



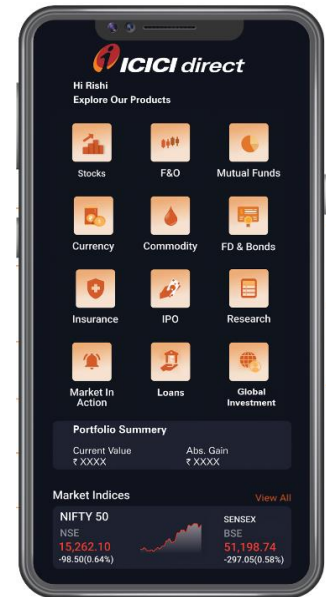
Performance update

Q3-FY2024

January 16, 2024

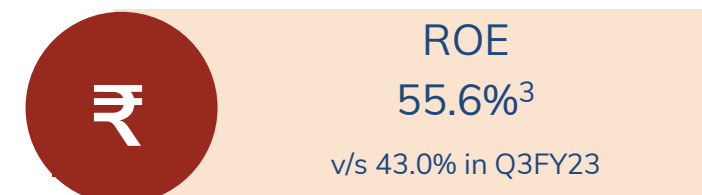
Agenda

- ISEC Quarterly Update
- Appendix
 - Quarterly Business Performance
 - ISEC Franchise



Anchoring Your World
of Finance **DIGITALLY**

Q3FY24 Performance Snapshot



1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on December,31 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 December, 31 2023
3. For Q3 FY24

Q3FY24 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



Q3FY24 Performance

Revenue growth across business segments

Equity Business

- Equity revenue grew by 63% YoY, contributing 25% of total revenue
- Market share gains continued during the quarter

Derivative Business

- Derivative revenue grew by 24% YoY, contributes 10% of total revenue
- Improvement in underlying parameters of orders, clients and lots

Distribution Business

- Distribution revenue grew by 5% YoY, contributes 13% of total revenue
- MF and other distribution revenue grew by 14% YoY and 16% YoY respectively
- Distributed loans worth ₹ 21.7 Bn in Q3FY24, up 116% YoY

Allied Revenue

- Allied revenue grew by 36% YoY, contributes 29% of total revenue
- Average MTF book grew by 56% YoY as we maintained our leadership position



Q3FY24 Performance: Market Share

Gained/ Held Market share in most revenue generating parameters

	Q3FY23	Q3FY24
Retail Cash Market Share	10.5%	13.1*%
Retail Derivative Market Share [#]	3.8%	3.4%
Retail Option Premium Market Share	7.5%	8.0%
Commodity Market Share ¹	5.6%	7.5%
Mutual Fund AUM Market Share	1.7%	1.7%

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



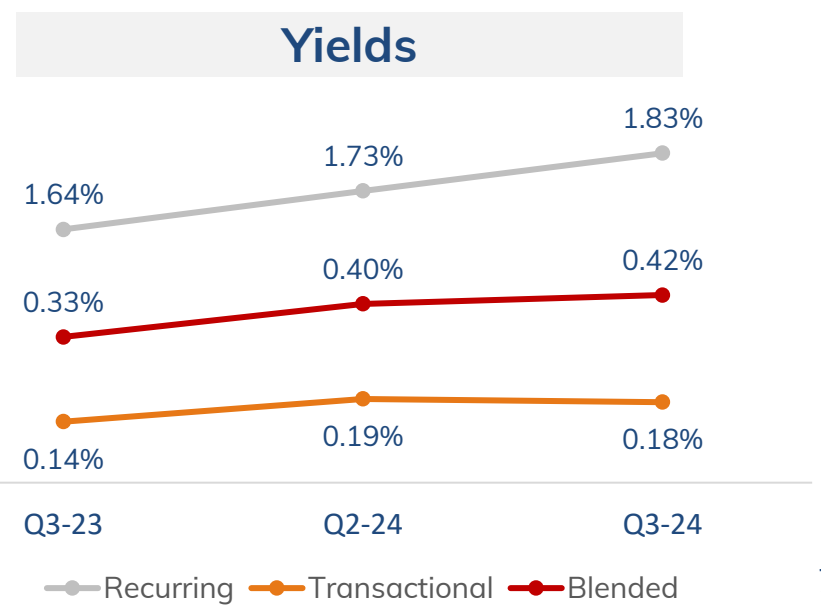
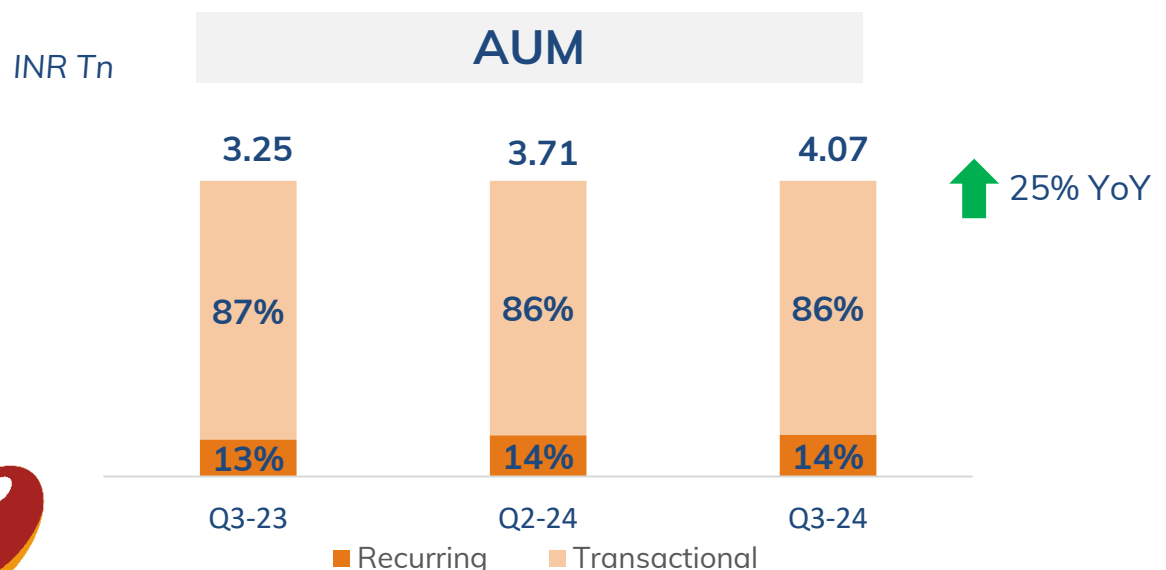
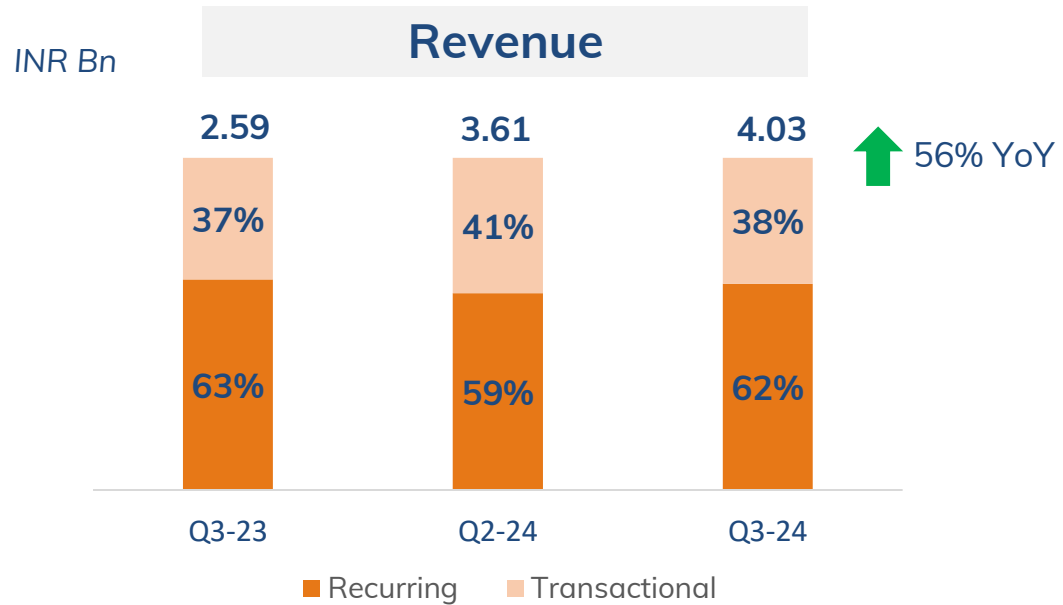
**Based on the revised disclosures by NSE for retail individual category in the equity segment from April'23. The market share so computed is therefore not comparable with the market share for Q3FY23 computed using earlier disclosures for others category*

¹ Excluding FII, DII and Proprietary

[#] includes others

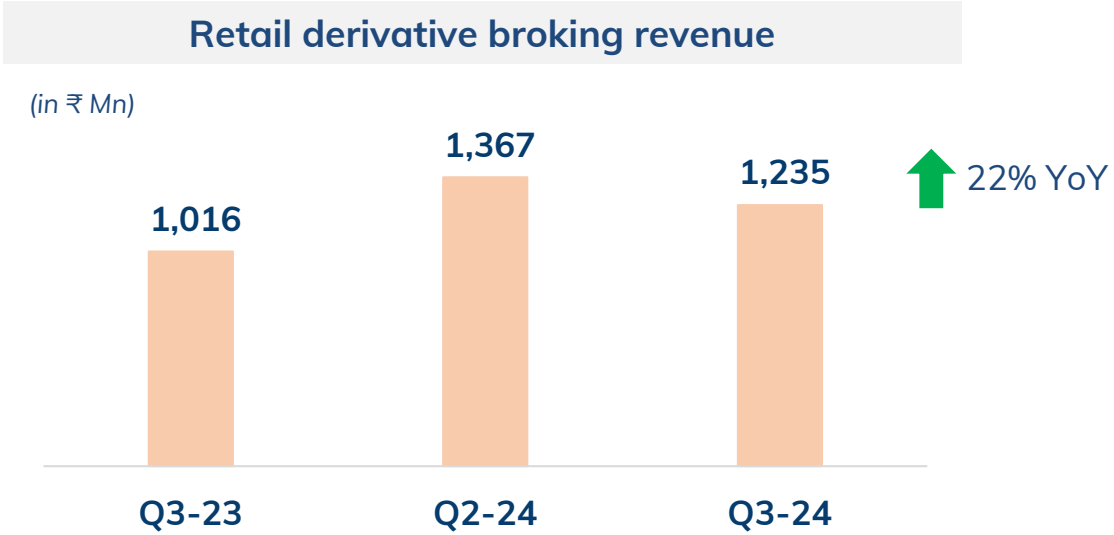
Q3FY24 Performance: Wealth Management

- Total clients crossed 1,00,000; adding ~10,000 clients during the quarter
- Total AUM at ~ ₹ 4.1 tn, grew 25% on YoY and 10% on QoQ basis
- Total Revenue at ~ ₹ 4.0 bn, grew 56% on YoY and 12% on QoQ basis
- Cost/Net Income at 44% in Q3FY24, v/s 40% in Q3FY23



* 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

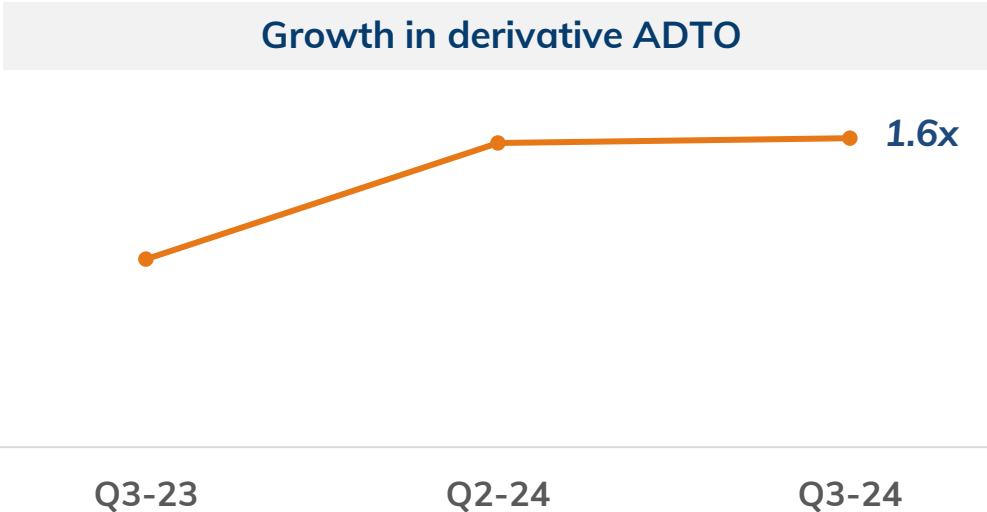
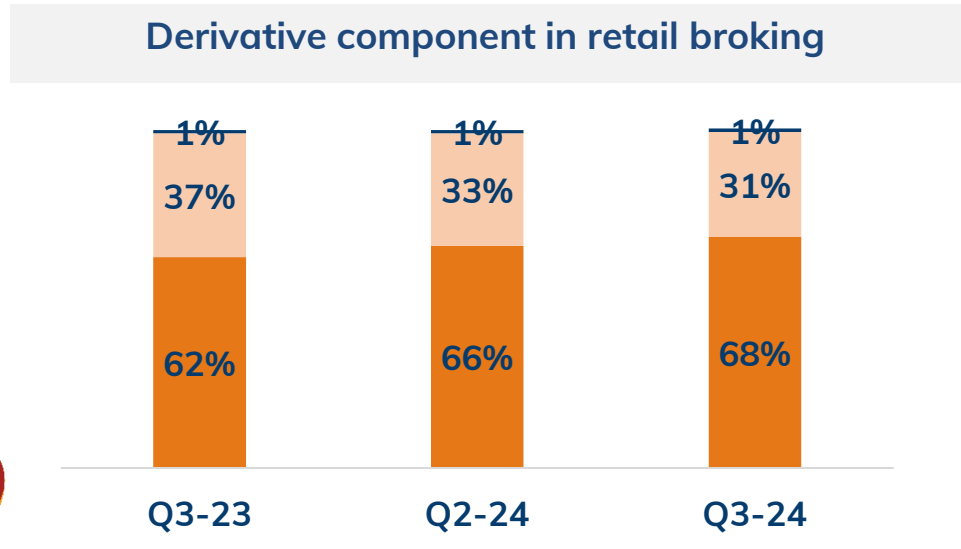
Q3FY24 Performance: Derivatives



In Q3FY24, the underlying parameters continued growth momentum with;

- F&O orders grew by 27% YoY
- F&O lots grew by 95% YoY
- F&O customers grew by 19% YoY

The sequential decline in revenue can be attributed to lower number of trading days and yield contraction

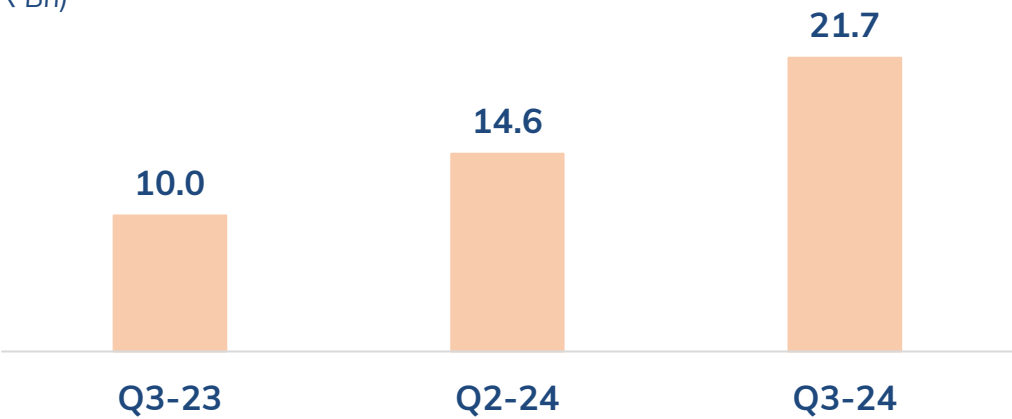


*Others include Commodity and Currency

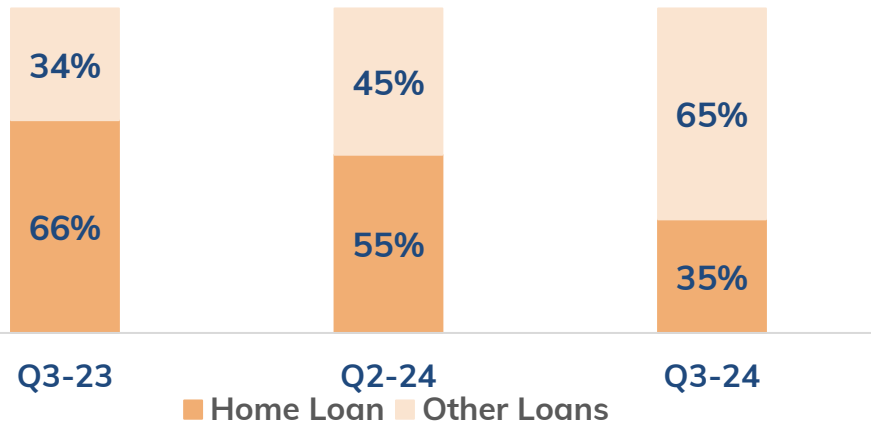
Q3FY24 Performance: Loans

Consistent growth in total loans distributed

(in ₹ Bn)



Increasing proportion of other loans



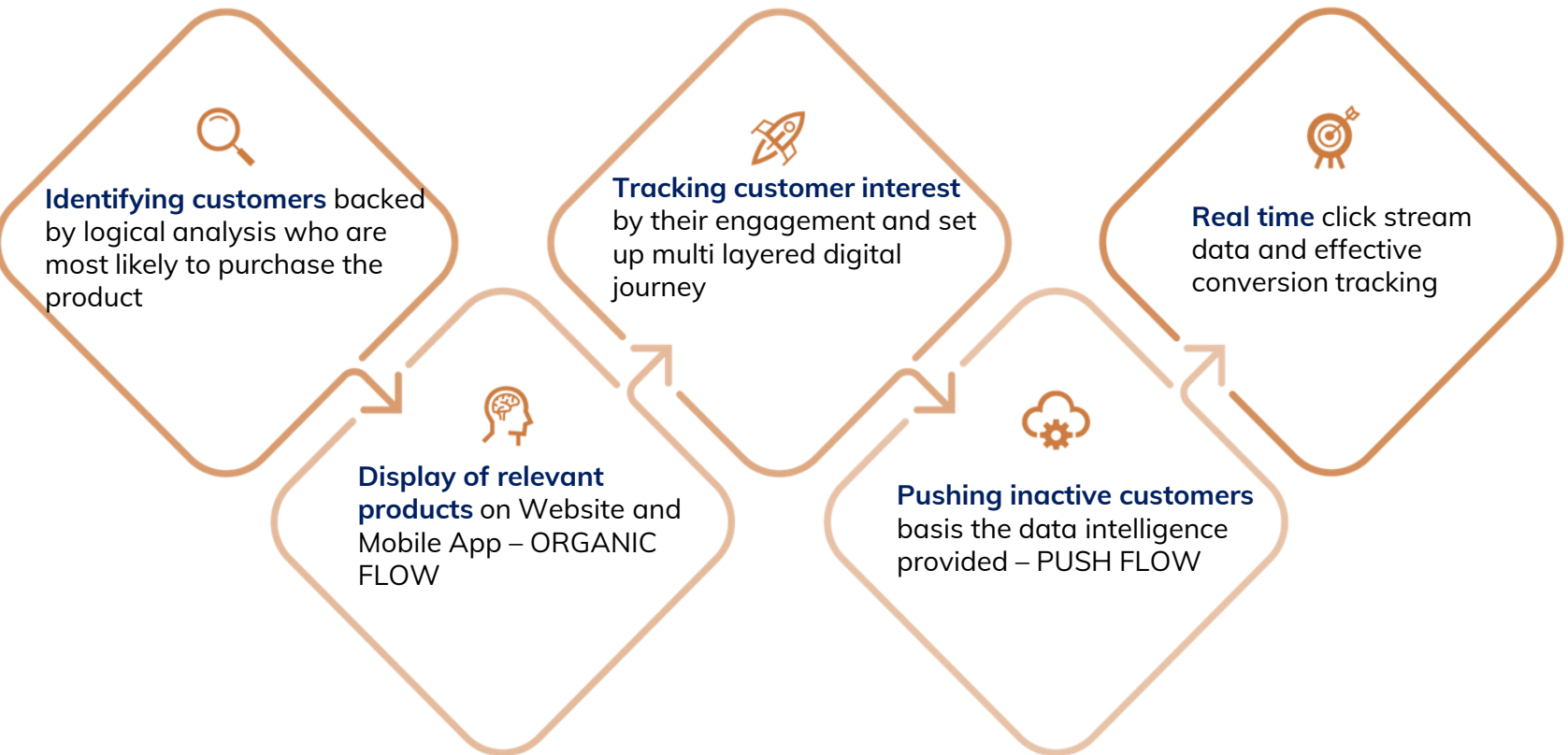
- Loans worth ₹ 21.7 Bn distributed in Q3FY24, up 116% YoY

PILLARS OF GROWTH

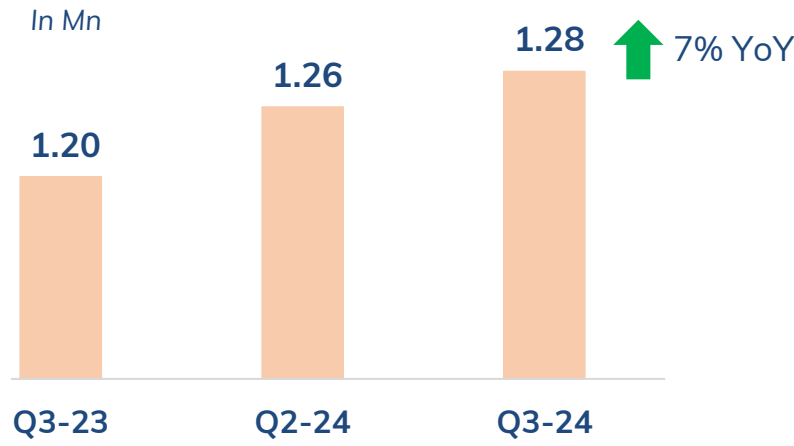
- Multiple loan offerings with partnerships
 - Home loan
 - Personal Loan
 - Loans against Securities
 - Credit Cards, etc.
- Existing customer base of 9 Mn+ customers
- Digitization and decongestion of processes
- Targeted offering through data analytics

Q3FY24 Performance: Personalisation

Synergy between analytics data model and engagement

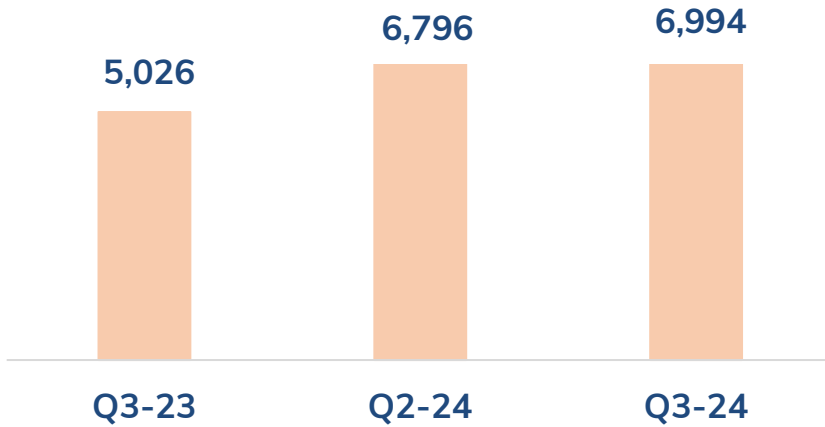


Improving cross sell demonstrated from increasing number of client with 2 or more products, leading to revenue diversification

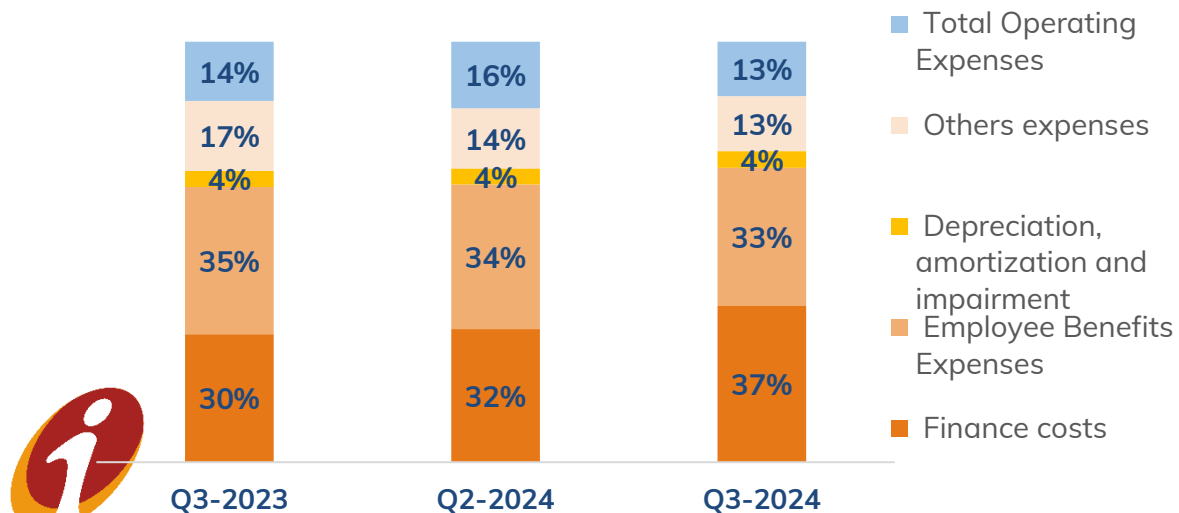


Q3FY24 Performance: Cost

Total Cost (₹ Mn)



Increasing Proportion of Finance Cost

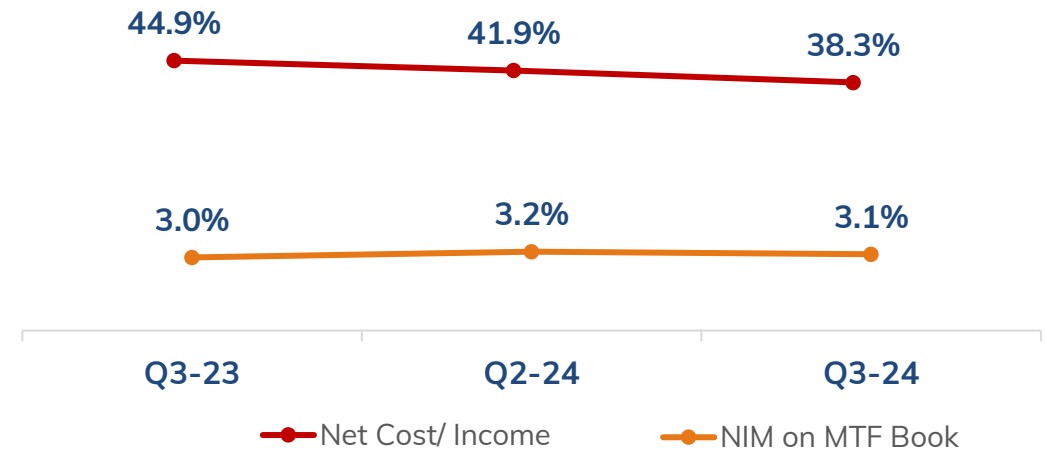


On Cost,

- We saw decline in our net cost to income for the quarter as it was down to 38% in Q3FY24
- We continue to spend on franchise enhancing technology to harness growth opportunities

On NIMs, we continue to witness stability, at 3.1% for Q3FY24

Net Cost/ Income and MTF Book NIM



* 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

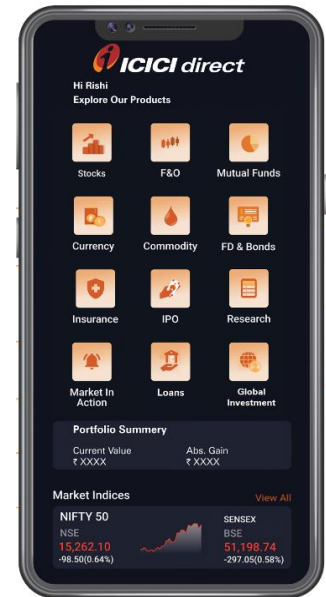
Growing consistently as a franchise with...

- Revenue growth across key business segments
- Focus on acquisition of quality clients to improve stickiness
- Market share improvement in revenue generating parameters across segments
- Continued diversification of product width
- Focusing on enhancing customer experience and personalization of products
- Investment in franchise enhancing technology to harness growth opportunities



Agenda

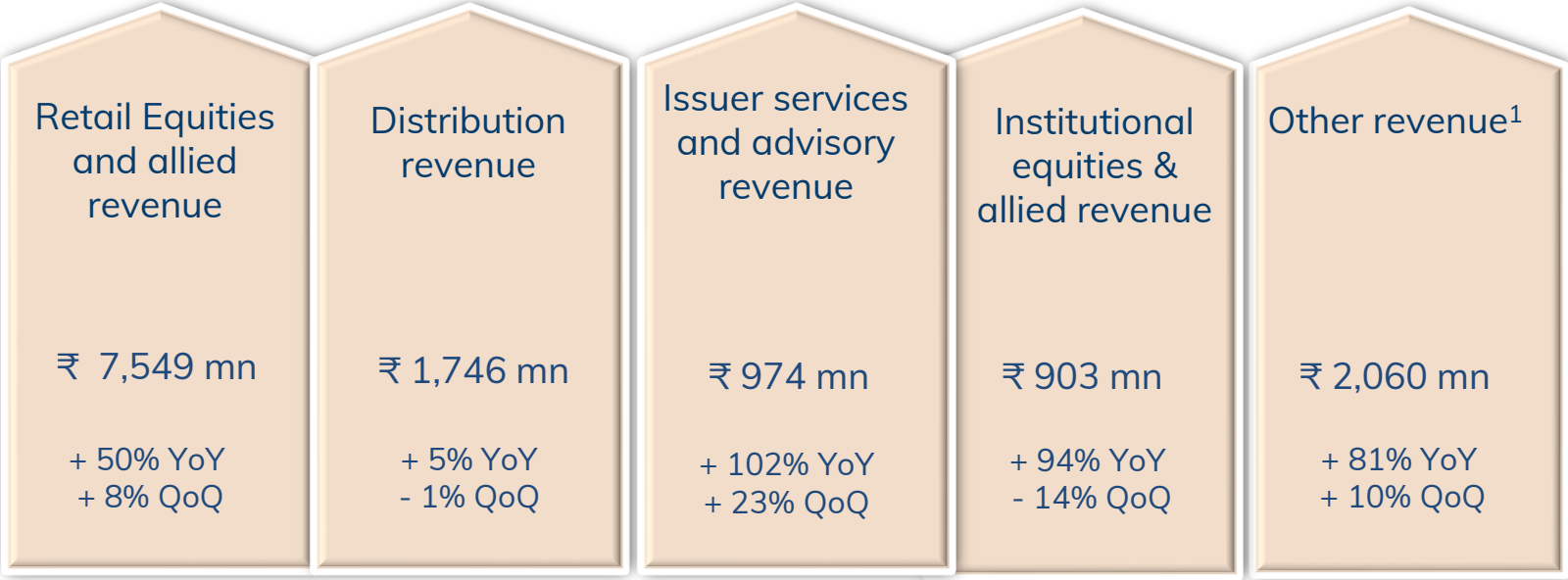
- ISEC Quarterly Update
- Appendix
 - Quarterly Business Performance
 - ISEC Franchise



Anchoring Your World
of Finance **DIGITALLY**

Q3FY24 Business Performance

Business segment wise Revenue Breakup



Private Wealth Management

₹ 4,034 mn + 56% YoY
+ 12% QoQ

- Revenue grew 50% YoY and 6% QoQ at ₹ 13,233 mn led by growth in broking income in the cash segment and growth in Investment banking segment
- Retail equities & allied revenue grew 50% YoY and 8% QoQ due to increase in cash volumes and growth in equity allied business
- Issuer services and advisory income grew by 102% YoY and 23% QoQ
- PAT grew 66% YoY and 10% QoQ at 4,657 mn

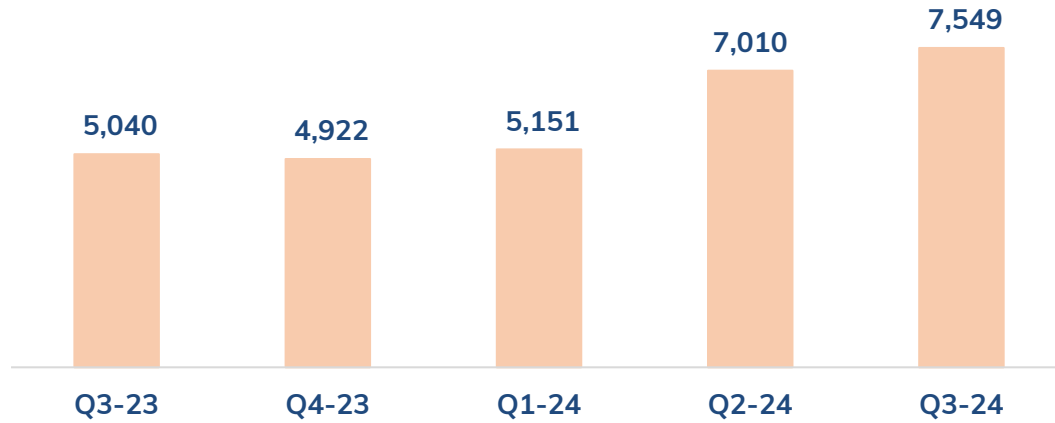


YoY: Q3-FY2024 vs Q3-FY2023; QoQ: Q3-FY2024 vs Q2-FY2024
 1. Includes Investment & trading, interest revenue from FDs as margin with exchanges and other revenue

Q3FY24 Business Performance : Retail Equities Business

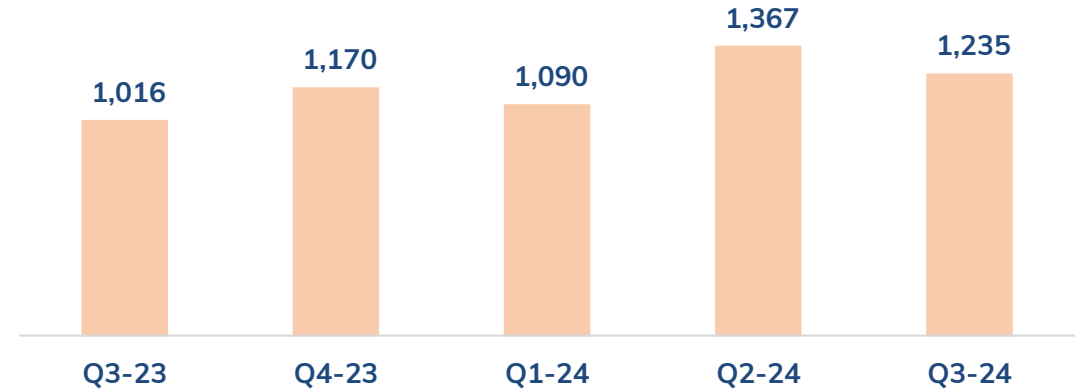
(in ₹ Mn)

Increasing Retail equities and allied Revenue grew by 50% YoY

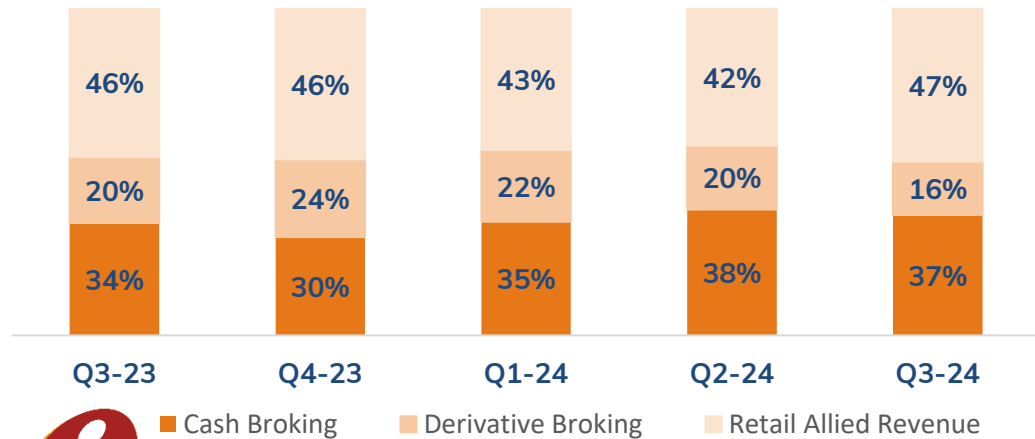


Derivative broking revenue grew by 22% YoY

(in ₹ Mn)

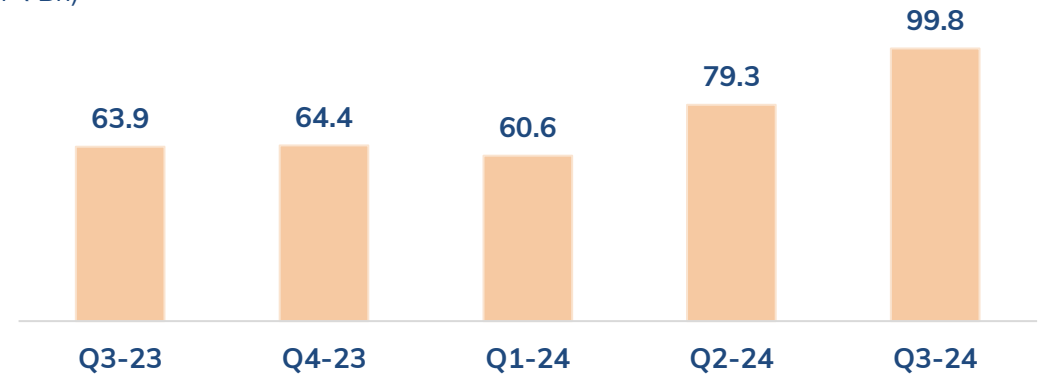


Diversification in Equity Revenue with reducing component of cyclical component, i.e. cash broking



MTF book grew 56% YoY; leader with market share at ~22%

(in ₹ Bn)

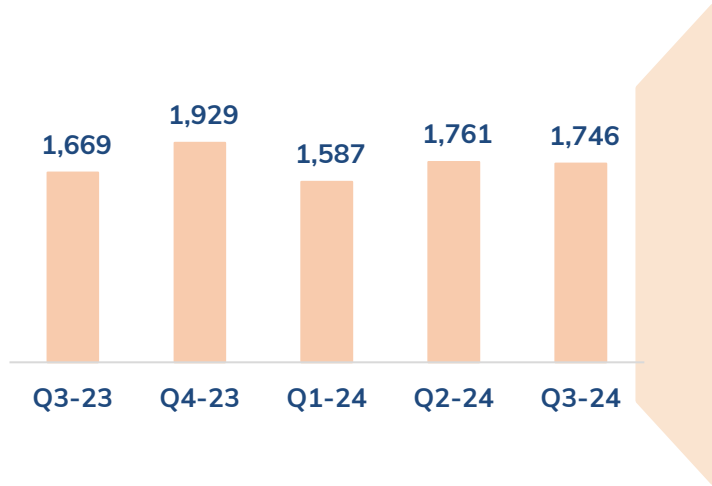


■ Cash Broking
 ■ Derivative Broking
 ■ Retail Allied Revenue

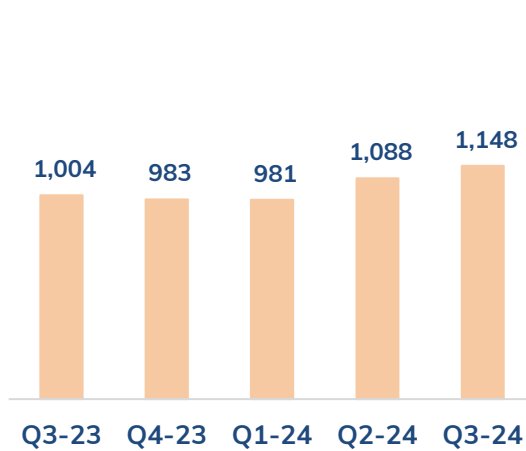
Continued focus on Texturization to reduce proportion of cyclical components

Q3FY24 Business Performance: Distribution Business

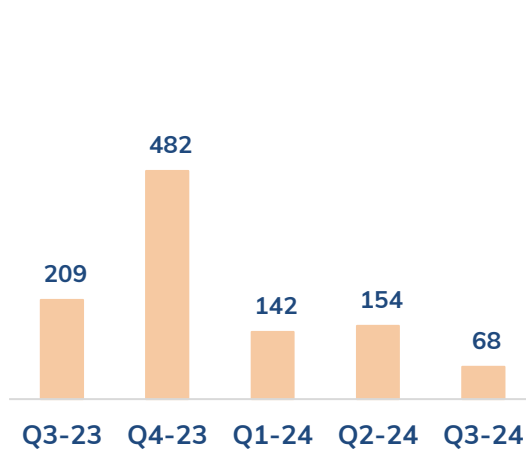
Distribution Revenue (in ₹ Mn)



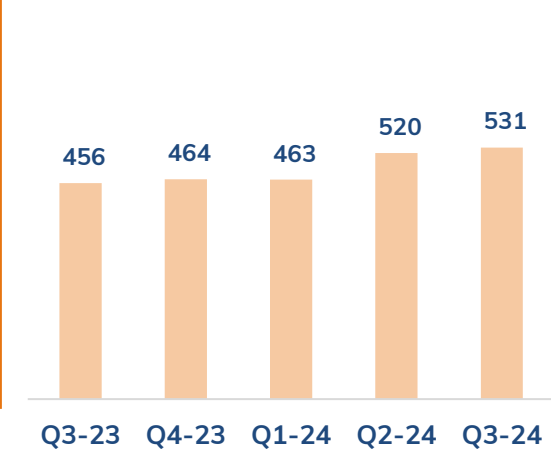
Mutual Fund (in ₹ Mn)



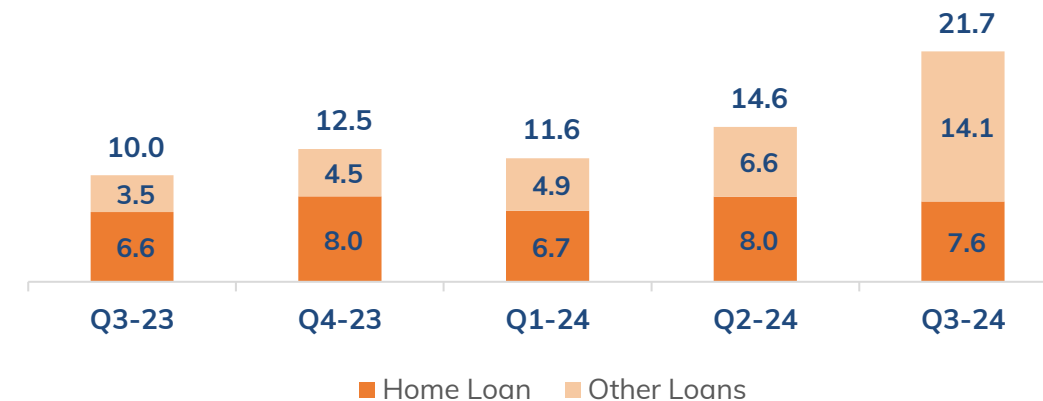
Life Insurance (in ₹ Mn)



Other Distribution (in ₹ Mn)



Scaling up of Loans Disbursement (in ₹ Bn)



- Distribution revenue at ₹ 1,746 mn, up 5% YoY led by the increasing Mutual fund distribution revenue
- MF AUM and SIP market share stood at 1.7% and 2.9% in Q3FY24

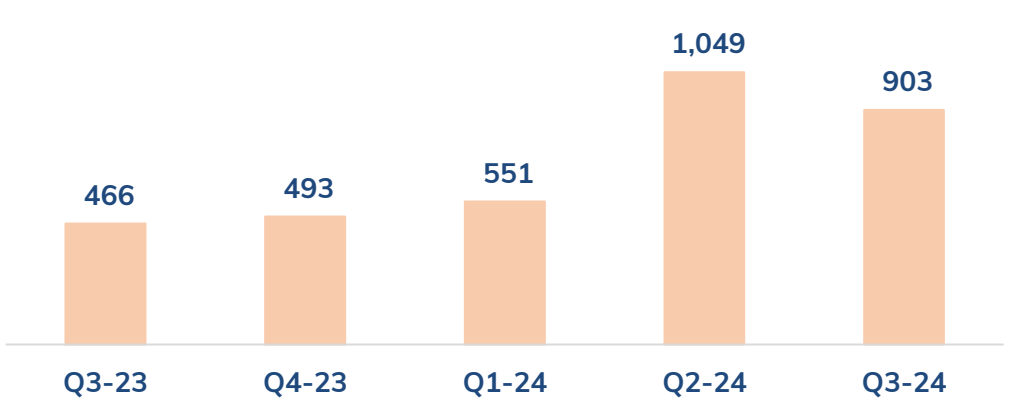


Q3FY24 Business Performance : Institutional Business

Institutional equities revenue was up 94% YoY

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

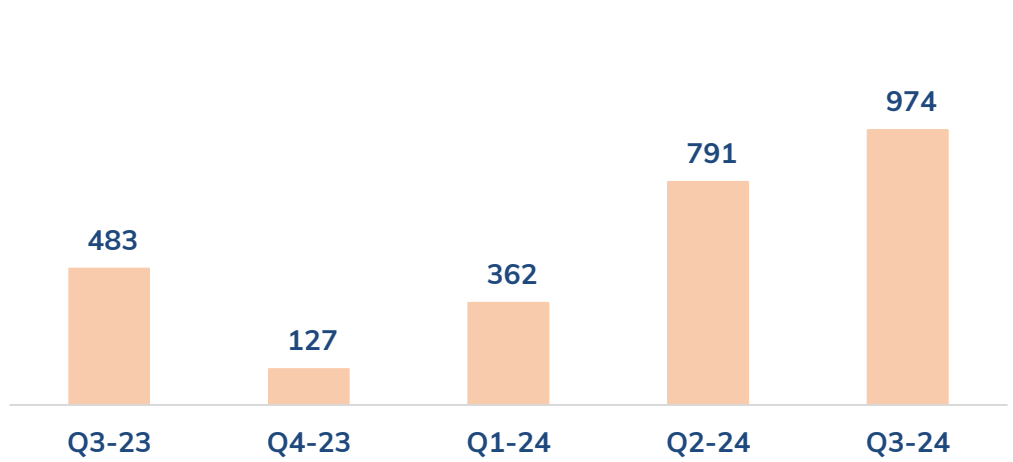
Institutional equities and allied Revenue (in ₹ Mn)



Issuer Services & Advisory revenue was up 102% YoY

- YoY growth in revenue generation due to increasing deals
- Strong IPO¹ pipeline, 39 deals amounting over ₹ 614 bn; in addition mandate of 11 deals where amount is yet to be decided
- Continued focus on building non-IPO revenue

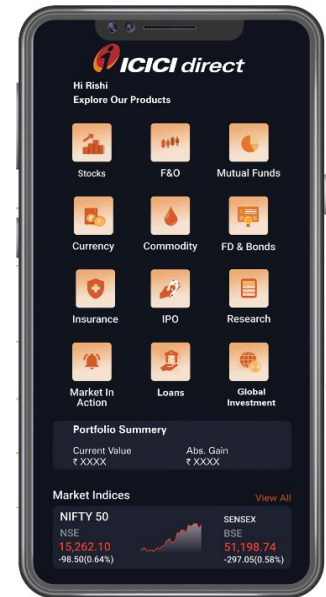
Issuer services and advisory (in ₹ Mn)



¹ IPO:IPO/FPO/InvIT/REIT

Agenda

- ISEC Quarterly Update
- Appendix
 - Quarterly Business Performance
 - **ISEC Franchise**



Anchoring Your World
of Finance **DIGITALLY**

ISEC Franchise: Pivots of Transformation

E-Broker Inception – FY19

Strategy

Product Focused Approach

Diversified Customer Base

Dependent on ICICI Bank for customer sourcing

Increased Product Offerings

Significantly dependent on Retail and Institutional Equity

Technology, Analytics & Culture

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 tn¹ → ₹5.9 tn¹
25% CAGR (FY19 – FY23)

Wealth Client Assets
₹1 tn² → ₹3.2 tn²
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
0.5mn → 1.6 mn
38% CAGR (FY19 – FY23)

NPS Score³
20.8% → 42.7%

Dividend
₹9.4 → ₹19.0
Over 50% Consistent Payout

- 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

Sustained Financial Performance and Shareholding Returns



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

13.1%

Retail equity

21.7%

Leadership position in MTF

3.4%

Retail derivative

7.5¹%

Commodity

9.1%

Sovereign Gold Bond

5.3%

NSE Active

2.3%

Incremental Demat Account

1.7%

Mutual Fund AUM

2.9%

SIP

16.8%*

ETF Market Share

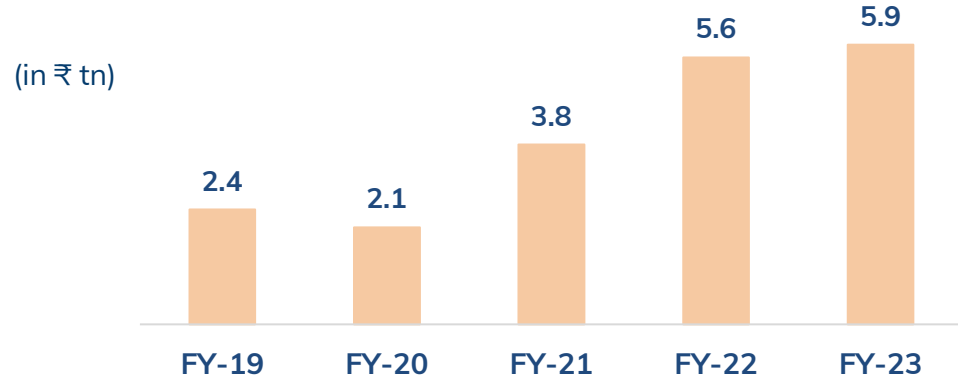
As of Q3FY24

¹ Excluding FII, DII and Prop

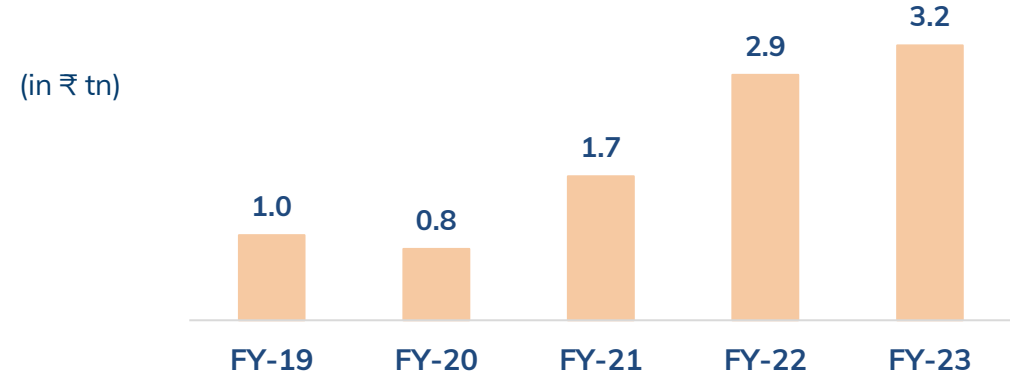
* As of Q2FY24

ISEC Franchise: Customer Assets

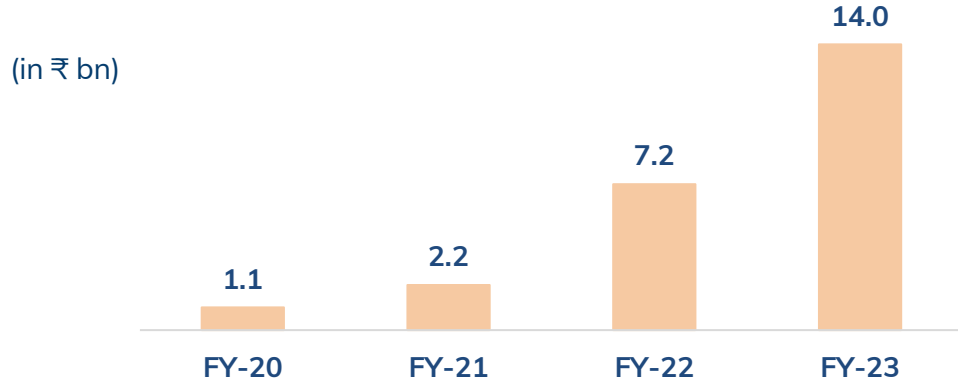
Consistent increase in Total Assets over long term ¹



Leading wealth manager in the country with steady increase in Wealth AUM²

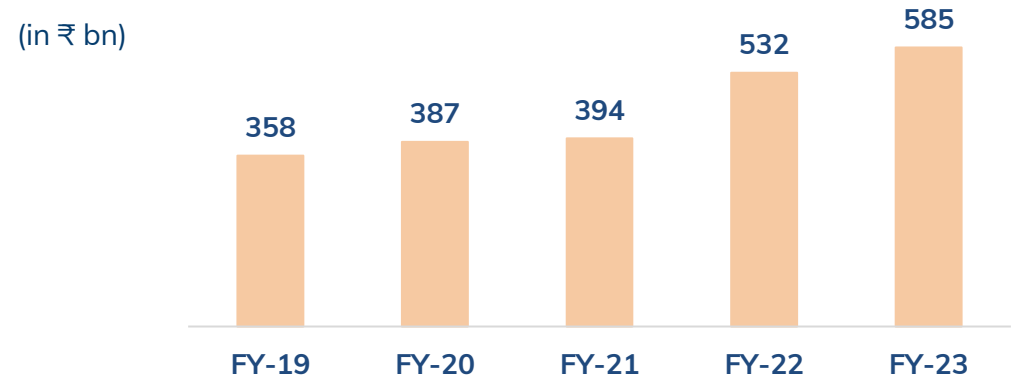


ISEC PMS Scaling Up



PMS was launched in FY20

Growing MF Assets demonstrating strong distribution franchise³

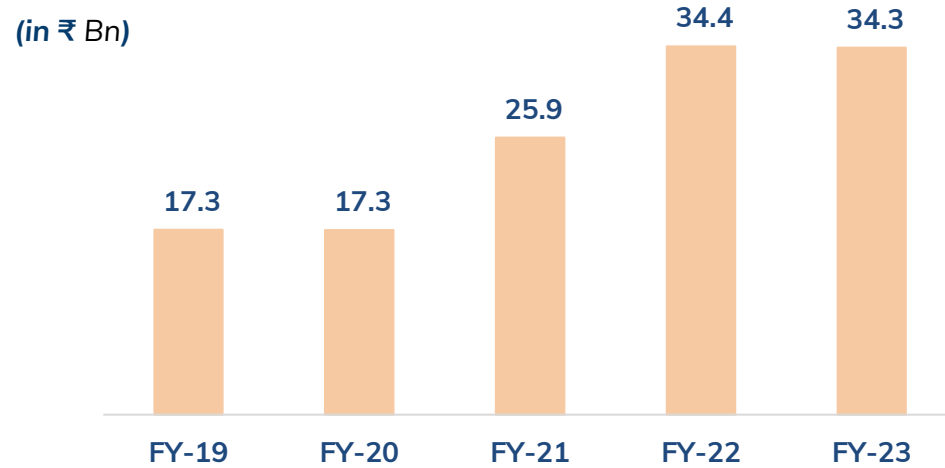


₹ 5.9 trillion Client Assets

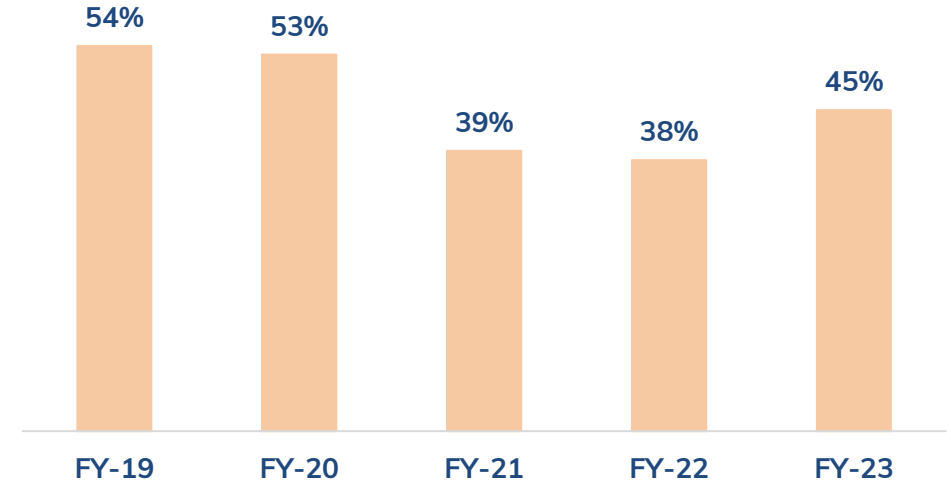
1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding
2. Assets of our clients with more than INR 10 mn AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar, 31 2023
3. AUM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

ISEC Franchise: Growth in Earnings

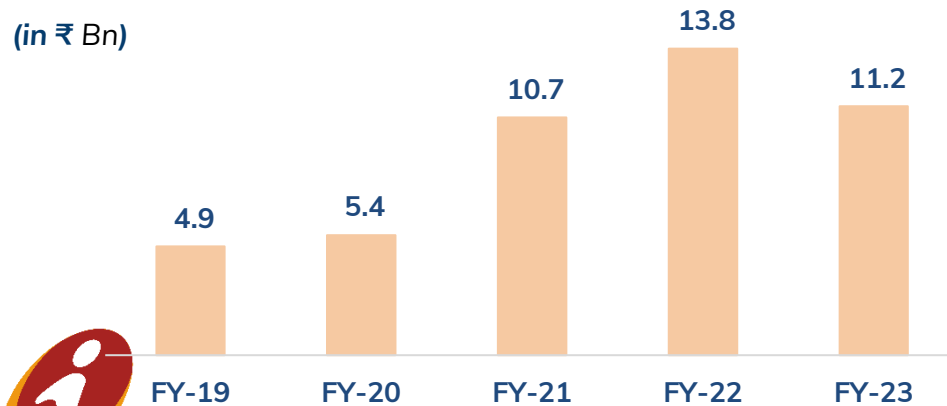
Stable revenue despite multiple headwinds



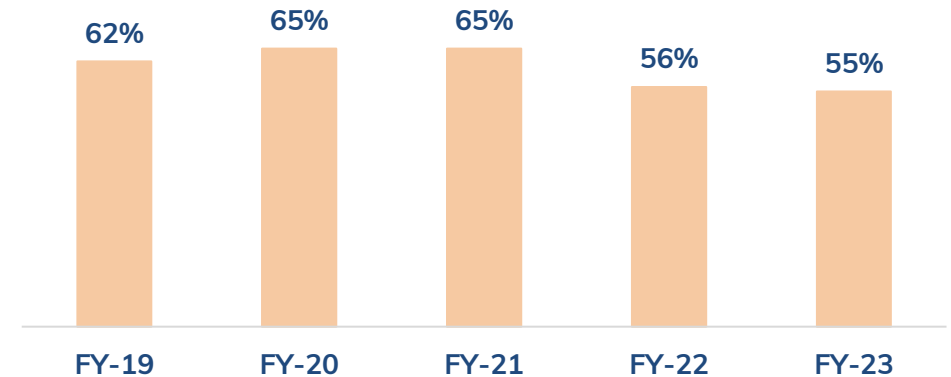
Cost / Net Income



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



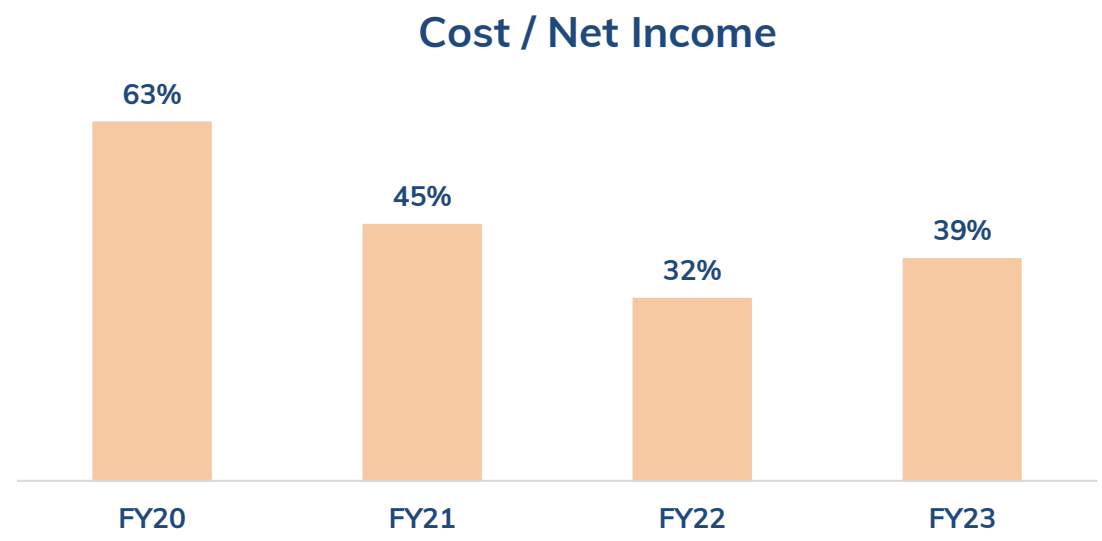
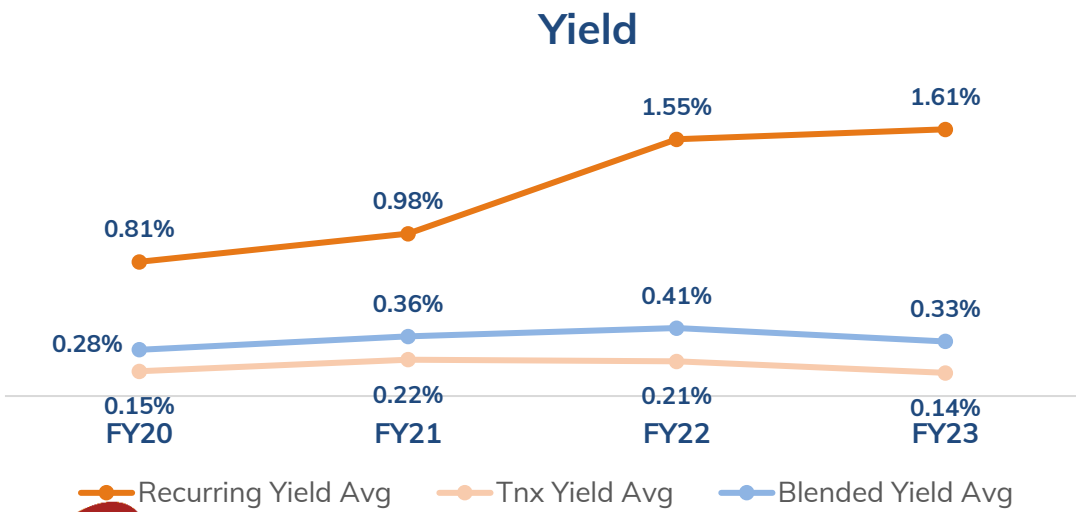
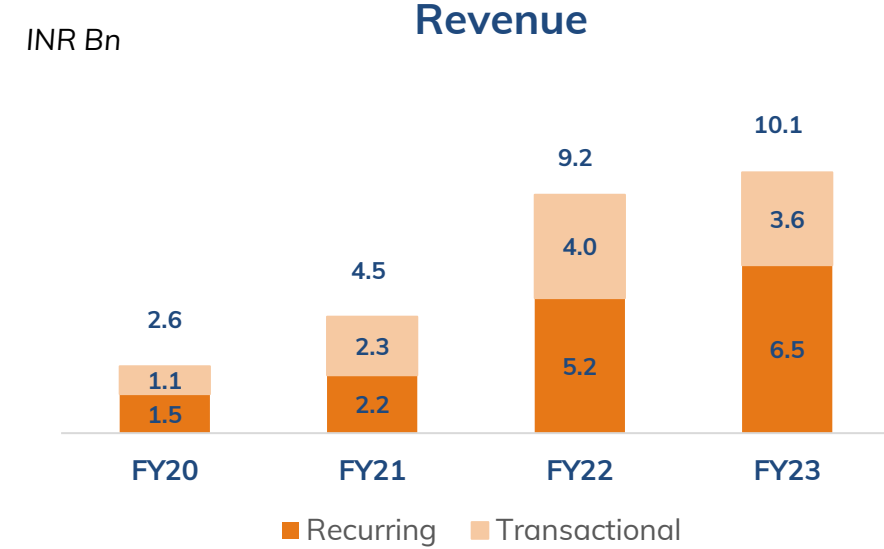
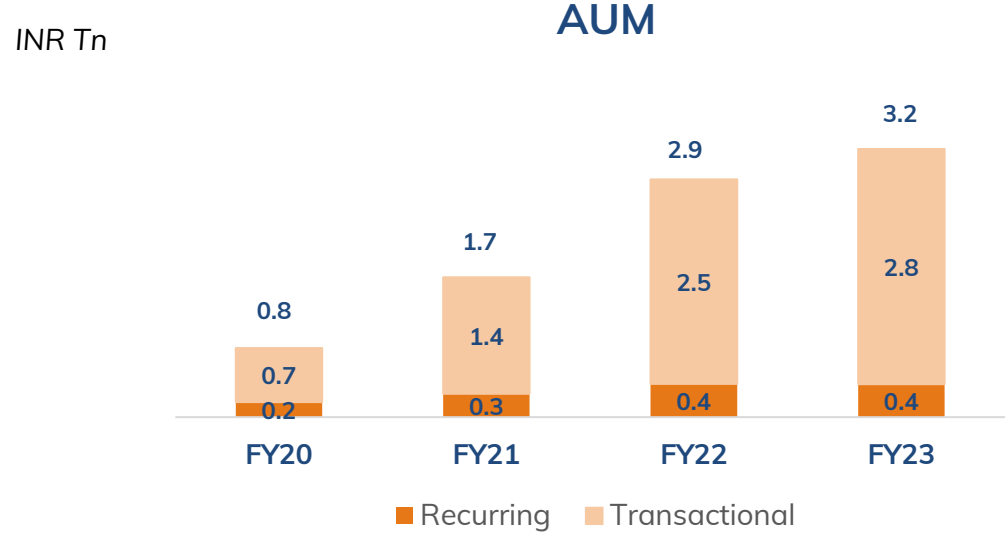
Consistent Dividend Payout of > 50%



*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



*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

Leading Investment Bank

- IPOs, FPOs, REITs & InVITs
- Transactions worth INR ~5.6 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



First Indian Lead Manager to Top Equity Table



Source: Prime Database



Best Private Bank in India 2022

ASIAMONEY
Best Securities House in India for three consecutive years

Largest M&A Deal Maker in 2020 & 2021

Advised on over 161+ transactions since April 2020

IPO/FPO REIT/InVIT 76 Issues ~ INR 2,055,029 Mn	M&A & Private Equity 14 Transactions ~ INR 1,150,030 Mn
Rights Issue & Structured Finance 19 Issue ~ INR 862,534 Mn	QIPs/OFS/ Pref. 50 Issues ~ INR 1,265,653 Mn
Open Offer/ Buyback/ Delisting 14 Transactions ~ INR 388,226 Mn	Block Transactions 20+ Blocks ~ INR 2,00,000 Mn

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+ FPI's

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

Strategy Update: Progress vis-à-vis aspiration

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

	2021	2023	2025 Aspirations
Assets	₹3.8 Tn	₹5.9 tn	₹10 tn
Cost / Net Income *	39%	45%	<35%
Diversification	Texturized equity and augmented non equity	Broking revenue < 40% Allied revenue > 20% Distribution revenue > 20%	3/4 categories contributing significantly to revenue streams
Customer Acquisition	5%	7%	>10% mkt share



* 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

- Board approved ESG framework articulating our approach of conducting ESG related aspects [\(link\)](#).
- 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 emission reduced by 46% over FY19 baseline
- Gold Certification from the US Green Building Council for our new Prabhadevi location

HUMAN CAPITAL

- 4728 permanent employees
- 27% females in new hires
- Average training hours increased to 61 per employee/annum
- Articulated formal value proposition 'PLEDGE' for employees



CORPORATE SOCIAL RESPONSIBILITY

- 1.2 Lac + Lives impacted
- 10 start-ups supported through CSR activities
- 6.7 lakh litres of drinking water treated daily
- 53 lakh litres of waste water treated for reuse
- Received the 'Golden Peacock Award for Corporate Social Responsibility, in BFSI Sector' for FY2022 by Institute of Directors, India

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



KamiKaze B2B Media 2023
**Employee Happiness Award for Best
Community Impact Initiative**



BFSI Innovation CONFEX & Awards 2023
**Best Digital Integrated Campaign of the
year 2023**



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'

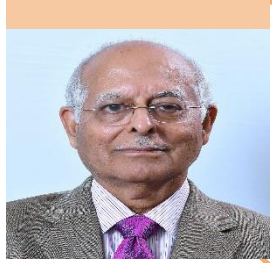


**'Mobexx- Mobile Advertising Excellence in
Integrated Campaign'**



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



Mr. Vinod Kumar Dhall
Chairman
Independent Director



Mr. Ashvin Parekh
Independent Director



Mr. Subrata Mukherjee
Independent Director



Ms. Vijayalakshmi Iyer
Independent Director



Dr. Gopichand Katragadda
Independent Director



Mr. Prasanna Balachander
Non-Executive Director



Mr. Rakesh Jha
Non-Executive Director



Mr. Vijay Chandok
MD & CEO



Mr. Ajay Saraf
Executive Director

- 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

(₹ in mn)

	Q3-FY2023	Q2-FY2024	Q3-FY2024	% Y-o-Y	% Q-o-Q
Revenue	8,799	12,490	13,233	50%	6%
Finance Cost	1,530	2,151	2,607	70%	21%
Net Revenue	7,269	10,339	10,626	46%	3%
Operating Expenses	708	1,074	906	28%	(16%)
Employee benefits expenses	1,757	2,339	2,292	30%	(2%)
Other expenses	1,031	1,233	1,189	15%	(4%)
Total expenses	3,496	4,646	4,387	25%	(6%)
Profit before tax	3,773	5,694	6,239	65%	10%
Tax	964	1,457	1,582	64%	9%
Profit after tax	2,809	4,236	4,657	66%	10%
Other Comprehensive Income (OCI)	14	19	2	(84%)	(88%)
Total Comprehensive Income (TCI)	2,823	4,255	4,659	65%	9%



Period: Y-o-Y: Q3-FY2023 vs Q3-FY2024 ; Q-o-Q: Q2-FY2024 vs Q3-FY2024

Balance sheet: Assets

(₹ in mn)

ASSETS	At Mar 31, 2023	At Dec 31, 2023
Financial assets (A)	1,50,278	2,19,876
Cash/Bank and cash equivalents	67,908	96,423
Securities for trade & Derivatives financial instrument	9,163	2,305
Receivables	7,734	3,123
Loans	64,199	1,14,499
Investments	77	134
Other financial assets	1,197	3,391
Non-financial assets (B)	5,410	6,889
Deferred tax assets (net)	374	331
Right-of-use assets	969	974
Fixed assets, CWIP & Intangible assets	1,917	3,393
Current tax assets & other non financial assets	2,150	2,192
Assets (A+B)	1,55,688	2,26,765



Balance sheet: Equity and Liabilities

(₹ in mn)

EQUITY AND LIABILITIES	At Mar 31, 2023	At Dec 31, 2023
Financial liabilities (A)	1,21,471	1,86,442
Payables	9,148	17,066
Derivative financial instruments	0	0
Debt securities	87,887	1,37,994
Borrowings (Other than debt securities)	5,039	1,021
Lease liabilities	1,083	1,085
Deposits & Other financial liabilities	18,314	29,276
Non-financial liabilities (B)	5,692	6,657
Equity (C)	28,525	33,666
Equity share capital	1,614	1,616
Other equity	26,911	32,050
Equity and Liabilities (A+B+C)	1,55,688	2,26,765





Thank You