

**ICICI Prudential Asset Management Company Limited**

**Media Conference Call - Quarter Ended December 31st, 2025**

**January 14, 2026**

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Moderator: Ladies and gentlemen, good day and welcome to the ICICI Prudential Asset Management Company Limited's Earnings Conference Call with media for the quarter ended December 31st, 2025. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star and then zero on your touchtone phone.

I now hand the conference over to Mr. Nimesh Shah, MD and CEO of ICICI Prudential AMC Limited. Thank you and over to you, sir.

Nimesh Shah: A warm welcome to our first earnings conference call as a listed company. With me on the call today are my colleagues Naveen Agarwal, who is the CFO of the company, Amar Shah, who is the Chief Business Officer of the company, Abhijit Shah, who is the Chief Marketing and Digital Business Officer of the company and Harshil Sanghavi, who heads Investor Relations. We will be able - - all of us are there to address the questions following our opening remarks.

If I talk about the industry, mutual fund industry has seen a robust growth over the last five years with the industry AUM growing threefold. The industry's quarterly average asset under management grew by 18.1% year-on-year and 5% sequentially in Q3 of FY '26 and it has reached INR81.0 trillion.

Equity and equity-oriented quarterly average AUM, which commands the largest pie in the overall mutual fund industry, increased by 16.7% year-on-year and 5.3% quarter-on-quarter to INR44.0 trillion. The industry witnessed net flows of INR1.8 trillion during the quarter. The equity category continued to be at the forefront, attracting the net inflow of INR1.1 trillion. The SIP contribution for the month of December 2025 amounted to

INR310.02 billion as compared to INR293.61 billion and INR264.59 billion in the month of September '25 and December '24 respectively.

In the debt segment, quarterly average AUM grew by 21.0% year-on-year and 2.3% quarter-on-quarter to INR13.4 trillion. Passive quarterly average AUM grew by 23.0% year-on-year and 9.5% sequentially to INR13.5 trillion. Industry saw an increase of unique customer reaching INR59.0 million, which represents an increase of 12.1% year-on-year and 3.4% as compared to previous quarter.

I now hand over the call to Harshil for covering the performance of our company.

Harshil Sanghavi: Thank you, Nimesh. Good evening, everyone. For the quarter ended December 2025, our total mutual fund quarterly average AUM reached INR10.8 trillion, which is up by 6.1% sequentially and 23.2% year-on-year, thereby maintaining our position as the second largest AMC with a market share of 13.3%.

As of December 31, 2025, we continue to have the largest market share of 13.5% in active schemes with a quarterly average AUM of INR9.1 trillion, reflecting an increase of 5.2% as compared to the previous quarter and 20.6% Y-o-Y. As of December 2025, we continue to have the largest market share in equity and equity-oriented schemes of 13.8% with a quarterly average AUM of INR6.1 trillion. This reflects an increase of 7.3% quarter-on-quarter and 23.6% year-on-year.

The quarterly average AUM of our equity-oriented hybrid schemes amounted to INR2.1 trillion with the largest market share of 26.3% as of December 31, 2025. This reflects an increase of 9% Q-o-Q and 26.8% year-on-year. These market positions serve as a testament to our ongoing commitment to achieving risk-adjusted returns for our customers.

In the debt segment, our quarterly average AUM stood at INR2.0 trillion, reflecting a growth of 18.9% year-on-year and 2.7% as compared to the previous quarter. Our passive quarterly average AUM reached INR1.7 trillion, representing a growth of 39.4% Y-o-Y and 10.8% sequentially.

For nine months ended December 2025, our margins on an annualized basis stand at 67 basis points for equity, 32 basis points for debt, 12 basis points for liquid, 9 basis points for passives and 30 basis points for arbitrage. We have a unique customer base of 16.2 million as of December 31, 2025.

In December 2025, our systematic transactions, which includes SIP and systematic transfer plans, increased by 4.9% to INR50.37 billion, which is up from INR48.03 billion in September 2025. This also marks an 18.6% rise compared to INR42.47 billion in December 2024. Notably, 95.7% of our total mutual fund purchase transactions were executed across digital platforms for the nine months ended December 2025.

Our distribution mix of equity schemes quarterly average AUM is as follows with direct representing 28.0%, mutual fund distributors representing 37.3%, ICICI bank contributing 8.1%, other banks at 11.1% and national distributors accounting for 15.5%. Notably, our net flows market share in equity schemes exceeds our AUM market share.

We have also received approvals to launch specialized investment funds under the brand iSIF, pursuant to which we are launching two SIF.

Our long-term strategy for mutual fund is to:

1. Maintain focus on investment performance with a risk-calibrated approach.
2. We would continue to focus on retail growth specifically through systematic transactions.

3. Expand our customer base through distinct initiatives, increase penetration in existing and new markets and strengthen relationships with our distributors.
4. Leverage our technology and scale digital capabilities to drive customer acquisition and enhance customer experience.

Now let's move to our alternates business which comprises equity-focused PMS and alternative investment funds with strategies comprising private credit, long-only equities, office yield and real estate funds. For the December quarter end, our alternates quarterly average AUM stood at INR752.8 billion. Within alternates, our PMS quarterly average AUM grew by 7.5% sequentially and 22.6% Y-o-Y to INR272.81 billion. Our AIF quarterly average AUM of INR159.09 billion reflects a sequential growth of 8.6% and 40% year-on-year.

For nine months ended December 2025, the gross yield on our alternates business was 1.99% and the net yield that is after reducing the fees and commission expense attributable to the alternates business was 97 basis points. These yields are on annualized basis.

We have established retail FME branch presence in GIFT City. This expansion will enable us to launch retail schemes, exchange-traded funds, alternative investment funds, PMS and advisory services for clients within IFSC GIFT City. We would also like to share an update. We have established presence in DIFC Dubai and have received requisite approval to commence operations. This will help us to effectively serve the investment needs of NRIs and international investors across the Middle East.

I now hand over the call to Naveen Agarwal for covering the financial performance of the company.

Naveen Agarwal: Thank you, Harshil. Good evening, everyone. I will talk about the financial performance for the quarter ended December 2025. Our operating revenues stood at INR15.15 billion representing a growth of 23.5% year-on-year and 6.7% sequentially. Our other income was recorded at INR1.09 billion. Operating expenses stood at INR4.05 billion, which was an increase of 8.5% year-on-year and 0.6% quarter-on-quarter.

Our operating profit before tax, which indicates the core profitability of the business has reached INR11.10 billion. This represents a 30.0% increase year-on-year and 9.1% rise compared to the previous quarter. Profit after tax stood at INR9.17 billion, which is up by 45.1% year-on-year and 9.8% quarter-on-quarter. Return on equity for the nine-month ended December 2025 is at 87.9% on an annualized basis.

Additionally, the Board of Directors have declared a dividend of INR14.85 per share. For the nine-month ended December 2025, our overall yield and net yield on annualized basis stood at 52 basis points and 48 basis points respectively. Net yield is arrived at after reducing fees and commission expenses on alternates which is shown as an expense item in the P&L.

For the 9 months ended December 2025, our operating margin stood at 37 basis points as compared to 35 basis points for the 9 months ended December 2024 on an annualized basis. As of December 31, 2025, our employee strength is at 3,522.

Thank you for your attention. I look forward to discussing our performance. With this, we can go to the Q&A.

Moderator: Thank you very much. We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to please use handsets while asking a question.

Ladies and gentlemen, we will wait for a moment while the question queue assembles. Once again, ladies and gentlemen, you may press star and one to ask a question. Our first question is from the line of Prashant Mahesh from Economic Times. Please go ahead.

Prashant Mahesh: Yes. Hi. What kind of numbers are you expecting from the SIF business?

Nimesh Shah: So, the two products which we will be launching on SIF, the NFO will happen in 2 days' time. We are not putting any number out as to what is the number that we are going to raise from it. Let us see what is the response to those products from the market.

The whole idea of launching these products is that when you have the AUM that you have, whatever be the amount, once you start managing it nicely, properly in the investor's interest, over a period of time, all our funds have grown over a period of time, but the initial amount is not that important. It depends on the market outlook at that point of time.

Prashant Mahesh: Okay. In the sense I was asking, how big a business do you expect it to be for you in the next 1 or 2 years? Could you throw some color on that?

Nimesh Shah: This -- one should see this as a long-term, this one. I am not looking at it as a short-term 1 or 2 years. Let us show performance for 2, 3 years first, and then we will see how the whole category spans out.

Prashant Mahesh: Okay. Thank you.

Moderator: Thank you. Ladies and gentlemen, if you wish to ask questions, you may please press star and one. Our next question is from the line of Kundan Kishore from Outlook Publishing India. Please go ahead.

Kundan Kishore: Sir, my question is on the future growth. Sir, where do you see the next phase of growth coming from for your fund house and overall mutual fund industry?

Nimesh Shah: See the industry, if you see the last 3 years, last 5 years, last 2 years, last 1 year, the industry has been growing well, right. It is very difficult. So one thing is clear that if the number of where we were 10 years back as an industry, where we were 5 years back, the growth has been very good in the past.

The good thing is that the investors also have had a good experience over a long time. If you meet any investor who has spent 3 years in our fund or 5 years in the fund, he has had a good experience. So a growing industry as financialization of savings can be seen in this industry very well.

So as the industry keeps growing, it is very difficult to give out a number for the future as to what the future would be. We focus on that within whatever the industry grows, how do we as a company gain from it, right. So that is the focus that how do we work on the growth that is happening. Till now, we have grown in line with the industry and in future also, that will be our endeavor that we focus on our growth in line with the industry.

Kundan Kishore: Okay, sir.

Moderator: Thank you. Our next question is from the line of Devyani from Network18. Please go ahead.

Devyani: Right. So, sir, if I could understand, you mentioned that you opened a new subsidiary in Dubai, right? A new office in Dubai. What is the expected opportunity out here?

Naveen Agarwal: So, what we have in Dubai is a branch office. It's not a subsidiary. It's effectively, you must see this as another outlet from which we can serve customers. There's a large Indian diaspora NRI

community. Dubai also acts as a hub for a larger Middle East. And we would be able to serve our customers who are existing and who might want to invest in our products through our presence there. So it just brings us closer to our customers by being present in Dubai.

Devyani: Alright, sir. So, thank you. But is there some, can you quantify the kind of opportunity that you can expect from this particular new branch office?

Naveen Agarwal: As I said, the Indian diaspora in the entire Middle East is a very large diaspora. Hence, we have seen their interest in investing in India from past. So we expect with our presence there that we should be able to reach out to a large population, Indian population and otherwise as well. And we'll see how this translates into business over a period of time. It's very difficult to quantify.

Devyani: Okay. Thank you.

Moderator: Thank you. Ladies and gentlemen, to ask a question, you may press star and one. Our next question is from the line of Anishaa Kumar from Moneycontrol. Please go ahead.

Anishaa Kumar: Hi, sir. I just wanted two clarifications. One thing, you said that you just, in response to SIF, you said that your NFO is being in the next two days. This is for which fund exactly? And second, I want to know about your GIFT City plan, sir.

Management: So, our SIF NFO would be for two products. First one is, X 100 mid cap and small cap strategy. And the other would be long shot in the hybrid. And with respect to GIFT City, we have a branch in, we have a branch in the GIFT City. As you know, the opportunity in GIFT City is twofold. One is with respect to NRIs investing from overseas into India. And also with respect to, any outward investment from here. We have been, we are evaluating both

opportunities. We have already, we are in the process of raising money for an inbound fund out of our GIFT City branch. And we will scale this up over a period of time.

On the SIF, maybe if I can add to what I said earlier, if you know from SEBI, there are six categories under which we can launch the product. There are two funds, as I mentioned, that we would be launching.

In the first fund, which is X100, the focus would be to invest in the mid cap and the small cap stocks. And in the second fund, which is on the hybrid long short, we would be, it's a long short fund under the hybrid category as approved by SEBI, which would be investing as per the mandate of, allowed by the SEBI.

Management: Just to add to what Naveen said, on the SIF side, as these both products, one is a mid-cap, small cap or X top 100 oriented fund, and second is hybrid fund. As you would be aware that SIF as a category also allows use of derivatives for the purpose of hedging, for the purpose of taking directional calls.

So I think it's a differentiated category and a differentiated product from a conventional mutual fund. And, these are the two products where we would think that, it can be a differentiated space for the customers to invest on the SIF side.

Anishaa Kumar: Thank you, sir. One more thing I wanted to just also know with regards to, this mutual fund regulation overhaul. So the, obviously it was not as bad as maybe what we were expecting earlier, but has some kind of estimation been done in terms of what would mean for ICICI now, with all the changes in TER and all that?

Naveen Agarwal: Yes, so you're referring to the, the recent circular by the SEBI, I believe, if I have to put it, you know, summarize, the way you should see it is there are three main components to that circular. One is with respect to the exit load, the 5 basis point. The second

one is with respect to the cut in the expenses. And the third are the rationalization of the brokerage limit that has happened.

Against the cut in the TER slab rates, there is an allowance which has been given on account of GST. As you can, as you can imagine, depending on the size of the respective fund, the impact would be different. The large size fund might have a bigger impact as compared to the smaller size fund. We are working to see how all of this would work out and how we can rationalize the impact. And, you know, over a period of time, we can communicate more about that.

Moderator: Thank you. Our next question. Ladies and gentlemen, if you wish to ask questions, you may press star and one. Participants who wish to ask questions may press star and one at this time. We have no further questions at this time, ladies and gentlemen. Pardon me, ladies and gentlemen, we have an entry into the question queue. We have a question from the line of Devyani from Network 18. Please go ahead.

Devyani: To what extent have we been able to pass on the changes, regulations, the impact of it? To what extent have we been able to pass it on to, let's say, distributors or the likes?

Naveen Agarwal: This is expected to be effective 1st of April.

Devyani: My apologies. But to what extent are we looking to, has there been any conversations that have started?

Nimesh Shah: No, as I said, we would be working on this. We still have time and we'll, closer to the implementation date, we would have more clarity on this.

Devyani: All right sir. Thank you.

Moderator: Thank you. We have no further questions, ladies and gentlemen. I would now like to hand the conference over to Mr. Naveen Agarwal for closing comments. Over to you, sir.

Naveen Agarwal: Thank you everyone for participating today in the call. I wish you a good evening. Thanks, from the company team here.

Moderator: Thank you. On behalf of ICICI Prudential AMC Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.