

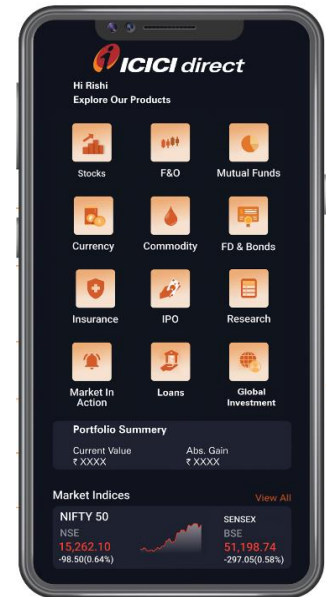
Performance update

Q4-FY2023

April 19, 2023

Agenda

- Quarterly Performance and Strategy Update
- ISEC Franchise
- Appendix



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of Finance **DIGITALLY**

Q4FY23 Performance Snapshot



Total Assets

₹ 5.9 tn¹

+4% YoY / -2% QoQ



NPS Score

42.7%³

v/s 39.5% in Q4-22



Wealth Assets

₹ 3.2 tn²

+13% YoY / -1% QoQ



Revenue

₹ 8,852 mn³

-1% YoY / 1% QoQ



Profit After Tax

₹ 2,627 mn³

-23% YoY / -7% QoQ



Dividend

₹ 19

DPS of ~55%

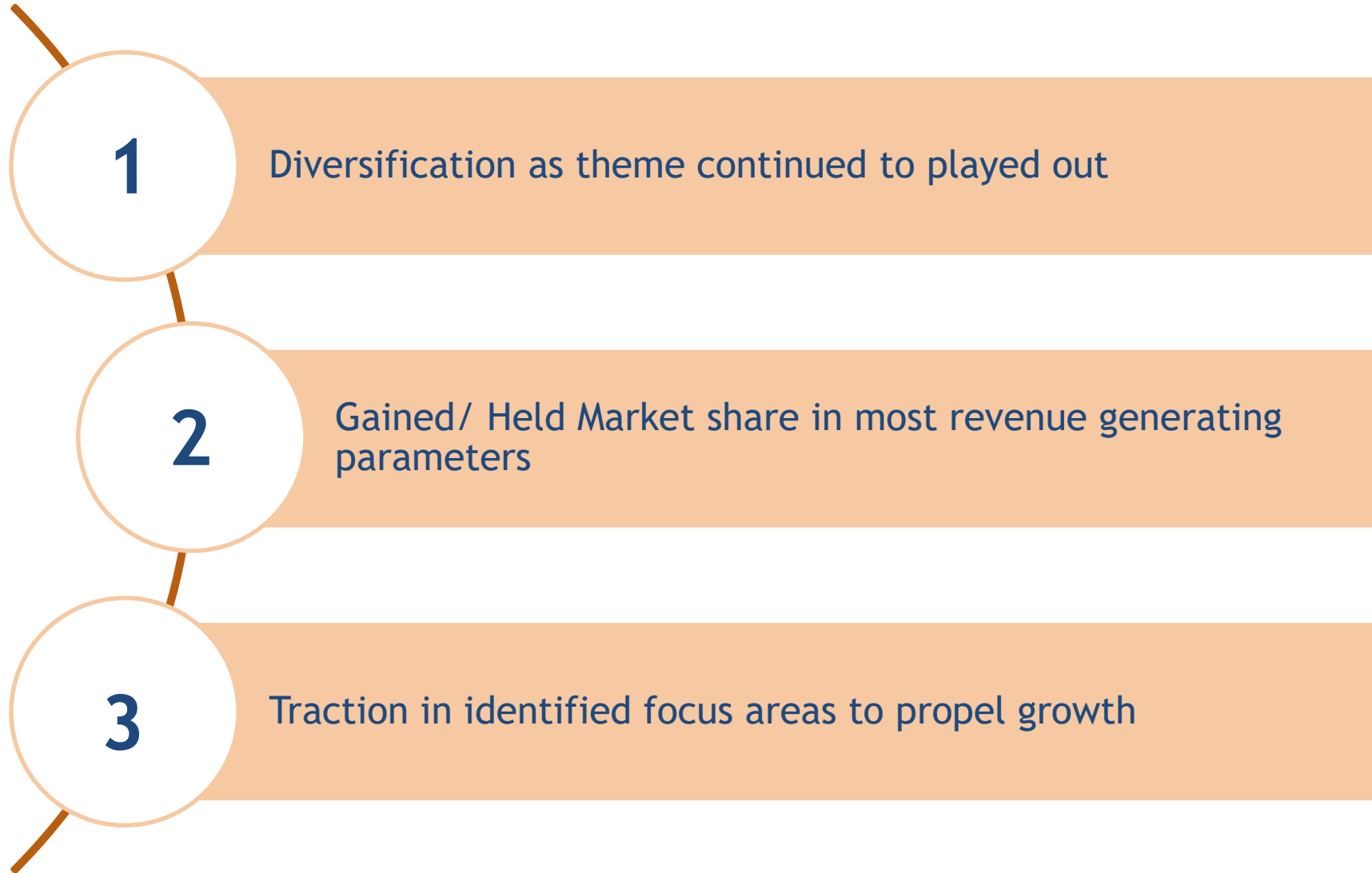


1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Mar,31 2023

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 Mar, 31 2023

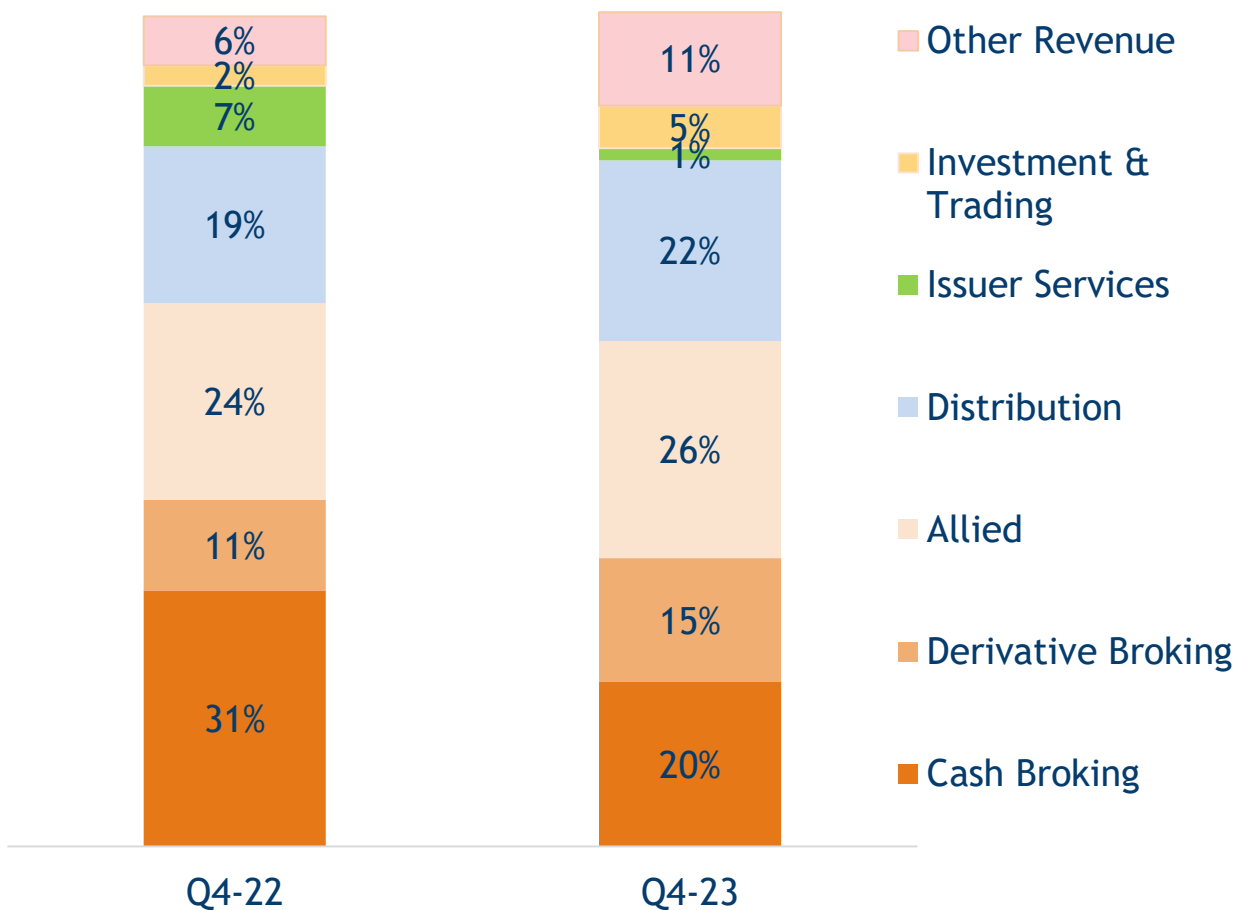
3. For Q4 FY23

Q4FY23 Performance: Key Highlights



Q4FY23 Performance: Diversification

Diversification leading to reduction in cyclicalty as retail revenue grew by 5% YoY



Diversification in revenue led by

- Growth in Distribution Business by 14% YoY
 - Contributes 22% of revenue
 - Life Insurance Revenue increased 85% YoY
 - Scaling up of loans business; distributed loans worth INR 12.5 Bn in Q4FY23, up 88%
 - MF Revenue increased 5% YoY
- Growth in derivative revenue by 37% YoY
 - Revenue increase for 7 consecutive quarters
 - Contributes 15% of revenue
 - Improvement in underlying parameters of orders, clients, ADTO and lots
- Growth in Allied income by 16% YoY
 - Contributes 26% of revenue
 - MTF Book scaled up 12% despite weak sentiments
 - Increase in number of MTF traded customers

Q4FY23 Performance: Market Share

Gained/ Held Market share in most revenue generating parameters

	Q4FY22		Q4FY23
Retail Cash Market Share	10.0%	↑	11.0%
Retail Derivative Market Share	3.3%	↑	3.6%
Commodity Market Share	4.1%	↑	6.1%
Leadership in MTF	22.3%	↑	22.6%
Mutual Fund AUM Market Share	1.7%	↔	1.7%



* As on 31st Mar 2023

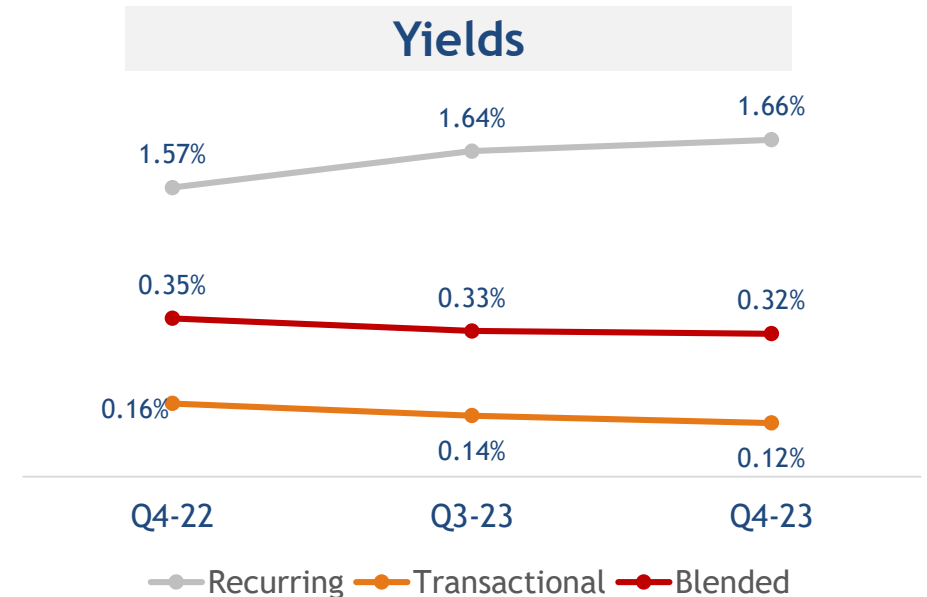
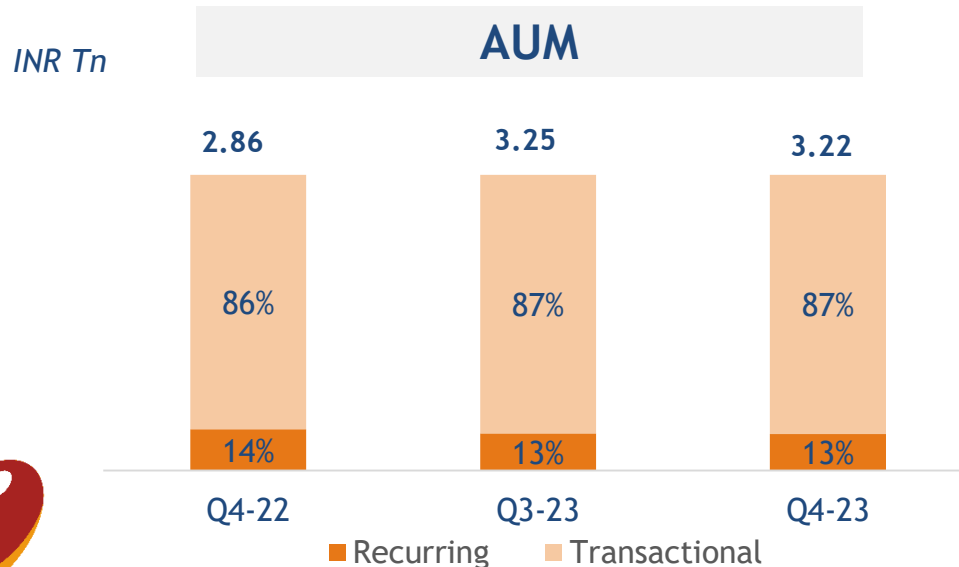
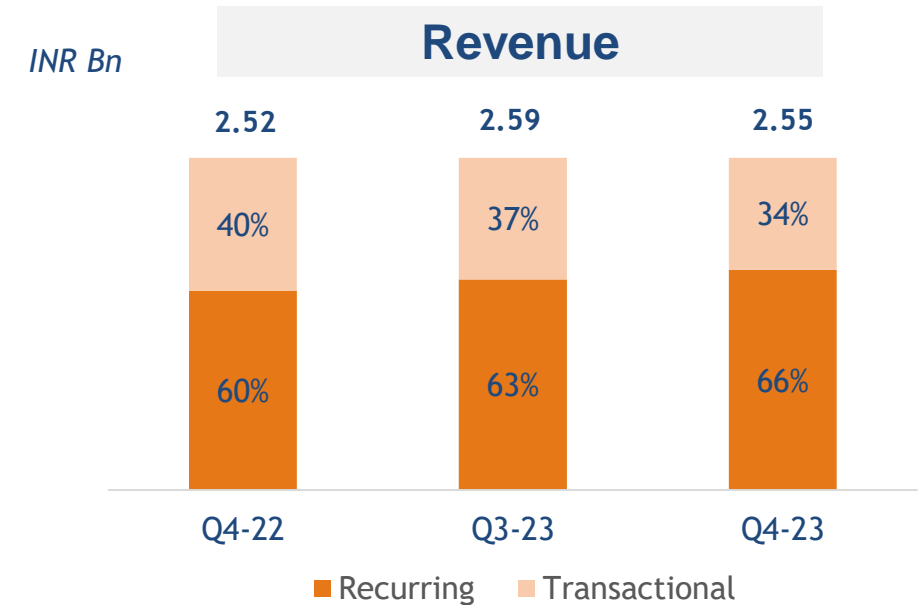
Q4FY23 Performance: Traction in focus areas



Q4FY23 Performance: Traction in focus areas

Wealth Management

- Total clients stands at ~78,000; added ~2,000 clients during the quarter
- Total AUM at ~ ₹ 3.2 tn, grew 13% on YoY basis
- Total Revenue at ~ ₹ 2.55 bn, grew 1% on YoY basis
- Increasing proportion of recurring revenue
- Cost/Net Income at 39%, v/s 33% in Q4FY22



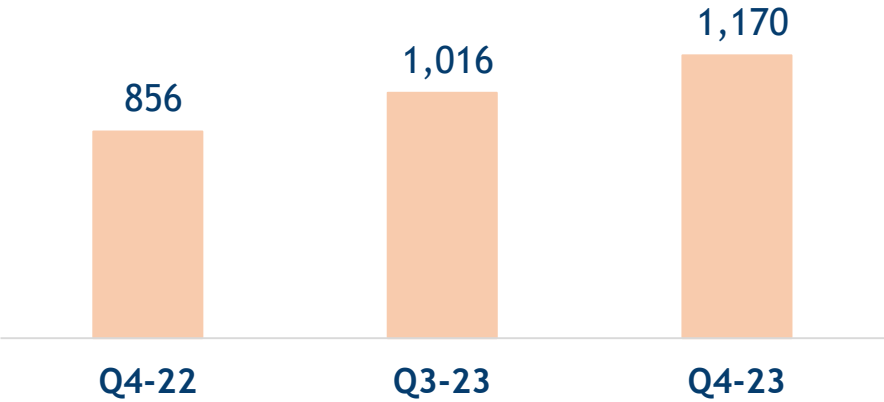
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Q4FY23 Performance: Traction in focus areas

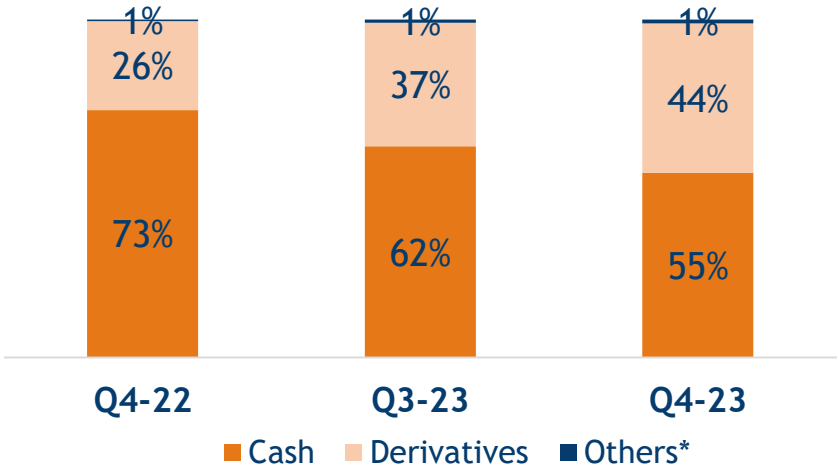
Derivatives

Consistent growth in derivative broking revenue

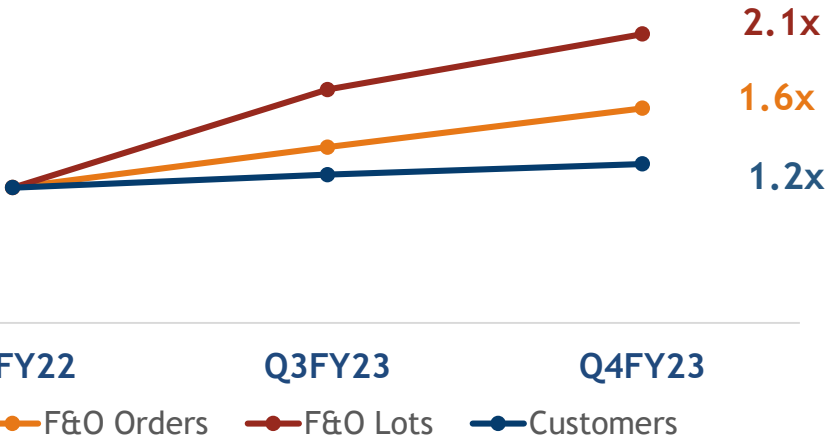
(in ₹ Mn)



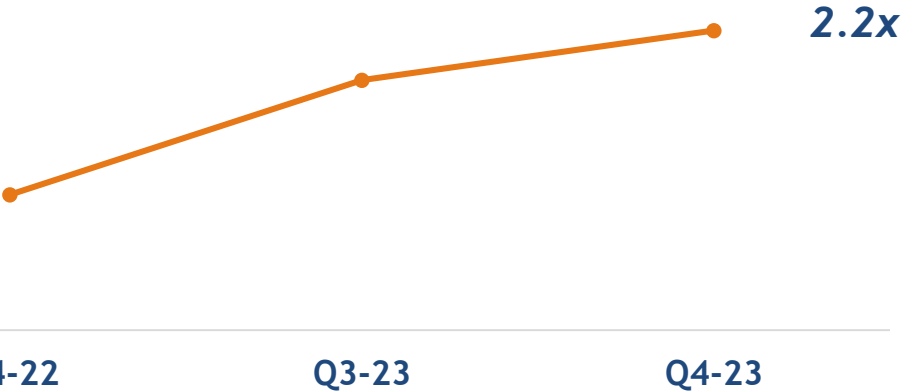
Increasing component in retail broking



Increase in the underlying parameters



Growth in derivative ADTO



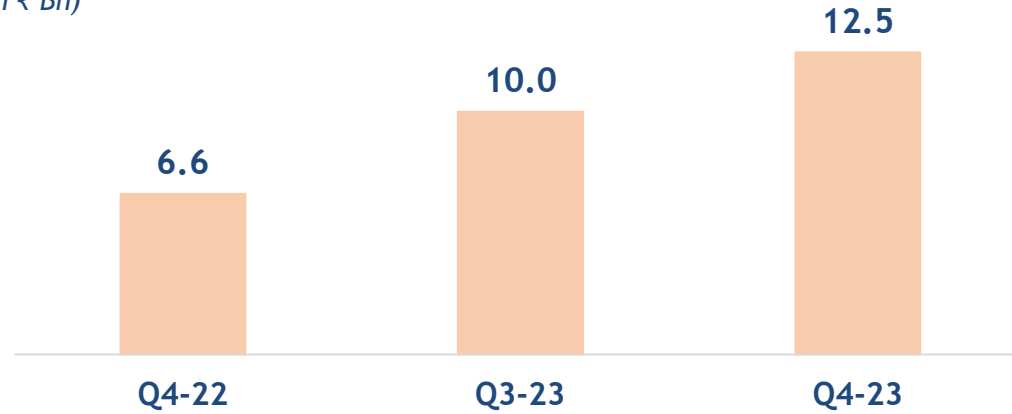
*Others include Commodity and Currency

Q4FY23 Performance: Traction in focus areas

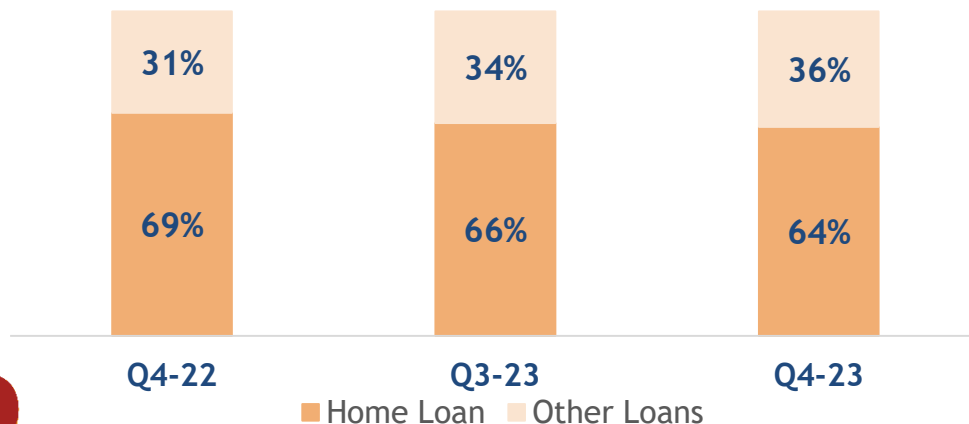
Loans

Growth in total loans distributed for Q4FY23

(in ₹ Bn)



Increasing proportion of other loans



■ Home Loan ■ Other Loans

- Loans worth ₹ 12.5 Bn distributed in Q4FY23, up 88% YoY
- Total loans distributed for FY23 stood at ₹ 37.5 Bn, up 66% from FY22
- Partnership with Tata Capital went live for Loan against shares and Personal Loans
- Other partners in pipeline to go live in near future

PILLARS OF GROWTH

- Partnership with Multiple Lending partners
- Existing customer base of 80 Mn + customers
- End to End digital Process for unsecured retail loans
- Strong data analytics

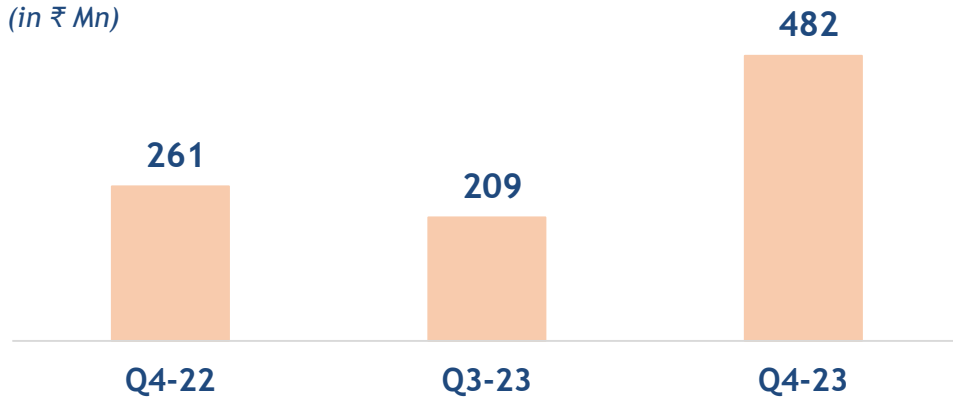


Q4FY23 Performance: Traction in focus areas

Insurance

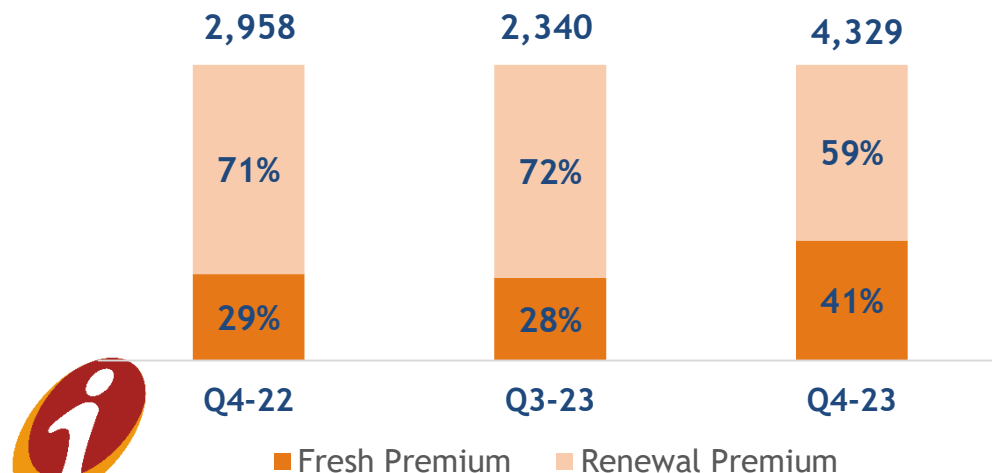
Life Insurance Revenue

(in ₹ Mn)



Insurance Premium

(in ₹ Mn)



- Life Insurance revenue for FY23 crossed INR 1 Bn, up 45%
- Q4FY23 revenue at INR 482 Mn, up 85% YoY & 131% QoQ
- Policy count increased by 60% YoY and 41% QoQ, with growing traction in General Insurance

PILLARS OF GROWTH

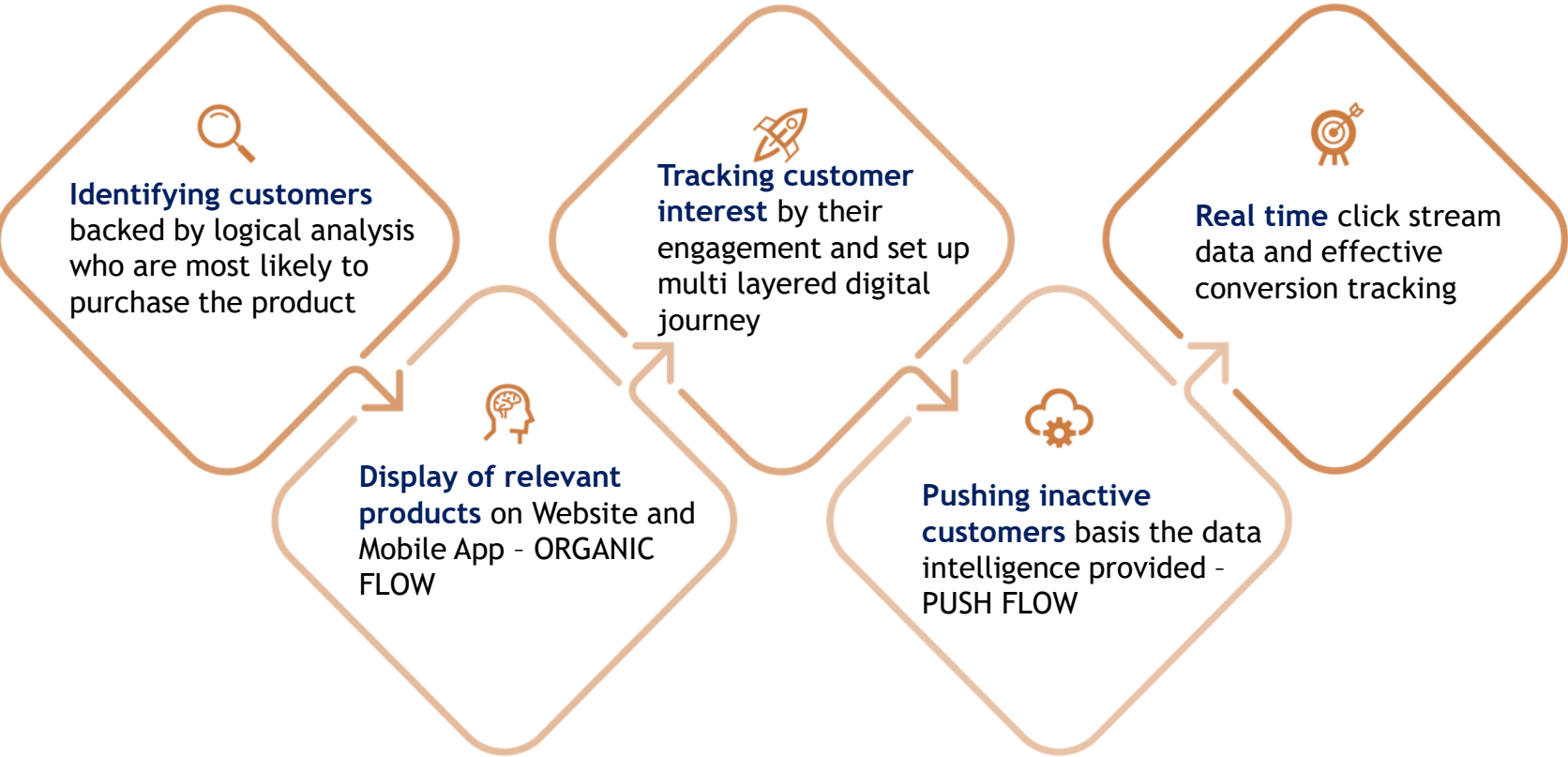
- New IRDA guidelines favorable for distributors
- 12 insurance partners through Open Architecture
- Differentiated product push with strong digital analytics
- Intuitive and digitized customer journeys for General Insurance



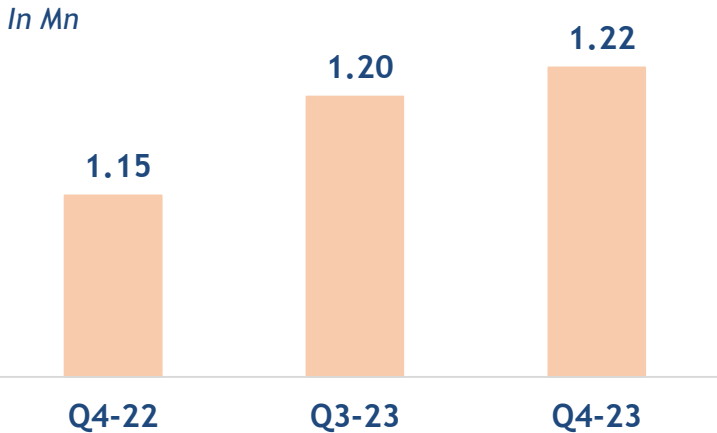
Q4FY23 Performance: Traction in focus areas

Personalization

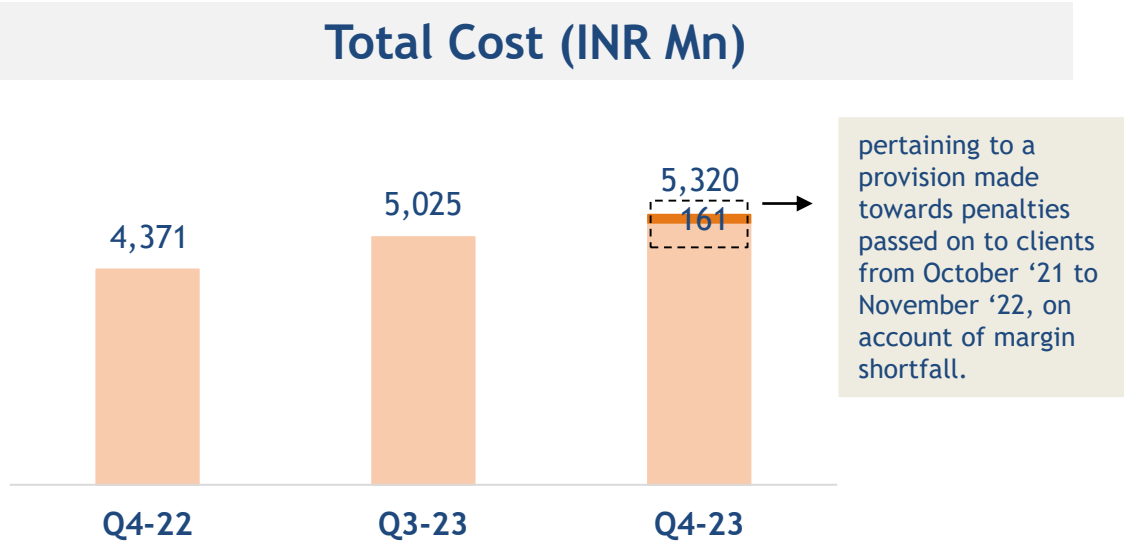
Synergy between analytics data model and engagement



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

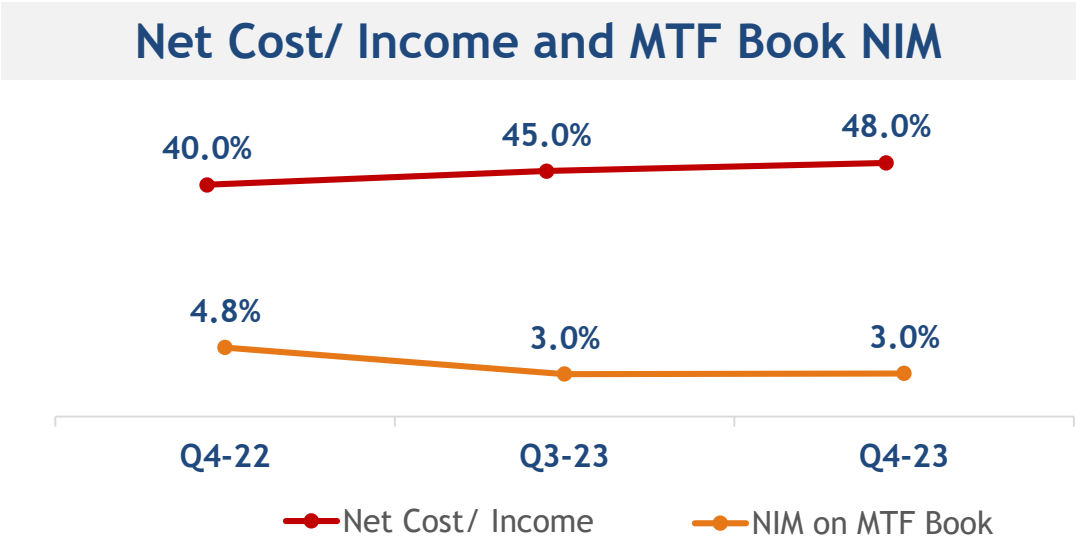
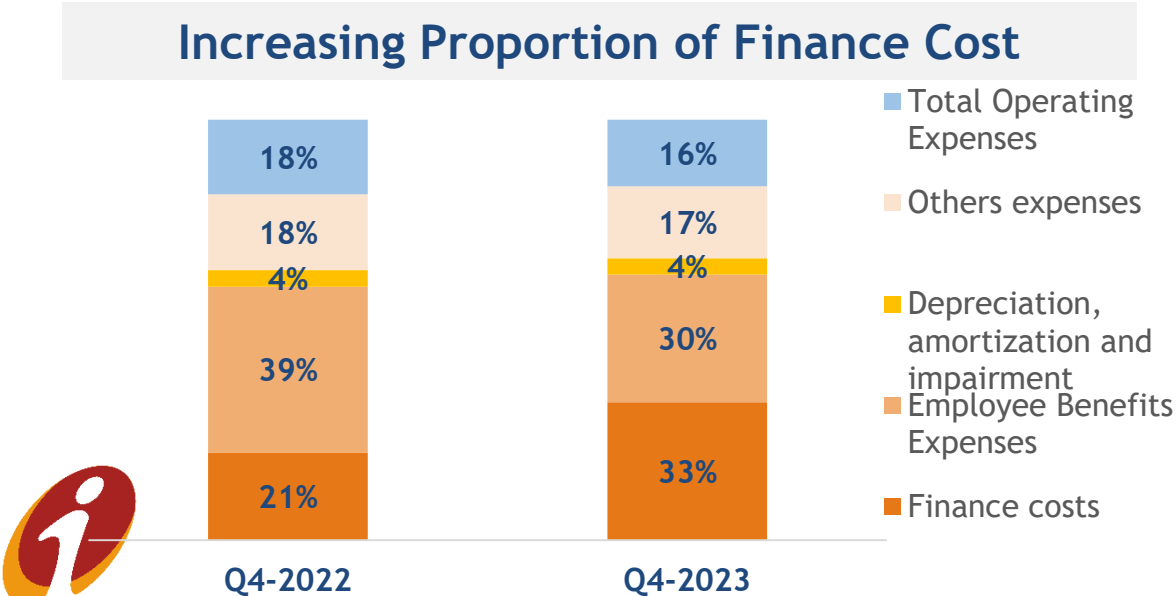


Q4FY23 Performance: Cost



Increase in Cost,

- Primarily on account of increase in cost of funds for MTF Book
 - MTF cost absorbed to cushion price volatility for customers
 - NIM stable from past 2 quarters
- Franchise enhancing spend on technology and analytics to harness growth opportunities



* 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

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

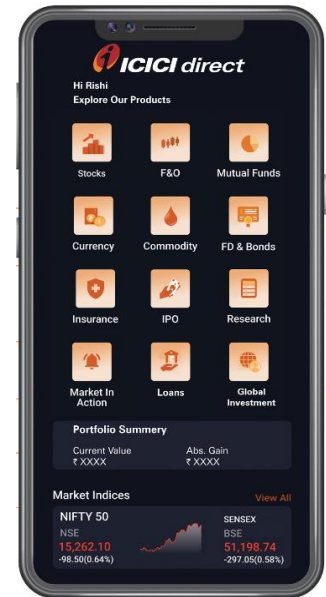


On track on our journey to build a Diversified Financial Market Place

* 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

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- **ISEC Franchise**
- Appendix



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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 - FY22

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)

Revenue³

₹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

11.0%

Retail equity

22.6%

Leadership position in MTF

3.6%

Retail derivative

6.1%

Commodity

9.2%

Sovereign Gold Bond

7.1%

NSE Active

6.0%

Incremental Demat Account

1.7%

Mutual Fund AUM

3.1%

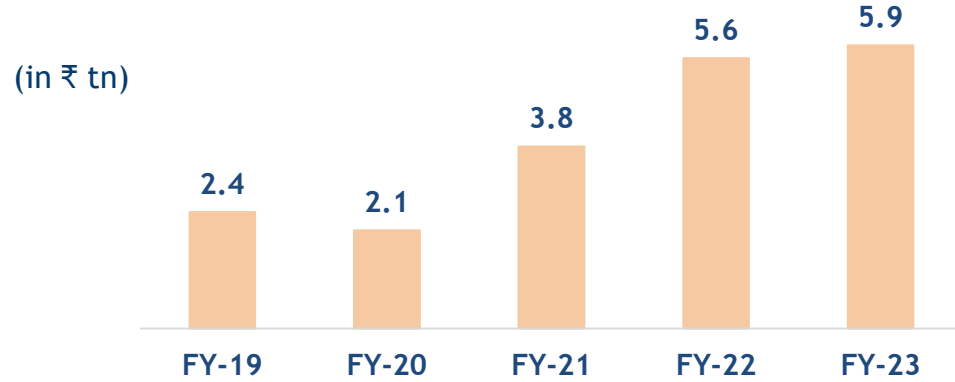
SIP

12%*

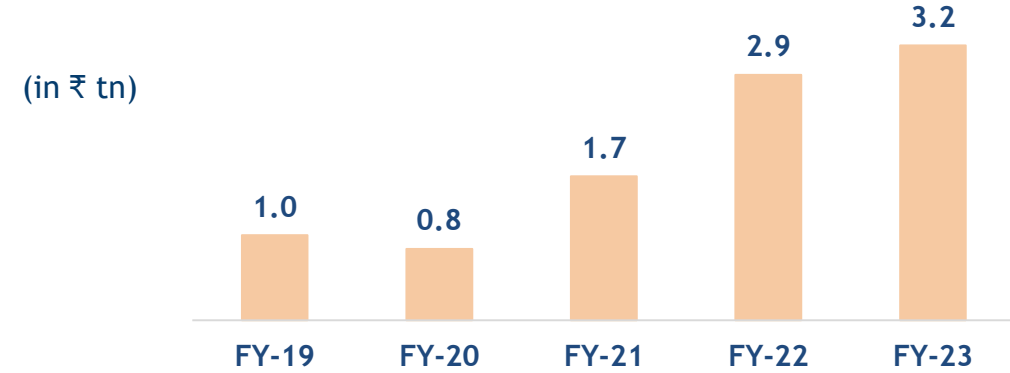
ETF Market Share

ISEC Franchise: Customer Assets

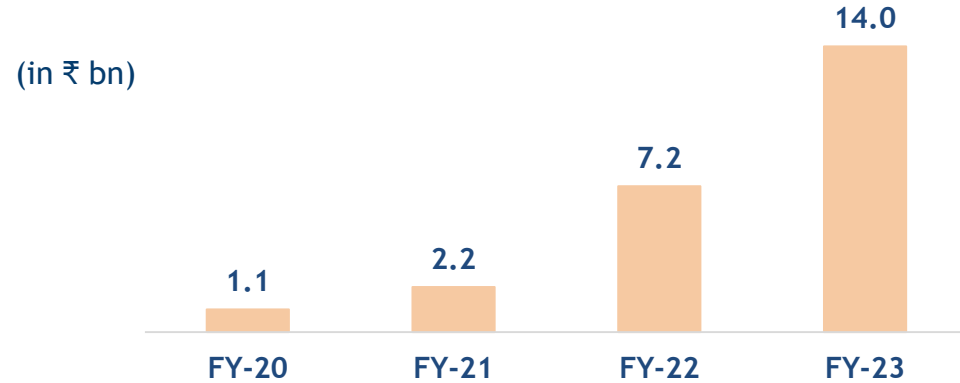
Consistent increase in Total Assets over long term ¹



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

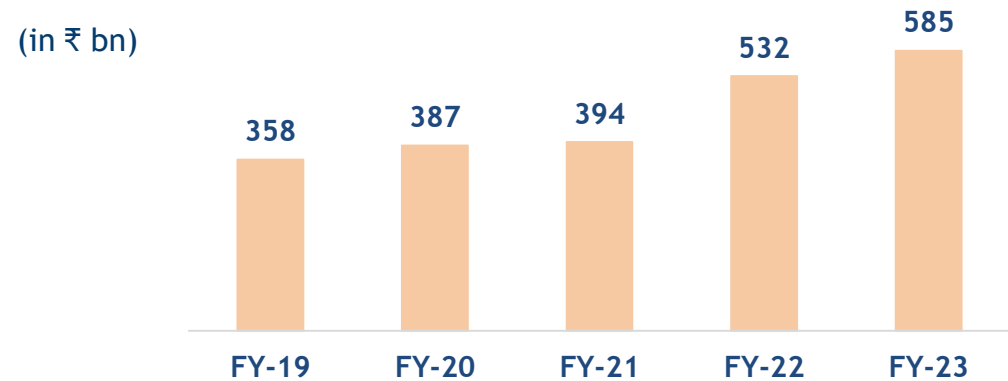


ISEC PMS Scaling Up



PMS was launched in FY20

Growing MF Assets demonstrating strong distribution franchise ³

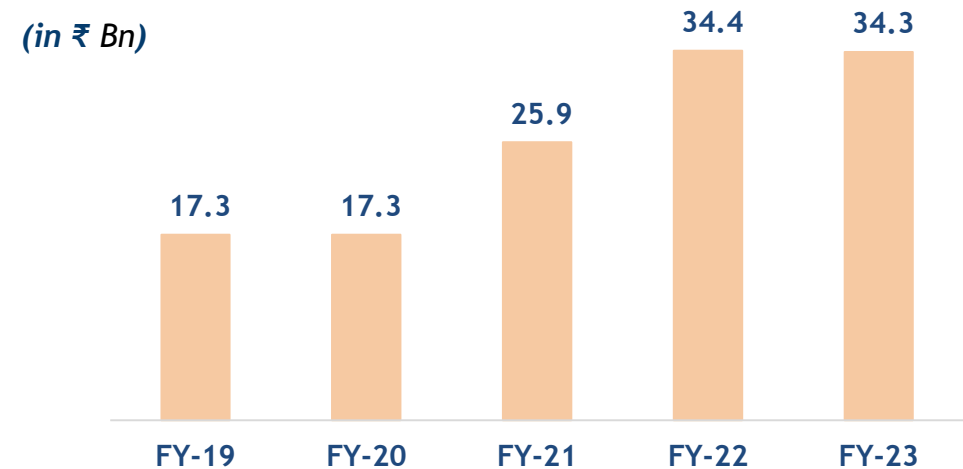


₹ 5.9 trillion Client Assets

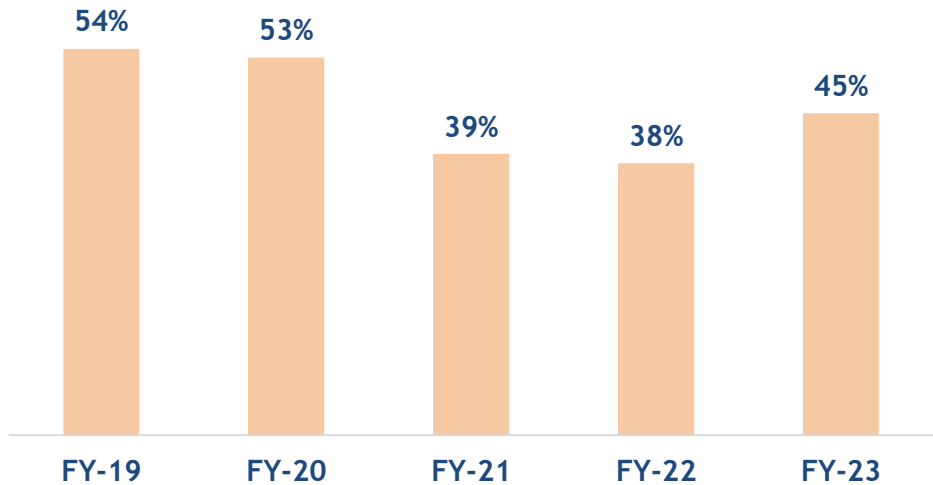
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3. AUM including direct

ISEC Franchise: Growth in Earnings

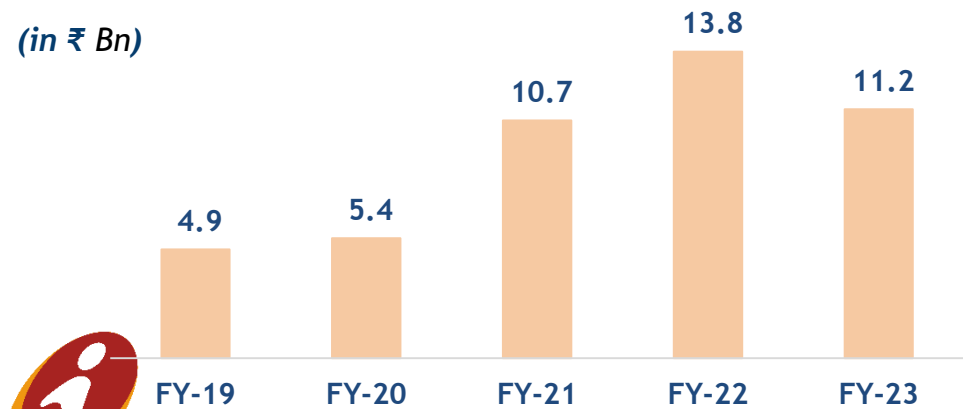
Stable revenue despite multiple headwinds



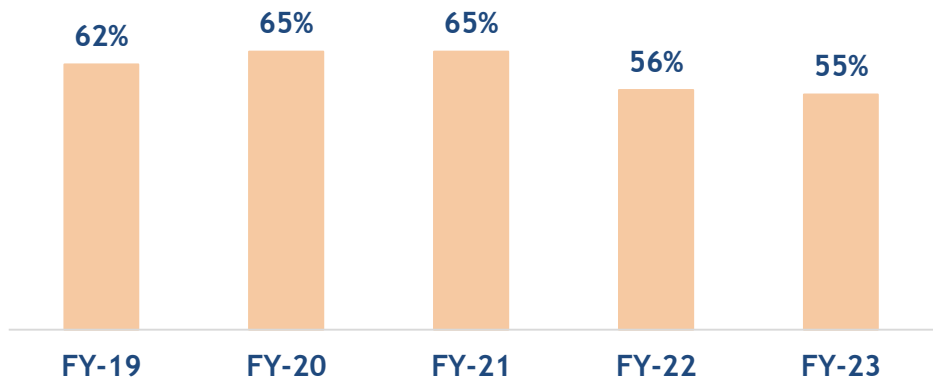
Cost / Net Income



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



Consistent Dividend Payout of > 50%



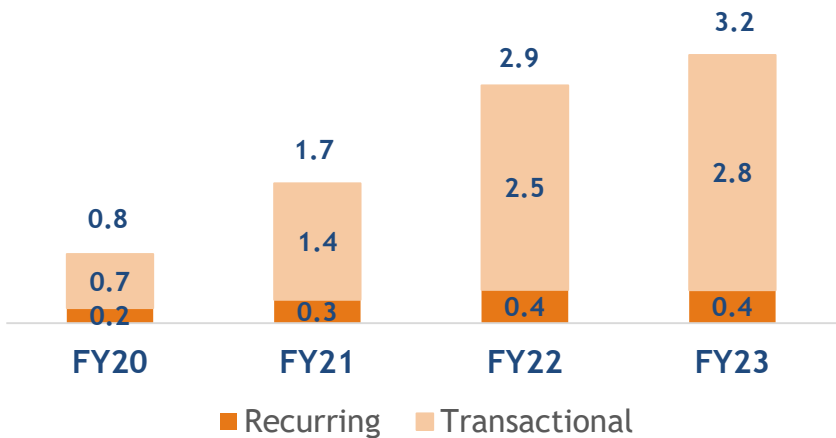
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ISEC Franchise: Consistently performing wealth segment

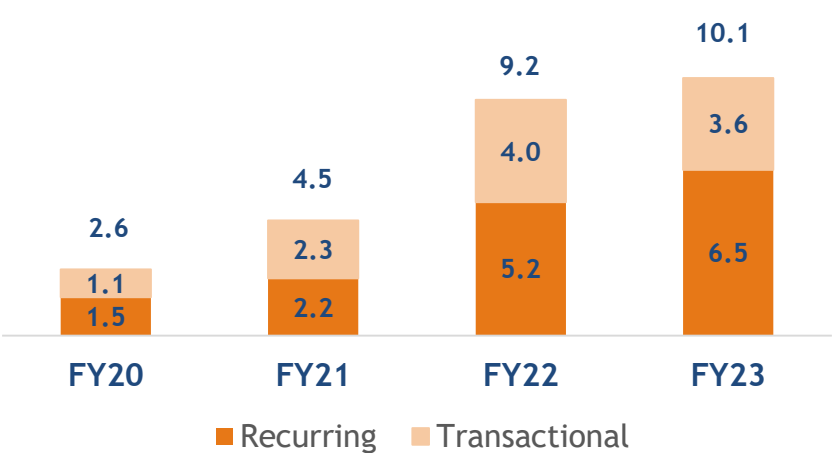
INR Tn

AUM

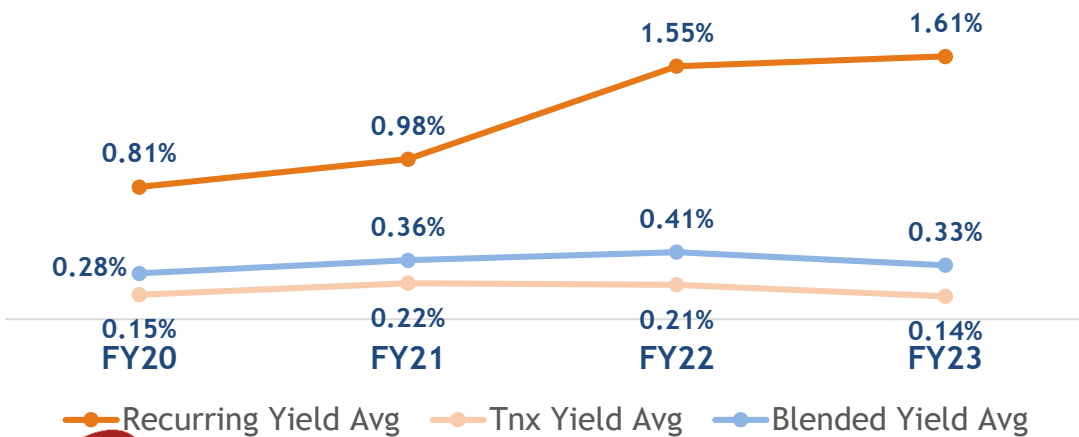


INR Bn

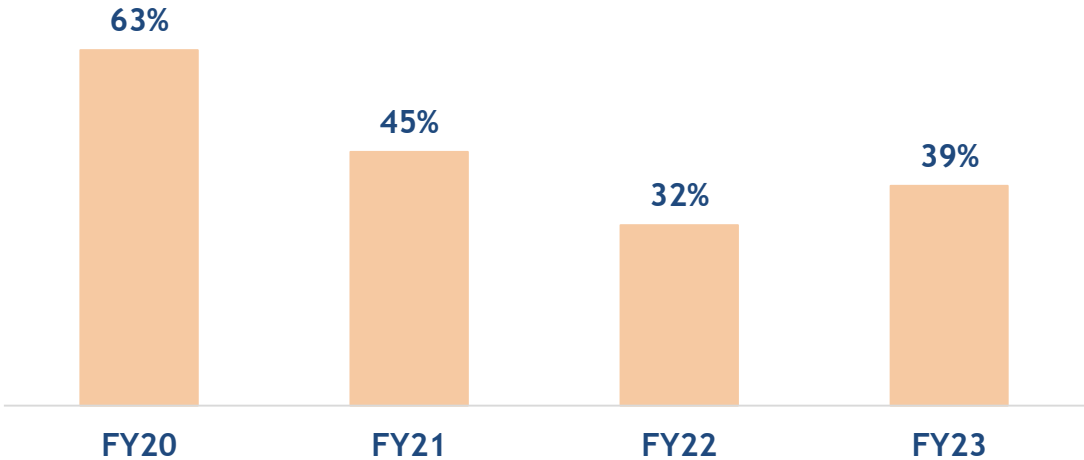
Revenue



Yield



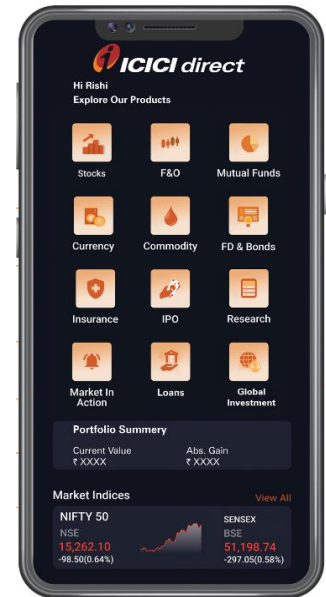
Cost / Net Income



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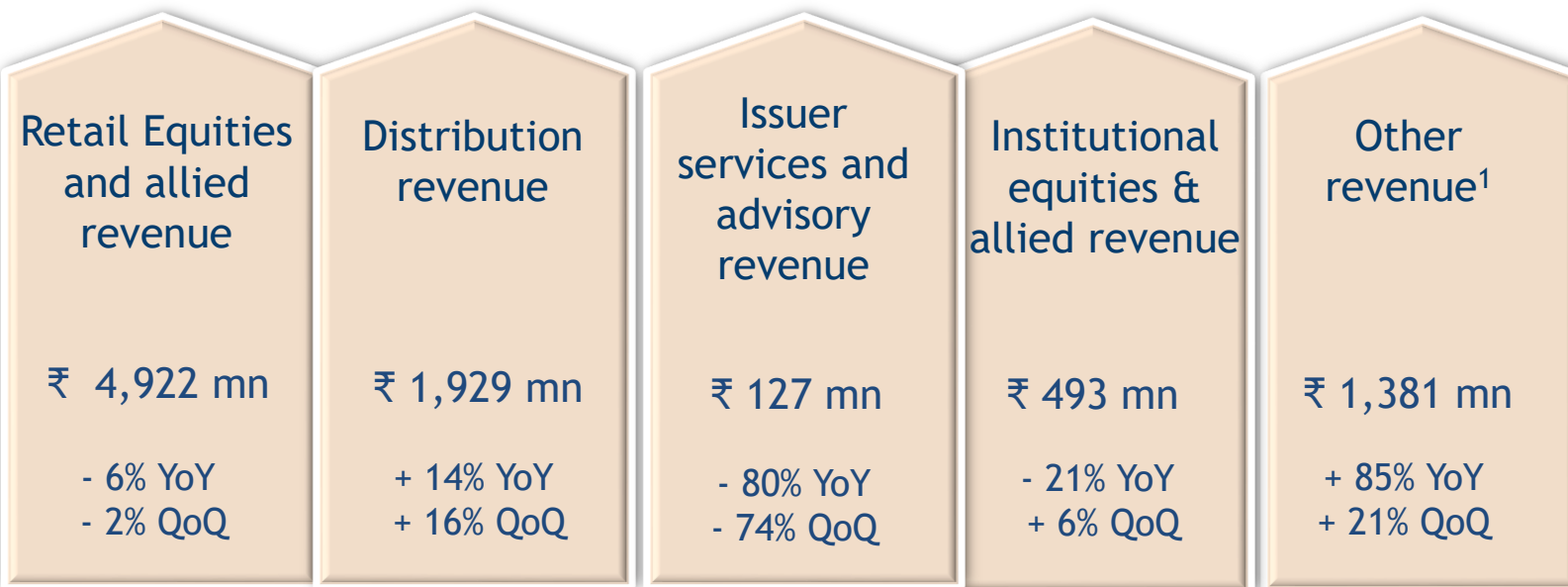
- Quarterly and Financial Year Performance
- ISEC Franchise
- Appendix



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Q4FY23 Business Performance

Business segment wise Revenue Breakup



Private Wealth Management

₹ 2,550 mn + 1% YoY
- 1% QoQ

- Revenue was flat QoQ at ₹ 8,852 mn led by growth in distribution business
 - YoY decline of 1% attributed to 34% decline in retail cash ADTO & muted capital markets
- Retail equities & allied revenue declined 2% QoQ and 6% YoY as impact of decline in cash volumes were offset by growth in retail allied and derivative revenue
- Distribution revenue grew 14% YoY and 16% QoQ led by MF and Life Insurance Revenue
- PAT lower 7% QoQ and 23% YoY at 2,627 mn due to increase in Finance cost, led by increase in cost of funds and franchise enhancing spend on technology



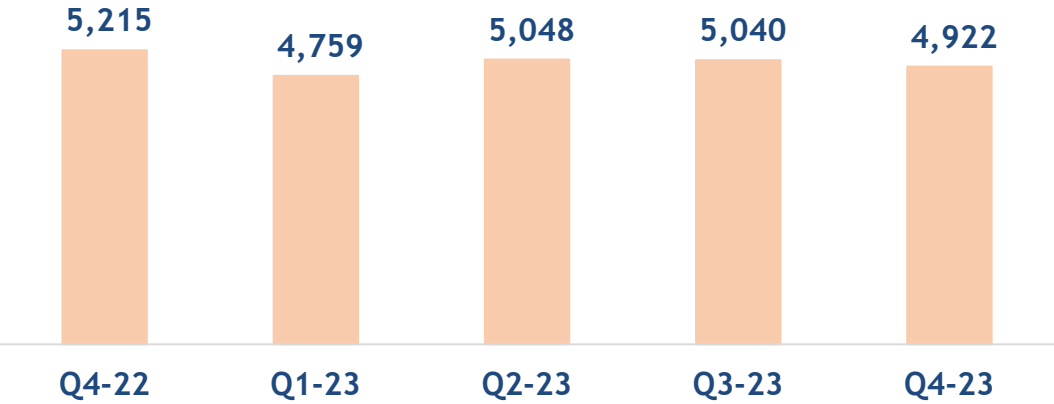
YoY: Q4-FY2023 vs Q4-FY2022; QoQ: Q4-FY2023 vs Q3-FY2023

1. Includes Investment & trading, interest revenue from FDs as margin with exchanges and other revenue

Q4FY23 Business Performance : Retail Equities Business

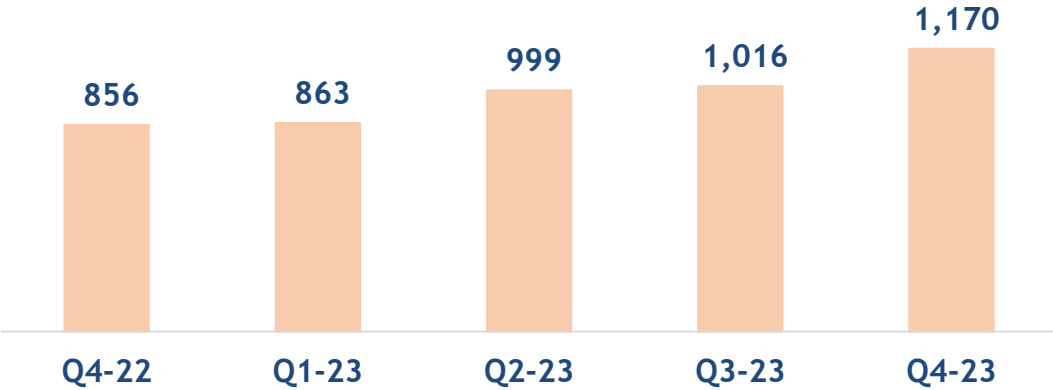
(in ₹ Mn)

Retail equities and allied Revenue; stable despite decline in cash ADTOs

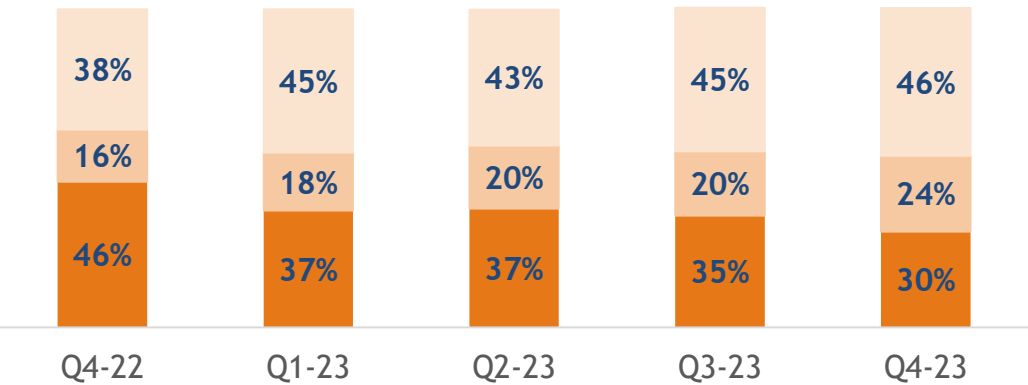


(in ₹ Mn)

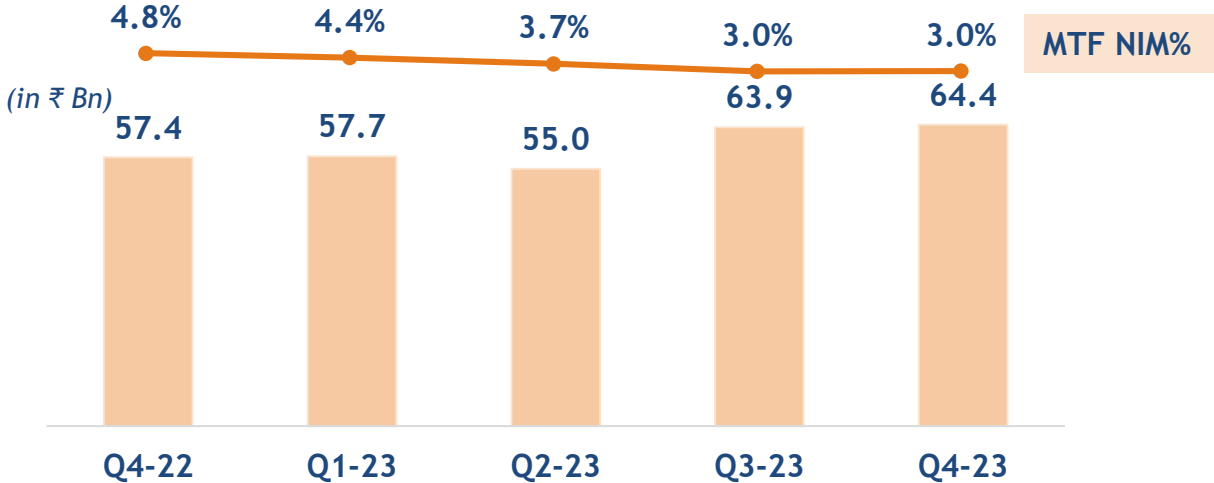
Consistent growth in derivative broking revenue



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



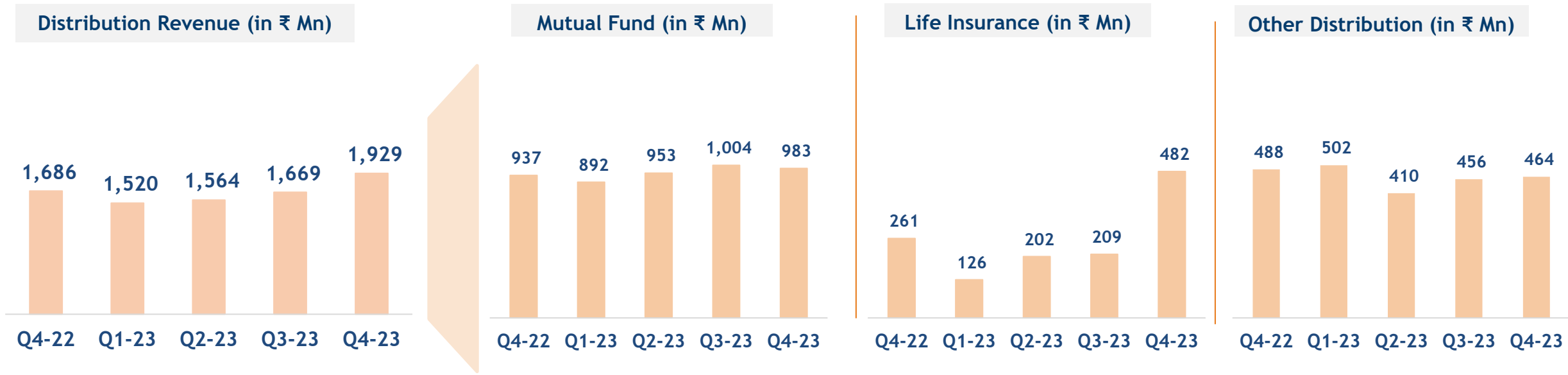
MTF book grew 12% YoY & 1% sequentially; leader with market share at 23%



Cash Broking Derivative Broking Retail Allied Revenue

Continued focus on Texturization to reduce proportion of cyclical components

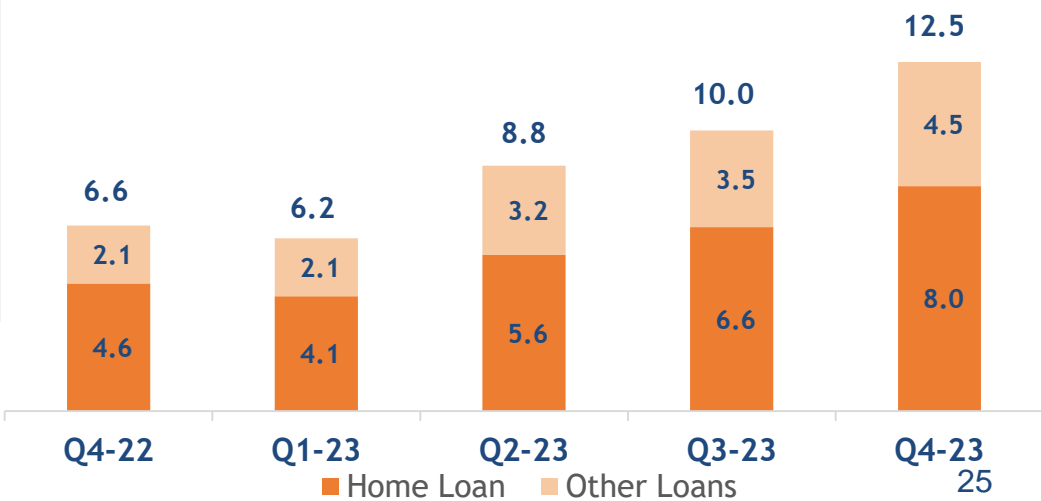
Q4FY23 Business Performance: Distribution Business



- Distribution revenue at ₹ 1,929 mn, up 14% YoY and 16% QoQ on back of healthy growth across Mutual Funds and Life Insurance
- Increasing proportion of distribution income to overall revenue; up from 19% in Q4FY22 to 22% currently
- MF AUM and SIP market share stood at 1.7% and 3.1% in Q4FY23



Scaling up of Loans Disbursement (in ₹ Bn)

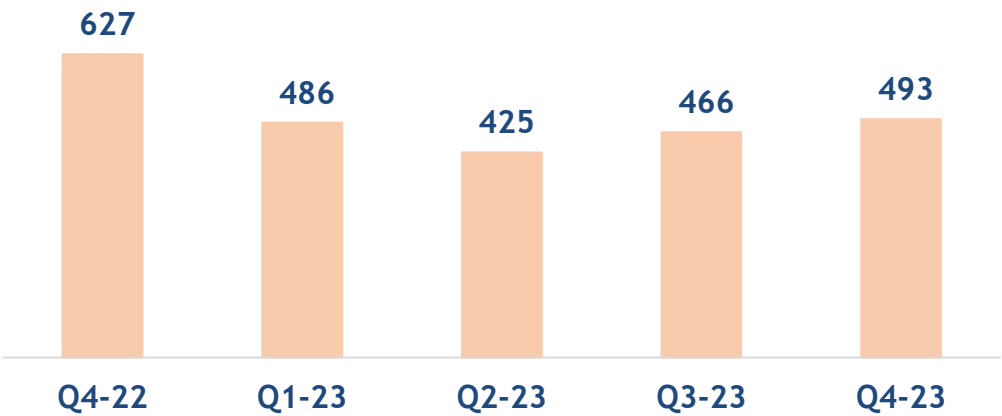


Q4FY23 Business Performance : Institutional Business

Institutional equities declined 21% YoY; up 6% on sequential basis

- Yearly decline attributable to decline in Cash ADTOs and muted capital markets
- Franchise consolidated its position among the top domestic institutions
- Strengthening FII franchise by entering into partnerships

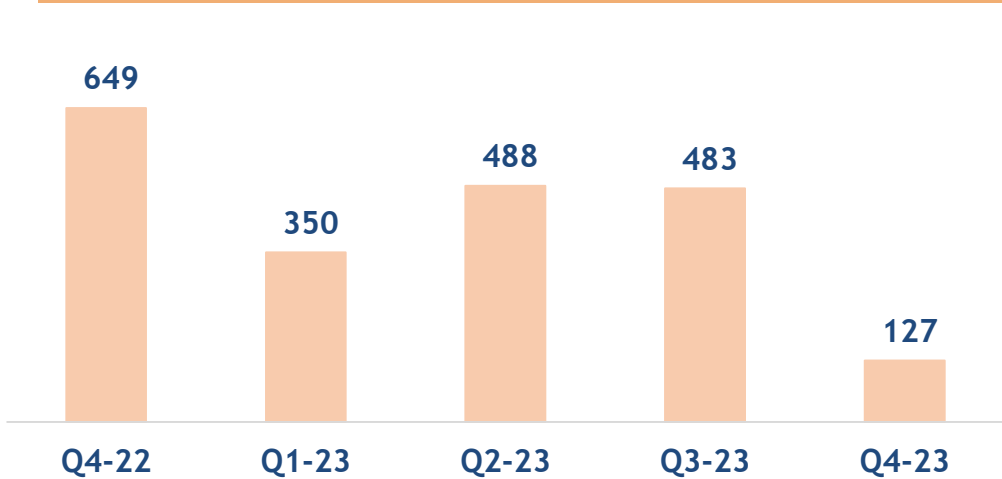
Institutional equities and allied Revenue (in ₹ Mn)



Issuer Services & Advisory revenue declined 80% YoY & 74% QoQ

- YoY decline due to reduction in number of capital market deals.
- 55% mobilization market share IPO/FPO/InvIT/REIT issuance for FY23
- Strong IPO¹ pipeline, 29 deals amounting over ₹ 503 bn; in addition mandate of 17 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

Leading Institutional Franchise

ISSUER ADVISORY AND SERVICES



Leading Investment Bank

- IPOs, FPOs, REITs & InVITs
- Transactions worth INR ~3.7 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



Bloomberg | Quint

First Indian Lead Manager to Top Equity Table



Source: Prime Database



Best Private Bank in India 2022

ASIAMONEY

Best Securities House in India 2021 & 2022

Largest M&A Deal Maker in 2020 & 2021

Advised on over 125+ transactions since April 2020

IPO/FPO
REIT/InVIT

54

Issues

~ INR 1,817 Bn

M&A &
Private
Equity

10

Transactions

~ INR 307 Bn

Rights Issue
& Structured
Finance

15

Issue

~INR 840 Bn

QIPs/OFS/
Pref.

34

Issues

~INR 993 Bn

Open Offer/
Buyback/
Delisting

13

Transactions

~INR 387 Bn

Block
Transactions

7

Blocks

~INR 87 Bn

INSTUTIONAL 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

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 & 3 emission reduced by 49% over FY19 baseline
- Gold Certification from the US Green Building Council for our new Prabhadevi location

HUMAN CAPITAL

- 4094 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



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

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'

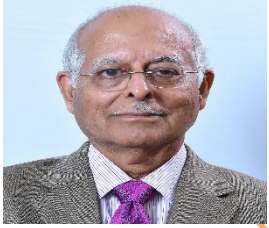


'National CSR Award in Financial Services Sector' By 'Global Safety Summit Awards'



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



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)

	Q4-FY2022	Q3-FY2023	Q4-FY2023	% Q-o-Q	% Y-o-Y
Revenue	8,923	8,799	8,852	1%	(1%)
Operating Expenses	773	708	840	19%	9%
Employee costs	1,723	1,757	1,614	(8%)	(6%)
Other expenses	963	1031	1,119	9%	16%
Total operational expenses	3,459	3,496	3,573	2%	3%
Finance Cost	911	1,530	1,747	14%	92%
Total expenses	4,370	5,026	5,320	6%	22%
Profit before tax	4,553	3,773	3,532	(6%)	(22%)
Tax	1,150	964	905	(6%)	(21%)
Profit after tax	3,403	2,809	2,627	(7%)	(23%)
Other Comprehensive Income (OCI)	12	14	7	(44%)	(36%)
Total Comprehensive Income (TCI)	3,415	2,823	2,634	(7%)	(23%)



Period: QoQ: Q4-FY2023 vs Q3-FY2023; YoY: Q4-FY2023 vs Q4-FY2022

Balance sheet: Assets

(₹ in mn)

ASSETS	At Mar 31, 2022	At Mar 31, 2023
Financial assets (A)	1,32,255	1,50,278
Cash/Bank and cash equivalents	56,166	67,908
Securities for trade & Derivatives financial instrument	2,431	9,163
Receivables	3,848	7,734
Loans	68,567	64,199
Investments	107	77
Other financial assets	1,136	1,197
Non-financial assets (B)	4,207	5,410
Deferred tax assets (net)	424	374
Right-of-use assets	899	969
Fixed assets, CWIP & Intangible assets	1,079	1,917
Current tax assets & other non financial assets	1,805	2,150
Assets (A+B)	1,36,462	1,55,688



Balance sheet: Equity and Liabilities

(₹ in mn)

EQUITY AND LIABILITIES	At Mar 31, 2022	At Mar 31, 2023
Financial liabilities (A)	1,05,753	1,21,471
Payables	10,776	9,148
Derivative financial instruments	-	-
Debt securities	77,392	87,887
Borrowings (Other than debt securities)	-	5,039
Lease liabilities	1,019	1,083
Deposits & Other financial liabilities	16,566	18,314
Non-financial liabilities (B)	6,404	5,692
Equity (C)	24,305	28,525
Equity share capital	1,613	1,614
Other equity	22,692	26,911
Equity and Liabilities (A+B+C)	1,36,462	1,55,688





Thank You