there are two new businesses we are also going to be building out. But obviously, if I just look at the standalone numbers on the core businesses, which is the UHNI business, the Alternate business and the Listed businesses, there we'll definitely be at 45-46 standalone within the next couple of quarters itself.
- **Mr. Mohit Mangal - Participant:**
- Right. Makes sense. And one question that we always get from the clients is, basically we are facing stiff competition as well, and we are hiring a lot of RMs. So how long does it take to break even while we hire a RM, assuming that he's at a higher salary bracket?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- It's a great question I think Mohit. But at the same point of time let's also remember that it's just not a standalone break even, because we've got a lot of clients. So, in some sense, there's a net addition and there's a little bit of churn which we are replacing. So, in a sense, RMs are not necessarily walking into an absolutely fresh start. Obviously, at the levels at which they're coming, they're able to move 15-20% of their current book. We are able to kind of add at least 25-30% of their current book to them, either through new references or through corporate connections or potentially, also from maybe some RM who's left, and his book is handed over. So, in a sense, if you kind of look at an RM absolutely fresh in the system and he's kind of starting out, I think break-even would be somewhere between the 2½ to the 3rd year. And obviously 4th, 5th year he becomes profitable and after five years he becomes super profitable. But in a system like ours where he's already got a little bit of a book to join and a book to kind of start with, I think I would say about 18 to 24 months at senior levels is possible.
- **Mr. Mohit Mangal - Participant:**
- Understood, that's very helpful. My last question is a data keeping question. Can you spell the ESOP expense for the quarter?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Very, very approximately it will be about two-thirds, one-third. So approximately two-thirds will be 60 to 65% will be your variable bonus component and 35 to 40% would be ESOPs.
- **Mr. Mohit Mangal - Participant:**
- Right. That's great. I'll join the queue and wishing you a happy Diwali.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Thank you, Mohit.
- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**
- Next in line, we have Lalit Deo. Lalit, kindly unmute yourself and ask your question.

- **Mr. Lalit Deo - Participant:**
- Yeah. Hi, sir. Congratulations on a good set of numbers. Sir, I just have 2-3 questions. So firstly, like, so in this quarter, we have seen another good quarter on the TBR income, excluding the B&K number. So just wanted to understand, like, what would drive those numbers? And could you also give us a split of the overall 280 crores between different segment line items?
- Secondly, on the HNI segment, we are seeing some pickup in the revenues, while it's a small component. So just wanted to understand, how should one see that overall book coming up in FY27 and FY28?
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- Sure. So, the first question on the TBR, the transaction activities remain strong. If I just break up and go back to what are the elements that go into TBR, we obviously have, now the B&K business also sitting over there, which is the Institutional Equities broking. But from our wealth standpoint, the first component is Equities broking. That is getting a fillip; early days but getting a fillip with the access to B&K research and the new proposition that is being taken to our clients. The second element is around unlisted transactions, unlisted equity transactions. Like we've shared, earlier, it's been doing trades on NSE, and similar ones. The third is debt syndication work that we do. And the fourth is other brokerages that are done. The TBR for this quarter includes a combination of the two. I think about 15 to 20% of it goes to the core equity broking and about 25 to 30% is the unlisted side.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- We've also had a lot on the REIT side.
- **Mr. Lalit Deo - Participant:**
- Yeah, sure.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- So, I think on the HNI segment, I think we've made some good early progress. I think, we've now got around 35 RMs who've joined us from various platforms. The core part of the technology has been set up and it's launched. I think we'll continue to add different lines of products as we go along. I think we've grown the AUM to about 2,300-2,400 crores on the HNI side. I think, from a business perspective, we're looking for a shorter breakeven window on the HNI side and our own ability to add different levels of products and segmental offerings, including the loan syndication and so on and so forth will be fairly quick there. I think, from a platform perspective, we should be able to add most of the extended products over the next 3-6 months. And obviously, our own ability to reach out to all our promoter families who've been clients with us and get access to their network, and especially clients between the 5 to 50 crores will be fairly high.
- So, I think our initial team of 35 to 40 people is kind of just getting set up. I think of the 35 RMs, approximately 25-26 have already joined and another 10 to 12 will join over the next 30 to 45 days. So overall, I think towards Q3-Q4 of next year is when we'll see early signs of a breakeven. I think from a business perspective, the breakeven is not going to be a very, very long curve, because our ability to monetize these set of clients with our existing product line should be fairly high.

- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**
- In case you wish to ask any questions, kindly signal the host by tapping on the 'raise hand' icon.
- Next in line, we have Prayesh Jain. Prayesh, kindly unmute yourself and ask your question.
- **Mr. Prayesh Jain - Participant:**
- Hi, Karan, and congrats on a great set of numbers. One question is on the retention bit, wherein if I look at the Mutual Fund business, on the AMC side, we've seen a significant increase in the retentions, while on the distribution side, we've seen a sharp decline on the retentions. So, what's going between these segments to kind of understand the retentions?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Nothing really specific. I think in Asset Management, the retentions move a little bit up and down with the carry, but overall trend remains the same. I think Mutual Fund distribution, we have got a good mix of equity, fixed income and hybrid schemes. So Mutual Funds typically for us remains in that 40, 50, 55 basis points. I think AIFs and PMS remain in the region of 75-80 basis points on the distribution. And Managed Accounts, obviously, again, between the 85 to 90 basis points. No real secular trend change in that. On the Managed Account side, we continue to be between the 90 to 110 basis points, depending on a little bit of carry accrual and so on and so forth. But I think the core retentions are about 90 basis points. And then obviously, 10, 15 basis points can increase basis carry.
- **Mr. Prayesh Jain - Participant:**
- Now, Karan, just on the Mutual Fund bit, on the AMC side, we've seen 58 basis points retention compared to 43 basis points in one quarter, and that was the trend kind of for most of the last year. And from 43 to 58. And on listed equity, we've jumped from 49 to 65 in the Mutual Fund side. So, there has to be some real change to kind of see that kind of a bump up on the yields, right?
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- So, I can come in on the Mutual Fund on the Asset Management side. I think that is just more one-off. The trend will remain, Prayesh, as you said, in what it was through the course of the year. I think last year also in one of the quarters, we saw a bit of a bump up because that is where the excess provision gets passed on from the schemes to the AMC, and it provides a one-off lift. But on an ongoing basis, we would expect the retentions to remain in that 45 or close to the 50 basis points on the Asset Management side Mutual Funds.
- **Mr. Prayesh Jain - Participant:**
- Got that. And on the flows front, right, if you could give colour? in the first half, how much of the flows have been have come in from new customers acquired in this period versus, the existing customer base?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- I think, from a new flows' perspective, I think the existing customer base is around about 30-35%. So, I think on a gross basis, it'll be around about, if I add both, both the quarters and look at some

of the net flow redemptions from some of the older clients, our total flows would be about 12,500-13,000 crores, of which obviously, we've got 3,500-4,000 crores of attrition related outflows. So overall, we've got 8,500-9,000 crores of net flows, I'm excluding UBS. And of that, obviously, I think, if I look at just a standalone number, close to 90% will be from new investors. But at a gross number, which is the right way to look at it, because we've got new flows from existing clients, the number would be down about 65-35. 65% would come from new clients and 35% from older clients.

– **Mr. Prayesh Jain - Participant:**

– Got that, got that. Yeah, that's helpful. I'll come back in the queue for more questions.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

– Thank you, Prayesh.

– **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**

– Thank you. Next in line, we have Dipanjan Ghosh. Dipanjan, kindly unmute yourself and ask your question. Thank you.

– **Mr. Dipanjan Ghosh - Participant:**

– Hi, Karan. Hope I'm audible.

– So just a few questions from my side. In terms of the carry income, and not only on the AMC part, but also on the Wealth business where you book carry on the distribution side, you've already clocked like 100 crores for the year. So just wanted to understand in terms of the trajectory. First of all, when you do your accounting for accruals of carry, how much buffer do you kind of tend to maintain on the current IRRs? And how should one think of it incrementally going ahead?

– Second question would be more on the RM front. You've obviously onboarded a few teams on the UHNI side. But, you know, just want to understand, is it done or are there a few more teams, especially on the UHNI side, which can be expected over the next, let's say, six months?

– And third, the last question would be in terms of the transactional revenues. This is a question you often get from investors. In terms of the bulkiness of the revenues out there, is there sufficient product pipeline, let's say, for the next two to three years? So, if you can give some granular colour on that part?

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

– No, fair enough. I think I'll start with the carry question, and then I'll head to the remaining two. I think purely on the carry question, we follow a fairly published kind of conservative, carry accrual process. So, we really don't look at carry for funds unless they are 18 months away from maturity. So, the first time we really look at funds is when they are only 18 months away from maturity. So, in some sense, that by itself is conservative, because the funds have become pregnant with mark-to-market gains for at least a long period of time. A large part of the gains may also be already realised by then. Part of it may also be unrealised, but part of it will be realised for sure. And even then, during the last 18 months, we start off by accruing only 10%, I think. Sanjay, please correct me if I get some of the percentages wrong. We start off by accruing 10 to 15% in Q1, Q2, and then kind of

keep building it up towards the maturity of the scheme. So, probability of a large reversal in carry is virtually impossible, because we're kind of coming in with very small increments of carry recognition. And the first time we really start is 18 months away from maturity.

- In this instance case, we've got a financial services fund of 1,000 crores, which we had invested in 2021. So, the value of that's kind of moved to around about 3,500-4,000 crores. And so only the first time over the last two quarters, that the carry recognition has started in that fund, because that fund is now 18 months away from maturity. And that's why there's a little bit of bulkiness in the carry in the last two quarters. But having said that, for example, subsequent to that, all the six funds we've launched, and they're doing fairly well, the carry is not really started coming in because they all have substantially more than 18 months for maturity. Does that make sense?

– **Mr. Dipanjan Ghosh - Participant:**

- Absolutely correct. I mean, thanks for the detailed explanation.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Yeah, thanks. In terms of recruitment, I think it's an ongoing process. I think we have a lot of exciting teams hopefully joining us over the next 3 to 6 to 9 months. I think the UHNI business itself is seeing huge spurts of growth. I think we would have today 4,000 - 4,500 families engaged with us on a day-to-day basis. I would say we are really deep in wallet share and meaningfully engaged with 1,800 to 2,000 of those families. I think today as we add teams and build them out, I think it's fair to say that that 4,000 number itself can move to about 10,000 over the next three to four years. And a meaningful engagement will continue to remain with 35-40% of them. And hopefully, you can kind of keep creeping into the wallet share as time goes by. So, if you ask me, honestly, I think maybe potentially, three to five teams in each of the big locations like Delhi, Bombay, and Bangalore, and potentially a couple of teams in Chennai, Calcutta, Ahmedabad is something which is good to go. So, I would be disappointed if we can't add 7 to 10 teams over the next 12 to 18 months, which effectively would mean around about 60 to 80 RMs. And honestly, I think if you were to kind of fast forward our growth, and we look at managing 8,000 to 10,000 families over the next 3 to 4 years, we are potentially going to need about any right number between 280 to 340 RMs to handle that. And if I kind of look at maybe potentially 70 to 80 senior team leaders, we potentially need another 5-6 RMs within each team. So, I think overall, in the next 2 - 2½ years, around about 15 to 20 team leaders and potentially another 100-120 RMs is something, all things being equal, we are excited about recruiting.

– **Mr. Dipanjan Ghosh - Participant:**

- Got it, Karan. Maybe on the last part, on the transactional, in terms of visibility.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Yeah. So, I think on the transaction side, you know, I kind of gave a fairly detailed reply and I've kind of given that reply in the last earnings' call. But honestly, I think, if I just fast forward, obviously there are three objectives from a transaction income perspective. I think one, is to ensure that it's kind of as less volatile as possible through all market cycles, which therefore means, it is multi-asset class. It is primary market, secondary market. And thirdly, it's kind of addressing multiple segments in terms of kinds of clients it's dealing with. Although, all those three kind of make it substantially more steady. To explain on the asset class, obviously today, over the last 12-18 months, there is

substantial excitement on REITs, fixed income, private credit, a lot of the international products. You've got obviously listed equity, which has been slightly muted. Private equity has been quite exciting in certain pockets, a little muted in certain pockets. Then obviously you've got a little bit of real estate, a little bit of insurance. So, all of these 7-8 things you have to kind of merge together to be able to make it an all-seasons transaction income. We're really not dependent on one specific category. Now, obviously with the B&K acquisition, brokerage is something which is kind of also there. Institutional brokerage, in that sense, doesn't grow that fast, but also at the same point of time, fall, that is doesn't kind of become 100-0. So, overall, if you see, if you look at our transaction income and we fast forward our thought process to 24-36 months from today, we will at least want it to grow at the rate of 10-15% a year. So today, on a steady state basis, it's 750-800 crores. We would like it to be in the 1,000 to 1,200 crore range. I think 40-50% of that really comes from Equity brokerage on the secondary market side. I think today that number for us would be give or take around about 300-320 crores, including the B&K numbers. That should steadily grow to 500-550 over the next 2½ to 3 years. We need to remember that we're super under-penetrated on the UHNI side in terms of brokerage. Today, that number is only 70 crores. We pack in research along with our current segment of UHNI clients. We're sure we'll be able to grow our brokerage income from 320-330 today to around about 500 in 2½ to 3 years.

- The remaining 500 crores of transaction income really comes from the smaller parts: 100 crores of debt syndication, 100-150 crores on the REIT side, 100-150 crores on the Unlisted side, 100-odd crores on Real Estate, and so on and so forth. Overall, I think that we want to ensure that the 900 to 1,200 remains our target goal. But not only just from a number of 900-1,200, but it should be multi-asset, and in a sense, all seasons.
- I think that's really where we are. We're modelling a fairly modest growth of 8% to 12% on transaction and brokerage revenue, given the fact that we're coming off a high base and also ensuring that our ARR revenue is constituting 75-80% of our overall revenues.

– **Mr. Dipanjan Ghosh - Participant:**

- Got it, Karan, and thanks for all the detailed explanations. Just one small theoretical question. In terms of the UBS journey, when you look at your P&L three years out, do you kind of envisage any number in terms of the UBS strategic tie-ups contribution to your P&L?

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Yeah, honestly, I should be in a better position to give you a broad range of a number, maybe 6 months from today. It's too early to kind of guess a number. But having said that, obviously, I think a massive amount of synergies on multiple fronts. On UBS being able to raise money for us, us being able to kind of use UBS's platform to raise money for our NRI and global clients, and additionally, also see how best the LRS money can be utilized on the UBS platform. So, lots of synergies. Still not there to be able to quantify a number. As Anshuman had pointed out, we're just about signing the collaboration agreement. So, I think starting mid-November, end-November, we should be able to be in a position to be able to start reference both ways, as well as look at ways for us to start looking at products coming on each other's platform. So, I think, honestly, 6 months from today, we will know what's feasible, what can be done fast, what can be done with a great degree of surety, but with a little bit of time. So, I think, honestly, I want to get into a pure, a number-driven business plan around about 5-6 months from today.

- **Mr. Dipanjan Ghosh - Participant:**
- Got it, Karan. Thanks, and all the best to the team.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Thank you.
- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**
- Thank you. In case you wish to ask a question, kindly tap on the 'raise hand' icon.
- Next in line, we have Sanket Godha. Sanket, kindly unmute yourself and ask your question.
- **Mr. Sanket Godha - Participant:**
- Thank you for the opportunity. So, the first question is on little data keeping. This 2,450 odd crores coming from UBS, where exactly it is sitting? Whether it is in 360 ONE assets or distributed assets or lending? So, if you can give a break-up of that 2,450 odd crores, where exactly it is sitting in the Wealth side?
- And the second thing which I wanted to check is that your lending yields or NIM, rather, has come down to 5.83, typically upwards of 6, given we had a capital infusion benefit. So, is it that we have lowered the rates on loan against shares or is it due to some other reason? And related to that, if on warrants of UBS, when they will convert into equity, how much bump up you can see in this yield to happen because of cost of funds coming down? So basically, just wanted to understand your Wealth yields overall, which came by 3 bps for the quarter-on-quarter. I know it's here and there, but whether it can meaningfully improve because of either loan against shares going, interest rates going up or warrants getting converted into equity. So just wanted to understand that thing.
- And lastly, on distribution wealth assets, the yields are around 59 bps. Is it, compared to 64 bps what you reported last quarter, is it largely because the new RMs who came, the broker code change has still not contributed to revenue, but contributed to the AUM? Maybe one year down the line, it might contribute to yields. If that is the case, how much it could be potentially?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- No, fair enough. I think all questions are relevant. So just from a UBS 2,450, obviously right now only the warrant amount of money has come in. But at the point which it comes in, obviously I think it will get invested back and used in the business, both on the NBFC side, as well as on the Alternate Asset side for sponsor capital. I think, again, maybe the right appropriation of the 2,450, we will do once the warrants are close to conversion. For the moment, I think we ended up using around 55-60% of the money towards the NBFC capital and 35-40% towards the Alternate Assets business, from both our QIP raise earlier, as well as the UBS warrants initial payment of 25%.
- In terms of the NBFC NIM, no real dramatic change. Obviously, I think generally speaking, for our large high value clients, we've done a 25-50 basis points reduction. But the larger impact is on account of the fact that we transferred the UBS loan book towards the end of the quarter, towards the fag end of the quarter. And there, the pricing is a little lower. But more important than that, we

took the full ECL provision for the entire book without actually earning interest for the entire quarter. So that kind of gets normalized through the next quarter itself.

- And lastly, I think on the distribution assets retention, I think, again, broadly, correct. I think there is roundabout 1 basis points natural correction on the distribution piece. But otherwise, the remaining 1-2 basis points is just a function of some of the newer assets coming in, and it'll become kind of revenue accrual over the next 6-9 months.

– **Mr. Sanket Godha - Participant:**

- And I got it, Karan. Lastly, the quarterly run rate of around 9,000 crores of net flow number, which you got in the Q1, you broadly achieved in the current quarter. So, you still remain confident that 9,000 crores of quarterly run rate kind of a number to continue? And if you can give that breakup, probably how much might be from Wealth and maybe AMC?

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- To be honest, all things being equal, see no reason why it shouldn't happen. Obviously, if something crazy happens in the world or something like that, it's a separate issue. But I think fairly confident, just given our RM strength, our product innovation, the product platform and our own reach, and our ability to kind of assess different asset classes in the market, I think our ability to be at that 8,000 to 10,000, or even maybe potentially some good quarter, slightly more in terms of net flows, really don't see a reason why that won't happen.

– **Mr. Sanket Godha - Participant:**

- And likely breakup, you would see the flow predominantly will come from?

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- I think it'll be 75-25. 75% on the wealth side, 25% on the asset management side.

– **Mr. Sanket Godha - Participant:**

- Perfect. Thanks, Karan.

– **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**

- Next in line, we have Nidhesh Jain. Nidhesh, kindly unmute yourself and ask your question.

– **Mr. Nidhesh Jain - Participant:**

- Thanks for the opportunity. I just have one data keeping question. What is the B&K transaction revenue in Q1 and Q2 that we have shown in our P&L?

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- So, we've not kind of disclosed it separately, but I think it's broadly the same range as what it was, which we disclosed at the point of acquisition. So, it's approximately in the region of 15 to 16 crores a month. So around 40 to 45 crores a quarter.

- **Mr. Nidhesh Jain - Participant:**
- So, in Q1, we have reported only 15 and this quarter will be 45, right?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Yeah, approximately.
- **Mr. Nidhesh Jain - Participant:**
- Okay. Thank you. That's it for myself.
- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**
- Thank you. In case you wish to ask a question, kindly tap on the 'raise hand' icon. Next in line, we have Siddharth. Siddharth, kindly unmute yourself and ask your question.
- **Mr. Siddharth Negandhi - Participant:**
- Hi. Thanks for the opportunity, and quite a resilient performance considering all the attrition and other stuff that had happened. On that context, just wanted to understand the 9,000 crores of net flow, if we remove 5,000 crores that came from UBS, and roughly about 2,500 crores that came from HNI, is it fair to say that the Ultra HNI business broadly got in about 1,500 crores of net flows this quarter?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- No, no. Anshuman, can you just correct it?
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- Yeah, sure. So happy to correct that. I think if you look at the 9,300 odd crores in Wealth, the net flow that we've highlighted, that includes 2,400 from UBS. So, net of UBS, 7,000 odd crores plus another 1,850 crores from AMC. So, core business itself, excluding UBS, is close to about 9,000 crores of net flows. HNI, of course, is included in this, but HNI, again, the 2,000 crore number that we mentioned is for H1, not just Q2. Part of it is coming in Q2, of course.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- So, to answer your question, the core business net flows is about 8,500 to 9,000 crores for Q2.
- **Mr. Siddharth Negandhi - Participant:**
- Understood, understood, okay. And that's both ARR, TBR, everything, right?
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- That's only ARR.
- **Mr. Siddharth Negandhi - Participant:**
- Okay, because for some reason, if I look at the data book, ARR net flows total is 9,300 crores. I'm assuming that includes UBS everything, right?

- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- No, so just to highlight, that 9,322 is the Wealth ARR net flows, and that includes 2,450 of UBS, because the rest of UBS is also transactional. It's a combination of transactional and active ARR assets. And then if you add the AMC flows into it, you will get the core business flows.
- **Mr. Siddharth Negandhi - Participant:**
- Understood. In terms of how clients are investing, if we look at your yields on distribution assets in the Mutual Fund portfolio, right, those have dropped from, say, 45-46 bps all through last year, to about 40 bps. And therefore, is that to do with asset allocation shifting more towards passives or debt on the client side? I'm referring to distribution Mutual Fund yields.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- I think it's a combination of four things. One, you're rightly saying it's a bit of an asset allocation. If you see in the last 6-8 months, I think, generally speaking, UHNI allocation to listed equity has been slightly lower. Obviously, SIPs and stuff like that continue. But generally, people have found a little bit more investment into, maybe in some cases, Alternatives, but a lot of investment has gone into yield and credit, and also, in arbitrage and debt. So, in some sense, yes, it reflects a little bit of change in asset allocation. Second, obviously, I think passives itself have also got some more money as compared to the actives. And third, the broker code change, obviously, has some impact with a continuous addition of RMs. So, a lot of the AUM is currently not yielding. And fourth, generally speaking, I think these schemes which we've kind of invested in, are also fairly optimized in terms of cost. So, it'll be a combination of all those four, but the first two will be the larger reasons for it. And the bottom two will also kind of account for around about 4-5 basis points.
- **Mr. Siddharth Negandhi - Participant:**
- That's useful. And do you expect this asset allocation to continue for a little while? How are you perceiving this? Because that's the larger impact on yield, right? So how are you seeing it?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- I'm not too worried, to be honest, on pure Mutual Fund distribution yield. I think Mutual Fund's one of the portions of the portfolio. So, I think it's going to have some impact here and there. But I think, generally speaking, Mutual Fund yields will be a combination of debt and equity for us. And so, in my mind, it's safe to say that, from an asset allocation perspective, it's going to be broadly a function of the market. There will be times when more money is going into equity. But I think just given the way we operate, it's safe to assume a 45 to 47 basis points as the long-term retention. I think the retention moves up a bit as we build out our mid-market business. Because there, obviously, it'll be slightly more MF-focused and broker or regular code focused. So that will improve the yields. But outside of that, just given the fact that we already have a fairly large size and, any addition of Mutual Funds will only have an incremental impact on retentions. I think that broad region of 45 basis points is a fair number to look at.
- **Mr. Siddharth Negandhi - Participant:**
- Useful. Thank you. And the last one that I had was more book-keeping. You've seen an increase in the depreciation amortization. Is that towards any specific asset that we've started?

- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- No, just the tech buildout on the HNI business is being depreciated. So, I think that's a relatively small amount that gets depreciated over a period of time.
- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**
- Thank you, Siddharth. Next in line, we have Sanil Desai. We have a few more people lined up for questions. So, if you could restrict yourself to two questions. Thank you.
- **Mr. Sanil Desai - Participant:**
- So, my first question is regarding UBS. So, UBS, I think you reported some 2,500 crores of net flows. But I think in the last quarter, I think it was said that total AUM was at a much higher level, something around 20,000 crores of it. So, is it that there is also some TBR component to it? Is that the reason that the number is lower? And secondly, if you can just quantify what percentage of the AUM actually flowed through from UBS to your books and how much of it maybe went out to people who didn't come onto your platform? That is the first question.
- Secondly, on the HNI segment, we have given a breakup where we have seen the revenue has increased significantly, but so has the loss also increased. So, is it because of the new RMs that you have hired more, or what would be the reason for that?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Sorry, can you repeat the second question?
- **Mr. Sanil Desai - Participant:**
- So, in the PPT, there is the segmental breakup where you have given, in the HNI segment, the revenue has seen a large bump up in Q2 but so has the PBT has also declined. So, is that because you have a higher cost over there from more RMs being there?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Yeah. So, I think the answer to the first question is I had corrected in the last quarter call. It was not 20,000 crores. We're expecting around about 8,500-9,000 crores of relevant AUM. The rest was really custody assets. Of the 8,500-9,000 crores, we had expected maybe about, ideally speaking, 6,500-6,500 should have moved in with about 4,000 crores of ARR AUM and potentially 2,000 crores of other assets. Compared to the 4,000 crores, we've got in 2,500-2,600 crores. And of the other relevant AUM and out of another 4,000, we've got around about 2,500. So as compared to what we had expected to get around 8,000 crores odd, we've got around about 5,000 crores of AUM on the UBS side. So that's really on the UBS update.
- On the HNI side, obviously the cost has kind of gone up because of the RM recruitment. And I think that will continue to kind of reflect a similar trajectory for the next 3-4 quarters as we beef up our recruitment there. But early shoots for the business are very encouraging for us, because both in terms of product adoption, monetization, and also the digital interface, in terms of ease of account opening, is quite high. So, we remain fairly excited about that business. And we are unlikely to build an army of 400-500 people, and we've got some internal movements also happening. So quite

excited about that. I think, as I said earlier, it will take around about 3-4 quarters to stabilize. But I would expect it to kind of be very fairly close to break even in Q3-Q4 of next financial year.

– **Mr. Sanil Desai - Participant:**

– Yeah, thank you, and congratulations on a good quarter.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

– Thank you. Thank you.

– **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**

– Next in line, we have Abhijeet Sakhare. Abhijeet, can you unmute yourself?

– **Mr. Abhijeet Sakhare - Participant:**

– Hi, Karan. Good evening. I have a couple of number of questions. One is, if you could tell me the number of RMs and team leaders as of the quarter end. And secondly, we had this data around the number of overall clients and clients with more than 10 crore of assets. So those two data keeping questions. And lastly, is a sort of a qualitative question, is that when we think about the UHNI market, the general assumption so far for a very long time has been that it's largely a two-player market. Do you see that changing significantly over the next two to three years? That'll be all. Thank you.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

– Yeah, so I'll just start with the second question. I'm hoping, Anshuman, you get the more accurate numbers for both the data points. I can give an approximate range. So, I'll start with the second question.

– I think imagining it as a two-player market forever, is a virtual impossibility. Today the size of the market is very, very large. And just given what's happened in the industry over the last 6 to 18 months, just in terms of transactions, wealth creation is happening from all sides. I think the middle segment is going to the UHNI side. There are transactions on the unlisted side. There are at least 8-9 sectors which are very, very active at all points in time. IPOs have also been fairly thick and fast. So, I think, to be honest, for the two-player market, we are blessed in more ways than one. I think we've been able to retain a fairly decent market share. But I think there's a huge space for a 3rd, 4th, 5th, 6th player, at least for two or three more players. So, I would be really surprised if there's no strong 3rd, 4th, 5th player which comes into the market. So that's really what my view is.

– So, I think, to be honest, I would like to believe we have about 8% to 11% market share of the UHNI side. I think if we can maintain that and maybe potentially increase it by 200-250 basis points and take it up to 10% to 12%, it would be great, because it would be 10% to 12% of a much wider number. Will it kind of phenomenally increase? Just purely from a market share perspective, I think that would happen in case there's a bit of a contraction in the market. But just hopefully the market keeps expanding like this for the next 10 years, in which case I think we'll definitely see two or three more players kind of emerge. It could be either boutiques, it could be brokers, it could be banks, it could be maybe investment banks trying to make the change. So, it could be either four or five of

them. You may see two or three of them emerge out, but definitely there will be a 3rd, 4th, 5th player which will kind of come in.

- In terms of RMs, I'm quite sure of a broad range. If I'm a little off, I'll request Anshuman to correct it. But it's approximately, we would have around about, now close to 100-110 Team Leads and around about 240-250 Relationship Managers.
- **Mr. Anshuman Maheshwary - Chief Operating Officer, 360 ONE WAM:**
- Yeah, that's absolutely correct, Karan. And even on the families bit, we have about a little over 4,200 odd families and corporates, including the work that we're doing from a Treasury standpoint.
- **Mr. Abhijeet Sakhare - Participant:**
- Got it. Thank you so much.
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- Thank you, Abhijeet.
- **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**
- Thank you. We'll just take one follow-up question from Prayesh. Prayesh, kindly unmute yourself and ask your question.
- **Mr. Prayesh Jain - Participant:**
- Yeah, thanks for the follow-up again. Karan, just on the AMC flow, we've seen a very strong AMC flow and that's mainly coming from the Alternate side, largely from the Alternate side. You know, this is probably the highest level what we've seen in many, many quarters. What drove this? And, the sustainability of the same, obviously, you mentioned that you have new product launches coming in. But what drove this and what could be the trend going ahead on this?
- **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**
- I mean, Prayesh, to be honest, we've had very, very good flows for the last 6-7 quarters. It's just that it's not shown up as net flows because we had SOF 1 - 7, which in terms of pure market value was nearly 15,000 to 16,000 crores, because we'd collected 6,000-7,000 crores in 2019, and we were returning all of that money. So, all of that money just got returned over the last 6-7 quarters. So, we nearly returned close to \$2 billion back to clients. So actually, part of the strong growth on the Alternate side was getting kind of offset by the flows being returned to clients for our series of Special Opportunities 1 to 7. But otherwise, generally speaking, response to our Alternate products has been very, very strong for the last 8 odd quarters, including the current quarter. So current quarter is also not very different from the last 8 quarters. But obviously, if you just look at the pure net flow number, it's showing a very good number because the redemptions have stopped.
- Going forward, I think the situation remains the same. I think, just in terms of pipeline, Alternates both, in terms of strategies as well as in terms of asset class, is very wide, right? Because you've got credit, you've got real assets, you've got different stages of private equity, you've got mid-stage, late stage, then you've got different kind of themes in terms of PIPE, consumer, tech, healthcare. So

there's a huge assortment of things happening. Obviously, we've lost a couple of funds in the GIFT City also.

- So honestly, just in terms of levers on the broader alternate side of the business, it's fairly large. I think, honestly, the limit will really be our own execution, our ability to do it in a good way. We've really invested strongly in building the investment team on the Alternate side. You know, today, if I was to look at each of these strategies, we pretty much have one CIO and maybe 4-5 portfolio managers in each of these strategies. So that's giving it a lot of strength. And honestly, I would hope for even better collections on the Alternate side in the next 24 months.

– **Mr. Prayesh Jain - Participant:**

- Just a follow up there, you mentioned about a fund getting closed in the next few months for which you are recognizing the carry. So, the outflows will start from probably a year down the road on that?

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Next 18 months. So, we start our carry recognition from 18 months before the fund closes, of which the first quarter was the last quarter, and the current quarter is the second quarter. So that fund redemption time period starts around about 12 to 14 months from today. And the size of the funds only around about 3,800 crores at current value.

– **Mr. Prayesh Jain - Participant:**

- Okay. And similarly, earlier, you used to give the kind of carry in schemes which would be kind of coming. It would be great if you could start giving that again, because that helps us keep a track of which schemes would kind of come to reporting carry as well as kind of putting redemptions.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Yeah, I don't see a harm in putting out a schedule without the carry numbers itself. I'm happy to try and put out the schedule. So, we'll try and add it to the model data book.

– **Mr. Prayesh Jain - Participant:**

- Sure. Thanks. And wish you all the best and a Happy Diwali.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Thank you. Same to you.

– **Mr. Anil Mascarenhas - EVP (Communications), 360 ONE WAM:**

- Thank you. I think that's all we have time for. Wish you all a very Happy Diwali.

– **Mr. Karan Bhagat - MD & CEO, 360 ONE WAM:**

- Same to you Anil. And Happy Diwali, everybody. Thank you.