

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.
Symbol: ANGELONE

Department of Corporate Service
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Scrip Code: 543235

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further to our intimation on December 16, 2025, intimating of the earnings call with analysts and investors to be hosted by the Company on January 16, 2026, please find enclosed herewith the transcript of the said earnings call for your reference and records.

The transcript of the earnings call will be posted on the Company's website at www.angelone.in.

Thanking You,
For **Angel One Limited**

Naheed Patel
Company Secretary and Compliance Officer
ACS: 22506

Date: January 21, 2026
Place: Mumbai



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“Angel One Limited
 Q3 FY '26 Earnings Conference Call”
 January 16, 2026



MANAGEMENT:

Dinesh Thakkar <i>Chairman & Managing Director</i>	Ambarish Kenghe <i>Group Chief Executive Officer</i>	Vineet Agrawal <i>Group Chief Financial Officer</i>	Amit Majumdar <i>Group Chief Strategy Officer</i>	Ravish Sinha <i>Group Chief Product & Technology Officer</i>	Ankit Rastogi <i>Chief Product Officer</i>
Arief Mohamad <i>Chief Business Officer – Direct Business</i>	Nishant Jain <i>Chief Business Officer – Assisted Business</i>	Saurabh Agarwal <i>Chief Business Officer - New Business</i>	Rohit Chatter <i>Chief Data Security Officer</i>	Sridhar Govardhan <i>Group Chief Information Security Officer</i>	Manmohan Singh <i>Group Chief Risk Officer</i>
Subhash Menon <i>Group Chief Human Resources Officer</i>	Ajit Sinha <i>General Counsel</i>	Bhavin Parekh <i>Chief Product Operations Officer</i>	Srikanth Subramanian <i>Co-founder & CEO – Ionic Wealth</i>	Hemen Bhatia <i>CEO – Asset Management – Angel One Asset Management Company</i>	Hitul Gutka <i>Head of Investor Relations</i>

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 16th January 2026 will prevail.

Moderator: Ladies and gentlemen, good morning, and welcome to the Q3 FY '26 Earnings Conference Call, hosted by Angel One Limited. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will remain 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 the operator by pressing star then zero on your touch-tone phone.

I now hand the conference over to Mr. Hitul Gutka from Angel One Limited. Thank you, and over to you, sir.

Hitul Gutka: Good morning, and welcome, everyone. Thank you for joining us today to discuss Angel One's Q3 FY '26 financial and business performance. The recording of today's earnings call and the transcript will be uploaded on our website under the Investor Relations section. The financial results, investor presentation and the press release are also available on the website.

For today's call, Angel One is represented by the entire management of the company. We also have the senior leadership, along with Dinesh bhai, Ambarish, Vineet, Saurabh, Srikanth and Hemen, along with SGA, our IR consultant.

The leadership team will give us a brief overview of the operational and the financial performance of the quarter gone by, which will be followed by a Q&A session. Please note that there may be certain forward-looking statements during the course of the call. This must be viewed in aggregate with the risk that the company faces.

With this brief introduction, I now invite Mr. Dinesh Thakkar for his opening marks.

Dinesh Thakkar: Thank you, Hitul. Good morning, everyone, and a Happy New Year to you all. Thank you for joining us today. As you look back on the quarter and step into 2026, India's financialization journey continues to benefit from strong structural tailwinds, a young digital native population, accelerating formalization and stable policy environment, this forces continue to reinforce our conviction in long-term opportunity across investing, credit, wealth and protection.

Our strategy is simple and deliberate. We are building a technology-led financial service platform that supports clients across every stage of their financial journey. This approach helps us to deepen trust, enable scalable platform-led monetization, steadily expand clients' lifetime value. We have entered new business lines at the right inflection points, where digital platforms can meaningfully improve access, discovery and transparency, scale effectively and do so in a way that promotes fairness and reduces bias.

What further strengthens our long-term outlook is the convergence of broader product suite and maturing client base. As clients progress through their financial lifecycle, we see higher engagement, greater wallet share and monetization across multiple products. This creates a compounding growth engine while steadily improving unit economies.

With this conviction, we continue to invest in expanding both our client base and our product offerings, while also driving operational efficiency through disciplined execution and responsible use of AI. We are extremely mindful of the importance of cybersecurity and continue to invest in best-in-class processes, controls and governance frameworks. Trust is foundational to our client relationship, and cyber resilience remains central to preserving the trust.

On regulation, we have always viewed a robust framework as an enabler of sustainable growth. As we shared earlier, activity level are normalizing and margins are reverting back to historical trends. Our stand-alone operating margin is already at a hefty 43%, reflecting the strength of our core business model. We expect further operating leverage as we continue to acquire new customers and deepen engagement by offering more products to our existing customer base.

As we scale into broader financial ecosystem, we are also strengthening our leadership, governance capabilities. In this context, I am pleased to welcome Ajit Sinha as our General Counsel. With over 24 years of experience, including his tenure at National Stock Exchange, Ajit will further strengthen our legal, regulatory and compliance framework.

The Board has also approved our first interim dividend of ₹ 23 per share and a stock split of 1:10.

We remain focused on disciplined execution, responsible adoption of technology and keeping client outcome at centre of everything we do.

I will now hand it over to Ambarish. Thank you.

Ambarish Kenghe:

Thank you, DT. Good morning, everyone. At Angel One, we believe enduring value is created by investing at the right time in technology, talent and new business lines. Over the last few years, we have made deliberate investments across wealth, asset management and credit. The outcomes are clearly visible in our business metrics. Yet, we are just getting started. We operate with a beginner's mindset. We are always at the beginning of something, focused on building what comes next and putting new opportunities in motion.

As our existing verticals scale, we will continue to build new capabilities, sustaining a disciplined cycle of investment, monetization and earnings resilience. The mindset remains constant even as the environment around us evolves, and we help shape it.

Technology and AI are central to how we drive growth and efficiency. Previously, we have talked about our support chatbot AI-generated e-mail responses, etcetera. Beyond these use cases, a major focus area for us is institutionalizing AI across the organization. There are many things growing internally on this front. This quarter, we launched the beta of our in-house Data Analyst Agent, an AI-powered conversational analytics tool that enables teams to derive insights from complex data sets using natural language. For instance, queries like show me the monthly trend of revenues for top 10 cities from December to November, which can then be followed up with more queries in a conversational style.

In parallel, we are adopting agentic AI across our software development life cycle to accelerate engineering velocity. For example, we have been using top-of-the-line tools to generate source

code. Together, these initiatives reduce decision and execution latency, improve productivity and enhance operating efficiency, allowing us to stay ahead of the curve. But this is not just about efficiencies and velocity. We believe AI will help us build fundamentally better products.

Turning to broking, we are seeing early signs of recovery in line with what we had guided. Our average daily orders have been improving consistently from a low of 4.9 million orders in February, post the F&O regulatory changes, to an average of 6.2 million in Q3 FY '26.

We have always maintained that regulatory changes strengthen market structures and support long-term participation. We continue to welcome the regulator's proactive, progressive and consultative approach.

Our franchise across direct and assisted channels remains resilient. Our tech-enabled assisted business provides a strategic advantage through a pan-India network of over 10,000 APs and over 11,000 MFDs, offering deeper connect.

We sustained a 20.4% overall retail equity turnover market share and strengthened our demat market share to 16.5%. In commodities, Q3 marked the highest ever order and ADTO at 35 million and ₹ 1.7 trillion, respectively, higher by 21% and 43% quarter-over-quarter. Year-over-year, it is a gain of 53% and 169%, respectively.

Our client funding book grew 10.4% sequentially to ₹ 58.6 billion, reflecting rising client confidence and deeper wallet share.

Our emerging businesses continue to show promising traction. Strong mutual fund SIP registrations and robust credit growth highlight improving engagement across the platform. Credit disbursements reached ₹ 7.1 billion during the quarter, growing 56% quarter-over-quarter, translating into an annual run rate of ₹ 28 billion. These businesses are designed to mature over time, solving client needs and driving sustainable monetization.

Despite a year of regulatory changes and softer market conditions, our stand-alone EBITDA margin, comprising broking and distribution improved to 43% this quarter, underscoring the strength of our operating model. Wealth management continues to gain momentum with Ionic's AUM crossing ₹ 82 billion, while our asset management business scaled steadily with AUM at ₹ 4.7 billion.

As we expand into a broader financial ecosystem, we are continuing to strengthen our leadership and governance. I am delighted to welcome Ajit Sinha as a General Counsel, bringing over 24 years of experience, including most recently at the National Stock Exchange.

To conclude, we are building Angel One as a full stack omnichannel AI-native financial services platform, compounding through technology, trust and disciplined execution. The foundations are strong, our engines are scaling and the opportunity ahead remains compelling.

With that, I will now hand it over to Saurabh to walk you through the emerging growth verticals.

Saurabh Agarwal:

Good morning, everyone, and thank you for joining us. Our emerging businesses continue to make steady and meaningful progress, with credit evolving into a key strategic growth engine. During the quarter, we scaled disbursements to ₹ 7.1 billion, supported by stronger demand, deeper partner engagement and improving execution across the platform.

What is compelling is how early we still are. Only a small fraction of our client base currently accesses credit through us, despite the fact that our base already takes over ₹ 1 trillion of personal loans annually from the broader market. The embedded opportunity within our ecosystem alone, therefore, even before considering secured categories is quite substantial.

The strength of our customer base, combined with more disciplined industry environment and clearer regulatory framework has increased partner confidence and capital deployment on our platform. We are deliberately building this business as a long-term platform play and not just a short-term distribution play.

Our investments are focused on deeper data loops, stronger intelligence and more robust operating frameworks that help partners underwrite precisely, operate more efficiently and manage outcomes more predictably. This creates durable partner value and positions us to capture attractive economics over time.

We will continue to scale with discipline, but our strategic intent is clear: To build one of the most trusted high-performance credit platforms in the country with strong unit economics and defensible differentiation.

On mutual funds, we remain well positioned as a mutual fund friendly platform, maintaining our presence and share in the SIP market with 2.3 million unique SIPs registered during the quarter. Overall AUM has grown to ₹ 171 billion.

Adoption continues to expand meaningfully beyond metros as well, reinforcing the long-term structural growth of the category. Of the 3 million clients, who have invested in mutual funds on our platform, more than 38% began their overall investment journey with mutual funds only, demonstrating that MF is not just an engagement driver but also a powerful customer activation engine.

A significant portion of these clients subsequently deepen their relationship with us through broking, reinforcing MF as a strong monetization lever also. Our focus hence is clear: expand reach, deepen engagement and build these businesses into durable franchises that compound long-term value. While we remain excited about the opportunity, we will continue to scale with discipline rather than optimize for short-term growth.

With that, I will hand it over to Srikanth to walk you through the Wealth business. Thank you.

Srikanth Subramanian:

Thank you, Saurabh. Good morning, everyone, and thank you for joining us. Let me we begin the broader context. 2025 was one of the most challenging years for investors, not because markets move in any one direction, but because every asset class behaved differently. We saw significant global volatility with returns being driven by focusing on asset allocation and not

from betting on a single market or theme. In that sense, 2025 truly stood out as the year of asset allocation.

Adding to that, Wealth Management in India emerged as one of the most active sectors. It grew strong interest from established and new age companies, attracting significant fresh capital and demand for talent pool across domain and technology.

Coming specifically to Ionic, excited to share that today we manage ₹ 8,217 crores in AUM, which is a 34% QoQ growth. We service the needs of 1,600 plus clients across 10 cities. This scale reflects how we have doubled down on our omnichannel proposition, combining technology with deep domain expertise to make sophisticated strategies accessible to emerging HNIs, HNIs and ultra HNIs.

Throughout this year, research and domain expertise held us in good stead through market volatility. Several of our research-led views across commodities, global markets and new emerging areas, played out well. This consistency translated into higher client confidence. We saw a deepening of wallet share within existing relationships alongside the acquisition of new clients.

Building a wealth practice requires managing significant assets under management at sustainable margins, and that remains our core philosophy. Our investments in technology have demonstrated improving productivity while bringing down operating costs. For example, today, 37% of our code base is AI generated, allowing faster build cycles and iteration.

With digital quotient as a key strategic pillar, we actively experiment with new use cases, especially in artificial intelligence. Our recent initiatives include an AI avatar, automated portfolio weekly wrap, AI generated mutual fund summaries and automated meeting notes that enhance client engagement for RMs, while providing portfolio and marketing insights to our clients.

One of the outcomes of this approach is our portfolio assessment featured on the Ionic app, which gives investors deep analysis and a holistic view of their portfolio. Over ₹ 10,000 crores of portfolio value have been analysed by investors via a digital platform.

Our focus in the coming year will be to double down on our early omnichannel successes, while we actively engaged to activate Angel One HNI investor base with portfolio management being digitally facilitated through Ionic.

Finally, on the investment side, asset allocation remains the core theme for 2026 as well with a positive outlook of precious metal, select emerging markets and commodities supported by global liquidity and a potentially supportive central bank. Discipline, diversification and execution remain key to capital appreciation.

With this, I will pass it on to Hemen.

Hemen Bhatia:

Thank you, Srikanth. Good morning, everyone. India's relationship with mutual funds is still at an early stage, especially when seen against the scale of household savings and rising income.

This creates a large long-term opportunity with passive investing set to play a bigger role as investors increasingly seek simplicity, transparency and cost efficiency.

At Angel One AMC, our growth strategy is anchored around expanding our product suite and investing in investor education to drive informed adoption. As savings grow, passive products naturally find a more permanent place in investor portfolios. And our focus is to make this transition simple and well understood.

During the quarter, we strengthened our passive line-up with the launch of 2 new offerings, the Angel One Nifty Total Market Momentum Quality 50 Index and an ETF version as well, which are the industry first smart-beta offering on Nifty Total Market Index. With this, our passive portfolio now spans 9 schemes across asset classes, offering investors broad choice through transparency and low cost structure.

We continue to see encouraging traction across key metrics. Our AUM stands at ₹ 4.7 billion, spread across 1.9 lakh folios in over 16.9 thousand PIN codes, reflecting deeper engagement and growing adoption across Bharat.

Education remains central to our approach. Through digital content, vernacular communication and platform that engagement, we are simplifying passive investing and helping investors build long-term wealth with confidence. To expand reach, we are leveraging our strong captive distribution network, along with third-party online and offline distribution channels. As we look ahead, we remain focused on building a scalable education-led passive franchise that compounds steadily over time.

With that, I now hand it over to Vineet to walk you through the financial performance for the quarter.

Vineet Agrawal:

Thank you, Hemen. Good morning, everyone. As mentioned earlier by both Dinesh bhai and Ambarish, I am pleased to share that in the third quarter, we saw clear signs of recovery, meaningful improvements across both operational execution and financial performance.

Despite 3 fewer trading days in the quarter, we delivered sequential improvement across both operating and financial metrics. Total gross income increased 11.1% quarter-on-quarter to approximately ₹ 13.4 billion, while total net income grew 9.3% sequentially to ₹ 10.3 billion. Importantly, this growth was driven by multiple revenue streams, reflecting improving quality of earnings.

One of the key structural themes this quarter, continues to be the diversification of our revenue mix. The share of gross broking income declined to 58.1% in quarter three FY 2026 from 64.7% in quarter three of FY 2025. Share of interest income, including income from our client funding book and interest earned on deposits with clearing corporations, increased to 33.0%, up from 27.6% in the year ago.

In addition, supported by strong growth in credit distribution business and a healthy IPO environment, the contribution of distribution income increased to 4.3% in quarter three from 2.4% in quarter three of FY 2025. We will view this growth as volume-led and largely non-

cyclical given our expanding client base and product penetration. The remaining income was contributed by depository operations and other services.

Within broking revenues, the share of F&O declined to 44.3% of the total gross income compared to 52.5% in quarter three of FY 2025. This reflects a deliberate shift towards a more balanced and less volatile revenue profile rather than any loss of competitiveness. At this point, we -- at the same time, we witnessed strong momentum in the commodity segment, where gross broking income grew 46.2% year-on-year to ₹ 821 million, contributing 6.1% to the total gross income compared to 4.4% in the same period last year.

Turning to income -- interest income sustainability. Our average client funding book reached a new high of ₹ 58.6 billion, up 10.4% sequentially. This growth remains well within our internal risk thresholds, supported by adequate LTVs and robust monitoring framework. Along with higher fixed deposits placed with the clearing corporations, this resulted in 16.2% quarter-on-quarter growth in interest income to ₹ 4.4 billion.

Finance costs remained -- increased 36.4% sequentially to ₹ 1.3 billion, primarily due to higher borrowings on account of regulatory change requiring the upstreaming of client cash margins under MTF trades as well as growth in the average client funding book. I would like to clarify that the elevated borrowings relating to this upstreaming activity are temporary and timing related, and we do not expect this to have a lasting impact on our structural cost of funds.

On net basis, the impact of cost of upstreaming funds on the EBDAT is ₹ 70 million for the quarter. Finance cost has increased by ₹ 300 million, with an increase in interest earned from the deposits by about ₹ 230 million.

On the opex front, we continue to exercise strong discipline. Employee expenses, including ESOP costs, remained stable at ₹ 2.7 billion, even after accounting for a onetime impact of the new labour reforms of ₹ 38.6 million for past service period up to September 2025. Other operating expenses increased modestly by 2% quarter-on-quarter to ₹ 3.5 billion, largely driven by higher client acquisition, which we view as discretionary and variable in nature.

As a result, our reported EBDAT margin expanded to 39.4% in quarter three FY 2026, a sequential improvement of 489 basis points, despite ongoing investments in incubating newer businesses. This reinforces our confidence in the operating leverage inherent in the model.

Reported profit after tax increased by 26.9% quarter-on-quarter to ₹ 2.7 billion, reflecting both revenue diversification and cost discipline.

Finally, on the balance sheet, the period-end client funding book remained stable at ₹ 59.2 billion, borrowings increased to ₹ 59.7 billion while net worth strengthened to ₹ 61.5 billion as of December 31, 2025. Cash and cash equivalents remained healthy at ₹ 135.8 billion, supported by higher client balances. We continue to maintain strong liquidity buffers and conservative leverage, providing flexibility to support growth while managing regulatory changes.

That concludes my opening remarks. We will now be happy to take your questions. Thank you.

- Moderator:** Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. We take the first question from the line of Prayesh Jain from Motilal Oswal Financial Services Limited.
- Prayesh Jain:** Congratulations on a good set of numbers. Firstly, a very bookkeeping question. You have kind of presented two types of financials in your presentation, one is the consolidated financial performance, and then you have given broking and distribution, which is like MF plus credit business, so the gap between the two accounts for what?
- Vineet Agrawal:** Yes. Thank you, Prayesh. So the distribution plus MF and credit distribution plus broking constitutes the stand-alone financials, and the other one is the consolidated financials.
- Prayesh Jain:** Sir, the wealth management would be...
- Vineet Agrawal:** Wealth management would be part of the consolidated financials. In this stand-alone, it includes broking, distribution of credit and MF only.
- Prayesh Jain:** Because why I am asking that is if I look at the gap between the two financials that you have reported, revenue profile has not changed materially. In fact, it is kind of weak in the last couple of quarters, but the cost or the EBITDA, loss or the gap is kind of increasing every quarter. So - - and even on the PAT it is kind of increasing. So what explains that?
- Vineet Agrawal:** Yes. So as we have been mentioning in the past, there is a burn of incubating the newer businesses, the asset management and the wealth management businesses, which is in the range of about 3-3.5% of the operating margin, and that's the gap.
- Prayesh Jain:** But Vineet then the revenue profile should have increased significantly, right? The kind of scale up we have seen on the wealth management AUM, the gap right now in what you have shown on the two charts, the revenue gap is hardly changing at all. In fact, it is just about ₹ 20 crores for the past 2 or 3 quarters.
- Vineet Agrawal:** As you would be aware, while the AUM continues to build up, there is a lag in the revenue realization because of the regulations where you cannot realize revenue on the movement of the AUM up to a certain point in time. So there will be some lag in the revenue realization from this AUM, especially on the wealth side, which will show up in the coming quarters.
- Prayesh Jain:** A more strategic question on the AMC. When you would have started the AMC, you would have certain targets in your mind with respect to scale-up of the AUM and everything. How are we performing against it? And where do you see this scaling up? In spite of launching a few schemes, our AUMs have not scaled up. The existing clients that we have on the AMC front, whether those are largely our own clients? Or how is the profile like? Do you see a significant scale up here in the anywhere anytime in the next couple of years?
- Ambarish Kenghe:** Okay. I think this is Ambarish. These are long gestation businesses. So we do not think we should start viewing them in 1 or 2 years. Overall, very pleased with how the folios and the AUM has been growing. But Hemen, maybe you can give the specifics on the portfolio and AUMs again, so that becomes clearer.

- Hemen Bhatia:** Yes. Thanks, AK. Yes, see, the idea is to build a strong, education-led, passive AMC. As you would know, mutual fund is a long gestation business, and it takes time to build the scale, create a brand, build a scale and then leverage on to what we build.
- So currently, we are very happy with the number of clients who have started participating in our ETFs and index funds. It is growing at a very, very steady pace. And we have seen that once the clients grow, basically over a period of time, you start seeing that slowly and steadily in AUM as well. So that is how it is.
- Prayesh Jain:** Got that. Just last question. Any colour on the AP channels productivity on the distribution side, whether it's mutual fund, insurance, credit? What is the kind of AP channel size in terms of these businesses? Largely, I think, on the broking side, we understand and we can do some reverse working with respect to the broking side.
- But with respect to mutual funds scale up, which is ideally, I would presume that, that's more on the distributor route. So you will be earning income out of it. So what kind of size we have been able to reach on mutual fund as well as insurance and credit there?
- Vineet Agrawal:** Prayesh, we do not, right now, give any split of the distribution income between the direct and the assisted business. But overall, it will be in that same ballpark of the broking business, which is roughly 75 is to 25. For now, you can take that. And as we go along, we will start giving more information in the following quarters.
- Moderator:** We take the next question from the line of Nidhesh from Investec.
- Nidhesh:** First question is on pricing per order. So that has increased in this quarter on a QoQ basis. Last quarter, I think we have taken a price hike. So it is now a new normal or you see further increase in pricing per order going forward?
- Ambarish Kenghe:** Look, we have -- as all of us have said, we are operating at a fairly healthy margin. We are focused on building a great product and serving our customers. So there is no thought on more pricing changes.
- Nidhesh:** Secondly, on the opex, how should we build trajectory from a 2- to 3-year perspective? We have seen pretty good growth in opex over the last 3 to 4 years. But how are you planning from a next, let's say, 3-year perspective? Do you still see that opex growth will be lower than revenue growth or it can be similar to revenue growth going forward?
- Vineet Agrawal:** So Nidhesh, a large part of our opex is driven by customer acquisition that we do. So that we are quite buoyant about it. We are very focused on that. Other than that, I think we continue to guide the -- our stakeholders about operating margin of about 45%, 40-45% for the broking business, which we will continue to endeavour to obtain. So that should be the guiding principle for any future projections.
- Nidhesh:** And lastly, on the wealth management, how many clients that Angel One has, which will qualify in the HNI category? And what will be the operating model in that segment?

Amit Majumdar: So Nidesh, on that, well, we are still working on those because right now, as you know that the wealth business is just beginning to scale and ensuring that more and more products are provided on the platform. There is a digital platform that the wealth is themselves built. Only this year, we are now looking to integrate wealth platform into our Super App. And as more numbers emerge, we will come back to you with more information at a later time.

Moderator: We take the next question from the line of Sanketh Godha from Avendus Spark.

Sanketh Godha: Sir, my first question is on the gross broking income mix. I mean honestly, if you see last 8 quarters data, largely the authorized person contribution, it remains in the range of 41-42%. Despite adding so many number of clients, the direct customers contribution significantly did not change in last 8-odd quarters.

Sir, just wanted to understand, is our reliance on authorized person to deliver the growth has increased off late and or there is a slowdown in the traction in the direct guys? That is point number one.

And the second thing related to that thing only, two things which I wanted to check was that, you used to disclose EBITDA margins of AP channel and direct channel separately in the past. If you can reshare that number, that would be useful just to understand the colour of the profitability.

And related to the authorized person only, if you can give a colour on how the margin trade funding book works? It is skewed towards AP customers or more skewed towards direct customers. That is the thing which I wanted to check.

Ambarish Kenghe: Look, many of these things, we don't break out. Thanks so much for your questions, Sanketh. Overall, both the businesses, direct as well as AP businesses, are fairly vibrant. Both of them we are investing in. So we continue to be excited about both the businesses, but we do not break out the specifics.

Sanketh Godha: Yes. The reason, sir, I am asking this question is that because if the operating leverage needs to play out very strongly in the company, I was under the impression that the direct growth should be much stronger because it takes us down directly to the bottom line. And there is a kind of stagnation in the gross broking income between authorized person and direct. So that is the reason I wanted to check on that particular point.

Ambarish Kenghe: Look, we are investing in both the channels, and the split is remaining quite similar. The beauty of the assisted channel is that when you look at the long tail, when you start looking at Tier 2, Tier 3 and beyond; you get really good growth from there. And as we are expanding, I think both these channels remain fairly important for us.

Sanketh Godha: Okay, sir. Understood. And last one, Vineet, you probably missed on your opening remarks, the finance costs went up in the current quarter. I just wanted to understand, it is largely because of the regulatory reasons, because of the upstreaming or there was something else?

- Vineet Agrawal:** So one is, of course, our client funding book has also grown. So some part of that is attributable to the growth in the client funding book. But the majority of it, as I mentioned in my opening remarks, is due to the regulation, which came into effect from 1st October for the industry, wherein the upstream of client funds is required. But as I mentioned, this is something which is transient. It is not a permanent feature. So hopefully, by the -- sometime during the quarter, we will have a solution in place.
- Sanketh Godha:** Okay. But the current run rate will continue. Is it fair to assume or you will have a resolution to that?
- Vineet Agrawal:** This -- for some period during the quarter, it will continue. But by -- hopefully, by the end of the quarter, we will have a more realistic number, which is going to be lower.
- Moderator:** We take the next question from the line of Gautam Jain from GCJ Financial.
- Gautam Jain:** Congratulations for very good numbers. Sir, we have seen that the revenue per order in this quarter has gone up. So is it fully factored in or we can see further rise in revenue per order going forward? I mean whatever hike we have taken is completed, the full impact has come in the quarter, or we can see further rise in first quarter revenue?
- Ambarish Kenghe:** Gautam, thanks for the question. And there are multiple factors that go into it. There's a mix of orders, I think you've referred to a little bit about the pricing change we made. The pricing change that we had made actually went into effect middle of the quarter. So some impact you saw of that also, but there are multiple factors going on this, and a lot of it depends on the mix of orders as well. So it can change some quarter-to-quarter.
- Moderator:** We take the next question from the line of Raman KV from Sequent Investments.
- Raman KV:** Yes, sir. Sir, I just want to understand your credit disbursement business. Does the business include your insurance business as well?
- Vineet Agrawal:** No. The credit distribution business is only for loan -- distribution of loans, insurance distribution, though we do that, but it's a separate business.
- Raman KV:** So from what -- I just want -- from the PPT, what I can read is the distribution business or revenue from distribution, does that include your credit as well as insurance or only the credit disbursement distribution?
- Vineet Agrawal:** So Raman, as per the regulatory guidelines, the insurance business can be done under a separate legal entity. It is done under Angel Financial Advisors, which is a wholly owned subsidiary. And therefore, the stand-alone numbers that you see, which is broking plus distribution MF and credit, that does not include the insurance distribution cost or the revenue. That's part of the consolidated numbers. As I mentioned, the distribution business for insurance -- for credit and MF and the broking is part of the stand-alone that's there in front of the presentation.

- Raman KV:** Understood, sir. And sir, my last question is with respect to the asset management side. We have been launching index funds and ETFs. Is there a plan of pivoting to manage -- actively managed fund like a flexi cap or a mid-cap by the company?
- Ambarish Kenghe:** Thanks, Raman for the question. We are very focused right now on the passive side. And you may see actually more come on that side, but nothing to talk about on the active side.
- Moderator:** We take the next question from the line of Devansh Tandon from Findoc Finvest.
- Devansh Tandon:** My question is regarding the commodity turnover market share. In the recent business update that you have shared, it has reduced from 65% in Q2 to 53%. So what led to this decline in the market share?
- Ambarish Kenghe:** Devansh, thank you so much for your question. Look, I think we -- I talked about this in my initial comments also. When we look at, let's say, quarter-over-quarter, just the number of orders went up by 21% for us. The ADTO, if you look at it, that went up by 43%, this is the quarter-over-quarter. We look at year-over-year same numbers, orders went up by 53% and year-over-year ADTO went up by 169%.
- So what is happening is that there is a tremendous growth in the commodity market and the market is expanding. So what you're seeing is that the pie is expanding quite rapidly. And even above 50%, that's a very, very healthy market share. So we, of course, welcome when the market is expanding, we are seeing the growth. So happy about the growth we are seeing in commodities.
- Devansh Tandon:** So going ahead, sir, do you expect the number to remain in the same range or like...
- Ambarish Kenghe:** I think overall, I do think that maybe the drop in the share that you're seeing is definitely stabilizing. And we continue to see a lot of growth in commodities. So we are expecting -- again, it's hard to predict the future growth specifically, but we do expect more growth in commodities.
- Devansh Tandon:** Okay. And sir, regarding the EBITDA margins on the consol level. So are you expecting it to remain in the same level for next 2 to 3 years?
- Ambarish Kenghe:** On the -- our request would be that, in fact, which is why we sort of break that down is that look at the stand-alone basis because that is more -- that shows you the strength of the core business. On the consol level, things can change depending on what investments we make. We want to continue to make investments in growth as and when opportunities arise.
- And therefore, the consol margins could change based on that. The guidance that we have given, you should -- on the stand-alone basis, I think that will continue to be there, and I think we only see that business strengthening.
- Moderator:** We take the next question from the line of Dipanjan Ghosh from Citigroup. Ladies and gentlemen, the participant has left the question queue. We will move on to the next question from the line of Vatsal Nagelia from AstralMind Capital.

- Vatsal Nagelia:** Over the years, we have been able to increase our market share in cash and F&O at a steady pace. One of our competitors, which was recently listed, they have a similar base and are gaining market share at a much faster pace and also spending less on marketing. So do you see any gaps in our strategy that we can address? And also, like how do we see the market share evolving going further?
- Ambarish Kenghe:** Sorry, Vatsal, I did not -- the last part you faded a little bit. Can you repeat the last line, please?
- Vatsal Nagelia:** Yes. Yes. So how do we see our market share evolving going further? And also like is there any gap in our strategy that we -- that we can address?
- Ambarish Kenghe:** Look, I think I feel that we have been always -- we have been a player who's been around for more than 30 years, right, if you look at different ways that we have operated. And we have seen the ups and downs of this market and various businesses.
- So we really stay focused on what we are doing and how we are doing better. If you look at it, we have had a healthy gain, for example, if you look at even cash, right, we have had almost 100 basis points growth year-over-year in cash market share. We have very healthy F&O share, very healthy Commodity share also.
- So there isn't sort of -- of course, there is no gap in the strategy or anything. I think we can -- it is slightly different businesses. Every business is different, and we continue to be focused on our strategy, focusing on innovation, technology, AI. And you will continue to see strong growth. I think you are seeing that in a continued basis anyway.
- Vatsal Nagelia:** So is there any stable market share that you are targeting?
- Ambarish Kenghe:** No, nothing specific, I think, that I want to announce on that front in terms of the market share. We, of course, continuously want to be stronger in the market share, but most importantly, do the right things for our customer. I think the most critical thing is fundamentally do the right things for our customers, keep innovating and everything else takes care of itself.
- Moderator:** We take the next question from the line of Sanil Desai from ICICI Securities.
- Sanil Desai:** My question is more on the -- just circling back there. So I think you said there are some regulatory change, which led to the finance cost going up. So the borrowings have also increased. So can you just explain like what was the regulation change and why these borrowings have gone up. And you said like you are planning to reduce it going ahead. So what are some of the ideas or plan of action you have to reduce these borrowings in the next quarter?
- Vineet Agrawal:** Yes. So the regulatory change is the reporting requirement from 1st of October, if we were to segregate the margin that we take from the clients, 3x and 5x of ELM, then the requirement was to upstream clients' margins with the clearing corporation and not use it for settlement of the trades. And therefore, there was a higher working capital requirement to that extent, which has elevated our working capital and therefore, the finance cost.

As I mentioned, it's something which is transient in nature because there is a software update that is going to happen in some time, which will help us segregate and then not upstream this amount. And therefore, by the -- hopefully, by the end of this quarter, we see a decline in the borrowings and therefore, the finance cost.

Ambarish Kenghe: Just to add to what Vineet said, I think what we did was the short-term increase that you are seeing. It is really better for the customer. We just want to make sure that there is no disruption in our customers, and that's something that we want to stay focused on their experience.

Moderator: We take the next question from the line of Dipanjan Ghosh from Citigroup.

Dipanjan Ghosh: Sorry, my call got dropped off previously. So just a few questions from my side. First, if I were to look at the industry landscape today, a lot of players with deep pockets or favourable capital regime are offering the MTF facility at far lower rates than the leading peers. Now let's say, unlike broking where marginal difference in brokerage pricing does not really alter the customer return profile, in MTF, a huge divergence of, let's say, 5% plus can meaningfully alter the customers' returns.

So on that perspective, assuming this sort of a divergence persists in the industry, would you kind of consider, let's say, differential MTF pricing based on ticket size or even maybe lower your pricing if competitive intensity were to kind of sustain? So that's the first question.

The second question is, what sort of aspirations do you really have in terms of scaling up your B2B2C architecture? As you mentioned that as you go into the interiors of the country, B2B2C kind of becomes an important channel to get that last mile customer. And in this line, would you have any inorganic plans also?

Ambarish Kenghe: Thank you so much for your question. I think let me address the first question, and then I will hand it over to Nishant who leads our B2B2C vertical to answer your second question. On the MTF pricing, you are right, I think in the industry, you see a bunch of different pricing schemes. The thing to -- really, as you go into the detail of that, you realize that there is a lot underneath.

I think sometimes these schemes are fairly complicated on how things are charged and what is actually the net effect of it. So that's what makes it harder for the consumer to discern. But what we've done is we've kept the pricing fairly simple. And we think we are at the right pricing point in it and don't need to actually look at it much. We've been growing the book quite well. As you saw, we grew our group -- the book -- MTF book more than 10% quarter-over-quarter. And we can -- of course, we always continue to monitor everything, but we don't see any need to look into pricing there at this time. Actually, Amit wanted to add something. Go ahead.

Amit Majumdar: Dipanjan, what we also need to understand that the MTF as a product is an integral journey to a customer's broking experience. So no matter what the pricing is, the customer remains engaged on the same platform. So even if there is a deep pocketed broker who is looking to reduce the MTF pricing -- but ultimately, it is about giving an extended service to an existing broking customer, and it is integrated in his journey. And therefore, to that extent, the customer will always remain in the same platform.

Nishant Jain: On your last question with regards to the growth prospects for B2B2C, we have always followed a phygital approach in our GTM, which seeks to leverage digital outreach along with physical outreach. And therefore, that gives us the unique advantage to be able to scale at par with other digital models and also, therefore, deliver a high double digits on a sustained basis.

Today, we are available in all the 19,000 PIN codes by and large. We have a very, very extensive expansion plan by adding other channel partner categories, be it mutual fund distributors, be it POSPs or be it DSAs in future. So yes, the outlook remains to be very strong and robust as we move forward.

Dipanjana Ghosh: Sir, my question also at an extended part, which is there is a certain divergence between -- in cost if you were to kind of build it out organically versus, let's say, acquire some of the fast-scaling players. So any inorganic plans that you may likely consider going ahead?

Ambarish Kenghe: Look, on all fronts, not just any specific front, as any company would do, we keep looking at inorganic opportunities wherever there is interest, we have conversations. But nothing specific, of course, that we can talk about it on that front.

Moderator: We take the next question from the line of Amit Jeswani from Stallion Asset Private Limited.

Amit Jeswani: Sir, I just wanted to know that the large margin difference between us and the newly listed player? Of course, our cost structure is a bit different. Just wanted to know what do we model our fixed cost as a 20% delta right now. So what do we expect that our cost growth would be because we've already invested a lot in the new business verticals going forward?

Ambarish Kenghe: Amit, thank you so much for the question. I think one of the things that you will see in our costs, in fact, let's say, for example, if you look at the employee benefit expenses as Amit talked and as Vineet talked about, we've not been -- in fact, we've been keeping quite steady on that front. And so we think we have built a platform. We've built up a lot of these costs in the process. So we have a fully-fledged platform, and now from here, as we scale, we don't expect the costs to go up, especially the fixed costs. Some of these acquisition costs, of course, would depend on what kind of acquisition is available, what's happening there. But we do think we've built up a really good technology team, we have built up really good -- even infrastructure costs are built into it. So as we scale for a long time, I don't see us needing that kind of increase. And then some of the investments that we are making in the AMC, Wealth, other places, I think that's great because that we want to continue to invest in things like that for the future instead of worrying about short-term expenses there. But overall, I think we've built up a platform and a good base, and that's why you're seeing the cost stay steady and you saw that sort of PAT increase quarter-over-quarter.

Amit Jeswani: So would you say that this ₹ 275 crores quarterly run rate would grow at around 10% next year? Would that be a right estimate to think about next year, assuming then if our volumes keep growing at 25%, that is where the operating leverage comes in.

Ambarish Kenghe: Yes. I think overall, instead of guiding you on a specific cost item, my suggestion would be that keep our guidance on the margin of that 40-45% on the stand-alone basis, and I think that will continue to happen.

- Amit Jeswani:** So basically, that we've already achieved. So right now, would you say that from a year onwards, our revenue growth should equal to our PAT growth or PBT growth?
- Ambarish Kenghe:** Well, I think it depends on where we end up investing and what kind of growth happens. For example, if you take a lot of acquisition costs or other places, then you see that existing. That's why I don't want to give you on a specific line item basis because that guidance then becomes - it may not be accurate for you to follow. Best is to, I think, follow the operating OPM margin guidance that we have given, and as we go along, we can provide more information.
- Amit Jeswani:** That's only on the stand-alone business, right? And this is the...
- Ambarish Kenghe:** Yes, I would say on the operating margin, look at the operating margin guidance on a stand-alone basis. And as we make investments, either increase, reduce, we can continue to keep informing you quarter-to-quarter.
- Amit Jeswani:** But this is including the IPL ₹ 150 crores that will be hitting our balance sheet in Q1, right?
- Vineet Agrawal:** So this guidance of about 40-45% is on an annual basis. There will be quarterly gyrations based on certain specific events like IPL, etcetera. And I would urge not to get too perturbed about it. But on an annual basis, we should be able to achieve 40-45% operating margin for the broking and distribution business.
- Moderator:** We take the next question from the line of Abhishek Wagadre from UTI AMC.
- Abhishek Wagadre:** Just wanted to ask what is the guidance for the MTF book scale up, say, by FY '27? And how are we planning to fund it? Are we going to issue more CPs? Or are we going to -- are we getting more limits from the banks?
- Ambarish Kenghe:** Go ahead, sorry. Is that the question?
- Abhishek Wagadre:** Yes.
- Ambarish Kenghe:** I think on the MTF one, you can start -- you can look at the past performance. We do think last quarter, for example, we grew 10% quarter-over-quarter. I do think that we think that the cash market will deepen further in India, and we do expect that to happen. But hard to give you a specific guidance on the book itself. I'll hand it over to Vineet for how we want to fund this.
- Vineet Agrawal:** So the funding, the basket of borrowings, we continue to diversify and recalibrate based on the availability of funds across various channels. Recently, RBI has circulated the draft circular where they have taken a step forward in terms of enabling banks to offer lending towards margin trading funding, that is something which is still in works. No final circular has come. But yes, if banks do start offering funds for MTF, then we would also look forward to, but we'll continue to expand our other channels, including commercial paper offerings and other avenues.
- Abhishek Wagadre:** Right. Any rough number that you can give me for FY '27 where we see the MTF book?
- Vineet Agrawal:** No, we don't give out any number. I mean, technically, we can grow this book substantially from where we are given the leverage that we have in terms of the net worth and the borrowing

capacity. But it's difficult to give a guidance on any specific numbers pertaining to MTF. I think the trajectory that we've achieved in the past, you can extrapolate that to get an understanding of where we could potentially go, let's say, in a few quarters from now.

Moderator: We take the next question from the line of Raghvesh from JM Financial.

Raghvesh: First of all, congratulations on very strong results for the quarter. I had a couple of questions. First, can you give ideally quantitatively else qualitatively how the customer acquisition cost has trended for this quarter? And what share of the customers we are acquiring through paid marketing? Even a qualitative answer would be fine.

And secondly, specifically on the cost front, given that the IPL is expected to be largely in the next year, so does that change how we typically book our expenses for IPL branding between FY '26 and '27? And just a data keeping question, have we spelled out the ESOP cost for this quarter?

Ambarish Kenghe: Yes. Thank you so much for the question there. On the customer acquisition side, I think -- we don't -- you should just -- there's no specific guidance we can give on it. You can generally take it as flat where it is. We're not looking for it to give a specific guidance on that.

On the channels, I think it's hard to -- you mentioned that how many is happening through certain channel or not. I do want to get into a little bit of detail on that because it's very hard to exactly assign which channel. For example, do you go with first click attribution or last click attribution and perhaps you got -- you can attribute to organic, but they may have seen your ad somewhere else. So it's very hard to attribute across channels. It's not -- internally, we will do some of that, but it's not useful for us to give you a guidance on that. On IPL cost, I'll hand it over to Vineet.

Vineet Agrawal: So as we have been booking the IPL cost in the past, it will be basis the number of matches, which are played across, say, the month of March, April and May. So we would see some costs getting booked in this quarter, which is the last quarter of the current financial year. And there will be a significant cost that will come in, in the first quarter, depending on the number of matches.

The schedule is not yet out. Once it's out, we'll have a better clarity on that. Yes. We have actually -- if you were to see our presentation, we've mentioned the ESOP cost for this quarter, which is about ₹ 504 million and in line with our guidance for the entire year.

Moderator: We take the next question from the line of Vedant Sarda from Nirmal Bang Securities Private Limited.

Vedant Sarda: Sir, can you give me the bifurcation of our MTF book, which comprise of about ₹ 25 lakhs and below ₹ 25 lakhs?

Ambarish Kenghe: We don't -- I think we have that breakup in our financials, maybe Vineet can just give us.

- Vineet Agrawal:** If you were to refer to Slide 30 of our -- if you were to refer to Slide number 30 of our presentation, there we've given a breakup in terms of less than ₹ 1 lakh, less than ₹ 1 lakh up to ₹ 5 lakh and more than ₹ 5 lakh. That's the only segregation that we provide.
- Moderator:** We take the next question from the line of Jayshree Bajaj from Trinetra Asset Managers.
- Jayshree Bajaj:** First of all, congratulations on the good set of numbers. My question is that I can see credit disbursement has seen an annual run rate of ₹ 28 billion and yet the company currently relies on 7 partnerships with the banks and NBFCs. So my question is as credit is becoming the fast emerging engine of the growth, are we planning to maintain the asset-light partnership model indefinitely? Or is there a plan to seek an NBFC license to capture higher margins?
- Saurabh Agarwal:** As of now, we are doing the distribution play only, but we are building capabilities to build it into a full-fledged platform play over time where we can get much more credit for what we are doing for our partners over time. And as and when newer opportunities come, we'll think of doing things on our own balance sheet or not over time.
- Jayshree Bajaj:** Okay. And one more thing I want to get a little bit clarity on that how do your AI/ML models specifically adjust your credit risk of new-to-market clients who may like traditional credit histories and all?
- Ambarish Kenghe:** So I think this is something that is up to the lenders to do it themselves. We are largely a distribution platform as of now. So this is what the lenders do right now.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to Mr. Dinesh Thakkar for closing comments.
- Dinesh Thakkar:** Thank you once again for joining us today. We hope we have been able to address your questions and share helpful insights. If you need any other further information, feel free to reach out to Hitul Gutka, our Head of Investor Relations, or to SGA, our Investor Relation Advisors. Have a wonderful day.
- Moderator:** Thank you. On behalf of Angel One Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.