



February 20, 2024

To,
BSE Limited ("BSE")
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001
BSE Script Code: 543712

To
National Stock Exchange of India Limited ("NSE")
The Listing Department,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400051
NSE Symbol: AHL

Dear Sir/Madam,

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to Regulation 30 of the Listing Regulations, we enclose herewith a copy of the transcript of the Company's Q3FY24 earnings conference call held on Thursday, February 15, 2024. The transcript is also being uploaded on the Company's website i.e. <https://abansholdings.com/Regulation-30.html>.

Kindly take the above information on your records.

Thanking you,

For Abans Holdings Limited
(Formerly known as Abans Holdings Private Limited)

Abhishek Bansal
Director
DIN: 01445730

Encl: As above

Abans Holdings Ltd.

(Formerly known as Abans Holdings Pvt. Ltd.)

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Abans Holdings Limited
Abans Holdings Limited Q3 FY24 Earnings Conference Call
February 15, 2024

Moderator: Ladies and gentlemen, good day and welcome to Q3 and nine months FY '24 Earnings Conference of Abans Holdings Limited hosted by Valorem Advisors.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Sumeet Singhania from Valorem Advisors. Thank you and over to you, sir.

Sumeet Singhania: Good morning, everyone and a very warm welcome to you all. I am Sumeet from Valorem Advisors. We represent Investor Relations of Abans Holdings Limited.

On behalf of the company, I would like to thank you all for participating in the Earnings Call for the 3rd Quarter and Nine Months of the Financial Year 2024.

Before we begin, let me mention a short cautionary statement. Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainties, which could cause actual results to differ from those anticipated. Such statements are based on the management's beliefs as well as assumptions made and information currently available to the management. Audiences are cautioned not to place undue reliance on these forward-looking statements or make any investment decision. The purpose of today's call is purely to educate and bring awareness about the company's fundamental business and financial quarter under review.

Let me now introduce you to the Management participating with us today in the Earnings Call:

We have with us Mr. Abhishek Bansal – Chairman and Managing Director, Mr. Chintan Mehta – Chief Executive Officer. Mr. Nirbhay Vassa – Chief Financial Officer and Mr. Ketur Shah – Assistant Vice President.

I will hand it over to Mr. Abhishek Bansal for his opening remark. Thank you over to you Abhishek.

Abhishek Bansal:

Yes. Thank you, Anuj, for your introduction. Good afternoon everyone and thank you all for joining us for our Earning Call.

Before I get into the Quarter 3 “Financial and Operational Performance” for the sake of some of you out here who might be joining us for the first time today and might be relatively new to the company.

Let me start off by giving you a brief overview of the company:

Just an introduction to the company, we are a diversified financial services company that caters to the whole gamut of financial businesses such as institutional broking, asset management, financial lending, treasury operations and remittance services. Today we are having a global presence with established operations in India, United Kingdom, Dubai and Mauritius. We have grown from being a commodity trading company into a diversified multi asset and a multinational financial services company having the right financial services businesses which are mainly segmented under agency business, finance business and capital business. Through our agency business, we also offer opportunities in multi-asset global institutional trading in equities, commodities and currencies. Besides, we also offer private client broking, asset management and investment advisory services, wealth management services to corporate institutions and high net worth individuals. We operate our finance business through which we offer lending services primarily focused on providing secured and unsecured term financing to individuals and small and medium enterprises across India. Capital business vertical comprises mainly of internal treasury operations, including physical commodities trading combined with exchange-based trading in foreign exchange, equities and commodities along with its investments and dividend incomes. I would like to extend a warm welcome to all of you as we gather here today to discuss and reflect on our company's recent performance and Results.

Just to give you a brief overview of this quarter results for the nine months of FY24:

Our consolidated revenues reached almost around 1100 crores indicating about a 92% growth on year-on-year basis. EBITDA surged to approximately 99 crores which grew by about 120% on year-on-year basis with EBITDA margins positioned at 8.9% with a growth of 111 basis points year on year. Our net profits amounted to Rs. 68 crores marking up 43% year on year increase.

The PAT margins were at 6.12%. The total assets under management has increased from around 1665 crores in March 2023 to almost 2500 crores as of December 31st 2023, primarily due to remarkable performance of our global arbitrage fund and other AIF and the acquisition of Satco Growth and Momentum portfolio management scheme during this year.

Consequently, due to the strategic focus on the asset management business, the EBITDA from the agency business has witnessed a YoY increase from Rs 9 crores to Rs 45 crores.

I will now hand over the call to Mr. Nirbhay Vassa, who is the CFO of the group to take you to a deep dive of the financials over to you Nirbhay.

Nirbhay Vassa:

Thank you, Abhishek. Good afternoon everyone.

Let me just give you a brief about the financial highlights for the 3rd Quarter and the nine months ended December 2023. Abhishek has already run us through the key highlights of the performance.

In the 3rd Quarter, we witnessed consolidated revenues of 501 crores, marking around 93% increase year on year comparing to December '22 numbers and around 40% increase on quarter-on-quarter basis on top line. The EBITDA for the quarter stood at 33 crores with 106% growth year on year and remain flat quarter on quarter. The EBITDA margins for the quarter stood at 6.59% showcasing a growth of about 40 basis points compared to the same period last year. Net profit stood at 24 crores a remarkable 6% YoY and a 4.3% Q on Q increase. I will just give you a few more highlights about the growth of the business and how we are functioning to increase our visibility as an asset manager.

Abans Holdings Limited is an investment manager for a Category 2 Alternative Investment Fund domestically. It has received in principle approval for becoming an investment manager in IFSC for a Category-3 Alternative Investment Fund, however, an SEZ approval is awaited for the same. This will boost the standalone revenues of Abans Holdings Limited. We have a subsidiary which has an NBFC license called Abans Finance Private Limited, which is a step-down subsidiary of Abans Holdings, who is wishing to set up a wholly owned subsidiary in GIFT to carry out lending business. The company is awaiting regulatory approvals to begin the business. The company is also in the process of forming category three funds onshore as well as in GIFT and awaiting final approvals from relevant regulatory authorities.

Lastly, Abans Global Limited, which is a step down subsidiary of Abans Holdings incorporated in the UK, has set up a global in house center for its back office operations in GIFT city which will bring cost benefits to the group.

We can now open the floor for question-and-answer session, thank you Valorem and Abhishek.

Abhishek Bansal:

Yes. So thank you all for listening to myself and Nirbhay and thank you Anuj for arranging this call. I would like to now throw the dais open for questions. Anuj, if you can take this over.

Moderator:

Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press * and 1 on their ___ telephone. If you wish to remove yourself from question queue you may press * and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue

assembles. The first question is from the line of Jigesh Shah from an individual investor. Please go ahead.

Jigesh Shah: Yes. Can you throw some light on the ESOP expenses which is incurred during the period and the estimated amount on the same?

Nirbhay Vassa: Yes, so the ESOP plan was introduced in August of 2023 and the expense that is approved in the books belongs to a three-year period and approval of that expense is happening every quarter. So you can see expenses for quarter three being approximately 9 crores if I'm not mistaken and that is to provide upside to the employees who created Abans holdings as a group and has been approved by the board and these expenses will carry on for I think a total of three years till August 26 as per the current plan. Did I answer your question, sir?

Jigesh Shah: Yes Sir. Thank you Sir.

Moderator: Thank you. Next question is from the line of Shira Navzoor, an individual investor. Please go ahead.

Mr. Navzoor we have unmuted you line. Please go ahead.

Shira Navzoor: Can you hear me?

Moderator: Yes, we can hear you now.

Shira Navzoor: I actually spoke regarding GIFT operations of the company. Could you just throw some light on that?

Nirbhay Vassa: Did you say gift operations?

Shira Navzoor: Yes.

Nirbhay Vassa: So Abans as a group has a large vision when it comes to GIFT City. We have broking operations out of gift. We have licenses to trade GIFT nifty. We also have global in-house operations for our foreign subsidiaries. We have an investment management license out of GIFT and we have an alternative investment fund which is housed out of GIFT, and we also wish to have an NBFC license sort of gift to do dollar denominated lending and we believe that GIFT is the future of financial services in India and we are very bullish on our GIFT operations.

Abhishek Bansal: Just to add I think so Abans Holdings Limited has set up a branch in GIFT City and that branch has got an approval of the regulator out there in GIFT to act as an asset manager or an investment bank to AIF Category-3 fund in GIFT City. Now I will just club the first question and this question to add more insight to the going forward sort of performance of Abans holdings because there is we will start generating income out of asset management services due to the

presence of the branch of Abans Holdings in the GIFT city, which would be classed in the stand alone balance sheet and the financials of Abans holdings, thus giving more sort of optically better insight or the perspective of the Abans Holdings Limited standalone balance sheet and P&L account.

Nirbhay Vassa: Yes. Did we answer your question?

Shira Navzoor: Yes. Thank you, absolutely.

Moderator: Thank you. Next question is from the line of Ansh, an individual investor. Please go ahead.

Ansh: Hello, Am I audible?

Nirbhay Vassa: Yes Sir.

Ansh: I need to ask on the investments or the strategies which are employed to generate treasury operations.

Chintan Mehta: Sorry, can you come again?

Ansh: Investments or the strategies which are employed in treasury operations.

Chintan Mehta: Treasury operations are taken to amplify the returns what we are managing here are the main strategies on here, whether it is in finance or capital. So we run Treasury operation in form of fixed income commodity or the equity whereas like we buy it in the spot market and sell it in the future market which in turn you must be seeing that the volumes are going up and the turnovers are going up because of that but we earn a better margins by deploying the excess capital which we need to keep the company going and keep it like so that way we are better margins on that so like for example we buy silver in the physical market and sell it in the MCX, which is a Commodity Exchange or whether like you know in the reliance for an example in equity and sell it in the future markets so that's how we earn and there are some spread call we will take and amplify our overall returns on that.

Ansh: Ok.

Abhishek Bansal: So just to sum it up on what Chintan just elaborated, these treasury operations investment strategies, if I want to broadly put them, they are nothing but arbitrage strategies where the delta risk is almost zero or negligible. Thus, these are risk free arbitrage strategies which the company deploys to generate return on its internal treasury money that it possesses and that is what is reflected in the P&L account. Thank you.

Ansh: Ok.

Moderator: Thank you. Next question is from the line of Atreya Mehta, an individual investor. Please go ahead.

Atreya Mehta: Hello, Am I audible?

Moderator: Yes Sir.

Atreya Mehta: Team, I wanted to know if the company is interested in entering the mutual fund industry and if yes, what specific type of fund would it be?

Abhishek Bansal: Yes, the company definitely is very much interested in entering the mutual fund industry and right now I suppose there are about 40 mutual fund asset management managers out there and it has been predominantly dominated by big banks like the likes of Kotak and HDFC's of the world and there is not enough space for other niche asset managers which they have tried also in the past but not have being successful in the asset management space where it comes to mutual fund industry. The sector or the space that we are eyeing is for the commodities ETF in the mutual fund space, which I believe is a very nascent and a new space which will be opened up for the investors as the Indian economy sees a high GDP growth trajectory and also it intersects and coincides with our ability to understand commodities as a market space because I started my entrepreneurial journey as a commodities trader myself and we as an organization understand commodities very well. So to offer commodities as an investment product, camouflaged under mutual fund in the ETF space, I think so is a very lucrative space which is positioned for growth in the Indian asset management industry and it coincides with our asset management ability as well. Thank you.

Nirbhay Vassa: Hope we answered the question.

Atreya Mehta: Yes, Thank you so much.

Moderator: Thank you. Next question is from the line of Apoorva Chaudhary, an individual investors. Please go ahead.

Apoorva Chaudhary: Hello, Am I audible?

Management: Yes you are audible.

Apoorva Chaudhary: What are the reasons for sustainably high NIM in the NBFC business?

Nirbhay Vassa: You said, substantially high NIM right? Net Interest Margin?

Apoorva Chaudhary: Yes.

Nirbhay Vassa: Ok. So the NBFC business was recently infused with 100 crores more liquidity in December of 2023. So its net worth stands at 312 crores, ok and the borrowings are only about 60 crores for the lending business and hence the net interest margin stands at more than 8% because the 312 crores does not attract any interest cost. However, that has the cost of equity, which is not considered in the net interest margin. I hope I have answered your question Apoorva.

Apoorva Chaudhary: Yes.

Nirbhay Vassa: Thank you.

Moderator: Thank you. Next question is from the line of Rahul Agarwal, an individual investor. Please go ahead.

Rahul Agarwal: Yes. So, my question is. When did the payment license was acquired and how is the business growing and what is the expected return associated?

Management: So the payment license, I think was acquired in around October 21. It is a London company called Corporate Revenue Services Limited and the future plans will look very bright. Although we have had certain issues in the Indian payment industry as we saw, but the same is definitely and will never be the case for the international markets and we do not intend to enter the Indian payment industry at all. Our focus will always remain in the international markets for entering the payment license. It is a very difficult license to procure as it is in India. It is also difficult, but it is much more difficult to get into the international water as well, as, it gives you the permission and the ability to transact payments across the globe and do affect conversions across the geographies. So it is a very attractive business and we are looking forward to develop this business and it has been 2 years now since we have got the license. So yes, the future looks good, but we are taking steady and slow steps as it involves a lot of technological upgradation and we are gearing up ourselves for the same. Thank you.

Rahul Agarwal: Thank you.

Moderator: Thank you. Next question is from the line of Anurag Agarwal, an individual investor. Please go ahead.

Anurag Agarwal: Hello. So I wanted to know why the EBIT from your internal treasury operations has come down while the revenue for the same quarter to quarter basis has increased.

Nirbhay Vassa: Okay, so the top lines for the internal treasury operations is not something that you can understand from the financials on the face right because it's a mix of physical business as well as capital markets business. So capital market business only takes the notional value of the trade in the top line. However, physical trade takes both buy and sell. Hence the physical activity during this quarter was higher using our cash flow compared to before and the increase

in top line is due to the increased physical trade during the quarter and the EBITDA drop is because the fair value of the trade from capital markets is just a component of that top line, and when there is lesser physical trade, you will see the EBITDA is higher. So that is not the right way to actually look at the apparatus of the treasury management business. That was just what I wanted to point out. You can look at the segment report and the financials which give you a better insight as to how we performed in different businesses. I hope that answers your question Mr. Anurag.

Anurag Agarwal: Yes. Thank you.

Moderator: Thank you. Next question is from the line of Abhishek Kumar, an individual investors. Please go ahead.

Abhishek Kumar: Hello. So my question is how has the IPO proceeds has been utilized?

Nirbhay Vassa: So we raised about 345 crores from the IPO out of which there was an offer for sale for the promoter and the balance was invested in the NBFC business of Abans holdings and I think the 25 crores balance was used for general corporate purposes. So the breakup would be that 100 crores went into the NBFC. 25 crores was utilized as with my Abans holdings to grow the other businesses that it has invested in and the rest of the money went to the promoter as an offer for sale.

Abhishek Kumar: Okay sir thank you and my second question is so what is the active number of clients and what is the asset and the management and your portfolio management service and how do you intend to boost the AUM of PMS in the upcoming quarters?

Nirbhay Vassa: Okay so we will answer this question in two parts. I will speak about the current numbers and I will let Abhishek talk about how we will fuel the growth for AUM. So the current AUM is at 2560 crores, which has grown couple 100% in the last one year and the total number of clients data I don't have, you can reach out to Valorem team later, but we have more than thousand plus investors both including PMS, Global Arbitrage Fund and others. The exact number can be given through the investors advisors later and Abhishek if you would want to answer the AUM growth story like how will we boost.

Abhishek Bansal: Yes, I think so if you see the mutual fund industry itself is growing at almost about 20 to 25% CAGR annually and the alternative space is growing at a much higher compounding rate. I think it is phenomenally very high and if you see if India is to become from a \$3 trillion economy to a \$10 trillion economy and so on and so forth, there is obviously investable wealth which will be available, but I don't think so the asset managers are growing in the same ratio or in same proportion and Abans Holdings being there for the last two decades in the asset management industry and having understood the alternative space, also global asset classes and all the asset classes very well we are positioned right and rightly so in this trajectory of India's economic

boom where I think so we have a great tailwind advantage of the investable surplus wealth that the Indians will accumulate over a bit of time for managing those assets. So I think so it will be more of a tailwind phenomenon which will help us coupled with our asset management ability.

Abhishek Kumar: Ok Sir. Thank you for the opportunity.

Moderator: Thank you. Next question is from the line of Sahil Jain, an individual investor. Please go ahead.

Sahil Jain: Hello.

Nirbhay Vassa: Yes Sir.

Sahil Jain: So I have a couple of questions. The first one is in the nine month of April '24, the revenue contribution from agency segment is increased as compared to the as compared to the past year. So what are the main key reasons for such an increase in revenue from the agency segment?

Management: Yes and what is your second question if you want to ask so that we can couple it.

Sahil Jain: Yes. So the second question is what were the reasons for the growth in the NBFC AUM size, which was about 47% during nine months of FY24 as compared to FY20?

Management: Okay, answering question one by one. The first question that you asked what was the growth driver for the agency fee increase, right?

Sahil Jain: Yes, yes.

Management: Yes. So the agency fee just for you all to understand includes brokerage income from our brokerage business. It includes remittance fee from our London remittance business. It includes performance fee, subscription fee and asset management fee from all our asset management businesses, right. So you see that there has been a 9 crores growth because a large element of performance fee has kicked in into our Mauritius Asset Management business as well as our PMS business in India also Abans Holdings has started charging fees to manage alternative investment funds domestically. So these are the three reasons why both the EBITDAs and the top lines have grown because after a point, the growth in agency top line delivers straight away to EBITDA because the cost of operations is already consumed. That was one answer. Second, you said about NBFC business as the EBITDA have improved, is that the question?

Sahil Jain: Yes, yes.

Management: Yes. So the NBFC business borrows money through market linked debentures and the market linked debentures have an aspect of derivatives to it. So when the market performs well, the derivatives will have a fair value through P&L increase, right and that's why the borrowing cost can reduce if there is an increase in a certain derivative L2L, right? So that's the reason EBITDA from the lending business has gone up compared to the last quarter purely due to the increase in the asset classes that have been borrowed against.

Sahil Jain: Ok. Understood.

Moderator: Thank you. Next question is from the line of Rishab, an individual investor please go ahead.

Rishab: Hello

Nirbhay Vassa: Yes.

Rishab: First of all, congratulations for the outstanding results for the quarter.

Nirbhay Vassa: Thank you.

Rishab: My question is that in even in your speech you mentioned many plans for GIFT City. So how do you look that Abans would be able to capitalize on the opportunities in the GIFT city and do you think it would be the next big thing in India?

Nirbhay Vassa: Okay, so I think I already mentioned that we are very positive and forward-looking towards how the GIFT city regulations and the overall infrastructure shaping up and it is complementing our business because we are asset managers, brokers as well as in the lending business and this helps us grow our business in all three aspects in GIFT as well, because we can have a booking entity outside GIFT which we already have and scale that business once there is liquidity provision over there, we can run asset management business out of there because we already have an alternative investment Fund, **housed out of** IFSC and we wish to have a lending business outside GIFT once we get the regulatory approvals. So, this will add a lot of top line as well as bottom line to our results and give us a lot of visibility both in India and globally. So I think yes it is according to us the next big thing in India.

Rishab: Thank you so much Sir.

Moderator: Thank you. Next question is from the line of Ankit, an individual investor. Please go ahead.

Ankit: Hello, I would just like to know what is the average ticket size and highest loan dispersal for the NBFC segment?

Nirbhay Vassa: I think the highest loan dispersal is about 16 crores and what was the other question? Sorry,

Ankit: The other question is what are the types of broking licenses Abans hold in Indian markets and globally?

Abhishek Bansal: So in Indian market, we hold NSE, BSE Cash, Equity Futures, NCDEX which are the basic licenses. So in India basically we hold all the exchange licenses across all the commodities, equities and currencies, exchanges and NSE, BSE, MCX and MDX, basically all the segments and everything. Internationally, we are members of SGX, SGIE, Dalian Commodity Exchange in China, Zhangzhou Commodity Exchange in China and DCGX. Also, we are members of London Metal Exchange in the UK.

Ankit: Thank you.

Management: Thank you. A reminder to all participants, you may press * and 1 to ask questions.

Next question is from the line of Shira Navzoor, an individual investor. Please go ahead.

Shira Navzoor: While going through your books of accounts and the results you publish you will notice that you have incomes coming from Mauritius and the UK, are there any other countries in the pipeline?

Abhishek Bansal: No, not really. I think so we are not expanding in any other geography. These are the existing geographies that we have already had subsidiaries and businesses going. We do not intend to expand in any other geography as of now. So this should be it as of now.

Shira Navzoor: Ok. Understood. Thank you.

Moderator: Thank you. A reminder to all participants, you may press * and 1 to ask questions.

A reminder to all participants, you may press * and 1 to ask questions.

Next question is from the line of Ansh, an individual investor. Please go ahead.

Ansh: Hello.

Nirbhay Vassa: Yes.

Ansh: Do you intend to enter into a retail booking service?

Nirbhay Vassa: We don't intend to enter into retail broking services because it requires a large amount of technological spend also and there is I mean key players already in the market and that is not something that we are looking at. Thank you.

Ansh: Ok.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to management for closing comments.

Abhishek Bansal: Thank you all for participating in this earnings concall. I hope we have been able to answer your questions satisfactorily. If you have any further questions or would like to know more about the company, please feel free to reach out to our investor relationship manager at Valorem advisors. Thank you all of you.

Moderator: Thank you. On behalf of Abans Holding Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.