

360 ONE

Investor Presentation – Q3 FY23

IIFL Wealth & Asset Management is now 360 ONE

Same Purpose. New Name

The logo for 360 ONE is displayed on a black square background. The number '360' is written in a large, bold, white sans-serif font. To its right, the word 'ONE' is written in a smaller, bold, white sans-serif font, with the letters stacked vertically.

360 ONE is an embodiment of two words that are extremely important to us – ‘**360**’ represents the holistic view we take of the ‘**ONE**’ person whose interests are always first: **Our Client.**

The alignment of interests with our clients, our employees and all our stakeholders has resulted in our company emerging as the leader in the industry.

- **Karan Bhagat**
Founder, MD & CEO, 360 ONE

Click [Here](#) to know more

Business Snapshot – Q3 FY23

Wealth Management

INR 216k cr / \$26bn* AUM

INR 3.5k cr Net Flows in Q3 FY23

INR 295 cr / \$36 mn* Operating Revenue in Q3 FY 23

6,800+ Relevant Families

Distribution, Brokerage, Advisory, Lending & Estate planning

Total AUM including Custody
INR 345k cr / \$41.6 bn*



ARR Net Flows – INR 10k in Q3 FY23

Asset Management

INR 59k cr / \$7.1bn* AUM

INR 2.6K cr Net Flows in Q3 FY23

INR 120 cr / \$15 mn* Operating Revenue in Q3 FY 23

166k+ Folios

AIF, PMS and Mutual Funds

 <p>61% ARR AUM as a % of Total AUM</p>	 <p>66% ARR Revenue as a % of Total Operating Revenue</p>	 <p>47% Operating Profit (YoY)</p>	 <p>61bps Total Retention</p>
<p>45.5% Cost to income ratio</p>	<p>29% Return on tangible equity</p>	<p>₹17 per share Proposed 4th Interim Dividend</p>	 <p>110+ Average count of families managed per senior TL</p>

Share split in the ratio of 1:1; Bonus issue in the ratio of 1:1

Key Financial Highlights



AUM

- Total AUM² is up 4.7% YoY and up 2.6% QoQ at Rs 2,75,134 Crs
- Continued focus on Recurring Revenue Assets – ARR AUM up 19.8% YoY and up 7.4% QoQ at Rs 1,66,494 Crs
- ARR Net flows at Rs 10,386 Crs for the quarter and Rs 22,122 Crs for 9M FY23; Total Net flows were Rs 6,034 Crs for the quarter and Rs 18,217 Crs for 9M FY23



REVENUES

- Total Revenues are marginally up QoQ at Rs 410 Crs, and up 9% to Rs 1,184 Crs for 9M FY23
- Revenue from Operations is up 9.9% YoY and up 8.5% QoQ at Rs 415 Crs, and up 20% to Rs 1,172 Crs for 9M FY23
- ARR Revenues is up 12% YoY and up 5.8% QoQ at Rs 276 Crs, and up 18.8% to Rs 784 Crs for 9M FY23



COST

- Total Costs are up 3.9% QoQ at Rs 186 Crs, largely due to higher spends on technology and rebranding
- Total Employee Costs is flat QoQ at Rs 132 Crs, and stands at ~32% of Total Revenues for the quarter
- Administrative Costs are up 13% QoQ to Rs 54 Crs, and stands at ~13% of Total Revenues for the quarter
- Cost to income Ratio has marginally increased to 45.5%, largely due to lower Other Income. It remains in line with our stated guidance and transition to steady state cost structure



PROFITABILITY

- Profit After Tax (PAT) is up 16.3% YoY, up 4.3% QoQ at Rs 180 Crs; and up 24% to Rs 513 Crs for 9M FY23
- PBT is up 13% YoY and flat QoQ, to Rs 223 Crs; and up 21% to Rs 650 Crs for 9M FY23
- OPBT is up 47% YoY, up 13% QoQ, to Rs 229 Crs, and up 50% to Rs 639 Crs for 9M FY23
- Tangible RoE¹ for Q3 FY23 is at 28.6%

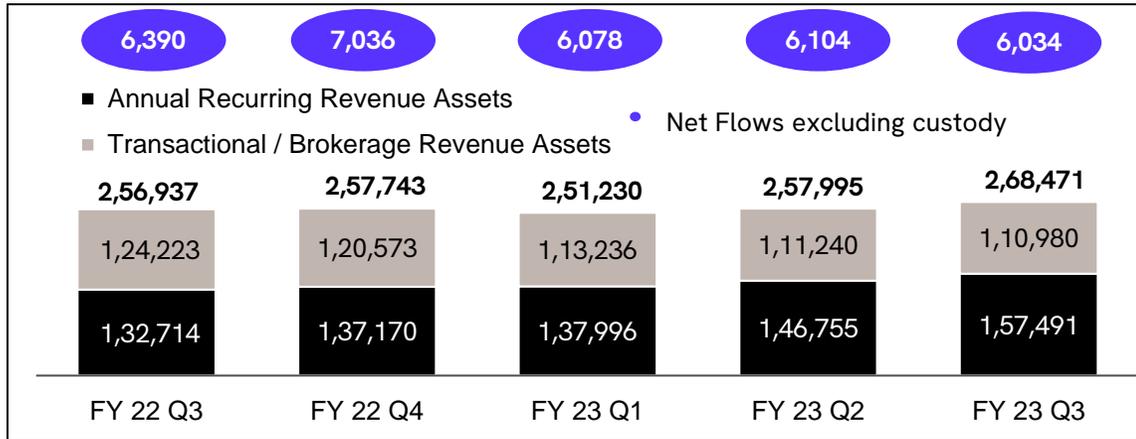
Consolidated Business Summary

Particulars (Rs. Crs.)	Q2 FY 23	Q3 FY 23	QoQ %	Q3 FY 22	YoY %	9M FY 22	9M FY 23	YoY %
AUM	2,68,286	2,75,134	3%	2,62,780	5%	2,62,780	2,75,134	5%
Annual Recurring Revenue Assets	1,54,965	1,66,494	7%	1,38,946	20%	1,38,946	1,66,494	20%
Transactional / Brkg Revenue Assets	1,13,321	1,08,640	-4%	1,23,834	-12%	1,23,834	1,08,640	-12%
REVENUE	405	410	1%	420	-3%	1,086	1,184	9%
Annual Recurring Revenues	261	276	6%	245	12%	660	784	19%
Transactional / Brokerage Revenue	122	139	14%	133	5%	316	388	23%
Total Revenue from Operations	382	415	9%	378	10%	975	1,172	20%
Other Income ¹	22	-5	NA	42	-113%	111	12	-90%
RETENTION	0.63%	0.61%		0.65%		0.60%	0.61%	
Average Annual Recurring Assets	1,46,755	1,57,491	7%	1,32,714	18%	1,21,499	1,47,414	21%
Total Average Assets	2,57,995	2,68,471	4%	2,56,937	4%	2,40,437	2,59,232	8%
Retention on ARR Assets	0.71%	0.70%		0.74%		0.72%	0.71%	
COSTS	179	186	4%	222	-16%	549	533	-3%
Employee Costs	131	132	0%	171	-23%	423	388	-8%
Fixed Employee Costs	91	92	1%	76	21%	225	271	20%
Variable Employee Costs	35	34	-3%	89	-61%	174	100	-43%
Employee ESOP Costs	5	6	13%	6	-10%	24	17	-29%
Admin and Other Expenses ¹	48	54	13%	51	7%	126	145	16%
PROFIT METRICS								
Operating Profit before Taxes (OPBT)	203	229	13%	155	47%	426	639	50%
Profit before Taxes (PBT)	226	223	-1%	198	13%	537	650	21%
Profit After Tax (PAT incl OCI & FCTR)	173	180	4%	155	16%	414	513	24%
Cost to Income Ratio	44.3%	45.5%		52.9%		50.5%	45.1%	
ROE	22.9%	23.5%		21.9%		19.2%	22.6%	
ROE Ex Goodwill & Intangibles	27.7%	28.6%		26.9%		23.5%	27.4%	

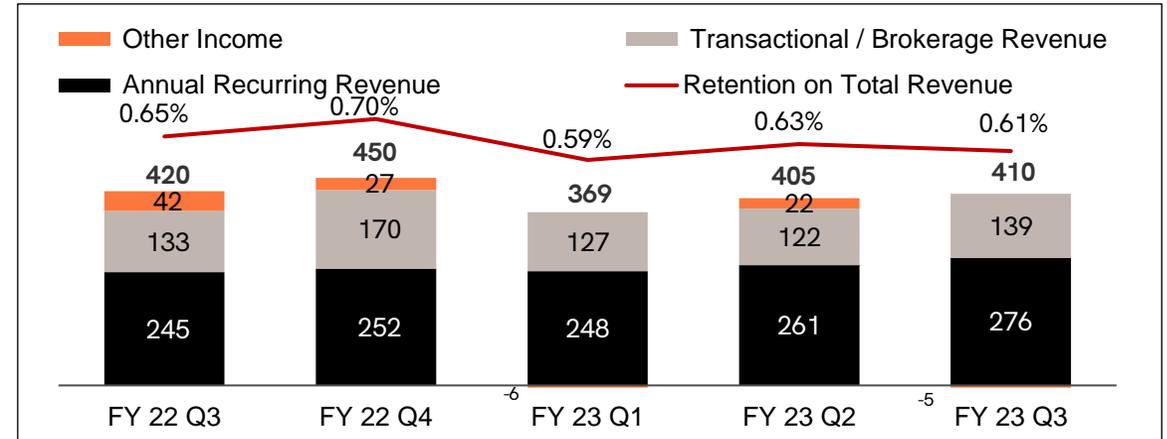
1. Q3 FY 23 Other Income includes negative FX movement of Rs 5 Crs., offset by positive movement in FCTR

Key Metrics Summary

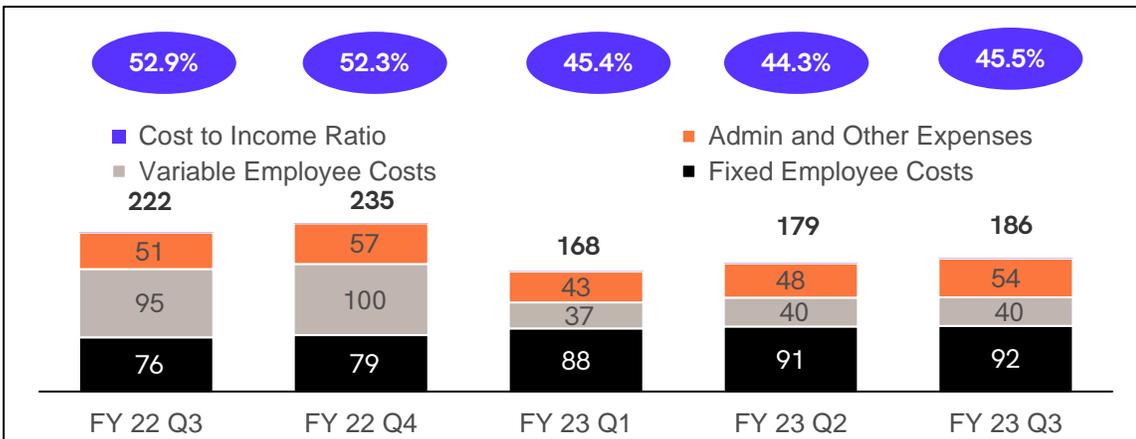
Total Average Assets Under Management (Rs. Crs.)



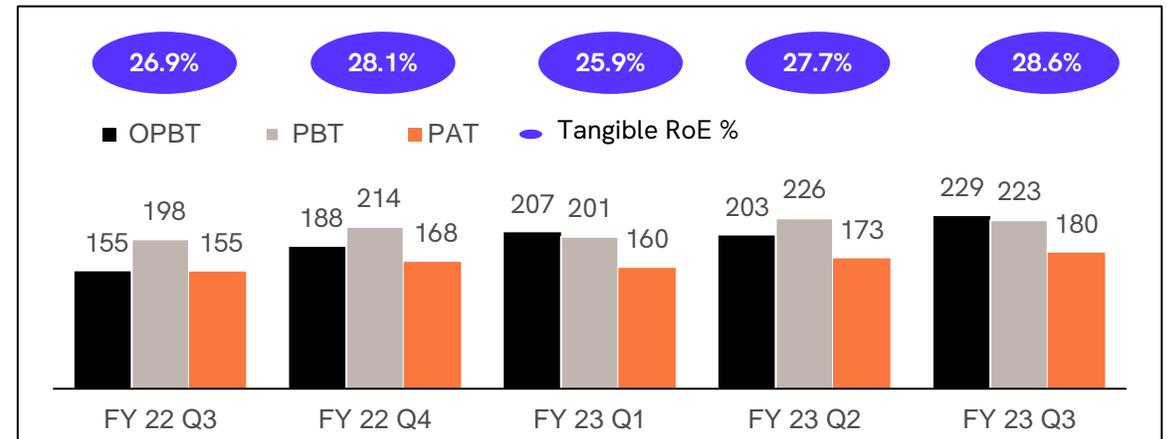
Total Revenues (Rs. Crs.) & Retentions (%) QoQ



Cost Mix (Rs. Crs.)



Profitability (Rs. Crs.)



FY23 View – Strong overall growth; Sustained performance on focus metrics

- ARR Net Flows continues to see strong traction across Wealth and Asset Management and remain broadly in line with guidance
- Overall ARR AUM tracking at ~21% YoY growth – impacted by low / negative MTM across asset classes
- Strong Operating Revenues – Sustained retentions of 70+ bps on ARR assets and continued strong transactional income
- Total Revenues tracking at ~3% lower than guidance primarily due to impact of market volatility on Other Income
- Focus on costs and operating leverage keeping expenses in control – across employees and other costs; Cost to Income sustained within guidance range of 44-45%
- Operating PBT tracking strongly at ~50% YoY growth given robust core business performance – well above guidance; Overall PAT growth marginally below guidance due to lower Other Income
- Tangible ROE tracking at guidance of 28% – Prudent capital management and dividend payouts sustained through the year

Particulars (Rs. Crs.)	Guidance FY 23 ¹	9M FY23 Actuals
Net Flows on ARR	~30,000	22,122
MTM on ARR	6%	-0.4%
Closing ARR	1,84,000	1,66,494
Avg. ARR AUM	1,62,500	1,47,414
Retention on ARR	0.73%	0.71%
ARR Revenue	1,185	784
TBR Revenue (incl. carry)	375	388
Revenue from Operations	1,560	1,172
Other Income	100	12
Total Revenues	1,660	1,184
Employee Expenses	540	388
Admin & Other expenses	200	145
Expenses	740	533
OPBT	820	639
PBT	920	650
PAT	700	513
Cost / Income Ratio	44.5%	45.1%
Tangible ROE	28.0%	27.4%
ROE	23.2%	22.6%

ARR AUM Build-up – Across Business Segments and Asset Classes (9M FY23)

Particulars (Rs. Crs.)	ARR AUM Build up 9M FY 23			
	Opening AUM	Net Flows	MTM	Closing AUM
TOTAL ARR	1,44,432	22,122	-59	1,66,494
Wealth ARR	88,857	18,537	47	1,07,441
<i>IIFL One</i>	32,724	8,439	-569	40,594
<i>Distribution Assets Earning Trail Fees</i>	51,815	9,942	616	62,373
<i>Net Interest Margin on Loans</i>	4,318	156	0	4,474
AMC ARR	55,574	3,585	-106	59,053
<i>Listed Equity</i>	24,334	830	353	25,517
<i>Private Equity</i>	22,057	173	-882	21,348
<i>Credit</i>	3,305	1,674	254	5,233
<i>Real Assets</i>	3,425	614	44	4,083
<i>Long Short</i>	1,553	-100	83	1,536
<i>Customized Multi Asset</i>	-	728	10	738
<i>Liquid</i>	900	-334	32	598

Segmental Business Summary



Segmental Business Snapshot - Quarterly

Particulars (Rs. Crs.)	AUM		NET FLOWS			REVENUE FROM OPERATIONS			RETENTION		
	Q2 FY 23	Q3 FY 23	Q2 FY 23	Q3 FY 23	9M FY 23	Q2 FY 23	Q3 FY 23	9M FY 23	Q2 FY 23	Q3 FY 23	9M FY 23
Wealth Management	2,12,520	2,16,081	6,051	3,465	14,632	272	295	826	0.54%	0.56%	0.54%
Asset Management	55,766	59,053	53	2,569	3,584	110	120	346	0.79%	0.83%	0.82%
Totals	2,68,286	2,75,134	6,104	6,034	18,217	382	415	1,172	0.59%	0.62%	0.60%
Custody : Promoter Holding	65,000	69,576	-535	3,558	4,585	-	-	-			
Grand Total	3,33,285	3,44,709	5,569	9,592	22,802	382	415	1,172			

WEALTH MANAGEMENT (Rs. Crs.)	Q2 FY 23	Q3 FY 23	9M FY 23
Revenue from Operations	272	295	826
ARR Revenue	165	173	491
TBR Revenue	108	121	335
Other Income	18	-4	9
Cost	134	137	391
Profit before tax	157	153	444

ASSET MANAGEMENT (Rs. Crs.)	Q2 FY 23	Q3 FY 23	9M FY 23
Revenue from Operations	110	120	346
ARR Revenue	96	102	293
TBR Revenue	14	18	53
Other Income	4	-1	2
Cost	46	50	142
Profit before tax	68	70	206

Segmental Snapshot - Wealth Management

PRODUCTS (Rs. Crs.)	AUM Build up Q3 FY 23				Revenue Build Up Q3 FY 23		
	Opening AUM	Net Flows	MTM	Closing AUM	Average AUM	Retentions	Revenue
TOTAL	2,12,520	3,465	96	2,16,081	2,10,376	0.56%	295
IIFL One	36,553	3,678	363	40,594	35,557	0.27%	24
<i>Discretionary</i>	11,044			11,117	10,869	0.41%	11
<i>Non Discretionary</i>	15,555			16,300	13,123	0.33%	11
<i>Advisory</i>	9,953			13,177	11,565	0.07%	2
Distribution Assets Earning Trail Fees	58,362	3,948	63	62,373	59,460	0.54%	80
<i>Mutual Funds</i>	31,681			30,428	30,845	0.40%	31
<i>Managed Accounts</i>	26,681			31,945	28,616	0.68%	49
Net Interest Margin on Loans	4,284	190	-	4,474	4,379	6.35%	70
Brokerage Income	1,01,983	-3,756	116	98,343	1,00,163		121
<i>Direct Stocks</i>	58,458			57,631	58,045		
<i>Debt Instruments & Bonds</i>	27,012			25,947	26,480		
<i>Mutual Funds Direct</i>	16,513			14,764	15,639		
Distribution Assets Not Earning Trail Fees	11,339	-596	-446	10,297	10,818		
<i>Managed Accounts where upfront fees received earlier</i>	11,339			10,297	10,818		

Segmental Snapshot (Asset Class)- Wealth Management

ASSET ALLOCATION (Rs. Crs.)	AUM Build Up – Q3 FY 23			
	Opening AUM	Net Flows	MTM	Closing AUM
TOTAL¹	2,08,236	3,275	97	2,11,607
<i>Equity</i>	1,13,983	5,252	-647	1,18,588
<i>Debt</i>	94,253	-1,977	743	93,019
- <i>Long Term</i>	62,539	500	666	63,704
- <i>Short Term</i>	12,656	-232	57	12,481
- <i>Liquid and Cash Equivalents</i>	19,058	-2,244	21	16,834

1- Numbers depicted above do not include AUM & Net Flows from Lending Activities

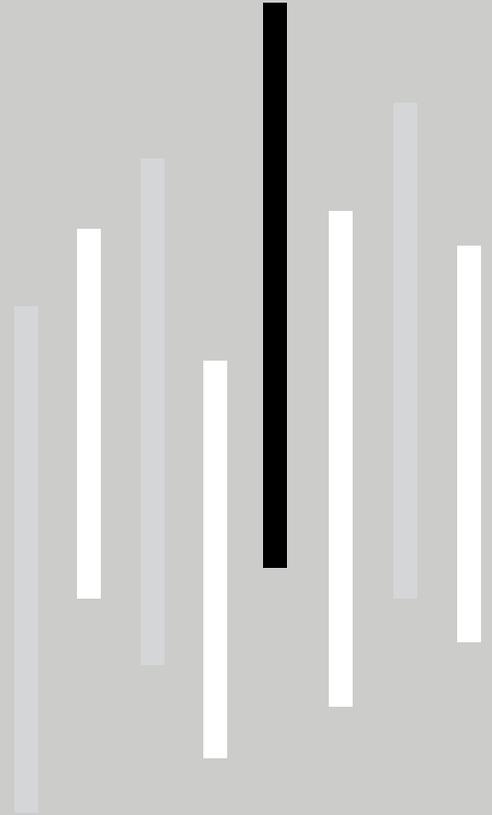
Segmental Snapshot – Asset Management

ASSET MANAGEMENT (Rs. Crs.)	AUM Build up Q3 FY 23				Revenue Build Up Q3 FY 23		
	Opening AUM	Net Flows	MTM	Closing AUM	Average AUM	Retentions	Revenue
TOTAL	55,766	2,569	718	59,053	58,095	0.83%	120
Discretionary Portfolio Manager	18,320	710	514	19,544	19,241	0.54%	26
- Standardized	5,568			5,608	5,697	0.95%	14
- Institutional Mandates	12,752			13,936	13,544	0.37%	13
Alternate Investment Manager	32,869	2020	38	34,927	34,145	0.83%	71
Listed Equity	3,257			3,090	3,223	0.93%	8
Private Equity	20,888			21,348	21,159	0.86%	46
Credit & Real Assets	6,742			8,215	7,512	0.67%	13
Customized Multi-Asset	377			738	685	0.23%	0
Long Short	1,604			1,536	1,566	1.24%	5
Mutual Fund Manager	4,577	-160	166	4,582	4,709	0.46%	5
Listed Equity	3,331			3,531	3,522	0.57%	5
Debt	534			453	487	0.16%	0
Liquid Funds	711			598	699	0.11%	0
Performance Fee							18

Segmental Snapshot (Asset Class) – Asset Management

STRATEGY WISE (Rs. Crs.)	AUM Build Up – Q3 FY 23			
	Opening AUM	Net Flows	MTM	Closing AUM
TOTAL	55,766	2,569	718	59,053
Listed Equity	24,299	535	683	25,517
Private Equity	20,888	551	(92)	21,348
Credit	4,536	625	72	5,233
Real Assets	3,350	695	38	4,083
Long Short	1,604	(77)	9	1,536
Customized Multi Asset	377	365	(4)	738
Liquid	711	(124)	11	598

Capital Allocation and Other Updates



Capital Allocation & Dividend

Net Worth

Tangible ~	2,526 Crs
Wealth Management	270 Crs
Lending	1,427 Crs
Asset Management	485 Crs
Fixed Assets	344 Crs
	+
Goodwill + Intangibles	559 Crs
Total ~	3,085 Crs

Dividend History

Time period	INR /share
Total FY 21	70
Total FY 22	55
Total FY 23 till date -	69
<i>First Interim Dividend (May 2022)</i>	20
<i>Second Interim Dividend (July 2022)</i>	15
<i>Third Interim Dividend (Oct 2022)</i>	17
<i>Fourth Interim Dividend (Jan 2023)</i>	17

- Dividend of Rs. 17 will reduce Tangible Net Worth to ~ Rs 2,375 Crs
- Dividend pay out is proposed to continue at ~70-80% of PAT
- Share split in the ratio of 1:1
- Bonus issue in the ratio of 1:1

125+ Awards and counting...

We valued your trust.
You valued our commitment.

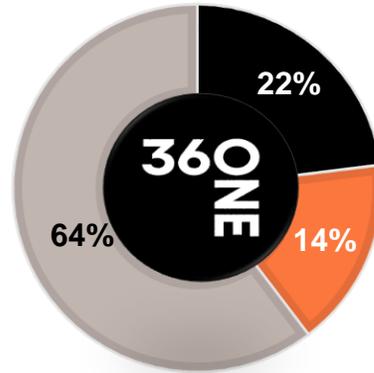
**360
ONE**



Marquee Institutional Shareholding and Experienced Board

Shareholding Split (as of Dec. 31, 2022)

- Promoters
- Public
- Institutions



Details of Key Shareholders (as of Dec. 31, 2022)

Promoters	22%
Public Shareholding	14%
Institutional Shareholding	64%
Bain Capital	25%
Others	39%

Board of Directors

Name & Designation	Previous Experience
 Nilesch Vikamsey Independent Director, Chairman	 30+ years of experience
 Nirmal Jain Non-Executive Director & Promoter	 30+ years of experience
 R. Venkataraman Non-Executive Director & Promoter	 20+ years of experience
 Karan Bhagat Managing Director & Promoter	 20+ years of experience
 Yatin Shah Non-Executive Director & Promoter	 20+ years of experience

Name & Designation	Previous Experience
 Pavinder Singh Nominee Director	 25+ years of experience
 Rishi Mandawat Nominee Director	 20+ years of experience
 Geeta Mathur Independent Director	 25+ years of experience
 S Narayan Independent Director	Former Fin. Secy, Former Economic Advisor to PM
 Mr. Pankaj Vaish Independent Director	 37+ years of experience

Link to download data book

Data reported across previous quarters is now continued to be reported in a Data Book, maintained in an excel format on our website. The Link for the data book is hosted below.

Contents of the Data Book:

1. Re-classified Result Table
2. Consolidated Data
3. Segmental – Wealth Management
4. Segmental – Asset Management
5. Balance Sheet
6. PPT Data Tables
7. Details of Funds which may accrue carry income

[Click here to access the Databook](#)

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