Performance update

Q1-FY2024

July 20, 2023
Agenda

• ISEC Quarterly Update

• Appendix
  • Quarterly Business Performance
  • ISEC Franchise
Q1FY24 Performance Snapshot

- **Total Assets**
  - ₹ 6.2 tn\(^1\)
  - +17% YoY / +5% QoQ

- **Wealth Assets**
  - ₹ 3.5 tn\(^2\)
  - +25% YoY / +8% QoQ

- **Client Base**
  - 9.3 mn
  - 16% YoY / 2% QoQ

- **Revenue**
  - ₹ 9,344 mn\(^3\)
  - +18% YoY / +6% QoQ

- **Profit After Tax**
  - ₹ 2,709 mn\(^3\)
  - -1% YoY / +3% QoQ

- **ROE**
  - 36.3%
  - v/s 42.7% in Q1FY23

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1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on June 30, 2023
2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on June, 30 2023
3. For Q1 FY24
Q1FY24 Performance: Key Highlights

1. Revenue growth across business segments

2. Gained/ Held Market share in most revenue generating parameters

3. Traction in identified focus areas to propel growth
Q1FY24 Performance: Revenue growth across business segments

**Equity Business**
- Equity revenue grew by 7% YoY, contributes 23% of total revenue
- Market share gains continued during the quarter

**Derivative Business**
- Derivative revenue grew by 23% YoY, contributes 13% of total revenue
- Improvement in underlying parameters of orders, clients, ADTO and lots

**Distribution Business**
- Distribution business grew by 4% YoY, contributes 17% of total revenue
- MF and Life Insurance revenue grew by 10% YoY and 13% YoY respectively
- Distributed loans worth ₹ 11.6 Bn in Q1FY24, up 88% YoY

**Allied Revenue**
- Allied revenue grew by 3% YoY, contributes 24% of total revenue
- MTF book grew by 5% YoY as we maintained our leadership position

Continued thrust on diversification, while maximizing opportunities from cyclical businesses
## Q1FY24 Performance: Market Share

### Gained/ Held Market share in most revenue generating parameters

<table>
<thead>
<tr>
<th></th>
<th>Q1FY23</th>
<th>Q1FY24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Cash Market Share</td>
<td>9.7%</td>
<td>12.2%</td>
</tr>
<tr>
<td>Retail Derivative Market Share</td>
<td>3.5%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Commodity Market Share</td>
<td>4.4%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Mutual Fund AUM Market Share</td>
<td>1.7%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

We continue to maintain leadership position in MTF with a Market Share of ~22%

*Based on the revised disclosures by NSE for retail individual category in the equity segment from April’23. The market share so computed is therefore not comparable with the market share for Q1FY24 computed using earlier disclosures for others category*
Q1FY24 Performance: Traction in focus areas

1. **Wealth Management**
   - Partnering clients through their financial journey by offering holistic solutions

2. **Derivatives**
   - Investments in key levers leading to revenue growth and market share gains

3. **Loans**
   - To emerge as a digital consumer lending distribution powerhouse in India

4. **Insurance**
   - Aiming to harness the huge opportunity in the insurance segment

5. **Personalization through analytics**
   - Creating synergies between data analytics model & engagement for seamless customer experience
Q1FY24 Performance: Traction in focus areas

Wealth Management

- Total clients stands at ~84,000; added ~6,000 clients during the quarter
- Total AUM at ~ ₹ 3.5 tn, grew 25% on YoY basis
- Total Revenue at ~ ₹ 2.64 bn, grew 15% on YoY basis
- Cost/Net Income at 45% in Q1FY24, v/s 35% in Q1FY23

**INR Tn**

<table>
<thead>
<tr>
<th>AUM</th>
<th>INR Tn</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-23</td>
<td>2.78</td>
<td>14%</td>
</tr>
<tr>
<td>Q4-23</td>
<td>3.22</td>
<td>13%</td>
</tr>
<tr>
<td>Q1-24</td>
<td>3.46</td>
<td>13%</td>
</tr>
</tbody>
</table>

**Revenue**

<table>
<thead>
<tr>
<th></th>
<th>INR Bn</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-23</td>
<td>2.29</td>
<td>34%</td>
</tr>
<tr>
<td>Q4-23</td>
<td>2.55</td>
<td>34%</td>
</tr>
<tr>
<td>Q1-24</td>
<td>2.64</td>
<td>37%</td>
</tr>
</tbody>
</table>

**Yields**

<table>
<thead>
<tr>
<th></th>
<th>%</th>
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<tbody>
<tr>
<td>Q1-23</td>
<td>1.55%</td>
</tr>
<tr>
<td>Q4-23</td>
<td>1.66%</td>
</tr>
<tr>
<td>Q1-24</td>
<td>1.52%</td>
</tr>
</tbody>
</table>

*Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses*
Q1FY24 Performance: Traction in focus areas

**Derivatives**

### Derivative broking revenue

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in ₹ Mn)</td>
<td>863</td>
<td>1,170</td>
<td>1,090</td>
</tr>
</tbody>
</table>

26% YoY

### Derivative component in retail broking

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>1%</td>
<td>33%</td>
<td>44%</td>
<td>38%</td>
</tr>
<tr>
<td>66%</td>
<td>55%</td>
<td>61%</td>
<td></td>
</tr>
</tbody>
</table>

*Others include Commodity and Currency

In Q1FY24, the underlying parameters continued growth momentum with:

- F&O orders grew by 38% YoY
- F&O lots grew by 84% YoY
- F&O customers grew by 16% YoY

**Growth in derivative ADTO**

2.2x

*Others include Commodity and Currency*
Q1FY24 Performance: Traction in focus areas

**Loans**

**Consistent growth in total loans distributed**

(in ₹ Bn)

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans</td>
<td>6.2</td>
<td>12.5</td>
<td>11.6</td>
</tr>
</tbody>
</table>

88% YoY

**Increasing proportion of other loans**

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Loan</td>
<td>66%</td>
<td>64%</td>
<td>58%</td>
</tr>
<tr>
<td>Other Loans</td>
<td>34%</td>
<td>36%</td>
<td>42%</td>
</tr>
</tbody>
</table>

**PILLARS OF GROWTH**

- Loans worth ₹ 11.6 Bn distributed in Q1FY24, up 88% YoY
- Insta Pre-approved cards program went live during the quarter

- Partnership with Multiple Lending partners
- Existing customer base of 9 Mn + customers
- Digitization and decongestion of processes
- Targeted offering through data analytics
Q1FY24 Performance: Traction in focus areas

**Insurance**

- **Life Insurance Revenue**
  - Q4FY23: INR 142 Mn, up 13% YoY
  - Policy count increased by 55% YoY, with growing traction in General Insurance

**PILLARS OF GROWTH**

- New IRDA guidelines favorable for distributors
- 12 insurance partners through Open Architecture
- Differentiated product offerings with strong digital analytics
- Intuitive and digitized customer journeys for General Insurance
Q1FY24 Performance: Traction in focus areas

Personalization

Synergy between analytics data model and engagement

**Identifying customers** backed by logical analysis who are most likely to purchase the product.

**Display of relevant products** on Website and Mobile App – ORGANIC FLOW.

**Tracking customer interest** by their engagement and set up multi-layered digital journey.

**Pushing inactive customers** basis the data intelligence provided – PUSH FLOW.

**Real time** click stream data and effective conversion tracking.

Improving cross sell demonstrated from increasing number of client with 2 or more products, leading to revenue diversification.

- Q1-23: 1.17
- Q4-23: 1.22
- Q1-24: 1.23 (↑ 5% YoY)
Q1FY24 Performance: Cost

Total Cost (₹ Mn)

- Q1-23: 4,277
- Q4-23: 5,320
- Q1-24: 5,701

Increase in Cost,
- Primarily on account of increase in cost of funds for MTF Book
- MTF cost absorbed to cushion price volatility for customers
- Increase in Employee cost due to annual increments, ESOPs and newulings
- Franchise enhancing spend on technology and analytics to harness growth opportunities

Increasing Proportion of Finance Cost

- Total Operating Expenses
- Others expenses
- Depreciation, amortization and impairment
- Employee Benefits Expenses
- Finance costs

Net Cost/ Income and MTF Book NIM

- Q1-23: 44.0%
- Q4-23: 48.0%
- Q1-24: 48.8%

Due to substantial scale up of our MTF book, we have transitioned to Cost/Net Income as per industry standards and accordingly have also disclosed NIMs on MTF book. For earlier disclosure, you can refer our disclosure excel...
Agenda

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  • ISEC Franchise
**Q1FY24 Business Performance**

**Business segment wise Revenue Breakup**

- **Retail Equities and allied revenue**
  - ₹ 5,151 mn
  - + 8% YoY
  - + 5% QoQ

- **Distribution revenue**
  - ₹ 1,587 mn
  - + 4% YoY
  - - 18% QoQ

- **Issuer services and advisory revenue**
  - ₹ 362 mn
  - + 3% YoY
  - + 185% QoQ

- **Institutional equities & allied revenue**
  - ₹ 551 mn
  - + 13% YoY
  - + 12% QoQ

- **Other revenue**
  - ₹ 1,694 mn
  - + 104% YoY
  - + 23% QoQ

- **Private Wealth Management**
  - ₹ 2,640 mn
  - + 15% YoY
  - + 4% QoQ

- **Revenue**
  - Grew 6% QoQ and 18% YoY at ₹ 9,344 mn led by growth in broking income with cash segment gaining momentum and growth in Investment banking segment.

- **Retail equities & allied revenue**
  - Grew 5% QoQ and 8% YoY due to increase in cash volumes and growth in equity allied business.

- **Issuer services and advisory income**
  - Grew by 185% QoQ and 3% YoY.

- **PAT**
  - Grew 3% QoQ and was down by 1% YoY at ₹ 2,709 mn.
Q1FY24 Business Performance: Retail Equities Business

**Increasing Retail equities and allied Revenue**

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>4,759</td>
<td>5,048</td>
<td>5,040</td>
<td>4,922</td>
<td>5,151</td>
</tr>
</tbody>
</table>

**Diversification in Equity Revenue with reducing component of cyclical component, i.e. cash broking**

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Broking</td>
<td>45%</td>
<td>43%</td>
<td>45%</td>
<td>46%</td>
<td>43%</td>
</tr>
<tr>
<td>Derivative Broking</td>
<td>18%</td>
<td>20%</td>
<td>20%</td>
<td>24%</td>
<td>22%</td>
</tr>
<tr>
<td>Retail Allied Revenue</td>
<td>37%</td>
<td>37%</td>
<td>34%</td>
<td>30%</td>
<td>35%</td>
</tr>
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</table>

**Derivative broking revenue grew by 26% YoY**

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<tr>
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<td>863</td>
<td>999</td>
<td>1,016</td>
<td>1,170</td>
<td>1,090</td>
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**MTF book grew 5% YoY; leader with market share at ~22%**

<table>
<thead>
<tr>
<th></th>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>57.7</td>
<td>55.0</td>
<td>63.9</td>
<td>64.4</td>
<td>60.6</td>
</tr>
</tbody>
</table>

Continued focus on Texturization to reduce proportion of cyclical components
Q1FY24 Business Performance: Distribution Business

**Distribution Revenue (in ₹ Mn)**

<table>
<thead>
<tr>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,520</td>
<td>1,564</td>
<td>1,669</td>
<td>1,929</td>
<td>1,587</td>
</tr>
</tbody>
</table>

**Mutual Fund (in ₹ Mn)**

<table>
<thead>
<tr>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>892</td>
<td>953</td>
<td>1,004</td>
<td>983</td>
<td>981</td>
</tr>
</tbody>
</table>

**Life Insurance (in ₹ Mn)**

<table>
<thead>
<tr>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>126</td>
<td>202</td>
<td>209</td>
<td>142</td>
<td></td>
</tr>
</tbody>
</table>

**Other Distribution (in ₹ Mn)**

<table>
<thead>
<tr>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
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<td>953</td>
<td>1,004</td>
<td>983</td>
<td>981</td>
</tr>
</tbody>
</table>

**Scaling up of Loans Disbursement (in ₹ Bn)**

<table>
<thead>
<tr>
<th>Q1-23</th>
<th>Q2-23</th>
<th>Q3-23</th>
<th>Q4-23</th>
<th>Q1-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2</td>
<td>8.8</td>
<td>10.0</td>
<td>12.5</td>
<td>11.6</td>
</tr>
</tbody>
</table>

- Distribution revenue at ₹ 1,587 mn, up 4% YoY and was sequentially down as Q4 is generally a strong quarter for Insurance
- MF AUM and SIP market share stood at 1.7% and 2.9% in Q1FY24
Q1FY24 Business Performance: Institutional Business

Institutional equities revenue was up 13% YoY & 12% QoQ

- The growth is attributable to momentum gain in Cash ADTOs
- Franchise consolidated its position among the top domestic institutions
- Strengthening FII franchise by entering into partnerships

Issuer Services & Advisory revenue was up 3% YoY & 185% QoQ

- YoY growth in revenue generation due to increasing deals
- Strong IPO\(^1\) pipeline, 41 deals amounting over ₹ 739 bn; in addition mandate of 22 deals where amount is yet to be decided
- Continued focus on building non-IPO revenue

\(^1\) IPO/IPO/FPO/InvIT/REIT
Agenda

• ISEC Quarterly Update

• Appendix
  • Quarterly Business Performance
  • ISEC Franchise
ISEC Franchise: Pivots of Transformation

**E-Broker Inception – FY19**
- Product Focused Approach
- Dependent on ICICI Bank for customer sourcing
- Significantly dependent on Retail and Institutional Equity
- Physical Process & onboarding “Build in-house” approach

**Wealth- Tech FY20 – FY23**
- Customer 360 Degree Approach
- Open Architecture Sourcing
- Embracing opportunity in savings & investments, distribution of loans & insurance
- Digital acquisition & Online process
- Agile Approach
- Hyper-Personalization

**KEY OUTCOMES**
- Franchise with significant scale and size
- Meaningful market share across segments
- Scale up of Wealth Franchise
- Growth in Assets
- Consistent Earnings
- Scale up of Wealth Franchise
ISEC Franchise: Significant scale and size

**Total Client Assets**
- ₹2.4 tn\(^1\) → ₹5.9 tn\(^1\)
- 25% CAGR (FY19 – FY23)

**Wealth Client Assets**
- ₹1 tn\(^2\) → ₹3.2 tn\(^2\)
- 34% CAGR (FY19 – FY23)

**Client Base**
- 4.4 mn → 9.1 mn
- 20% CAGR (FY19 – FY23)

**Revenue**
- ₹17.3 bn → ₹34.3 bn
- 19% CAGR (FY19 – FY23)

**Profit After Tax**
- ₹4.9 bn → ₹11.2 bn
- 23% CAGR (FY19 – FY23)

**Return on Equity**
- 42%
- For FY23

**Client Acquisition**
- 0.5 mn → 1.6 mn
- 38% CAGR (FY19 – FY23)

**NPS Score\(^3\)**
- 20.8% → 42.7%

**Dividend**
- ₹9.4 → ₹19.0
- Over 50% Consistent Payout

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**Sustained Financial Performance and Shareholding Returns**

- India’s trusted brand for financial services from the house of ICICI
- Business in Transformation: E-Broker to Wealth-tech Platform
- One of the Largest Wealth Franchise in the country
- Meaningful market share across segments
- Leading and Established Institutional Franchise
- Responsible Franchise committed to purposeful ESG Agenda

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1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023 and Mar, 31 2019
2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023 and Mar, 31 2019
3. For Q4 FY19 and Q4 FY23
### ISEC Franchise: Meaningful market share across segments

<table>
<thead>
<tr>
<th>Segment</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail equity</td>
<td>12.2%</td>
</tr>
<tr>
<td>Leadership position in MTF</td>
<td>22.2%</td>
</tr>
<tr>
<td>Retail derivative</td>
<td>3.6%</td>
</tr>
<tr>
<td>Commodity</td>
<td>7.2%</td>
</tr>
<tr>
<td>Sovereign Gold Bond</td>
<td>9.5%</td>
</tr>
<tr>
<td>NSE Active</td>
<td>6.6%</td>
</tr>
<tr>
<td>Incremental Demat Account</td>
<td>3.5%</td>
</tr>
<tr>
<td>Mutual Fund AUM</td>
<td>1.7%</td>
</tr>
<tr>
<td>SIP</td>
<td>2.9%</td>
</tr>
<tr>
<td>ETF Market Share</td>
<td>12.2%*</td>
</tr>
</tbody>
</table>

*As of Q4FY23

As of Q1FY24
**ISEC Franchise: Customer Assets**

**Consistent increase in Total Assets over long term**

<table>
<thead>
<tr>
<th>Year</th>
<th>Assets (in ₹ tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY-19</td>
<td>2.4</td>
</tr>
<tr>
<td>FY-20</td>
<td>2.1</td>
</tr>
<tr>
<td>FY-21</td>
<td>3.8</td>
</tr>
<tr>
<td>FY-22</td>
<td>5.6</td>
</tr>
<tr>
<td>FY-23</td>
<td>5.9</td>
</tr>
</tbody>
</table>

**Leading wealth manager in the country with steady increase in Wealth AUM**

<table>
<thead>
<tr>
<th>Year</th>
<th>Assets (in ₹ tn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY-19</td>
<td>1.0</td>
</tr>
<tr>
<td>FY-20</td>
<td>0.8</td>
</tr>
<tr>
<td>FY-21</td>
<td>1.7</td>
</tr>
<tr>
<td>FY-22</td>
<td>2.9</td>
</tr>
<tr>
<td>FY-23</td>
<td>3.2</td>
</tr>
</tbody>
</table>

**ISEC PMS Scaling Up**

<table>
<thead>
<tr>
<th>Year</th>
<th>Assets (in ₹ bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY-20</td>
<td>1.1</td>
</tr>
<tr>
<td>FY-21</td>
<td>2.2</td>
</tr>
<tr>
<td>FY-22</td>
<td>7.2</td>
</tr>
<tr>
<td>FY-23</td>
<td>14.0</td>
</tr>
</tbody>
</table>

**Growing MF Assets demonstrating strong distribution franchise**

<table>
<thead>
<tr>
<th>Year</th>
<th>Assets (in ₹ bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY-19</td>
<td>358</td>
</tr>
<tr>
<td>FY-20</td>
<td>387</td>
</tr>
<tr>
<td>FY-21</td>
<td>394</td>
</tr>
<tr>
<td>FY-22</td>
<td>532</td>
</tr>
<tr>
<td>FY-23</td>
<td>585</td>
</tr>
</tbody>
</table>

**₹ 5.9 trillion Client Assets**

1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding
2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023
3. AUM including direct

PMS was launched in FY20
ISEC Franchise: Growth in Earnings

Stable revenue despite multiple headwinds

(in ₹ Bn)

<table>
<thead>
<tr>
<th>FY-19</th>
<th>FY-20</th>
<th>FY-21</th>
<th>FY-22</th>
<th>FY-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.3</td>
<td>17.3</td>
<td>25.9</td>
<td>34.4</td>
<td>34.3</td>
</tr>
</tbody>
</table>

Decline in PAT as company is investing in key areas to harness future opportunity

(in ₹ Bn)

<table>
<thead>
<tr>
<th>FY-19</th>
<th>FY-20</th>
<th>FY-21</th>
<th>FY-22</th>
<th>FY-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.9</td>
<td>5.4</td>
<td>10.7</td>
<td>13.8</td>
<td>11.2</td>
</tr>
</tbody>
</table>

Cost / Net Income

<table>
<thead>
<tr>
<th>FY-19</th>
<th>FY-20</th>
<th>FY-21</th>
<th>FY-22</th>
<th>FY-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>54%</td>
<td>53%</td>
<td>39%</td>
<td>38%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Consistent Dividend Payout of > 50%

<table>
<thead>
<tr>
<th>FY-19</th>
<th>FY-20</th>
<th>FY-21</th>
<th>FY-22</th>
<th>FY-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>62%</td>
<td>65%</td>
<td>65%</td>
<td>56%</td>
<td>55%</td>
</tr>
</tbody>
</table>

*Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses

Due to substantial scale up of our MTF book, we have transitioned to Cost/Net Income as per industry standards and accordingly have also disclosed NIMs on MTF book. For earlier disclosure, you can refer our disclosure excel.
## ISEC Franchise: Consistently performing wealth segment

### AUM

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>INR Tn</td>
<td>0.8</td>
<td>1.7</td>
<td>2.9</td>
<td>3.2</td>
</tr>
<tr>
<td>INR Bn</td>
<td>0.7</td>
<td>1.4</td>
<td>2.5</td>
<td>2.8</td>
</tr>
</tbody>
</table>

- **Recurring**
- **Transactional**

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>INR Bn</td>
<td>2.6</td>
<td>4.5</td>
<td>9.2</td>
<td>10.1</td>
</tr>
<tr>
<td>Recurring</td>
<td>1.1</td>
<td>2.3</td>
<td>5.2</td>
<td>6.5</td>
</tr>
<tr>
<td>Transactional</td>
<td>1.5</td>
<td>2.2</td>
<td>3.0</td>
<td>3.6</td>
</tr>
</tbody>
</table>

### Yield

- **Recurring Yield Avg**
- **Tnx Yield Avg**
- **Blended Yield Avg**

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield</td>
<td>0.81%</td>
<td>0.98%</td>
<td>1.55%</td>
<td>1.61%</td>
</tr>
<tr>
<td>Recurring Yield Avg</td>
<td>0.15%</td>
<td>0.22%</td>
<td>0.21%</td>
<td>0.14%</td>
</tr>
<tr>
<td>Tnx Yield Avg</td>
<td>0.28%</td>
<td>0.36%</td>
<td>0.41%</td>
<td>0.33%</td>
</tr>
<tr>
<td>Blended Yield Avg</td>
<td>0.33%</td>
<td>0.21%</td>
<td>0.41%</td>
<td>0.15%</td>
</tr>
</tbody>
</table>

### Cost / Net Income

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield</td>
<td>63%</td>
<td>45%</td>
<td>32%</td>
<td>39%</td>
</tr>
</tbody>
</table>

*Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses*
Leading Institutional Franchise

ISSUER ADVISORY AND SERVICES

Advised on over 140+ transactions since April 2020

- IPO/FPO
  - 56 Issues
  - ~INR 1.837 Bn
- M&A & Private Equity
  - 12 Transactions
  - ~INR 1.136 Bn
- Rights Issue & Structured Finance
  - 15 Issue
  - ~INR 840 Bn
- QIPs/OFS/Pref.
  - 37 Issues
  - ~INR 1,055 Bn
- Open Offer/Buyback/Delisting
  - 14 Transactions
  - ~INR 388 Bn
- Block Transactions
  - 12 Blocks
  - ~INR 92 Bn

INSTITUTIONAL BROKING HOUSE

RESEARCH & STRATEGY
- 30+ sectors: 89 of top 100 cos covered
- Large team: 30+ professionals

SALES
- Bandwidth across US, EU/UK, APAC & India
- 12 member team catering to 200+ DII's & 150+ FPIs

TRADING
- Services across Cash, Derivatives, DMA
- Chinese wall between DMA & Cash
- Among the leaders in market share for DII's & FPI's

CORPORATE ACCESS
- CXO level reach with 500+ corporates
- Yearly conferences in APAC, US
- Flagship Bengaluru Day, Financials, ESG & sectorial conferences in India

Leading Investment Bank
- IPOs, FPOs, REITs & InVITs
- Transactions worth INR ~5.3 Tn
- Part of every 2nd IPO launched

Experienced Deal Team
- Strong sector team with experience across sectors
- Strong deal pipeline across advisory and IPO

Strong Research & Institutional Reach
- Institutional Investor reach through Sales & Research team

Source: Prime Database
Strategy Update: Progress vis-à-vis aspiration

Pivoted from a product centric approach to a more focused customer centric approach

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2023</th>
<th>2025 Aspirations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>₹3.8 Tn</td>
<td>₹5.9 tn</td>
<td>₹10 tn</td>
</tr>
<tr>
<td>Cost / Net Income *</td>
<td>39%</td>
<td>45%</td>
<td>&lt;35%</td>
</tr>
<tr>
<td>Diversification</td>
<td>Texturized equity and augmented non equity</td>
<td>Broking revenue &lt; 40% Allied revenue &gt; 20% Distribution revenue &gt; 20%</td>
<td></td>
</tr>
<tr>
<td>Customer Acquisition</td>
<td>5%</td>
<td>7%</td>
<td>&gt;10% mkt share</td>
</tr>
</tbody>
</table>

On track on our journey to build a Diversified Financial Market Place

* Net Cost / Net Income: Cost = (Employee benefit expenses + operating expense + Depreciation, amortization and impairment + Other expenses + Impairment on financial instruments), Net Income = Gross Revenue – Finance Cost – Fees & Commission Expenses
Responsible Franchise committed to a purposeful ESG Agenda

- Executive level ESG Forum comprising of cross functional heads.
- Enhanced ESG disclosure in our ESG and BRSR Reports.

**BUSINESS ETHICS & GOVERNANCE**

- Segregation of Board and Executive Management
- 50% independent directors on board, 100% independent directors in audit committee
- Imbibing strong ethical culture in the organization through comprehensive policies on Code of Conduct and Business Ethics, AML, POSH amongst others

**DATA PROTECTION**

- Information Security Management Policy and Cyber Security & Cyber Resilience Policy in place to protect against cyber-attacks, threats & vulnerabilities
- Personal Data Protection Standard to increase employee awareness of data protection, acceptable data handling practices

**POSITIVE IMPACT CSR & SUSTAINABLE DEVELOPMENT**

- Sustainable livelihood
- Health Care Services
- Contribution to Incubators for support to Startups and R&D
- Towards a more inclusive society
- Environmental conservation

**HUMAN CAPITAL**

- Human rights policy
- Diversity, Equity and Inclusion Policy
- Training, Development and Mentoring

Committed to creating a meaningful and positive impact.
ESG Snapshot

ENVIRONMENTAL FOOTPRINT
- Target to reduce energy consumption by 20%, Paper Consumption by 35% & Travel by 35% over FY25 over FY19 baseline
- Total of Scope 1, 2 & 3 emission reduced by 49% over FY19 baseline
- Gold Certification from the US Green Building Council for our new Prabhadevi location

CORPORATE SOCIAL RESPONSIBILITY
- 2 Lac + Lives impacted
- 22 R&D start-ups incubated
- 5,00,000 litre drinking water treated daily
- 15,000 saplings planted across 30 villages
- National CSR Award in Financial Services Sector - ‘9th Edition Global Safety Summit Awards partnered by Forbes India & UN Global Compact network India

HUMAN CAPITAL
- 4705 permanent employees
- 28% females in new hires
- Average training hours increased by 46% YoY to 60 per employee/annum
- Articulated formal value proposition ‘PLEDGE’ for employees

RESPONSIBLE INVESTMENT
- Integrated ESG risks when making proprietary investments
  - Refrain from investing into certain sensitive sectors
- Sustainable development of Financial and Capital markets through ESG based MF offering
Awards and Recognitions

Best private bank - India
Finance Asia Country Awards, 2022

Best IPO & Best QIP
The Asset Triple A Country Awards for Sustainable Finance 2022

ETBFSI.com Excellence Award for ‘Best initiative in Technology Orientation for ICICIdirect Markets app

MCX Leading Bank Broker Award
FY2021-22

Elets NBFC100 Leader Excellence Award – Most Innovative Technology Project for Markets App

Asia Money 2022 - Best Analysts for Metals and Mining, Telecom, and Utilities

Euromoney Market Leader Award – 2022 for Highly Regarded Market Leader for Investment Banking in India – 2022

‘Digital Wealth Manager of the year-India’ By ‘The Asset Triple A Digital Awards 2022’

‘National CSR Award in Financial Services Sector’ By ‘Global Safety Summit Awards’

1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding
2. Yield generated on all the assets of our clients (assets include their holding value across all product categories e.g. demat holding of equity shares, home loan, FD, mutual fund, PMS etc.)
Eminent and Experienced Board

- 9 eminent professionals as Directors with varied backgrounds, pioneers in respective fields
- Well structured performance evaluation process for its Directors including MD & CEO
- 5 Mandatory Committees and 14 Non-mandatory Committees with specialized functions including Risk Management Committee & CSR Committee
## P&L summary: Consolidated

<table>
<thead>
<tr>
<th></th>
<th>Q1-FY2023</th>
<th>Q4-FY2023</th>
<th>Q1-FY2024</th>
<th>% Y-o-Y</th>
<th>% Q-o-Q</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>7,948</td>
<td>8,852</td>
<td>9,344</td>
<td>18%</td>
<td>6%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>640</td>
<td>840</td>
<td>729</td>
<td>14%</td>
<td>(13%)</td>
</tr>
<tr>
<td>Employee costs</td>
<td>1,750</td>
<td>1,614</td>
<td>2,012</td>
<td>15%</td>
<td>25%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>883</td>
<td>1119</td>
<td>1,114</td>
<td>26%</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Total operational expenses</strong></td>
<td>3,274</td>
<td>3,573</td>
<td>3,855</td>
<td>18%</td>
<td>8%</td>
</tr>
<tr>
<td>Finance Cost</td>
<td>1004</td>
<td>1,747</td>
<td>1,846</td>
<td>84%</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>4,277</td>
<td>5,320</td>
<td>5,701</td>
<td>33%</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>3,670</td>
<td>3,532</td>
<td>3,644</td>
<td>(1%)</td>
<td>3%</td>
</tr>
<tr>
<td>Tax</td>
<td>934</td>
<td>905</td>
<td>935</td>
<td>-</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Profit after tax</strong></td>
<td>2,736</td>
<td>2,627</td>
<td>2,709</td>
<td>(1%)</td>
<td>3%</td>
</tr>
<tr>
<td>Other Comprehensive Income (OCI)</td>
<td>(59)</td>
<td>7</td>
<td>(51)</td>
<td>(14%)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Comprehensive Income (TCI)</strong></td>
<td>2,677</td>
<td>2,634</td>
<td>2,658</td>
<td>(1%)</td>
<td>1%</td>
</tr>
</tbody>
</table>

Period: Q-o-Q: Q1-FY2024 vs Q4-FY2023; Y-o-Y: Q1-FY2024 vs Q1-FY2023
## Balance sheet: Assets

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>At Mar 31, 2023</th>
<th>At Jun 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assets (A)</strong></td>
<td>1,50,278</td>
<td>1,62,638</td>
</tr>
<tr>
<td>Cash/Bank and cash equivalents</td>
<td>67,908</td>
<td>80,938</td>
</tr>
<tr>
<td>Securities for trade &amp; Derivatives financial instrument</td>
<td>9,163</td>
<td>3,445</td>
</tr>
<tr>
<td>Receivables</td>
<td>7,734</td>
<td>5,795</td>
</tr>
<tr>
<td>Loans</td>
<td>64,199</td>
<td>70,999</td>
</tr>
<tr>
<td>Investments</td>
<td>77</td>
<td>79</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,197</td>
<td>1,382</td>
</tr>
<tr>
<td><strong>Non-financial assets (B)</strong></td>
<td>5,410</td>
<td>5,793</td>
</tr>
<tr>
<td>Deferred tax assets (net)</td>
<td>374</td>
<td>378</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td>969</td>
<td>1,043</td>
</tr>
<tr>
<td>Fixed assets, CWIP &amp; Intangible assets</td>
<td>1,917</td>
<td>2,263</td>
</tr>
<tr>
<td>Current tax assets &amp; other non financial assets</td>
<td>2,150</td>
<td>2,109</td>
</tr>
<tr>
<td><strong>Assets (A+B)</strong></td>
<td>1,55,688</td>
<td>1,68,431</td>
</tr>
</tbody>
</table>
## Balance sheet: Equity and Liabilities

<table>
<thead>
<tr>
<th>EQUITY AND LIABILITIES</th>
<th>At Mar 31, 2023</th>
<th>At Jun 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities (A)</td>
<td>1,21,471</td>
<td>1,32,032</td>
</tr>
<tr>
<td>Payables</td>
<td>9,148</td>
<td>8,760</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Debt securities</td>
<td>87,887</td>
<td>98,630</td>
</tr>
<tr>
<td>Borrowings (Other than debt securities)</td>
<td>5039</td>
<td>2,120</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>1,083</td>
<td>1,157</td>
</tr>
<tr>
<td>Deposits &amp; Other financial liabilities</td>
<td>18,314</td>
<td>21,364</td>
</tr>
<tr>
<td>Non-financial liabilities (B)</td>
<td>5,692</td>
<td>5,076</td>
</tr>
<tr>
<td>Equity (C)</td>
<td>28,525</td>
<td>31,323</td>
</tr>
<tr>
<td>Equity share capital</td>
<td>1,614</td>
<td>1,615</td>
</tr>
<tr>
<td>Other equity</td>
<td>26,911</td>
<td>29,708</td>
</tr>
<tr>
<td><strong>Equity and Liabilities (A+B+C)</strong></td>
<td>1,55,688</td>
<td>1,68,431</td>
</tr>
</tbody>
</table>
Thank You