

360 ONE WAM Ltd. Results Update - Q2 FY24

Key Highlights

- Q2 Total Revenues at Rs 441 Crs - up 9% YoY and 1.6% QoQ
- Q2 FY24 PAT at Rs 185 Crs (up 7.3% YoY and 2.2% QoQ)
- H1 FY24 Profit After Tax (PAT) at Rs 367 Crs (up 10.2% YoY)
- ARR AUM at Rs 2,02,536 - up 30.7% YoY and 6.4% QoQ
- Board approved interim dividend of Rs 4 per share

Quarterly Update								
<i>Rs in Crs.</i>	Q1 FY 24	Q2 FY 24	Q-o-Q %	Q2 FY 23	Y-o-Y %	H1 FY 23	H1 FY 24	Y-o-Y %
Revenue from Operations	406	427	5.4%	382	11.8%	757	833	10.0%
<i>Annual Recurring Revenue (excl. Carry Income)</i>	284	296	4.4%	261	13.6%	508	580	14.1%
<i>Annual Recurring Revenue - Carry Income</i>	40	15	-60.8%	24	-34.8%	78	55	-29.5%
<i>Transactional / Brokerage Income</i>	82	116	40.8%	98	18.1%	171	198	15.9%
Other Income	29	14	-52.0%	22	-38.8%	17	42	150.7%
Total Revenues	434	441	1.6%	405	9.0%	774	875	13.1%
Total Expenses	210	214	2.0%	179	19.5%	347	425	22.4%
Operating Profit Before Tax (OPBT)	195	213	9.1%	203	4.9%	410	408	-0.4%
Profit before Tax (PBT)	224	227	1.3%	226	0.6%	427	451	5.5%
Profit After Tax incl. OCI	181	185	2.2%	173	7.3%	333	367	10.2%

Mr. Karan Bhagat, MD & CEO, 360 ONE WAM: “Moving from Consolidation to Growth”

Favourable Global and Domestic Sentiment to Benefit India:

- India continues to attract substantial global capital flows, with most large institutions increasing their India allocations directly or through new Emerging Market funds with a higher weightage to India
- Simultaneously, domestic participation specially through SIP's in the financial markets remains strong. These combined factors have propelled our benchmark equity indices to touch record highs in the first six months of this fiscal

Strong Tailwinds for Financial Assets and Domestic Savings:

- The changing tax regime, particularly the taxation of debt funds at marginal tax rates, is driving a shift in savings behaviour. We anticipate a movement of savings from debt funds to fixed income plus instruments and, in the longer term, increased allocation to equity-based products
- There is a sustained increase in the deployment of patient capital toward alternates. Currently, the wallet share of alternates in the HNIs & UHNIs segments stands at less than 3-5% of financial assets. We expect this share to grow steadily to 8%-10% of financial assets over the next 4-5 years

Areas of focus for incremental Growth:

- **Launch of the Digital-First HNI Platform (Rs 5-25 Crs):** We remain on course to launch our digital-first platform fully in April '24. We have launched the platform internally in a Closed User Group and the core team has started to come in place to ensure we are ready to Go-to-Market
- **Geographical Expansion:** We believe that India's economic growth potential will extend the addressable market for the wealth management industry beyond traditional Tier I cities and expand to Tier 2 and Tier 3 cities. We expect the number of addressable cities for us to increase from 20 to 50 in the next 5 years
- **Global Business:** The global Indian and NRI segments - especially in markets like Singapore, Dubai, and London, where we are building our presence - are expected to expand, both in relation to our wealth and asset management products and will be a strong lever for growth

Market Share Growth Potential:

- Our market share estimation, which includes both the UHNI and HNI segments, stands at approximately 4%-5%. With the introduction of new client segments to cater to the <Rs 25 Crs market, and an expanded geographical footprint in India and abroad, we see a huge opportunity to double our market share over the next 5 years. All our growth initiatives are designed to achieve this objective

Talented Team & Robust Platform:

- We continue to be the platform of choice for the best talent in the country for both our business verticals. We have now expanded our team to have over 235 Partners - comprising 150 Client Relationship Partners, 44 Investment Partners and 41 Operating Partners. Our overall attrition rate continues to remain low at <4% annualised for FY24
- Over the past six months, we have successfully augmented our team by onboarding senior professionals for our growth verticals. Our new senior hires will primarily steer our new business initiatives, while our seasoned team members will continue to drive the growth of our existing business lines. More than 2/3rd of our middle and senior leadership has a vintage exceeding 5 years, reflecting their dedication and commitment to our organization

For further information, please contact:

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[Click here to register for conference call](#)

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360 ONE WAM Q2 FY 24 Analyst Conference call is scheduled for Friday, 3rd November, 2:00 PM IST