

NUVAMA

Investor Presentation

FY 2023-24: QUARTER 1



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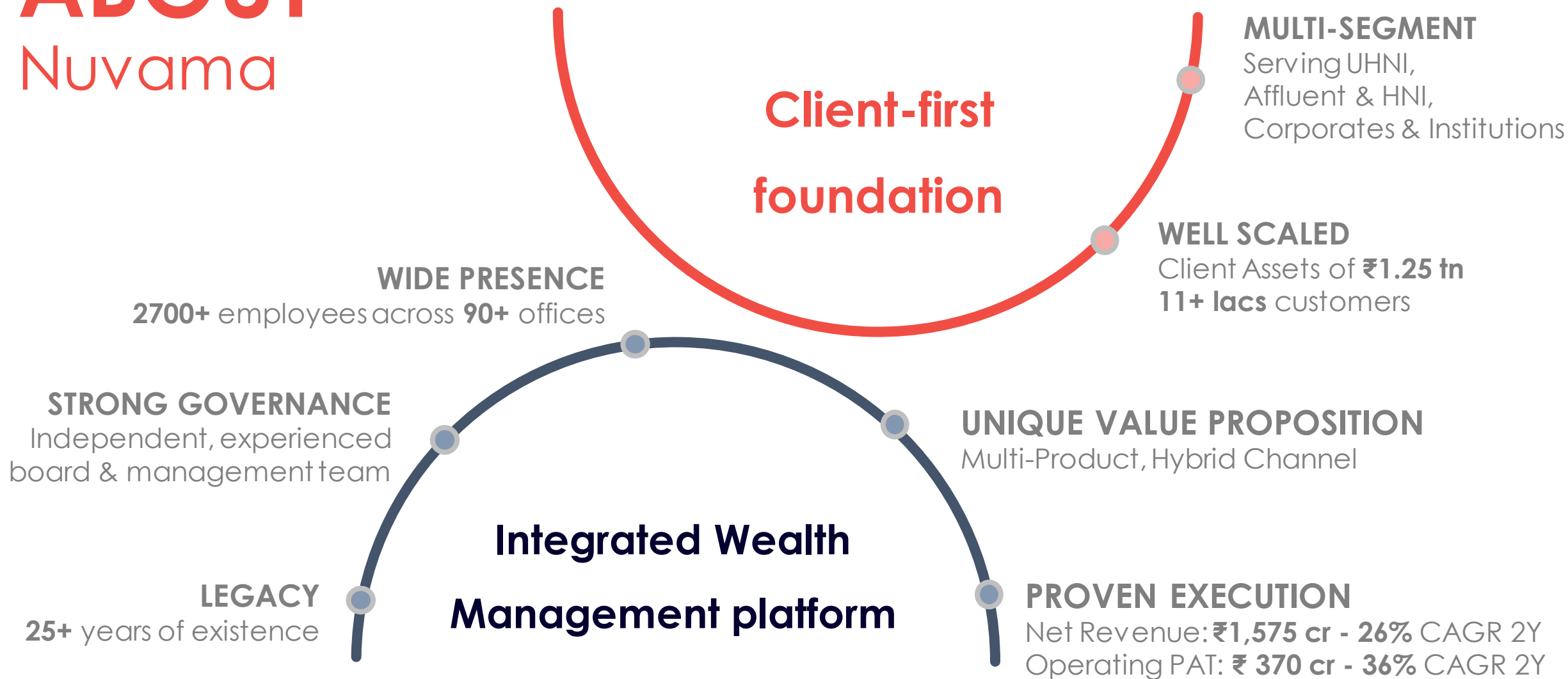
1. About us

2. Industry landscape

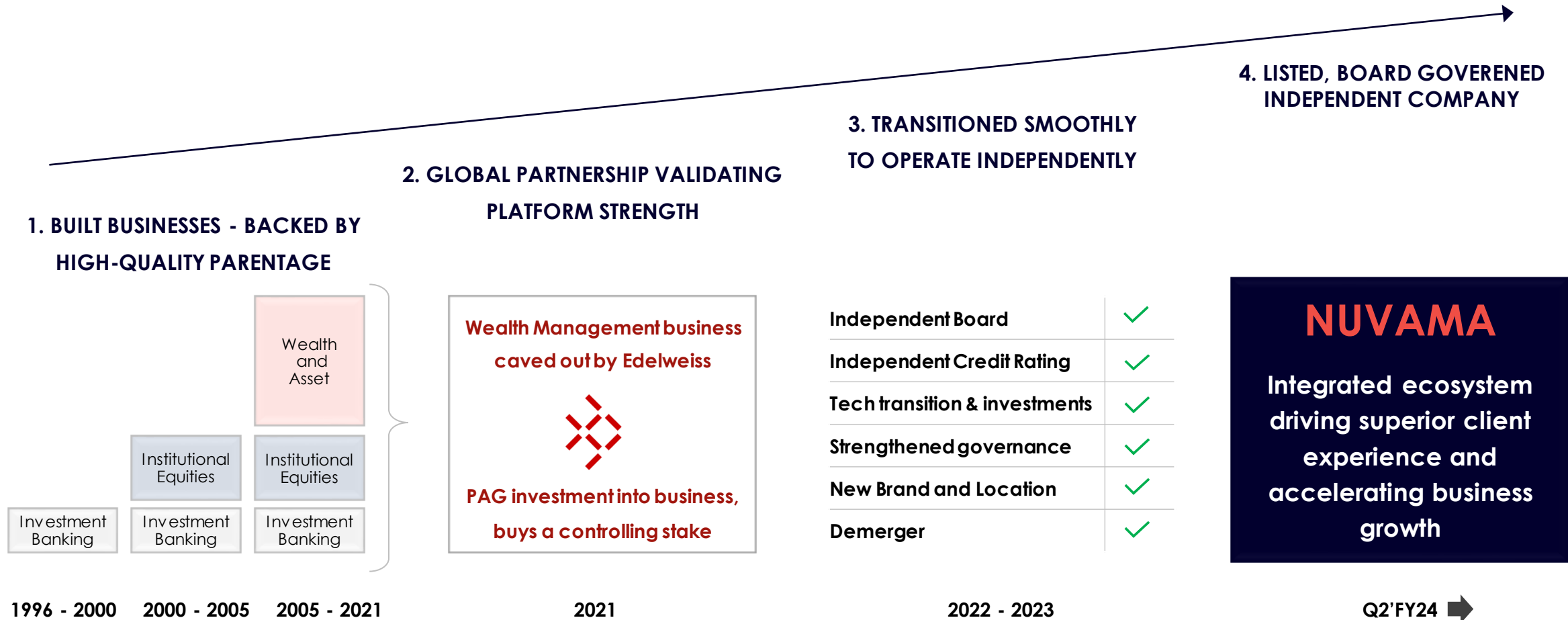
3. Performance overview

4. Strategy

ABOUT Nuvama



Evolved from individual businesses into an **INTEGRATED WEALTH MANAGEMENT PLATFORM**



NUVAMA

Integrated ecosystem driving superior client experience and accelerating business growth

CLIENT-FIRST foundation

Our vision is to provide our clients with comprehensive and tailored wealth management solutions and advice

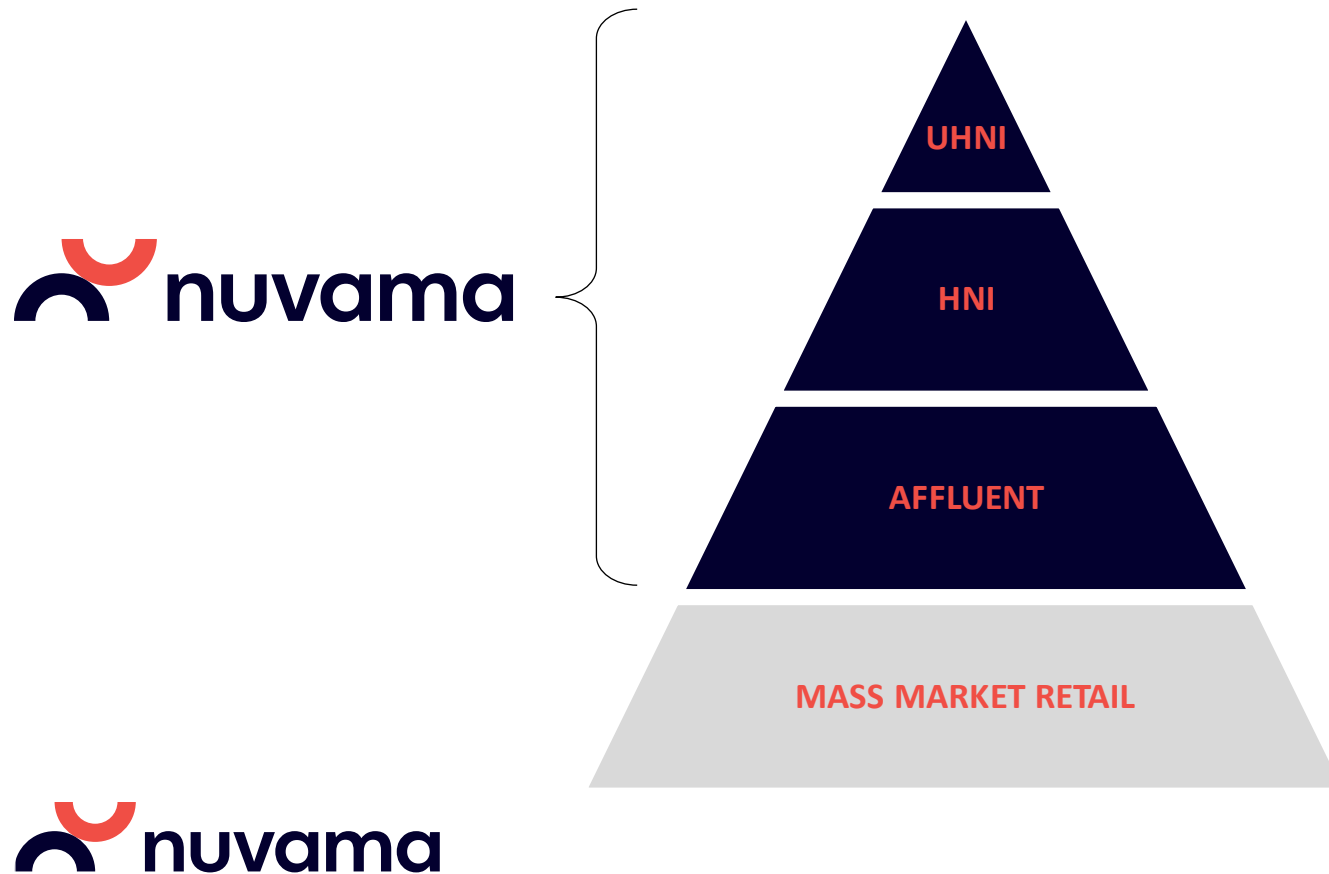
WE SERVE

ULTRA HIGH NETWORTH
AFFLUENT AND HNI
CORPORATES AND INSTITUTIONS

WE PROVIDE ACCESS TO

1. PRODUCTS		2. ADVISORY		3. CAPITAL MARKETS	
3 rd Party Product Distribution	Proprietary (In-house manufactured products)	Wealth Advisory	Institutional Investor Access	Exchange Traded Products	Investment Banking
4. CAPITAL		5. INTEGRATED TECHNOLOGY PLATFORM			
Lending against Securities		Digital Onboarding	Transactions and Reporting		

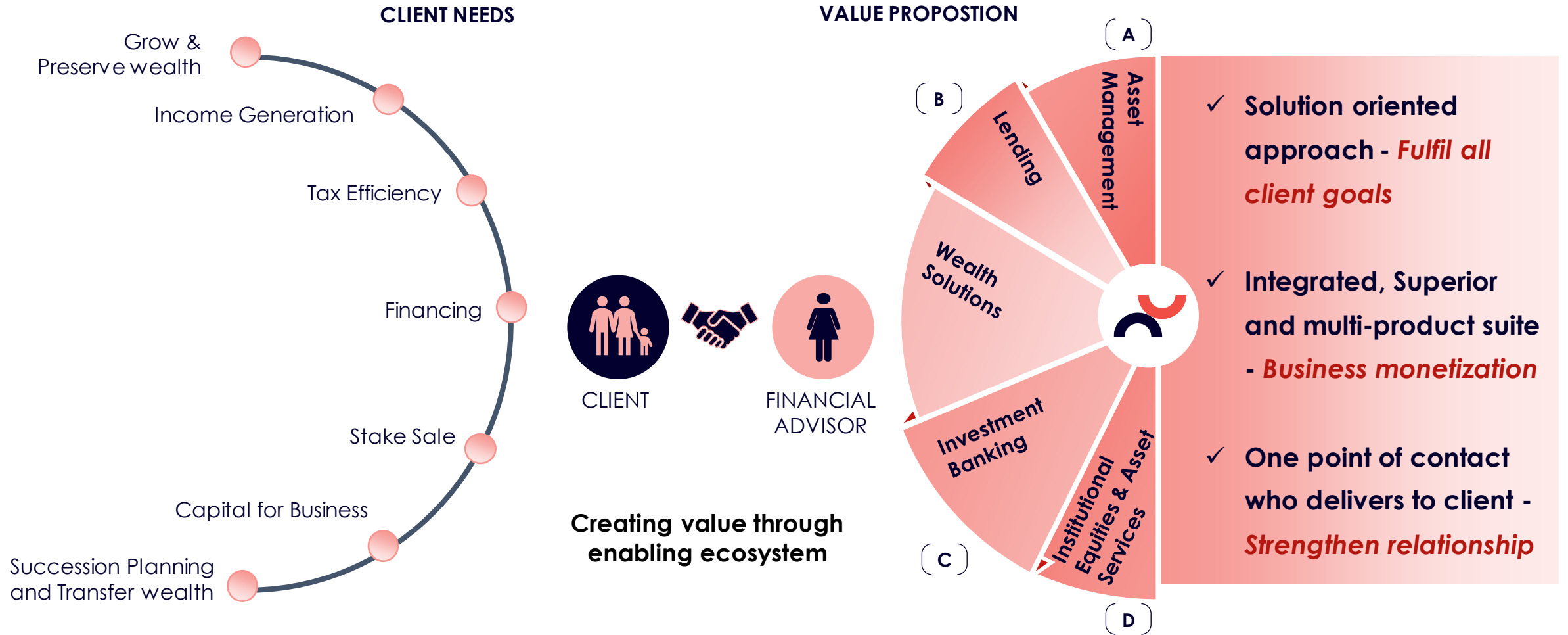
An **ESTABLISHED WEALTH MANAGER** covering client segments constituting ~80% of wealth




Degree of competitive intensity for wealth management across client segments

DOMESTIC BANKS	FOREIGN / PRIVATE BANKS	INDEPENDENT / BOUTIQUE	DIGITAL PLAYERS

SOLUTION ORIENTED approach



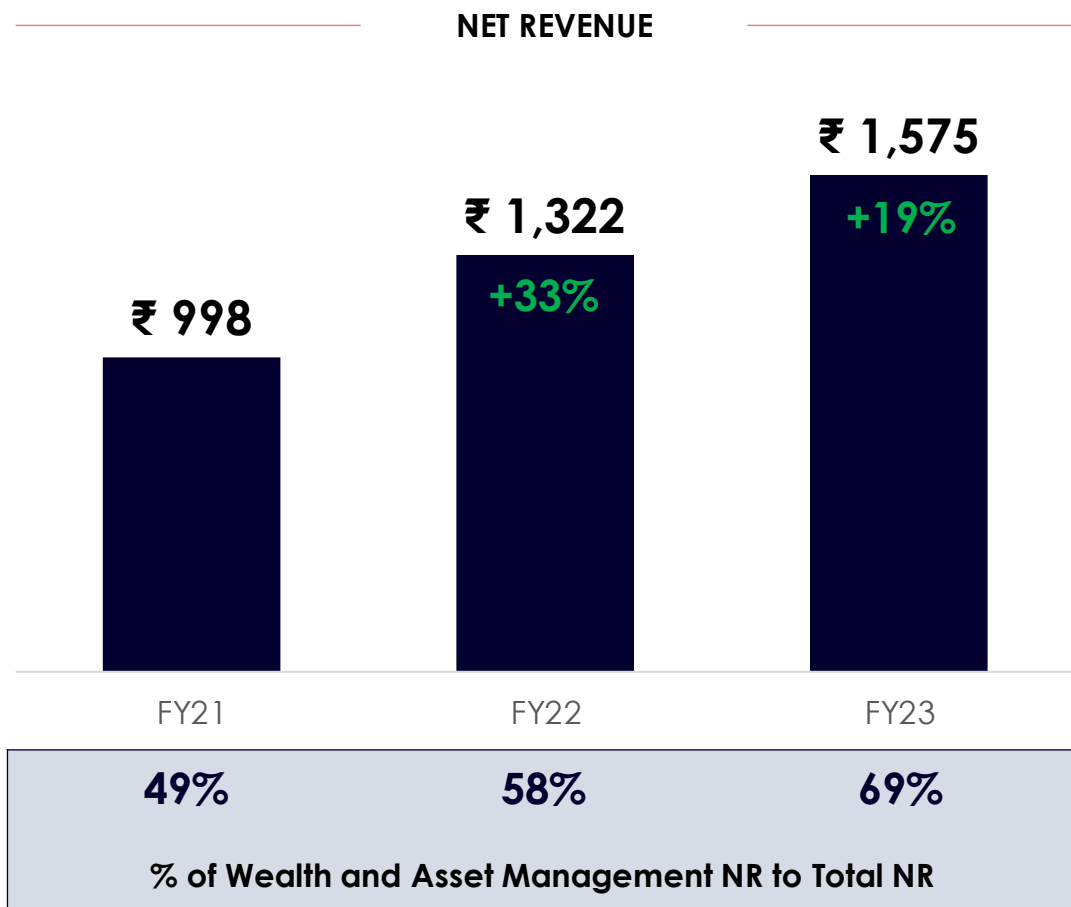
EXHAUSTIVE SUITE of offerings for wealth clients

CAPABILITIES	 nuvama	Peer 1	Peer 2	Peer 3	Peer 4	Peer 5
3rd Party Product Distribution	●	●	●	◐	●	◐
Proprietary Products (In-house AM)	◐	●	●	○	○	○
Wealth Advisory	●	●	●	○	○	○
Institutional Investor Access	●	○	○	○	◐	○
Broking	●	◐	○	○	●	○
Investment Banking	●	○	○	○	●	○
Lending against Securities	●	●	○	○	◐	◐
Integrated Technology Platform	◐	◐	○	◐	◐	○

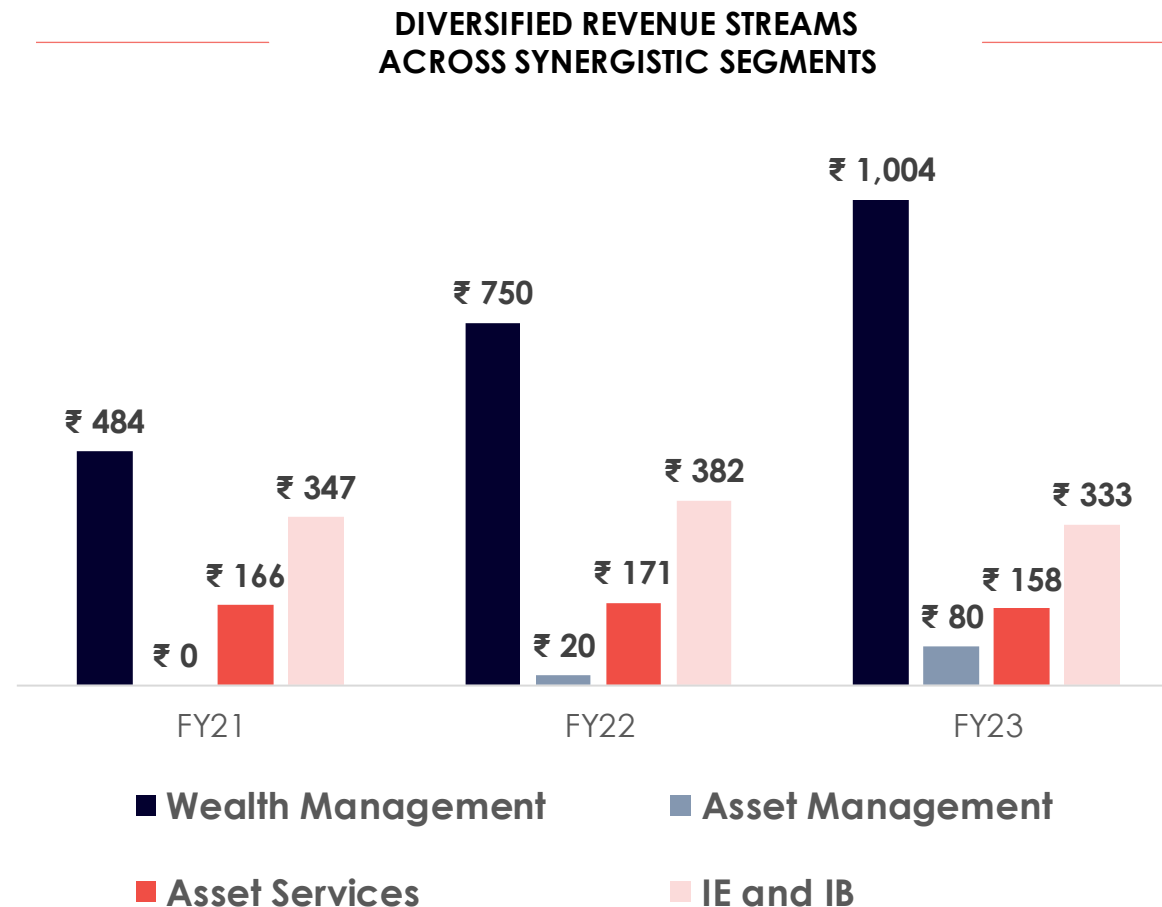
A HIGH GROWTH COMPANY with diversified and superior quality of earnings

All figures are in ₹ crore

NET REVENUE



DIVERSIFIED REVENUE STREAMS ACROSS SYNERGISTIC SEGMENTS



Note: Capital Markets segment includes Asset Services and Institutional Equities (IE) & Investment Banking (IB) revenue streams

Our BRANDS



Serving 1mn+ Affluent & HNI Clients

Product Synergies
↔



Serving 3000+ UHNI Families

Well scaled and established wealth management business across top-half of pyramid

Unique Products
↕
Client Insights



Quality Research + Institutional Services
↕

Significant Distribution

Best-in-class capabilities serving internal and external clients

Solutions and Own Products

Clearing and Custody

Sales, Trading, Research, Investment banking



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In India **WEALTH** management is at nascent stage and presents a **HUGE OPPORTUNITY**

1

GDP Growth Forecast

Globally

2-3%

India

6-7%

2

Wealth to GDP Ratio

Matured Markets

6x

India

2x

3

Financial Wealth as % of Total

Matured Markets

80%

India

60%

4

Wealth Formal Penetration

Matured Markets

75%

India

15%

5

India Market Capitalization

Financial Services

60 tn

300+ companies

Wealth Management

0.5 tn

> 5 companies

The **LONG RUNWAY** of growth

Asset Class	AUM CAGR Last 10Y	AUM / Premium to GDP	
		India	US / Global
Mutual Funds	20%	16%	116%
AIF	70%	1%	13%
Insurance	13%	4.2%	11.4%

**India to be
the 4th largest
private wealth
market
globally by
2028**

Making this a **STRUCTURAL** and **SCALABLE** play



Consolidation

- Enhanced regulatory focus
- Technology disruptions
- Increasing product complexity

Rising India formal wealth penetration (Present: India-14%, US-75%)



Greater Growth

- Demographics and rising affluence
- Critical to client

AUM of Top 3 players as % of GDP: USA-40% vs India-5%



Attractive Economics

- Low capital requirements - High RoE
- Concentration of wealth - High operating leverage

80% of the financial wealth in hands of 0.7% of households

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Business Summary: Q1FY24

MOST COMPREHENSIVE PRODUCT PLATFORM	SERVING	WIDE AND GROWING SALES COVERAGE	WELL SCALED PLATFORM	STRONG FINANCIAL PERFORMANCE	DELIVERING QUALITY OUTCOMES
<p>Wealth Management</p> <hr/> <p>Investment Solutions</p> <hr/> <p><i>Distribution</i></p> <hr/> <p><i>Advisory</i></p> <hr/> <p><i>Exchange Traded</i></p> <hr/> <p>Credit Solutions</p> <hr/> <p>Estate Planning Solutions</p> <hr/> <p>Family Office Solutions</p> <hr/> <p>Investment Banking</p> <hr/> <p>Institutional Services</p> <hr/> <p>Asset Management</p> <hr/> <p>AIF, PMS</p> <hr/> <p>Capital Markets</p>	<p style="text-align: center;">As on end of the period</p> <div data-bbox="504 482 843 672"> <p style="text-align: center;">3000</p> <p style="text-align: center;">Ultra High Networth Families</p> </div> <div data-bbox="504 676 843 866"> <p style="text-align: center;">1mn</p> <p style="text-align: center;">Affluent and High Networth Individuals</p> </div> <div data-bbox="504 871 843 1061"> <p style="text-align: center;">XX</p> <p style="text-align: center;">AMC folios</p> </div> <div data-bbox="504 1065 843 1235"> <p style="text-align: center;">500</p> <p style="text-align: center;">Corporates and Institutions</p> </div>	<p style="text-align: center;">As on end of the period</p> <div data-bbox="901 482 1240 672"> <p style="text-align: center;">100</p> <p style="text-align: center;">Wealth RMs UHNI & Family Offices</p> </div> <div data-bbox="901 676 1240 866"> <p style="text-align: center;">900</p> <p style="text-align: center;">Wealth RMs Affluent and HNI</p> </div> <div data-bbox="901 871 1240 1061"> <p style="text-align: center;">20</p> <p style="text-align: center;">Investment Managers</p> </div> <div data-bbox="901 1065 1240 1235"> <p style="text-align: center;">100</p> <p style="text-align: center;">Institutional Coverage Managers</p> </div>	<p style="text-align: center;">For the period</p> <div data-bbox="1299 482 1638 672"> <p style="text-align: center;">₹125k cr</p> <p style="text-align: center;">Client Assets UHNI & Family Offices</p> </div> <div data-bbox="1299 676 1638 866"> <p style="text-align: center;">55k cr</p> <p style="text-align: center;">Client Assets Affluent and HNI</p> </div> <div data-bbox="1299 871 1638 1061"> <p style="text-align: center;">6k cr</p> <p style="text-align: center;">Client Assets AIF and PMS</p> </div> <div data-bbox="1299 1065 1638 1235"> <p style="text-align: center;">44k cr</p> <p style="text-align: center;">Client Assets Custody & Clearing</p> </div>	<p style="text-align: center;">For the period</p> <div data-bbox="1696 482 2035 672"> <p style="text-align: center;">419 cr</p> <p style="text-align: center;">Net Revenue</p> </div> <div data-bbox="1696 676 2035 866"> <p style="text-align: center;">20%</p> <p style="text-align: center;">YoY</p> <p style="text-align: center;">-5%</p> <p style="text-align: center;">QoQ</p> </div> <div data-bbox="1696 871 2035 1061"> <p style="text-align: center;">103 cr</p> <p style="text-align: center;">Operating PAT</p> </div> <div data-bbox="1696 1065 2035 1235"> <p style="text-align: center;">75%</p> <p style="text-align: center;">YoY</p> <p style="text-align: center;">-19%</p> <p style="text-align: center;">QoQ</p> </div>	<p style="text-align: center;">For the period</p> <div data-bbox="2094 482 2433 672"> <p style="text-align: center;">39%</p> <p style="text-align: center;">Revenue from ARR Assets</p> </div> <div data-bbox="2094 676 2433 866"> <p style="text-align: center;">70 bps</p> <p style="text-align: center;">Retention on Client Assets</p> </div> <div data-bbox="2094 871 2433 1061"> <p style="text-align: center;">68%</p> <p style="text-align: center;">Cost to Income</p> </div> <div data-bbox="2094 1065 2433 1235"> <p style="text-align: center;">18%</p> <p style="text-align: center;">RoE</p> </div>

Consolidated Performance: Q1 FY24

Particulars – All figures are in ₹ crores	Q1FY24	Q4FY23	QoQ	Q1FY23	YoY %
Total Revenue	419	440	-5%	349	20%
Wealth Management	264	284	-7%	230	15%
Nuvama Wealth	149	171	-13%	123	20%
Nuvama Private	115	112	3%	107	8%
Asset Management	13	9	38%	7	82%
Asset Services	47	52	-9%	31	52%
Capital Markets	96	95	1%	81	18%
Total Costs	291	286	2%	270	8%
Employee Cost	208	205	1%	188	11%
Opex	83	80	4%	82	2%
Operating PBT	128	154	-17%	80	61%
Operating PAT	95	117	-19%	55	75%
Non-recurring expenses	14	37	-61%	7	97%
PBT	114	117	-3%	72	57%
PAT before share in profit of associates	85	90	-5%	50	71%
Share of profit of associates	2	-1.8		0	
PAT	87	88	-1%	50	75%
C/I (Operating)	69%	65%		77%	
ROE (Operating)	16.9%	21.6%		11.5%	

Key Highlights: Q1 FY24

HEADLINES

Nuvama Reports First Quarter Net Revenues of ₹ 419 crores, registering growth of 20% YoY. The firm delivered Operating PAT of ₹ 95 crore, growing by 75% YoY. Wealth and Asset Management revenues continue to drive the growth and accounted for 68% of total revenues for the firm. Operating leverage benefits to further improve profitability.

REVENUE

-
-
-

COST

-
-
-

PROFITABILITY

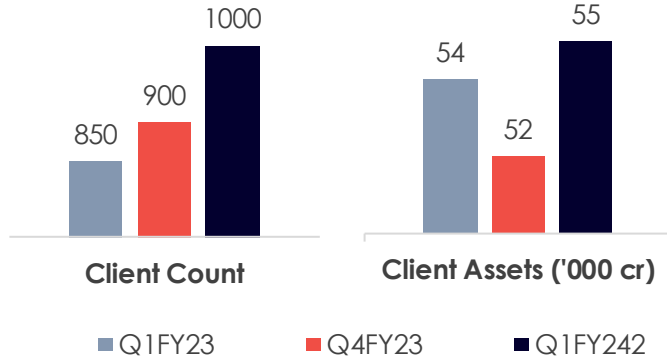
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Segmental Summary

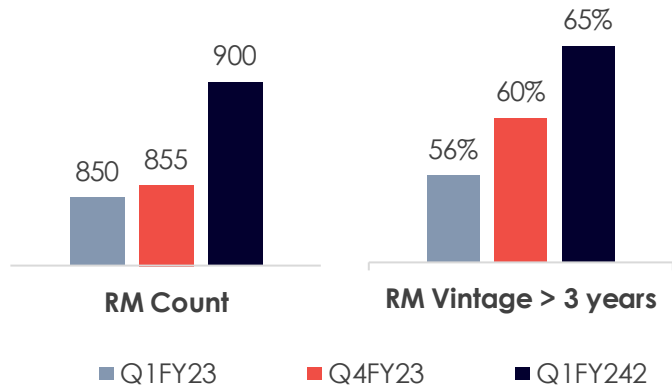


Nuvama Wealth: Q1 FY24

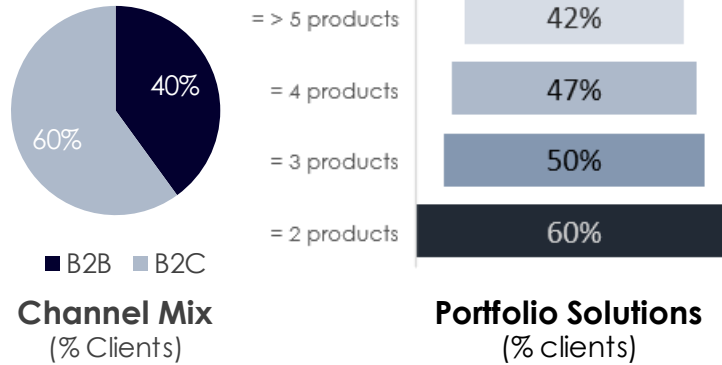
CUSTOMER METRICS



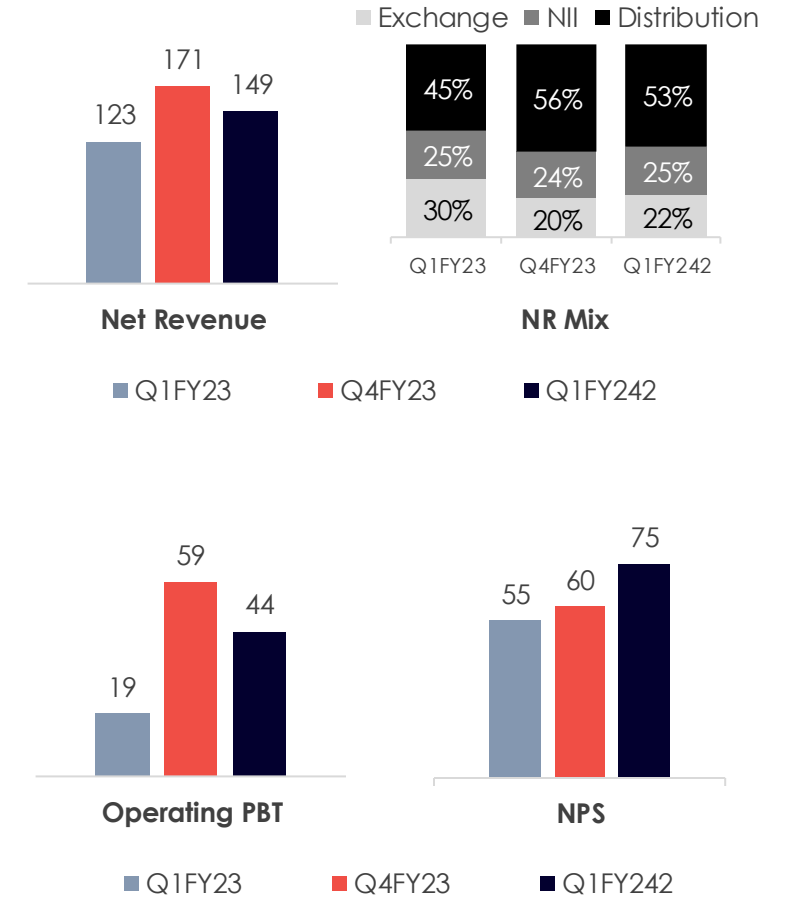
RM METRICS



PLATFORM METRICS

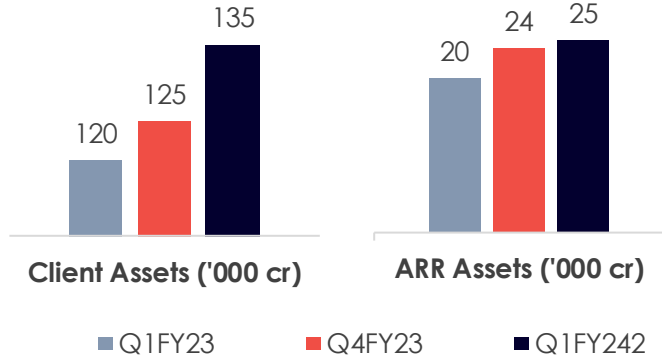


OUTPUT

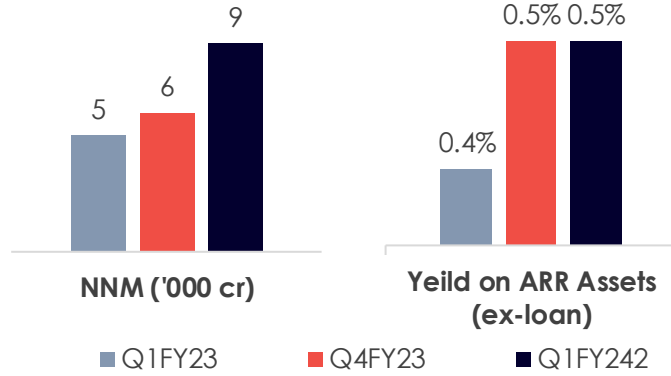


Nuvama Private: Q1 FY24

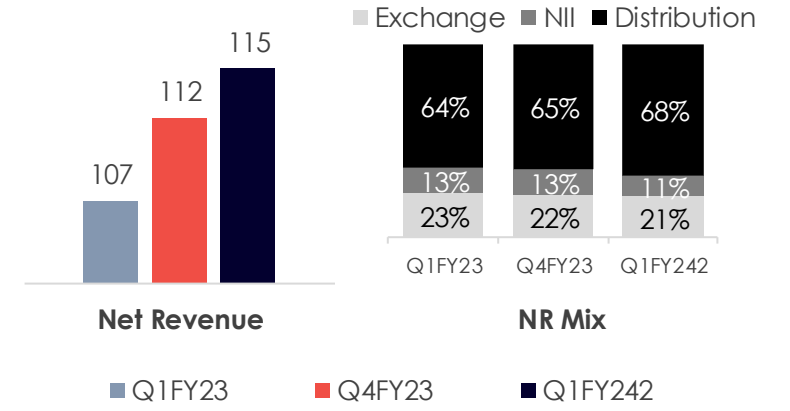
CUSTOMER METRICS



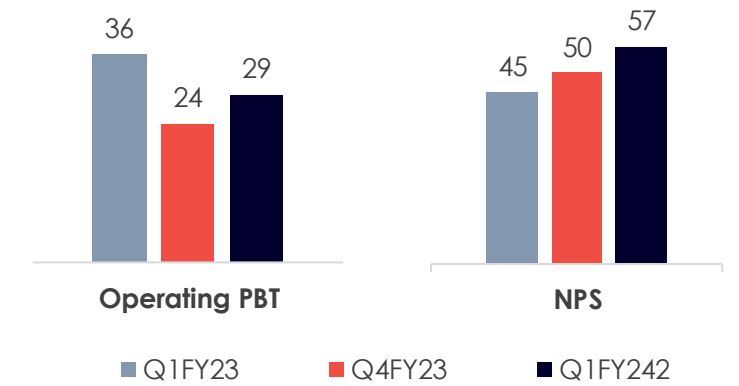
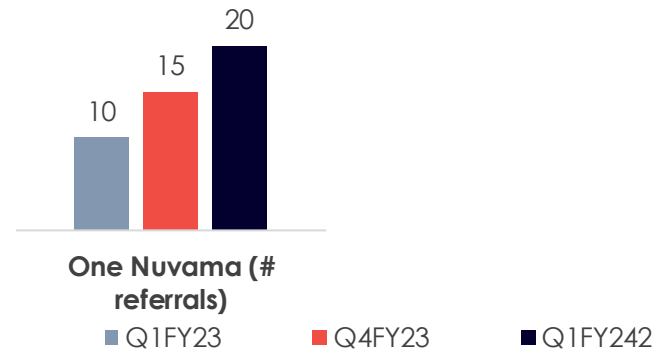
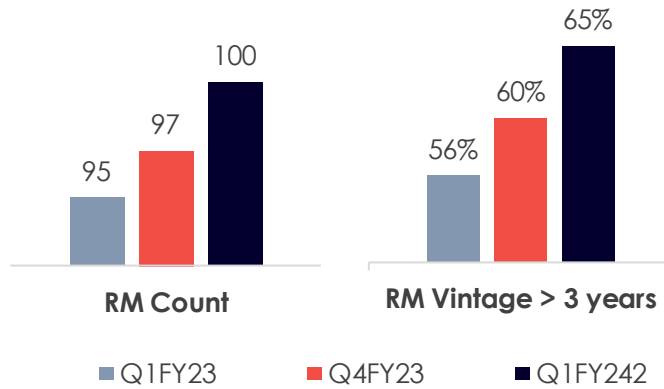
PLATFORM METRICS



OUTPUT

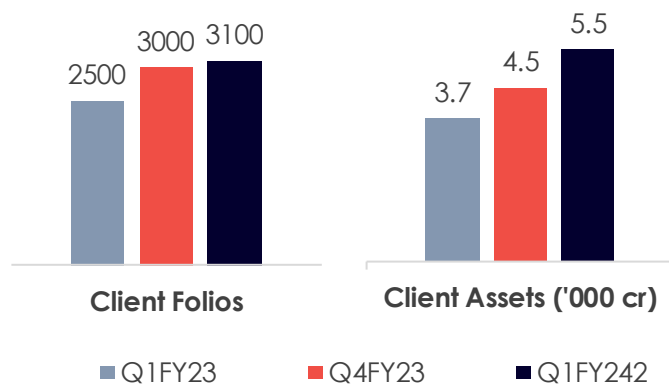


RM METRICS

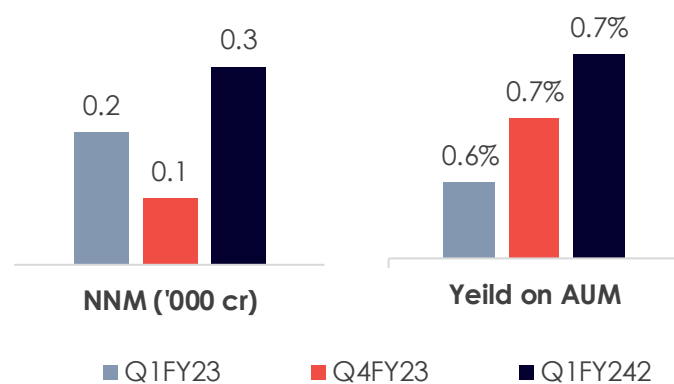


Nuvama Asset Management: Q1 FY24

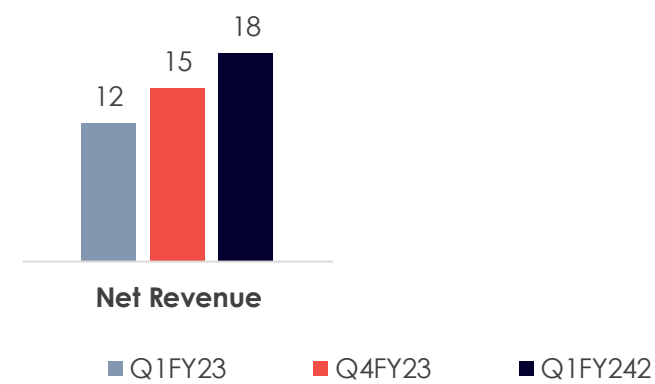
CUSTOMER METRICS



PLATFORM METRICS



OUTPUT



PRODUCT METRICS

By Strategies	Opening	Net Flows	MTM	Closing
AIF	5,587			5,587
Private Markets	4,771			4,771
Private Equities	3,803			3,803
Venture Debt	968			968
Listed Equities	816			816
Discretionary PMS	0			0
Total	5,587	0	0	5,587

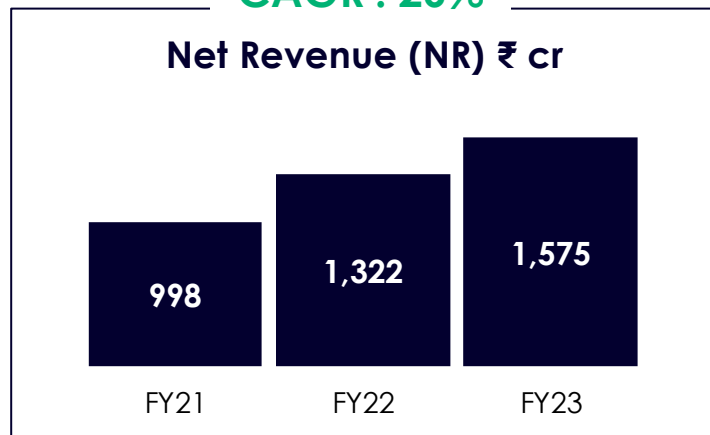
By Asset Class	Opening	Net Flows	MTM	Closing
Total	5,587	0	0	5,587

Historical Trends



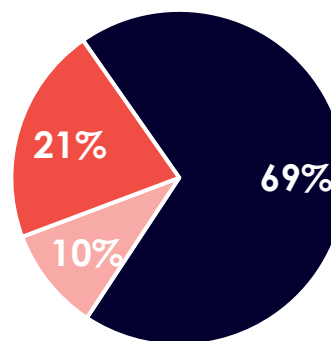
Business Summary: Last 3 years

CAGR : 26%



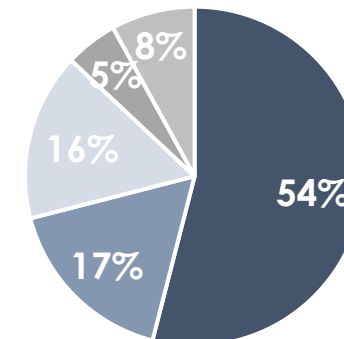
NR Mix (FY23)

- Wealth and Asset Management
- Asset Services
- IB and IE

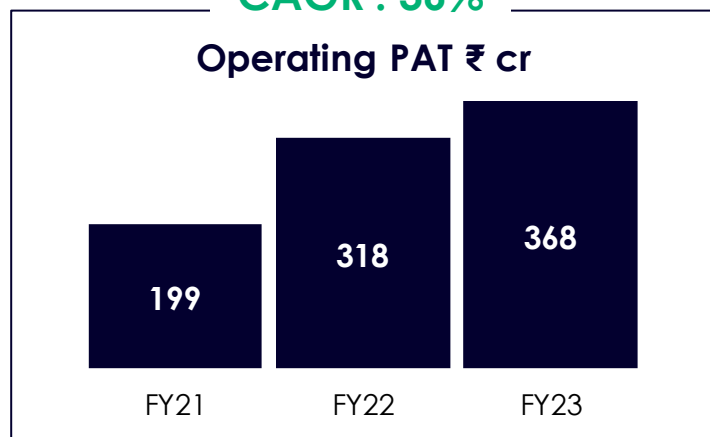


Wealth & Asset NR Mix (FY23)

- Distribution
- Wealth Broking
- Nil
- Wealth Float
- Asset Management



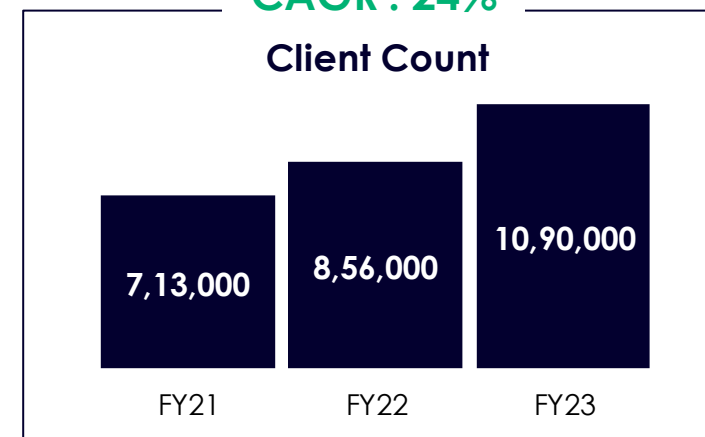
CAGR : 36%



CAGR : 17%



CAGR : 24%



Consolidated Performance: Last 3 years

Particulars – All figures are in ₹ crores	FY21	FY22	FY23	YoY	2YCAGR
Total Revenue		1,322	1,575		
Wealth Management		750	1,016		
Nuvama Wealth		409	574		
Nuvama Private		341	442		
Asset Management		20	68		
Asset Services		171	158		
Capital Markets		382	333		
Total Costs		930	1,086		
Employee Cost		640	759		
Opex		290	327		
Operating PBT		392	489		
Operating PAT		297	367		
Non-recurring expenses		58	60		
PBT		334	429		
PAT before share in profit of associates		253	323		
Share of profit of associates		1	1		
PAT		254	324		
C/I (Operating)		70%	69%		
ROE (Operating)		17.3%	18.2%		

Won accolades across credible platforms

Select Awards and Recognitions

Best for Discretionary Portfolio Management in India

Asiamoney Private Banking Awards 2023

Best Private Bank, India

Global Private Banking Innovation Awards 2022

Best Private Bank, India, Highly Commended

The Asset Triple A Private Capital Awards 2022

Best Domestic Private Bank, India

Asian Private Banker 2022

Single Market Custodian 2022

Asset Servicing Times' Industry Excellence Awards

Best Hedge Fund Custodian 2022

HFM Asian Services Award

Best Private Bank

Global Finance Magazine – 2018, 2019, 2020, 2021

Best Private Bank

Finance Asia Country Awards – 2019

Best Broker – India

FinanceAsia Country Awards – 2016, 2017, 2018, 2020, 2021, 2022

Best Private Bank for Family Offices, India

Asiamoney Asia Private Banking Awards – 2020, 2021, 2022

Capital Structure

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Our STRATEGIC ADVANTAGE

1. Experienced promoters with strong management team

PAG, Promoter of company, is a leading investment firm, with 300 investment professionals and AUM of US \$50+ billion



2. Integrated and differentiated platform

Comprehensive suite of solutions, Best-in-class

3. Scaled & Multi-client segments with reach across India

Only pure play wealth manager serving HNI, Affluent clientele, a large and under serviced client segment

5. Proven execution with diversified revenue streams & strong capital base

All revenue streams have grown consistently and are profitable. Share of Wealth grew from 52% to 69% in last 2 years

4. Unique hybrid fulfilment model of technology + RMs

Full stack digital capabilities across value chain + Proven engine for RM acquisition and growth

LONG-TERM objectives



Wealth and Asset Management to be key drivers and would constitute 75 - 80% of the earnings

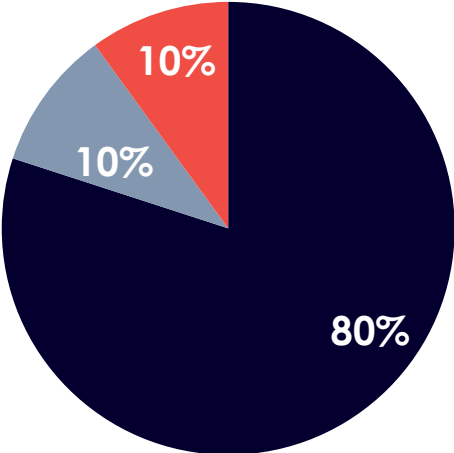


Operating leverage to deliver significant improvement in cost to income ratio



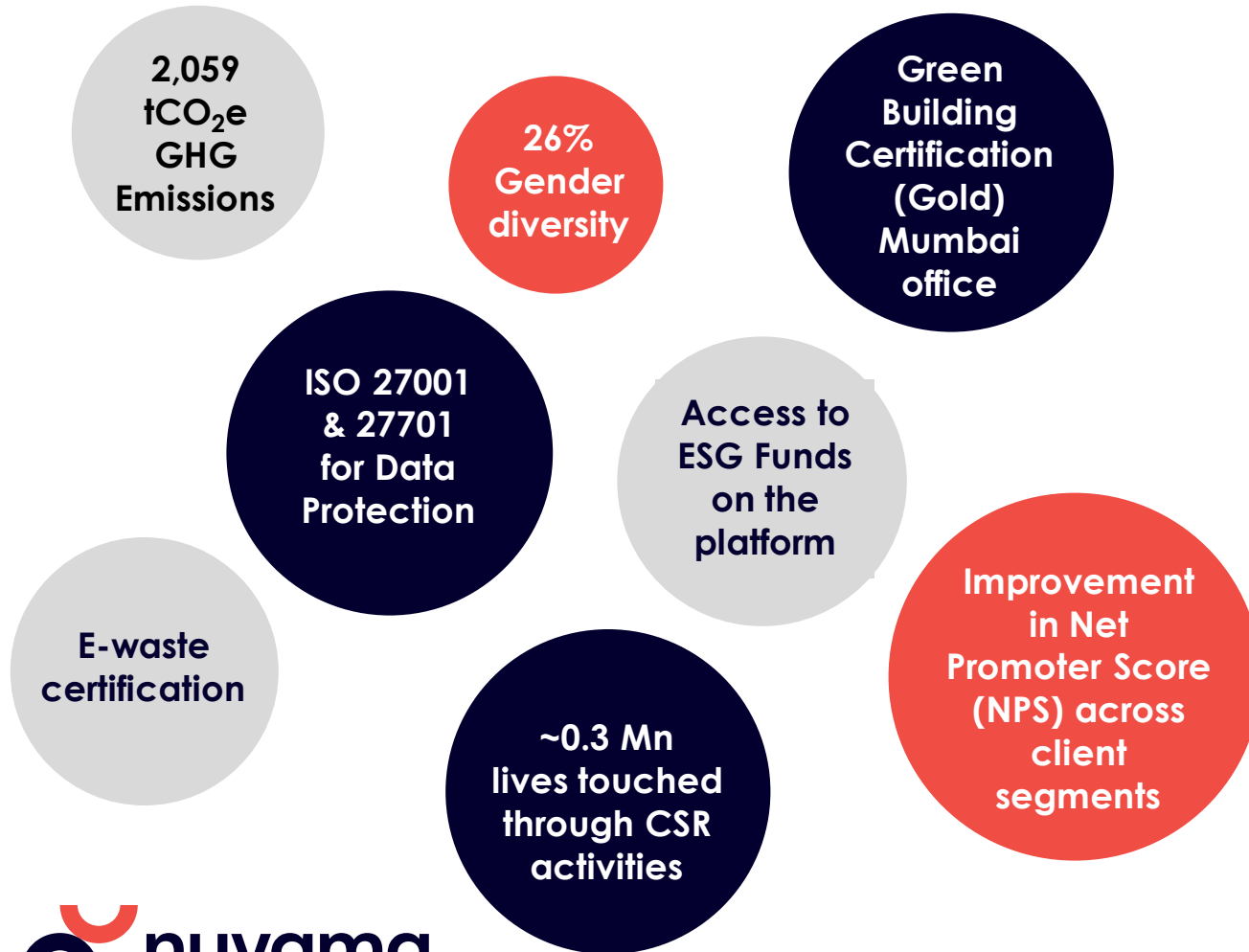
Be client-first in everything we do

Well DEFINED TRAJECTORY for each segment

LONG TERM STRATEGY	FOCUS AREAS	EXECUTION MARKERS	OUTCOME						
<p>1. Grow Wealth Management</p>	<p style="text-align: center; color: #E67E22;">UHN Segment</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Client acquisition</td> <td style="padding: 5px;">Client deepening</td> <td style="padding: 5px;">Strengthen platform</td> </tr> </table> <p style="text-align: center; color: #E67E22;">HNI and Affluent Segment</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Product Innovation</td> <td style="padding: 5px;">Increasing RM and productivity</td> <td style="padding: 5px;">Strengthening technology ecosystem</td> </tr> </table>	Client acquisition	Client deepening	Strengthen platform	Product Innovation	Increasing RM and productivity	Strengthening technology ecosystem	<p style="text-align: center;">In 5 years grow clients and client assets to 2-2.5x</p>	 <p style="text-align: center;"> Wealth and Asset Asset Services IB + IE </p>
Client acquisition	Client deepening	Strengthen platform							
Product Innovation	Increasing RM and productivity	Strengthening technology ecosystem							
<p>2. Significantly Scale Investment Management</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Continued product innovation</td> <td style="padding: 5px;">Execution excellence</td> <td style="padding: 5px;">Building a diversified investor base and distribution channels</td> </tr> </table>	Continued product innovation	Execution excellence	Building a diversified investor base and distribution channels	<p style="text-align: center;">In 5 years grow assets to 6-8x</p>				
Continued product innovation	Execution excellence	Building a diversified investor base and distribution channels							

ESG: Let's do it right, for people, planet & prosperity

Key ESG Highlights for FY 2022-23



Pioneering Sustainability: Our ESG Journey begins

- ✓ Rebranding with a 'customer-centric' focus
- ✓ Engaged a Big4 consulting firm to develop ESG Strategy
- Strategy: Materiality Assessment
- Communication: Across internal and external platforms
- Communication: ESG report
- Strategy: ESG targets and monitoring progress
- Implementation: Monitoring KPI & Dashboard
- Governance: Board Committee for ESG & Policy

Safe harbour

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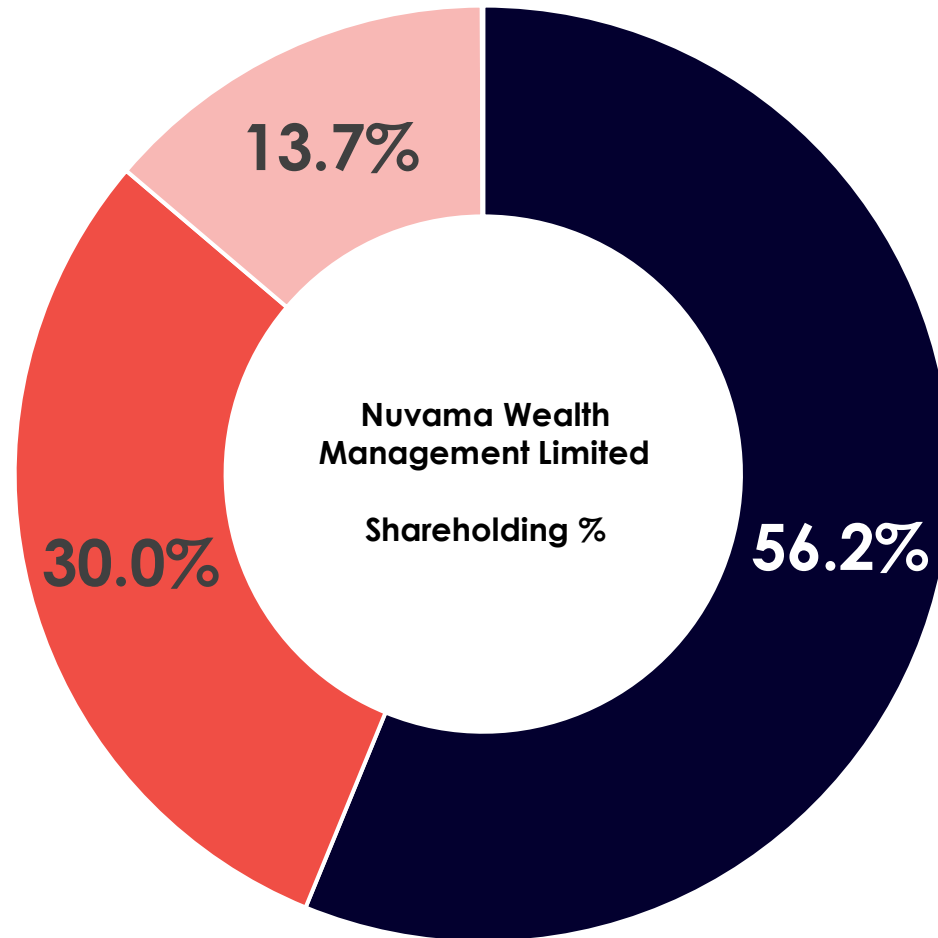
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For more information, please visit www.nuvama.com

NOTES:

- Slide 1: Nuvama formerly know as Edelweiss Wealth Management
- Slide 7: Kotak Wealth Report, Karvy Wealth Report, Mckinsey Wealth Reports | 2017-2019 and company estimates
- Slide 10: Source for data points are CMIE and World Bank and estimated number is basis predictions by various economic bodies
- Slide 11: Source: Karvy Wealth Reports, Knight Frank Wealth Report 2021, India Brand Equity Foundation September 2021
- Slide 12: Source: RBI and SEBI and Karvy Wealth Reports, Investment assets includes Insurance, Direct Equity, Mutual Fund, Unlisted Equity, Alternative Investments and International Assets
- Slide 13: Source: World bank, Asian Private banker, Kotak Wealth Report, Karvy Wealth Report, McKinsey Wealth Reports, Investor Presentation of WM players and Internal estimates
- Slide 29: Net revenue and Operating PAT incorporates impact of phase 3 demerger to include merchant banking and advisory services businesses. Net Revenue is calculated by reducing finance cost and variable business expenses from gross revenue. Operating PAT excludes one time non operating expenses.
- Slide 1 to 34: Nuvama data and metrics presented are as on end of or for period FY23 or as specified and may have been rounded off for presentation purposes

Appendix 1: Shareholding post demerger



- PAG
- Shareholders of Edelweiss as on record date
- Edelweiss
- ESOP holders