

Q2 FY23

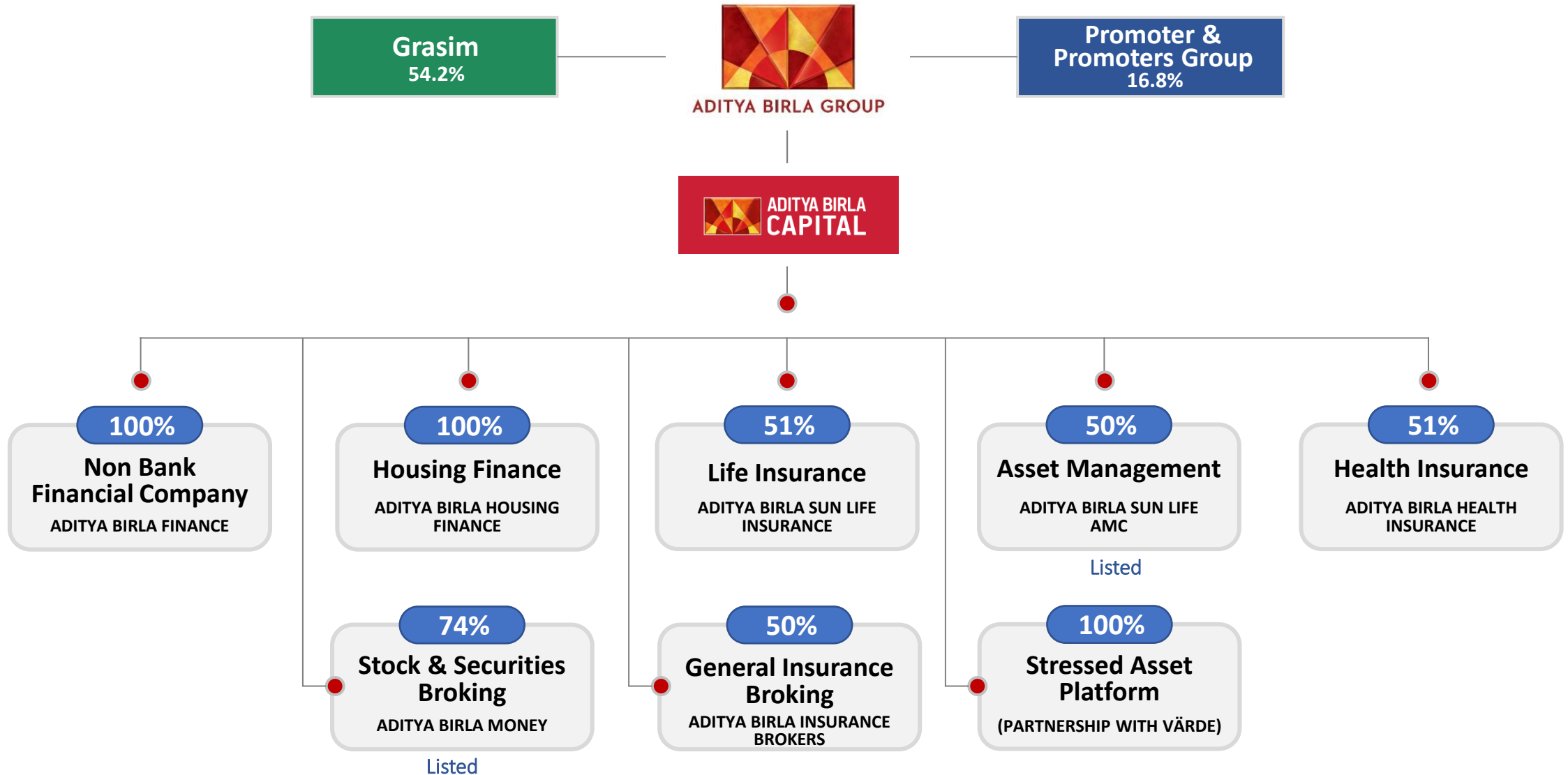
FINANCIAL RESULTS

INVESTOR PRESENTATION

7th November 2022

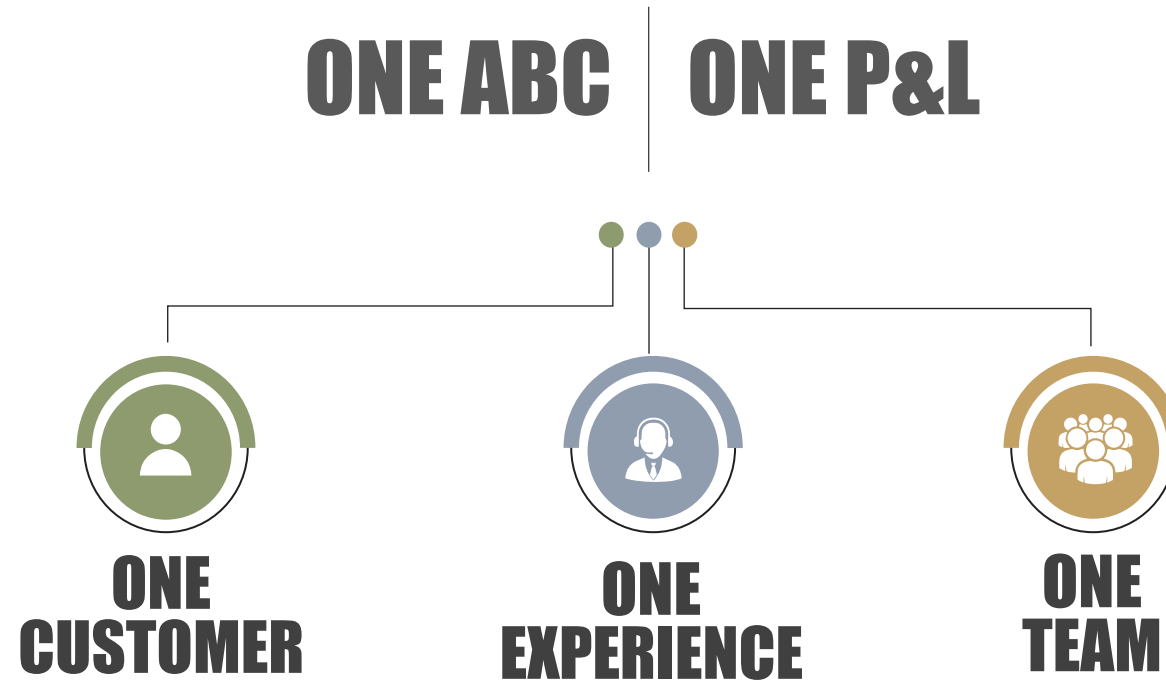
A Leading Financial Services Conglomerate

Diversified Financial Services Platform from Trusted conglomerate



Above is not intended to show the complete organizational structure and all entities therein. It is intended to describe the key businesses of Aditya Birla Capital

Shareholding as on 30th September 2022



Providing complete lifecycle solution to customers and their ecosystem

Universal Financial Services Provider serving lifecycle financial needs of a consumer

PROTECTING



- ▶ Life Insurance
- ▶ Health Insurance
- ▶ Motor Insurance
- ▶ Corp General Insurance
- ▶ Travel Insurance

INVESTING



- ▶ Mutual Funds
- ▶ Wealth
- ▶ Stocks & Securities
- ▶ PMS
- ▶ Mortgage Finance
- ▶ Pension Funds

FINANCING



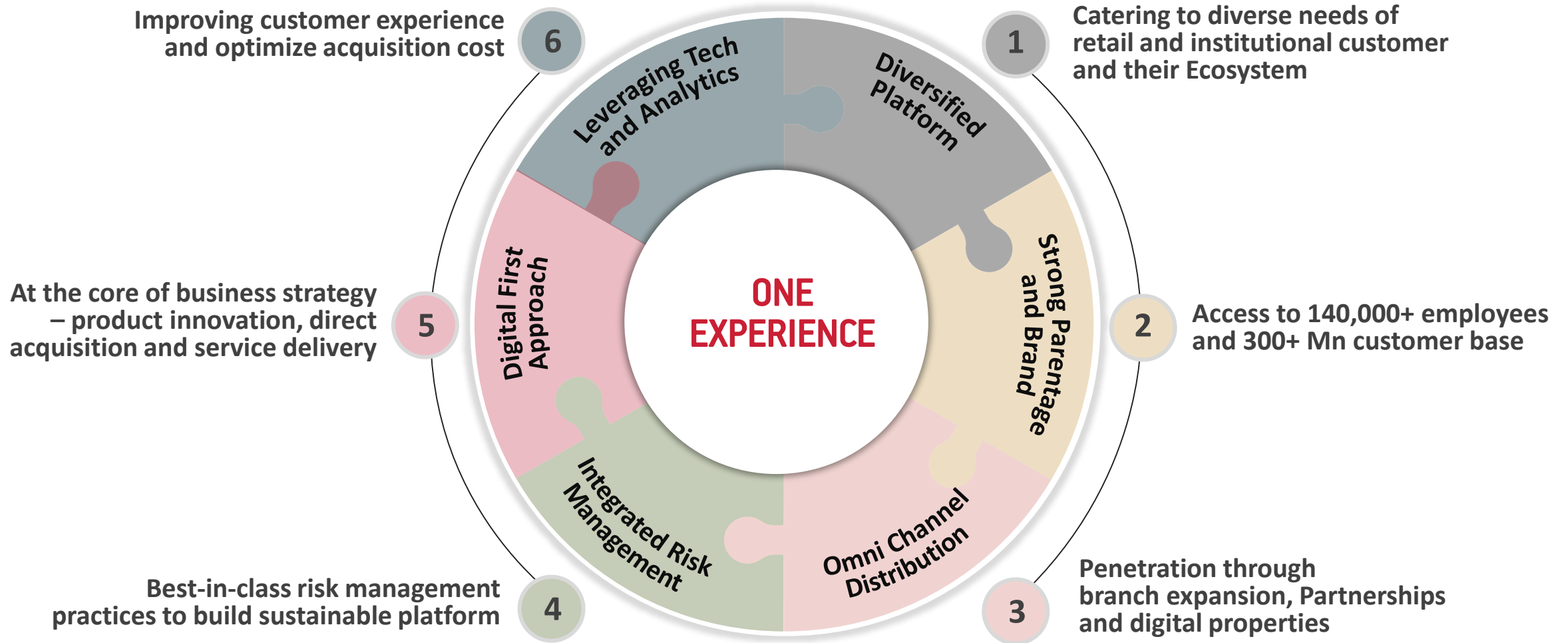
- ▶ Home Finance
- ▶ Personal Finance
- ▶ SME Finance
- ▶ Mortgage Finance
- ▶ EMI Solutions
- ▶ Project Finance
- ▶ Loan Against Securities
- ▶ Corporate Finance
- ▶ DCM & Loan Syndication

ADVISING



- ▶ Money For Life Planner

One Experience: Using Strong Operating Levers



Unique business proposition flowing from group synergies



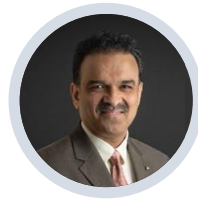
VISHAKHA MULYE
Chief Executive Officer
ABCL



RAKESH SINGH
MD & CEO
Aditya Birla Finance



A. BALASUBRAMANIAN
MD & CEO
Asset Management



KAMLESH RAO
MD & CEO
Life Insurance



PANKAJ GADGIL
MD & CEO
Housing Finance



TUSHAR SHAH
CEO, Infra &
Structured Finance



MAYANK BATHWAL
CEO
Health Insurance



SANDEEP DADIA
CEO
General Insurance Broking



PINKY MEHTA
CFO



MUKESH MALIK
COO



SUBHRO BHADURI
CHRO



A DHANANJAYA
CRO



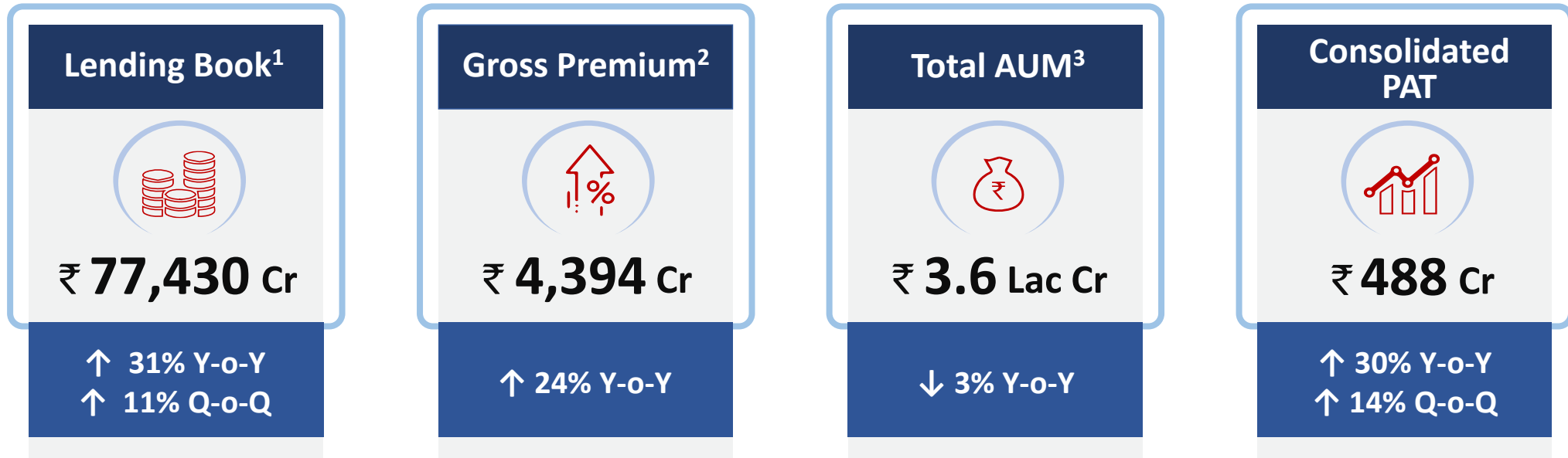
VIJAY DESHWAL
Chief Strategy Officer
& Head, IR

Leadership team aligned with our approach of One ABC One P&L

Business CEOs

ABCL Management

Strong quarterly performance with accelerated growth momentum across businesses



Highest ever quarterly consolidated PAT of Rs. 488 Cr

Total active customers at 41 Million

Raised ~ Rs. 665 Crore from ADIA for 9.99% stake valuing ABHI at Rs. 6,650 Core

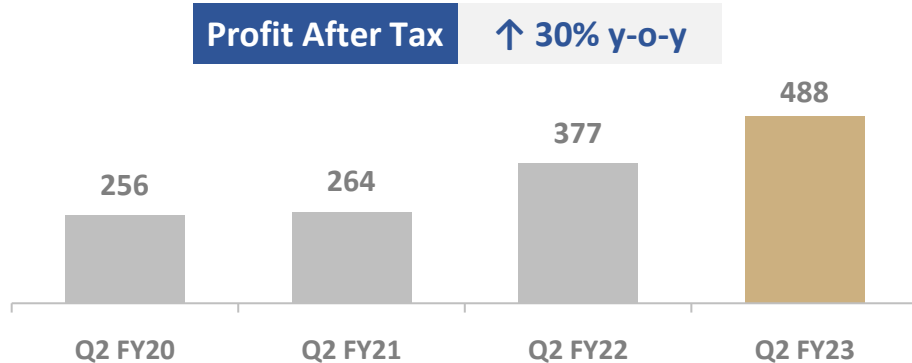
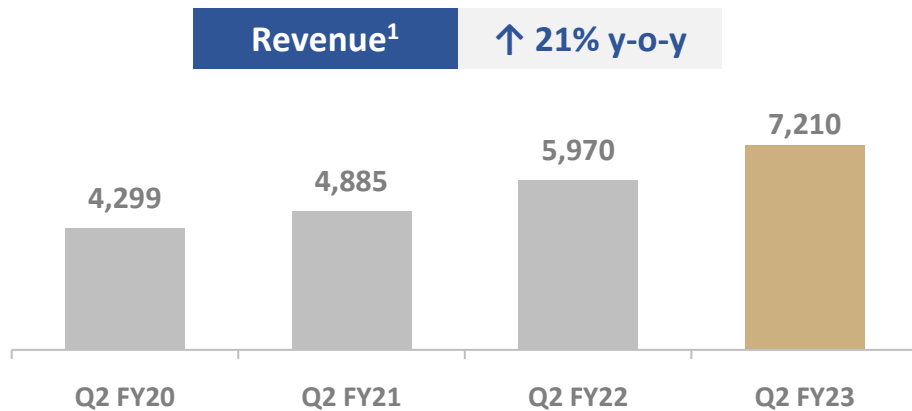
NBFC and Housing	
1	Loan Book Growth
NBFC Loan Book ▲ 36% y-o-y	HFC Loan Book ▲ 10% y-o-y
2	Margin Expansion
NBFC NIM 6.58% ▲ 35 bps y-o-y	HFC NIM 5.13%; ▲ 89 bps y-o-y
3	Profitability
NBFC PBT Rs 488 Cr ▲ 26% y-o-y 14.7% RoE	HFC PBT Rs 76 Cr ▲ 15% y-o-y 13.9% RoE

Asset Management	
1	AUM Growth
Domestic AAUM ▼ 6% y-o-y	Equity AAUM ▲ 3% y-o-y
2	Operating Margin
Operating PBT/AAUM 24 bps (PY: 25 bps)	PBT/AAUM 34 bps (PY: 31 bps)
3	Profitability
Profit Before Tax of Rs 249 Cr ▲ 8% y-o-y	Return on Equity at 32.7% (PY:36%)

Life and Health Insurance	
1	Premium Growth
LI: Individual FYP ▲ 16% y-o-y	HI: Gross Premium ▲ 62% y-o-y
2	Margin & Combined Ratio
LI: Net VNB margin ▲ 473 bps y-o-y;	HI: Combined Ratio at 114% (PY:139%)
3	Value Accretion
LI: PBT at Rs 56 Cr ▲ 10% y-o-y	HI: Fastest growing SAHI player

All figures in Rs Crores ¹including HNI Loan book

Consolidated PAT ↑ 30% year on year



Business-wise Profit before Tax

Businesses (INR Crores)	Q2 FY22	Q2 FY23	Δ LY%
NBFC	387	488	↑ 26%
Housing	66	76	↑ 15%
Asset Management	231	249	↑ 8%
Life Insurance	50	56	↑ 10%
Other Businesses	46	56	↑ 23%
Profitable Businesses PBT	780	925	
Health Insurance	(100)	(76)	
Less: Others ² / Eliminations	(7)	(4)	
Aggregate PBT	672	845	↑ 26%
Less: Provision for Taxes	(230)	(269)	
Less: Minority Interest	(66)	(88)	
Consolidated PAT	377	488	↑ 30%

¹ Consolidated segment revenue ; for Ind AS statutory reporting purpose Asset management and wellness business are not consolidated and included under equity accounting

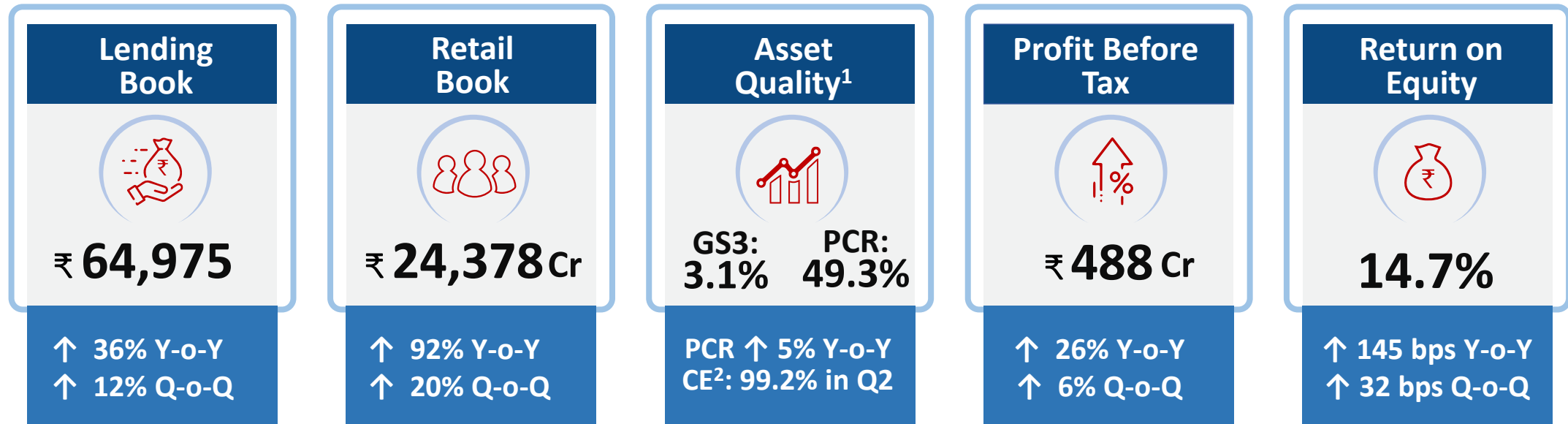
² Includes ABCL standalone, Aditya Birla Capital Technology Services Limited and other businesses

On track to deliver ahead of FY24 guidance

	Metrics for FY24 guidance	Q2 FY22	Q1 FY23	Q2 FY23	Targets
NBFC	Retail + SME mix	59%	64%	65%	65%
	Net Interest Margin	6.2%	6.47%	6.58%	6.25%+
	Return on Assets	2.4%	2.5%	2.4%	2.5-2.7%
Housing	Affordable mix	33%	39%	41%	~65%
	Net Interest Margin	4.24%	4.77%	5.13%	4.25%
	Return on Assets	1.8%	1.9%	1.9%	1.5-1.6%
AMC	Domestic Equity AAUM mix	38.7%	41.5%	42.1%	~40%
	PBT CAGR	231	141	249	~ 15%. p. a.
	Return on Equity	36.5%	18.3%	33.0%	35-40%
Life Insurance	Protection Mix	5.7%	3.2%	2.2%	12-15%
	Opex Ratio	12.2%	16.8%	12.8%	~12%
	Net VNB Margin	12.9%	2.5%	18.9%	16-17%
Health Insurance	GWP CAGR (To reach Rs 3,500 Cr)	396	630	640	~40%
	Combined Ratio ; Breakeven Target	137%	109%	114%	Q4 FY22



NBFC



Retail + SME³ Book ₹ 42,034 Cr
 65% of Loan Book
 ↑ 50% Y-o-Y | ↑ 14% Q-o-Q

Added 1.2 Mn customers
Active Customers: 5.3 Mn
 ↑ 47% vs Mar'22

Highest ever quarterly profit thus far
 Continue to deliver superior RoA of 2.4%

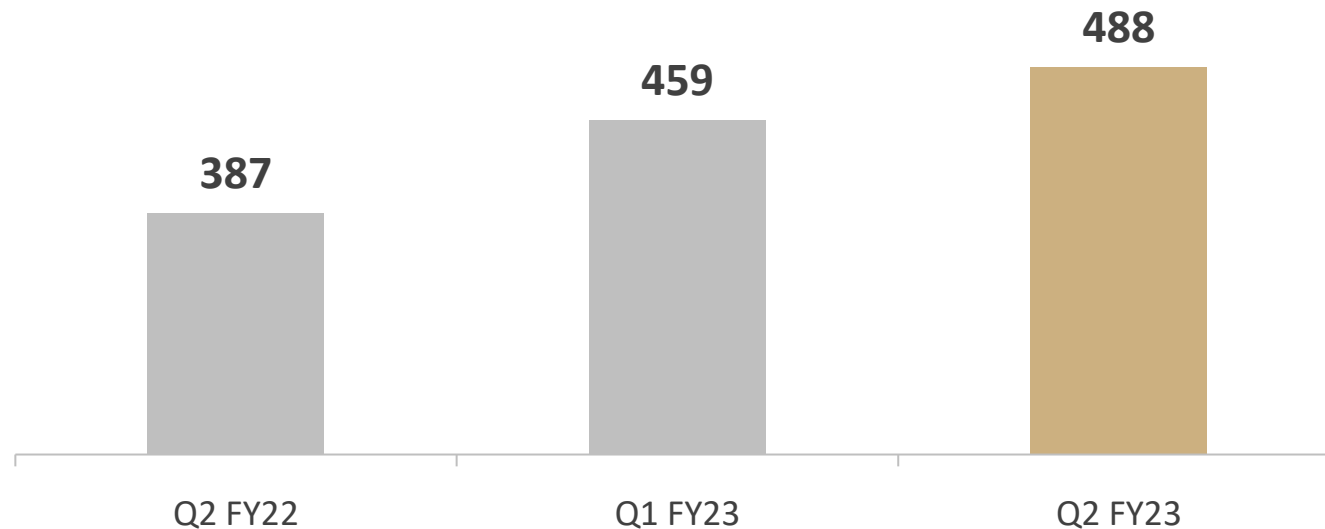
¹GS3 as per IndAS; Higher by Rs 280 Cr (43 bps) as per IRAC

²CE: Collection Efficiency

³Includes HNI Book

- 1** Retail portfolio expansion and increasing granularization
- 2** Specific industry focus & digital platform to drive SME & B2B segment
- 3** Acquiring customers at scale using digital ecosystems & data analytics
- 4** Increase direct sourcing through branch expansion in Tier 3/4 markets

Profit Before Tax (in INR Crore)



RoA	2.4%	»»	2.5%	»»	2.4%
RoE	13.2%	»»	14.3%	»»	14.7%

PBT Growth

↑ 6% Q-o-Q

↑ 26% Y-o-Y

RaR¹ & RoA

RaR ↑ 28 bps Y-o-Y

Continue to deliver superior RoA

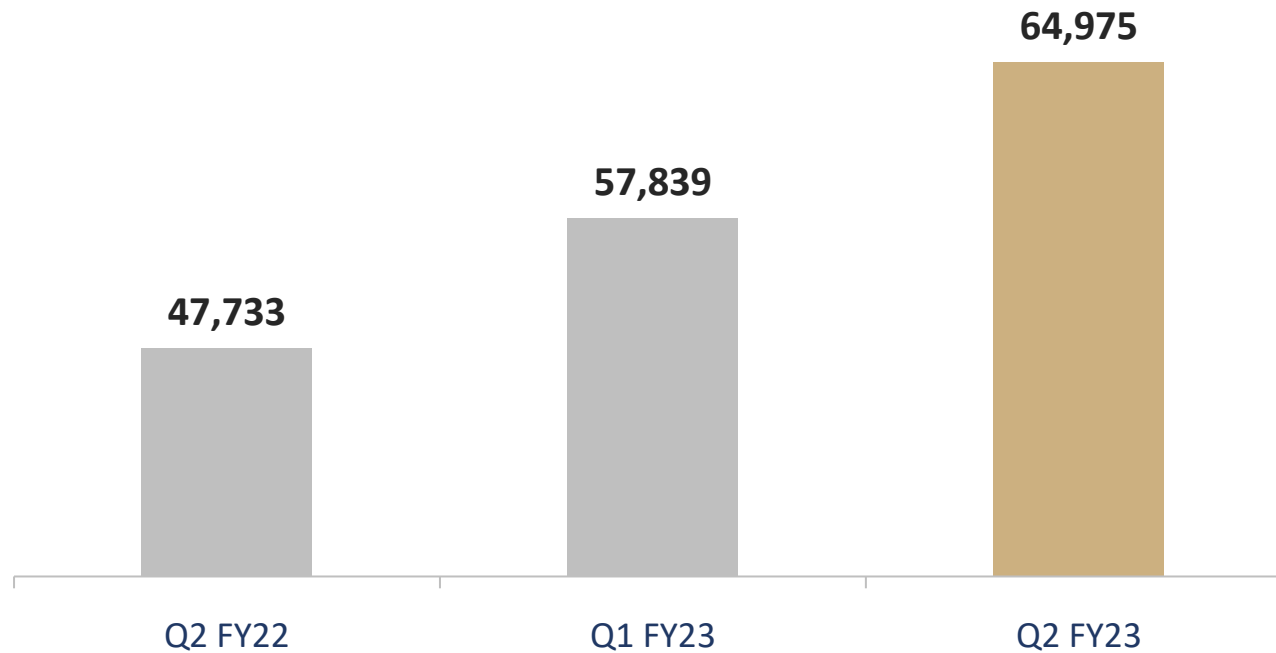
Return on Equity

14.7% (PY: 13.2%)

↑ 145 bps YoY

1. RaR: Risk Adjusted Return = Net Interest Margin (incl. Fees) – Credit Cost

Overall Loan Book (in INR Crore)



Customers (Mn)

1.0

4.8

5.3

Key Highlights

Overall Book Growth

↑ 12% Q-o-Q

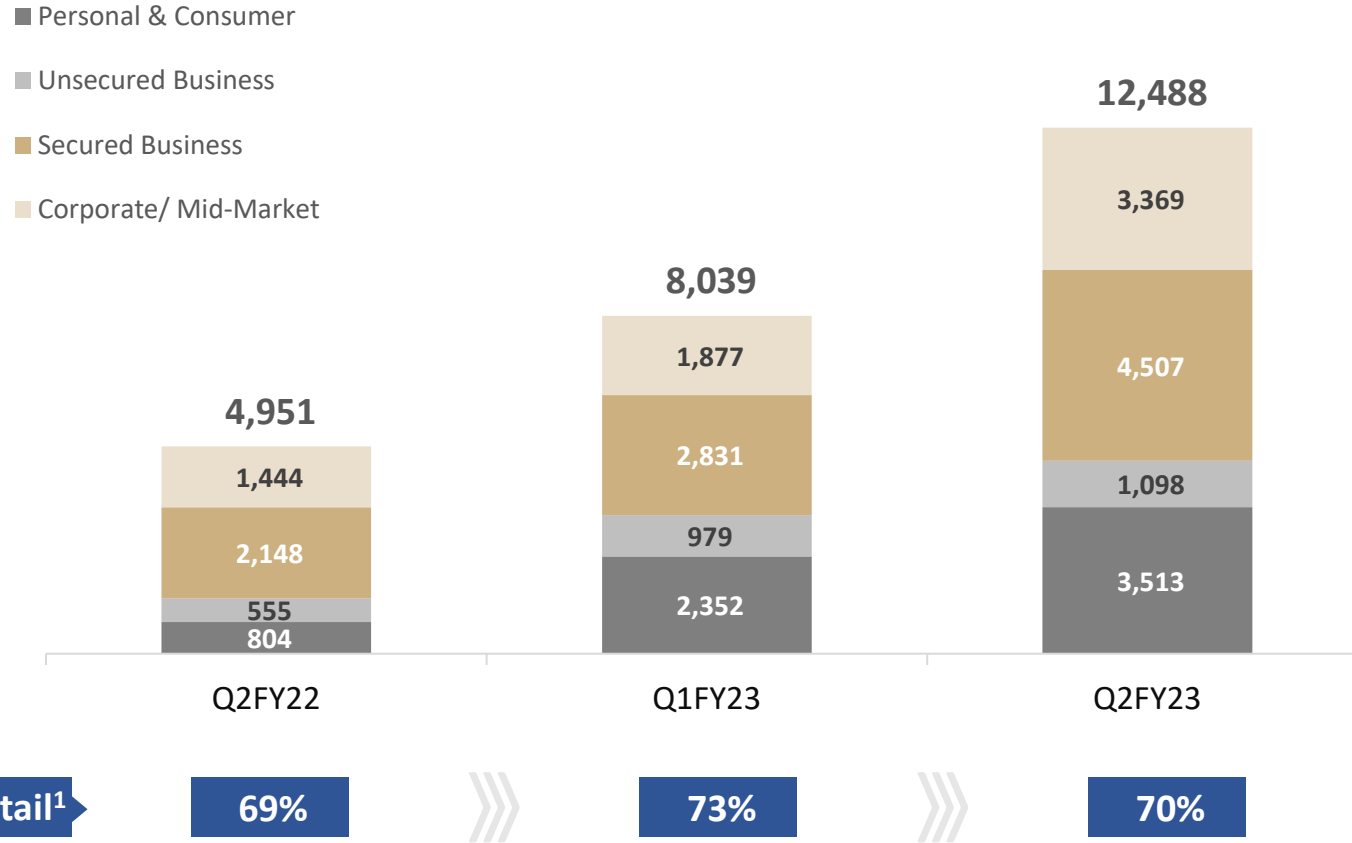
↑ 36% Y-o-Y

Customer Count

5.3 Mn active customers

1.2 Mn added in Q2

Product-wise Disbursements (in INR Crore)



Personal & Consumer

↑ 49% Q-o-Q; ↑ 4.4x Y-o-Y

Repeat Business in Digital

32% portfolio growth
(PQ: 20%)

Unsecured Business

↑ 12% Q-o-Q; ↑ 2.0x Y-o-Y

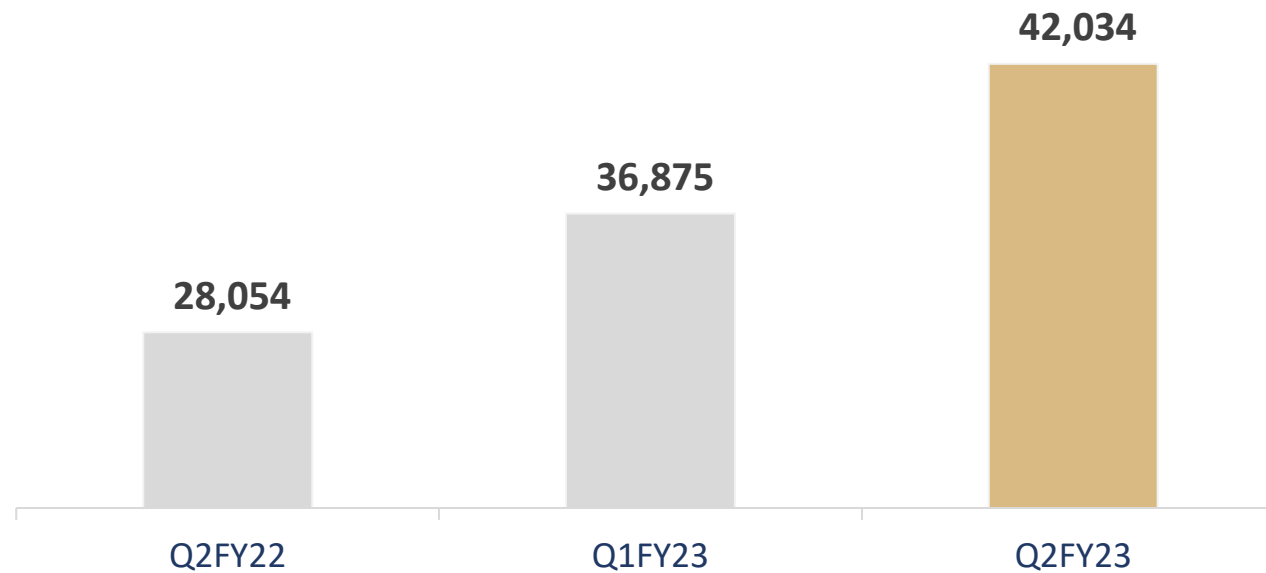
Secured Business

↑ 59% Q-o-Q; ↑ 2.1x Y-o-Y

¹ Includes HNI book; Note: Disbursements are non-LOC

Continued improvement in Retail & SME Loan Book mix

Retail & SME¹ Loan Book (in INR Crore)



	Q2FY22	Q1FY23	Q2FY23
SME + Retail ¹	59%	64%	65%
Branches	119	191	221

SME + Retail¹ book

↑ 14% Q-o-Q | 50% ↑ Y-o-Y

▲ Mix: 59% → 65%

Branches

221 Branches Live in H1

62 new branches in H1





Target Footprint

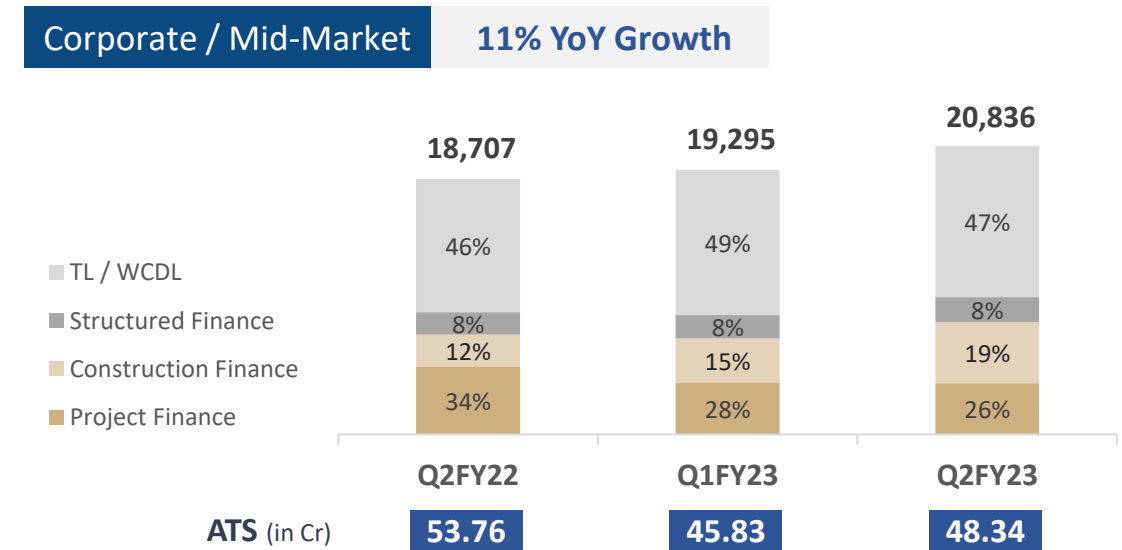
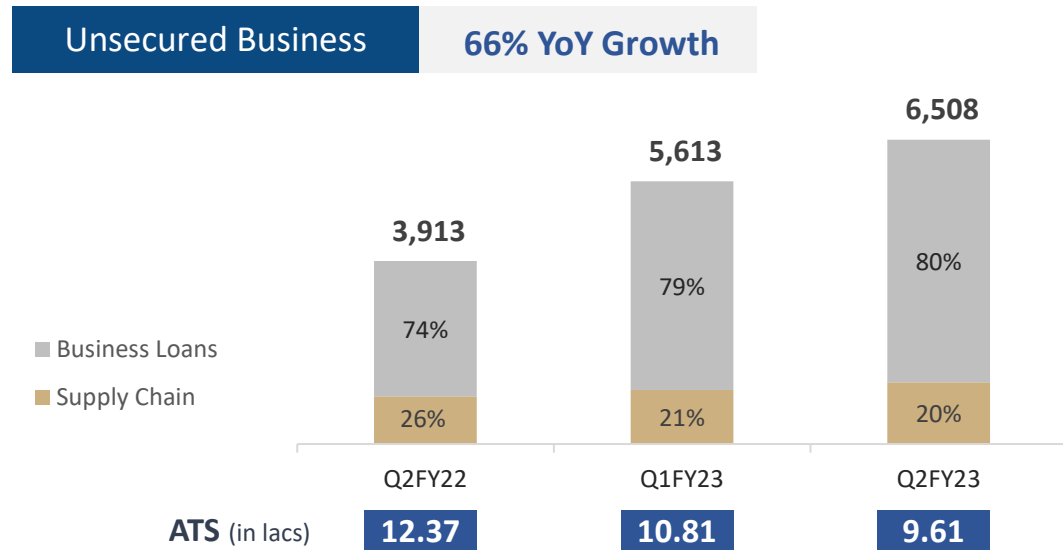
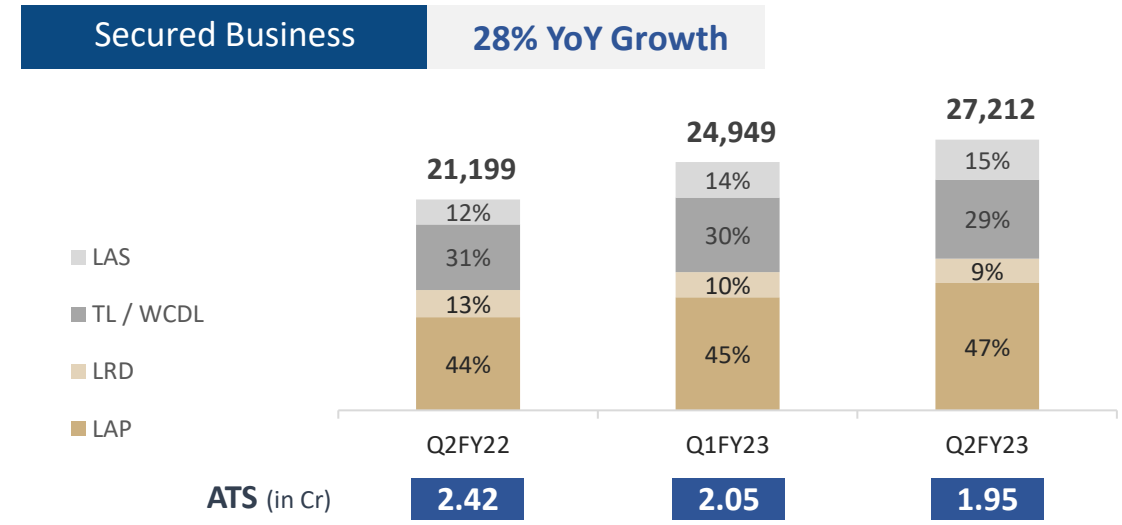
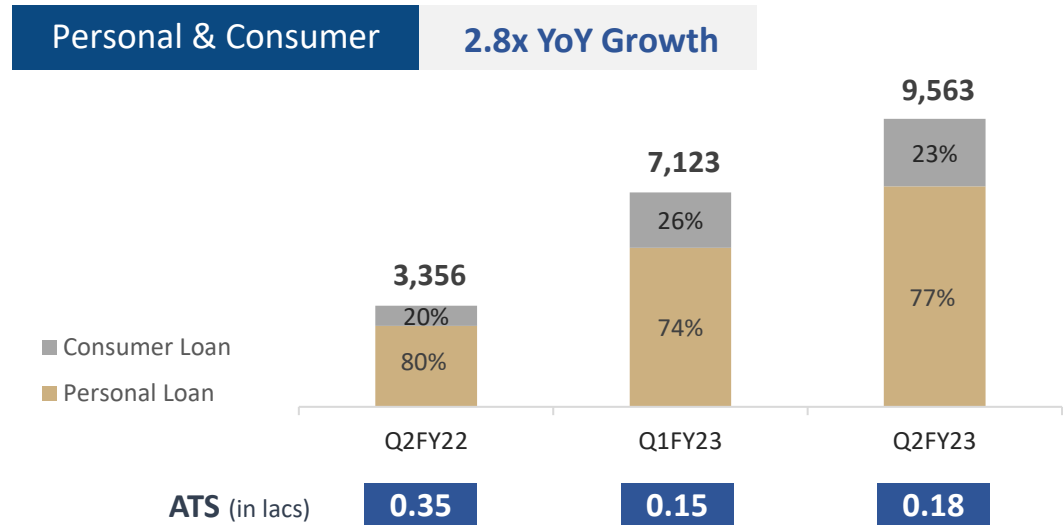
325+ branches by FY23

80%+ in Tier 3/4 cities

¹ Includes HNI book

Well Diversified Product Portfolio

Segment	Personal & Consumer	Unsecured Business	Secured Business	Corporate / Mid-Market
Presence	Semi-urban	Semi-urban	Semi-urban/ SME Clusters	Top 6-7 Cities
Sourcing	DSA + Direct + Ecosystems	DSA + Ecosystems	DSA + Direct	Relationship (Direct)
ATS	Rs 18 k	Rs 9.61 Lacs	Rs 1.95 Cr	Rs 48.34 Cr
Products	<p>Salaried Professionals with focus on emerging income segment</p>  <ul style="list-style-type: none"> Personal Loans Consumer Loans Check-out Financing Credit Card 	<p>Business owners & Self-employed professionals engaged in small/mid-sized businesses</p>  <ul style="list-style-type: none"> Business Loans Supply Chain Finance B2B Digital Platform Business Overdraft 	<p>Business owners & Self-employed professionals engaged in small/mid-sized businesses</p>  <ul style="list-style-type: none"> Loan Against Property Working Capital Loans Micro – LAP Loan Against Securities 	<p>Pedigreed Group Corporates/ Mid-market Cos in focus sectors/ Cat A/ A+ developers</p>  <ul style="list-style-type: none"> Capex/ WC Funding Structured Finance Developer Financing Project Finance
Cross-Sell	Personal Loan Top Ups & Cross Sell, Insurance & Wealth Solutions to ABFL & ABC customer ecosystem			



¹Balance includes Investment book of Rs 856 as on Sep'22

	Book	Total	Stage 1	Stage 2	Stage 3	Stage 3 PCR%
Sep'21	Value (Cr.)	47,733	42,329	3,669	1,736	
	Mix %	100%	88.68%	7.69%	3.64%	44.11%
Jun'22	Value (Cr.)	57,839	52,955	3,007	1,876	
	Mix %	100%	91.56%	5.20%	3.24%	47.96%
Sep'22	Value (Cr.)	64,975	59,744	3,227	2,004	
	Mix %	100%	91.95%	4.97%	3.08%	49.29%

73%

Overall loan book secured
(incl. 4% through CGTMSE)

223 Cr

Restructured book under
moratorium; 0.34% of
overall portfolio

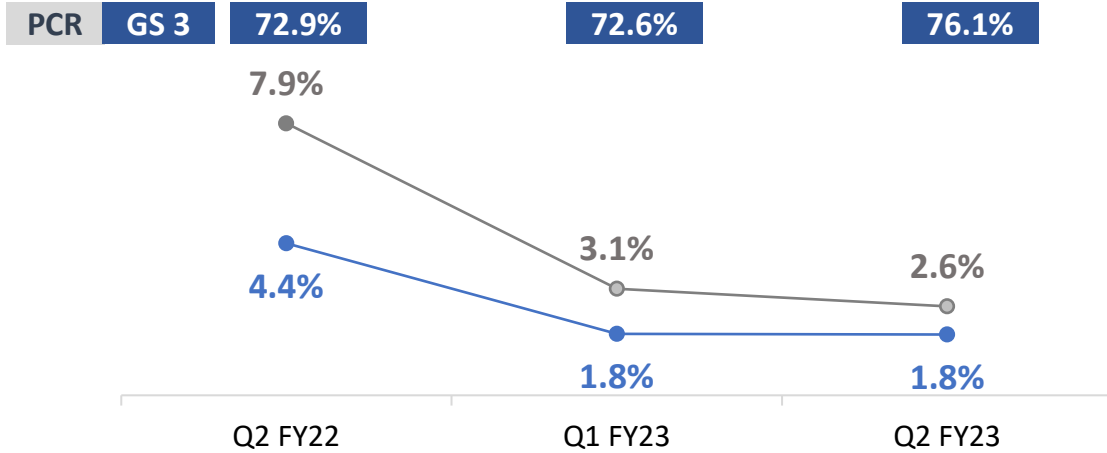
188 Cr

Mgmt. overlay (incl.
Covid provision) across
all stages

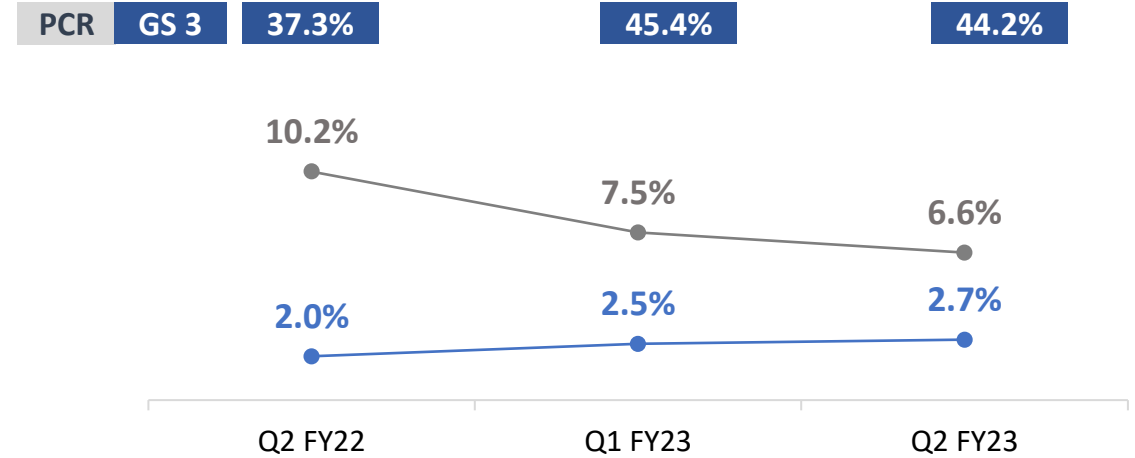
99.2%

Overall CE; 95.1% CE on
Restructured Book

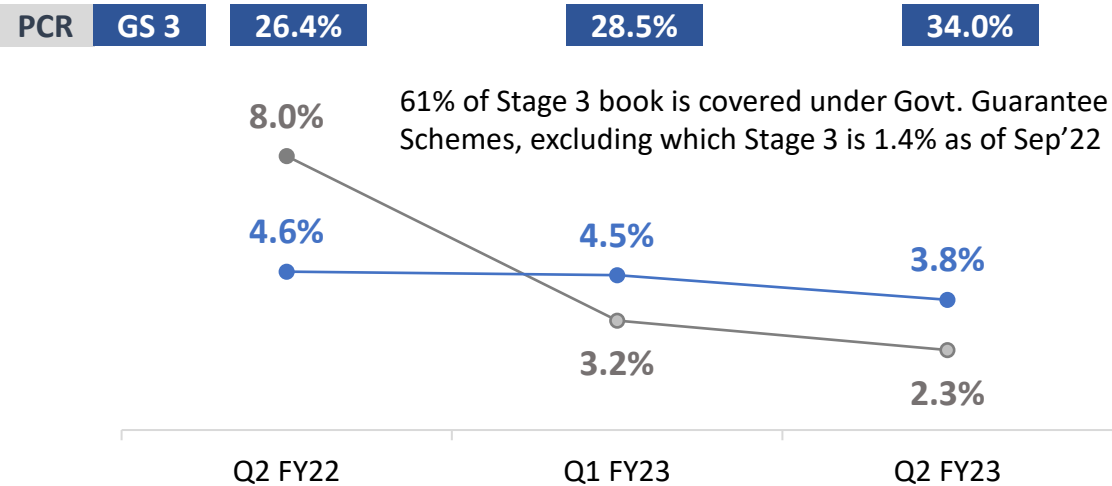
Personal & Consumer



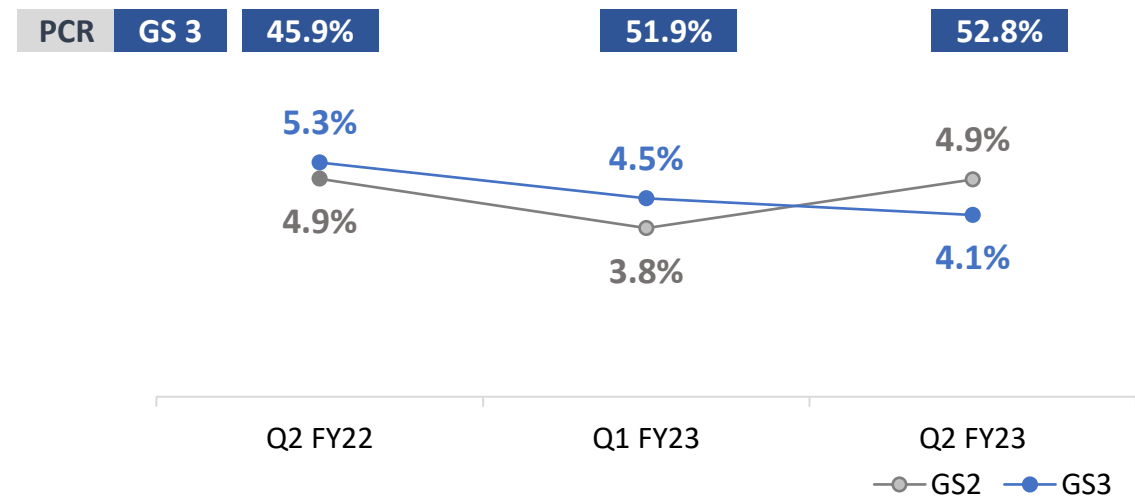
Secured Business



Unsecured Business



Corporate / Mid-Market



SOURCING



New to Business Customers

- Create scorecard for NTC customers
- Apply risk based differential pricing

Existing Customers

- Preapproved loan for all good customers
- Cross sell MF, Insurance to Loan customers

Ex-Customers

- Offer Cross sell loans; Competitive pricing
- Re-engage with competitive pricing

New Products

- Customize deals and products
- Use behaviour scorecards to analyse

UNDERWRITING



Identify Credit Worthy Customers

Custom Multiple Application Scorecards for Digital, PL, BL, STUL, STSL (Bureau Hit & NTC)

Offer Appropriate Credit Line / Loan

Income Estimation & Obligation Calculation (FOIR)

Competitive Price & Optimize Cost

Risk based pricing; Optimize different field verification, use digital process

Close Monitoring

Setup Early Stage Warning System

COLLECTIONS



Root Cause Identification

Identify cohorts with challenges (non-contactability, inability to pay etc.) and find a way around it

Prepare base for collection

Improvise sourcing strategy by incorporating collection feedback

Prepare base for collection

Based on multiple collection SC, prepare customized base for different channels

Track Agency performance

Rank the collectors and agencies, based on recent & historical target achievement

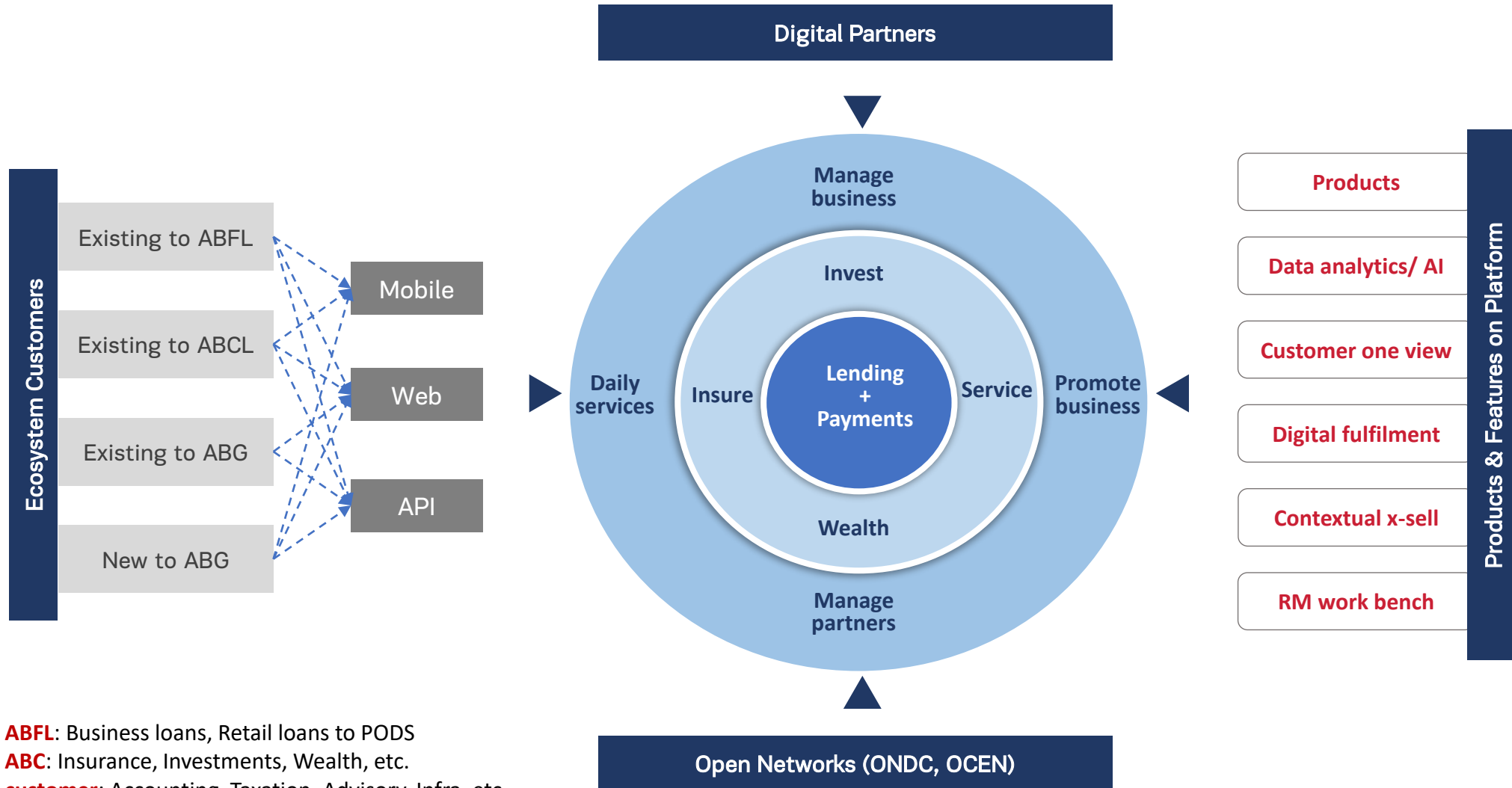
Acquiring customers at scale using digital & data analytics

Strong outcomes demonstrating strength of our technology capability in customer acquisition, servicing and process automation

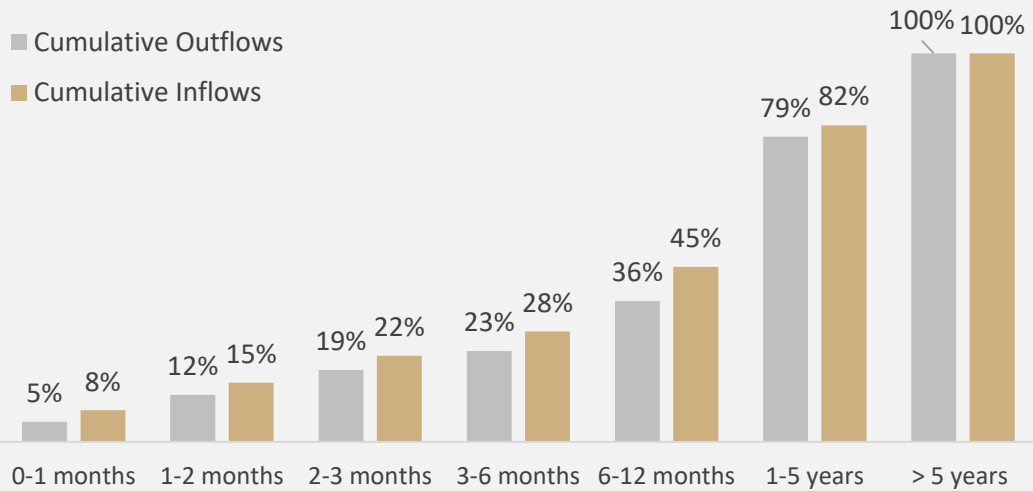
Customer Acquisition	99% Customers onboarded digitally	1.2 Mn Customers acquired digitally	49% Of overall personal loan book sourced digitally	~32% Digital portfolio growth via Cross Sell
Customer Servicing	98% EMIs collected digitally	40% Straight through processing for service journey's	83% Digital service interactions	20% Inbound contact center calls handled by Voice bots
Process Automation	77% e-Nach penetration in Personal Loans	96% e-Contract penetration in Personal Loans	85% Email bot accuracy in inbound mail categorization	89% Straight through processing for disbursements done digitally



Enhancing MSME proposition by investing in a differentiated platform solution



ALM optimised for liquidity and costs (as on 30th Sep 2022)



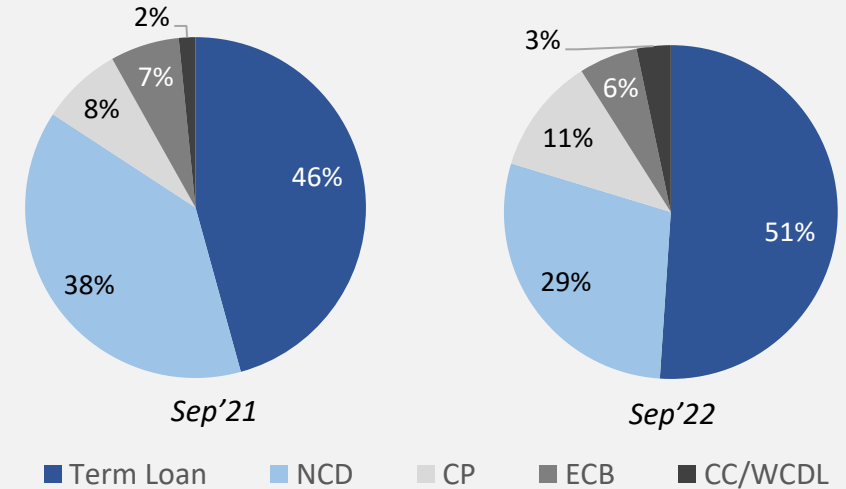
Cumulative Surplus/ (Gap)

56%	25%	19%	21%	24%	4%	0%
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Raised LT borrowing of Rs ~8,377 Crore in Q2 FY23
Maintained Comfortable Capital Adequacy (CRAR) at ~19.00%

Long-term funding facilities rated AAA & Short-term funding facilities rated A1+ by ICRA/ India Rating/ CARE

Diversified Borrowing Mix



Category	Fixed (%)	Floating (%)
Liability	27%	73%
Asset	35%	65%

Liability

Asset

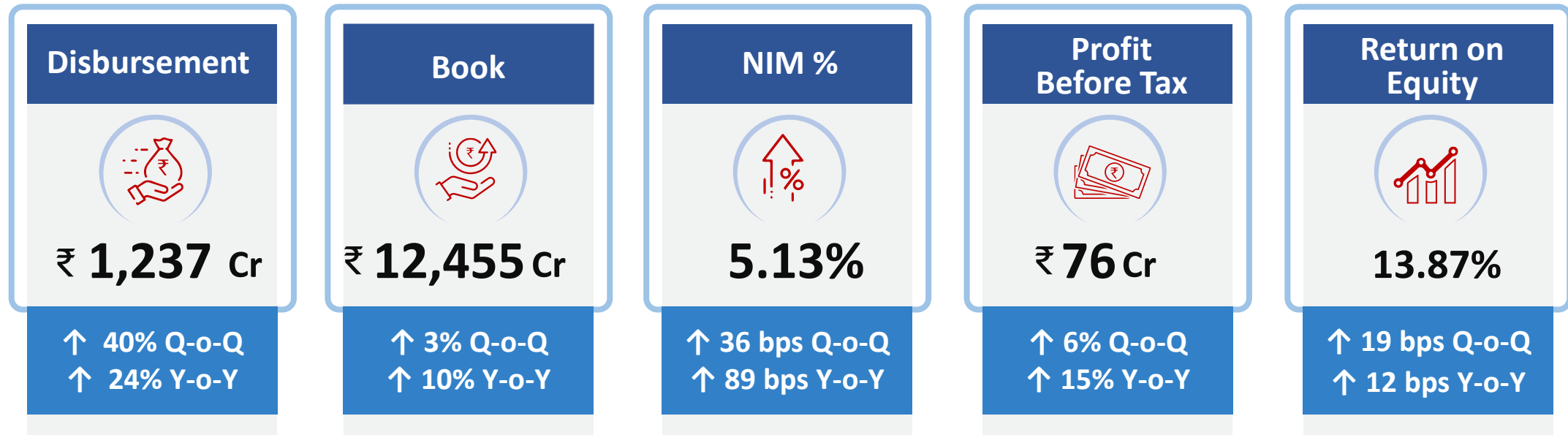
Key Financials – Aditya Birla Finance Limited



Quarter 1	Quarter 2		Figures in Crs	Half Year	
FY 22-23 (CY)	FY 21-22 (PY)	FY 22-23 (CY)	Key Performance Parameters	FY 21-22 (PY)	FY 22-23 (CY)
57,839	47,733	64,975	Lending book	47,733	64,975
11.85%	11.77%	12.22%	Average yield (Incl. Fee Income)	11.78%	12.05%
5.38%	5.54%	5.64%	Interest cost / Avg. Lending book	5.60%	5.52%
6.47%	6.23%	6.58%	Net Interest Margin (Incl. Fee Income)	6.18%	6.53%
889	765	998	Net Interest Income (Incl. Fee Income)	1,487	1,887
279	230	314	Opex	443	593
2.07%	1.93%	2.11%	Opex / Avg. Lending book	1.89%	2.10%
31.4%	30.1%	31.5%	Cost Income Ratio	29.8%	31.4%
152	148	196	Credit Provisioning	341	348
1.13%	1.24%	1.32%	Credit Provisioning/ Avg. Lending book	1.45%	1.23%
459	387	488	Profit before tax	702	946
335	289	358	Profit after tax	523	693
10,201	9,367	10,557	Net worth	9,367	10,557
2.5%	2.4%	2.4%	Return on Asset %	2.2%	2.5%
14.3%	13.2%	14.7%	Return on Equity %	12.1%	14.5%



Aditya Birla Housing Finance



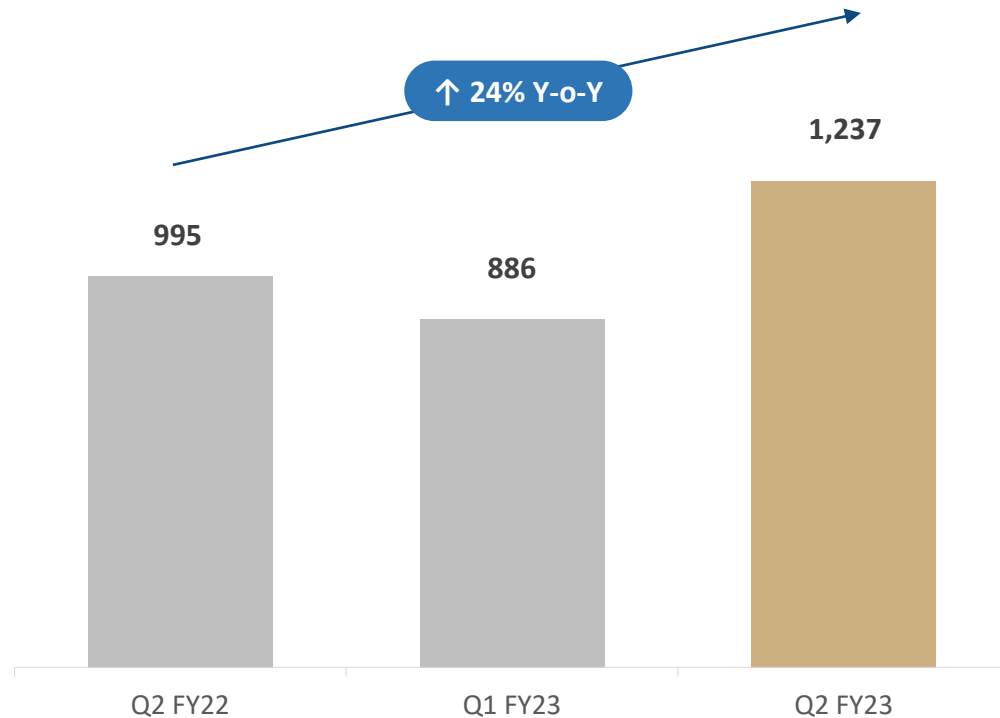
**Strong quarterly performance
with accelerated growth
momentum**

Highest ever NIM of 5.13%

**Focus on quality of origination
with 92%+ disbursement at
CIBIL >700 & NTC**

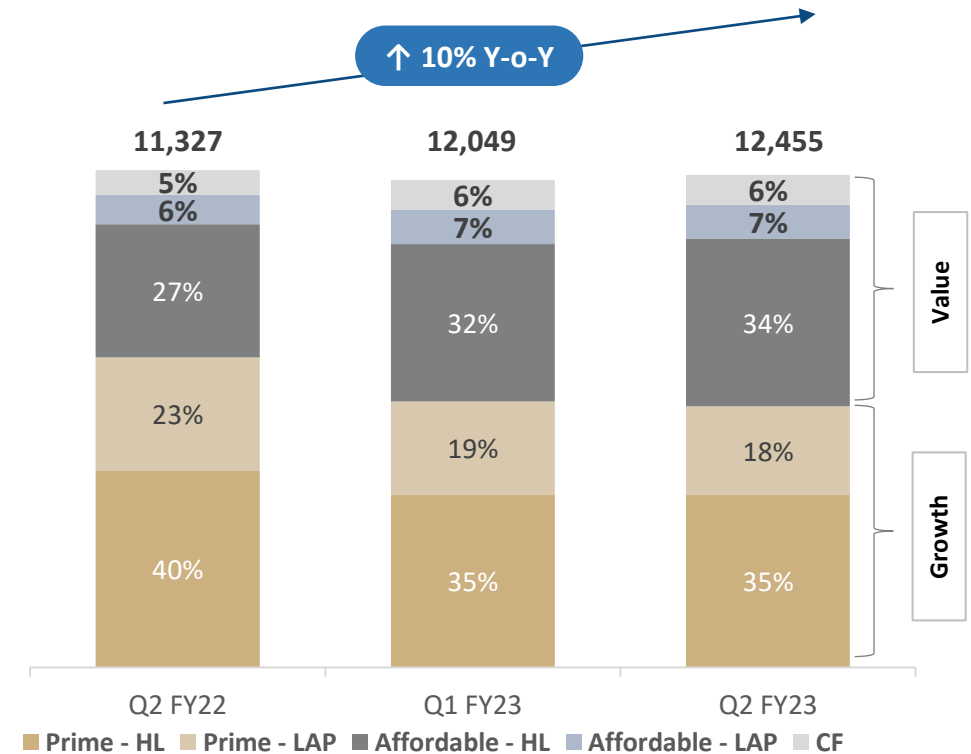
- 1 Momentum in disbursement & book growth**
- 2 Robust Financial Performance & Liquidity management**
- 3 Continued focus on quality of book**
- 4 Accelerating digitization for customer on-boarding**

Momentum in disbursement



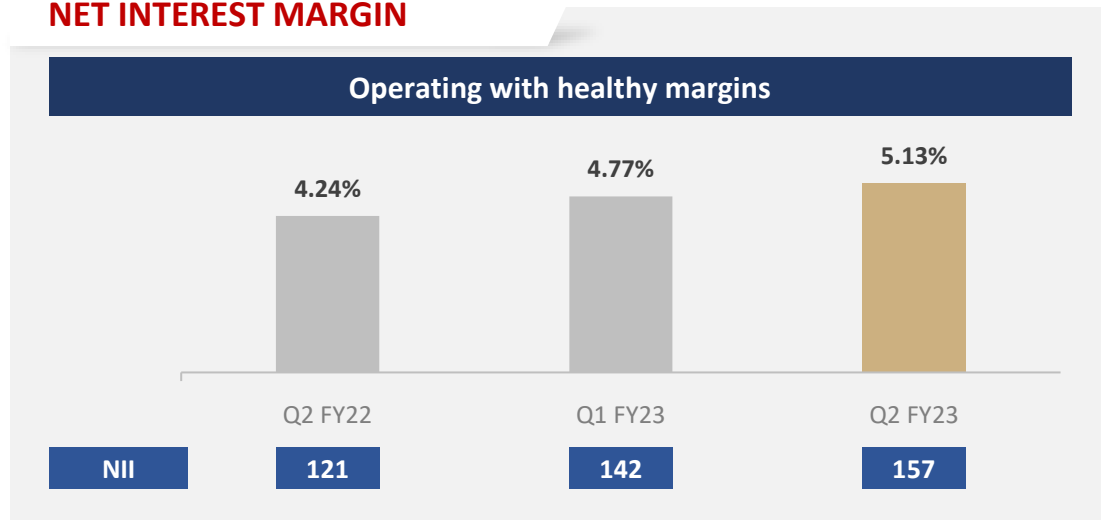
- Healthy growth in disbursements across customer segments
- Leveraging depth & width in distribution

Growth in book

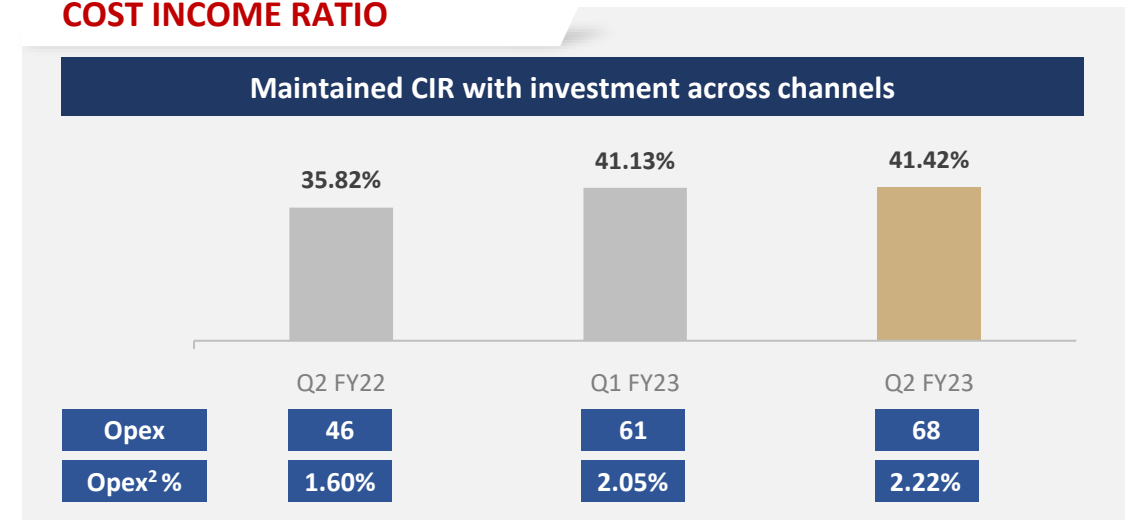


No. of Customers	37,700	48,450	52,390
ATS (Rs Lacs)	30	25	24

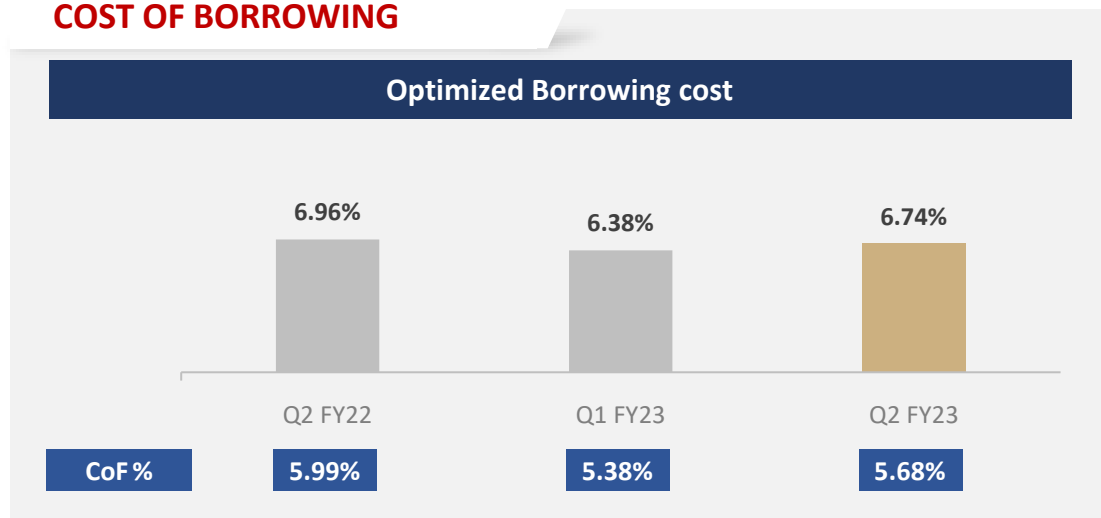
NET INTEREST MARGIN



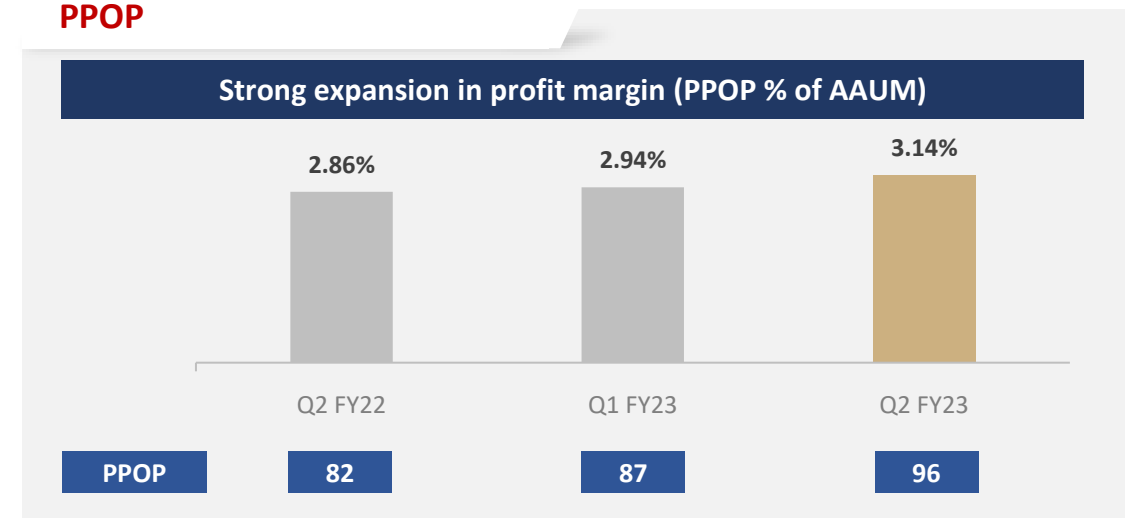
COST INCOME RATIO



COST OF BORROWING

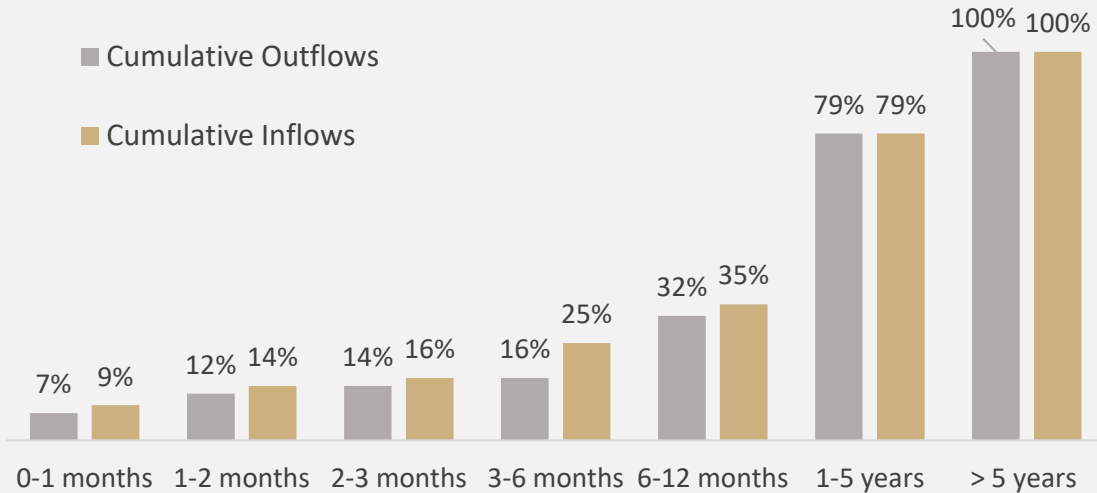


PPOP



NIM including fee (net of DSA Expenses and Processing Cost) Calculated basis % of average Loan Book

ALM optimised for liquidity and costs (as on 30th Sep 2022)

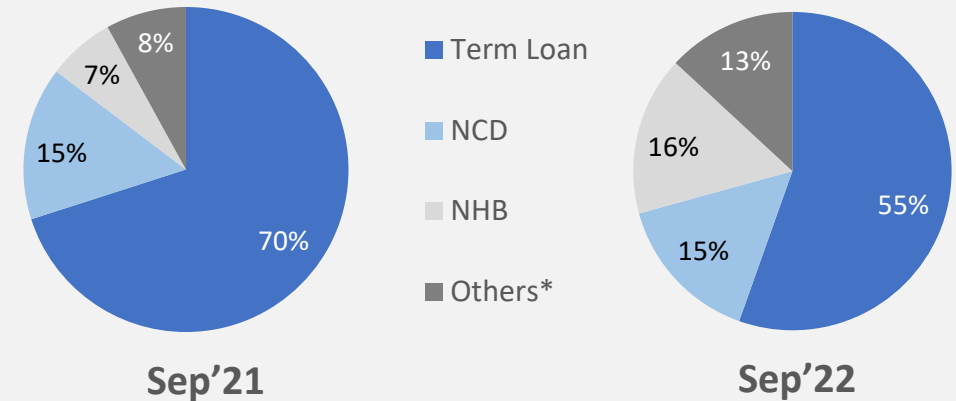


Cumulative Surplus/ (Gap)

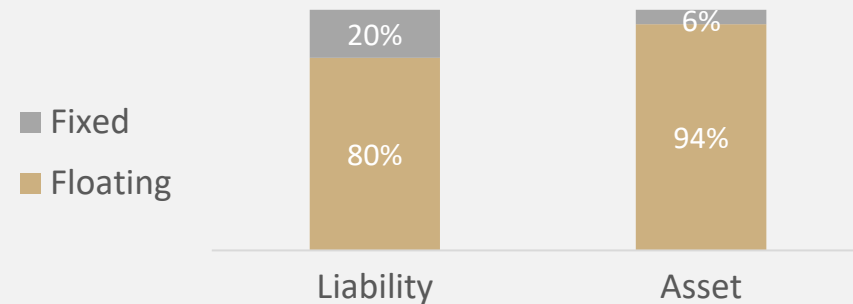
39%	18%	11%	55%	11%	0%	0%
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- Raised LT borrowing of Rs ~650 Crore in Q2 FY23
- Maintained capital adequacy (CRAR) at ~23.9%

Borrowing Mix



- Long-term credit rating of AAA (ICRA, India ratings)
- NHB borrowings at 16%



*Includes ECB, Sub Debt, CP, CC

	Book	Total	Stage 1	Stage 2	Stage 3	Stage 3 PCR%
Sep'21	Value	11,327	10,189	782	355	
	Mix %	100%	89.96%	6.91%	3.14%	34.30%
Jun'22	Value	12,049	11,026	595	428	
	Mix %	100%	91.55%	4.90%	3.55%	33.60%
Sep'22	Value	12,455	11,447	560	448	
	Mix %	100%	91.90%	4.50%	3.60%	33.00%

99.3%
Collection Efficiency

95%
Restructured pool banked

Rs in Crore

Pursuant to the RBI circular dated 12 Nov 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications", the Company has aligned its definition of default and taken steps to comply with the norms/ changes for regulatory reporting, as applicable. Such alignment has resulted in classification of incremental loans amounting to ₹132 Crs as Gross Stage 3 (GNPA) as at Sep'22 in accordance with regulatory requirements. Previous period nos. are re-casted commensurately.

Segment wise contribution

Particulars	Q2 FY22	Q1 FY23	Q2 FY23
Salaried & SEP	47%	56%	57%
SENP	53%	44%	43%

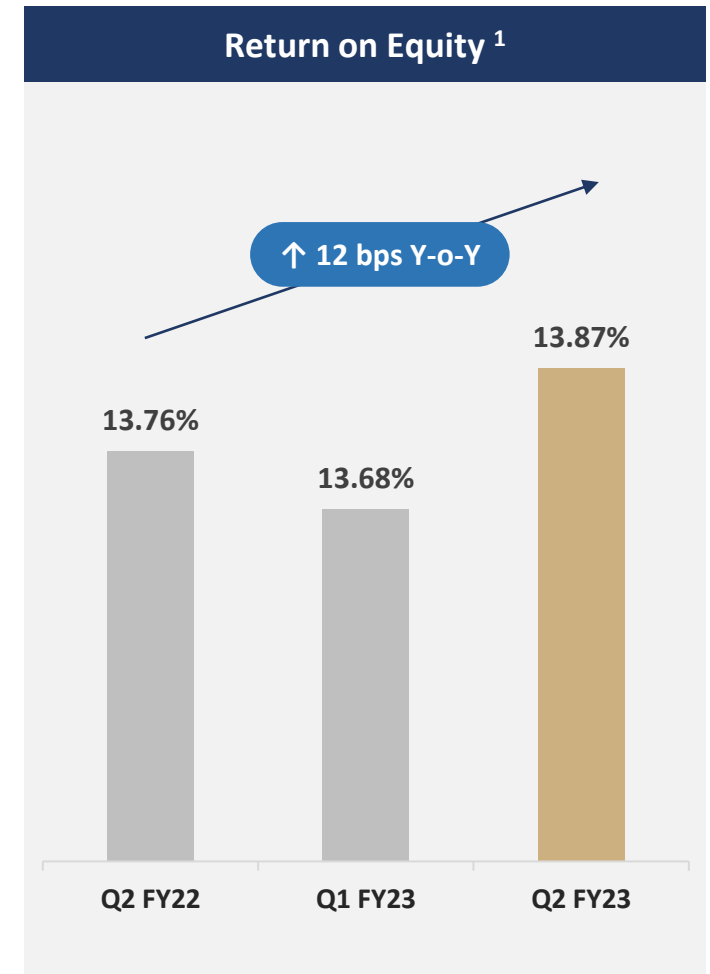
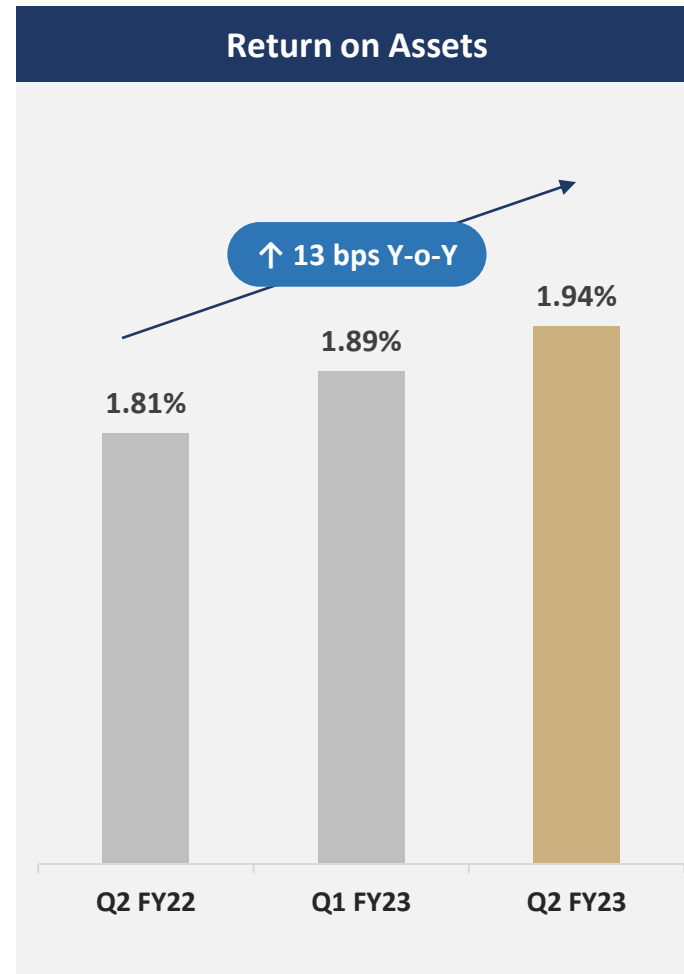
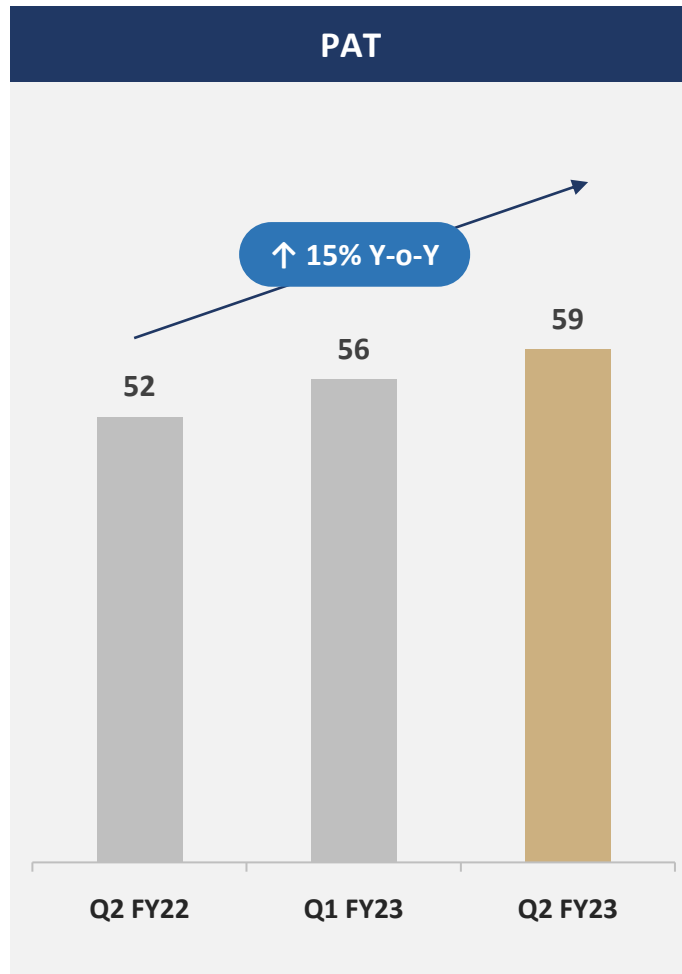
Improved focus towards Salaried & SEP segment

Credit bureau score mix

Particulars	Q2 FY22	Q1 FY23	Q2 FY23
> 700	74%	78%	82%
New to credit	18%	13%	10%
651 – 700	7%	7%	7%
< 650	2%	2%	1%

Focus on quality of origination with 92%+ disbursement at CIBIL >700 & NTC

Resulting in consistent improvement in return metrics



¹ Based on monthly compounding of annualised RoE

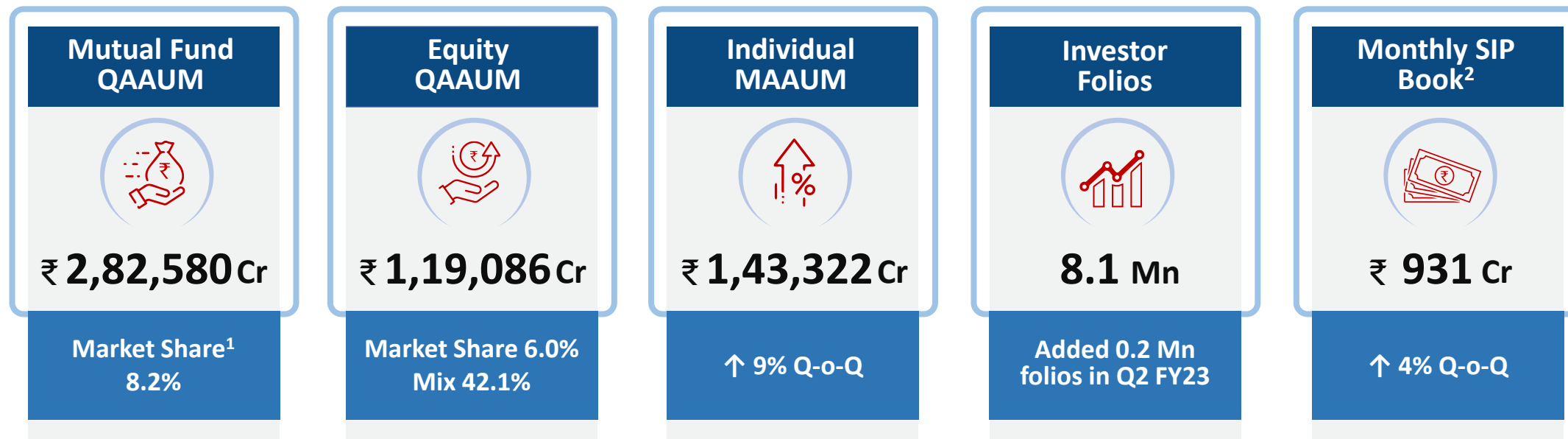
Key Financials – Aditya Birla Housing Finance Limited



Quarter 1	Quarter 2		Figures in Crs	Half Year	
FY 22-23 (CY)	FY 21-22 (PY)	FY 22-23 (CY)	Key Performance Parameters	FY 21-22 (PY)	FY 22-23 (CY)
12,049	11,327	12,455	Lending book	11,327	12,455
10.16%	10.23%	10.81%	EIR	10.29%	10.49%
5.38%	5.99%	5.68%	Net Interest cost / Avg. Loan book	6.08%	5.53%
4.77%	4.24%	5.13%	NIM	4.20%	4.96%
148	127	164	Net Interest Income	253	312
61	46	68	Opex	89	129
2.05%	1.60%	2.22%	Opex/ Avg. Loan Book	1.56%	2.14%
41.13%	35.82%	41.42%	Cost Income Ratio (%)	35.26%	41.28%
15	16	21	Credit Provisioning	49	36
0.52%	0.56%	0.67%	Credit Provisioning/ Avg. Loan Book	0.85%	0.60%
72	66	76	Profit Before Tax	115	147
56	52	59	Profit After Tax	90	115
1,779	1,610	1,840	Net worth	1,610	1,840
1.89%	1.81%	1.94%	Return on Assets	1.58%	1.91%
13.68%	13.76%	13.87%	Return on Equity	12.18%	13.78%



Aditya Birla Sun Life AMC Ltd.



**Delivering strong profitability
& focused segment growth**

**Total Revenue³ for Q2 FY23 is
at ₹ 388 Crore up 42% Q-o-Q**

**Profit after Tax for Q2 FY23 is
at ₹ 192 Crore up 86% Q-o-Q**

¹ Ex ETF share; ² Includes STP; ³ Includes Revenue from Operations and Other Income

1

Focus on delivering sustained investment performance and portfolio differentiation

2

Building Retail Franchise by increasing geographic reach and strengthening Multi Channel distribution network

3

Focus on growing Passives and Alternate asset segment

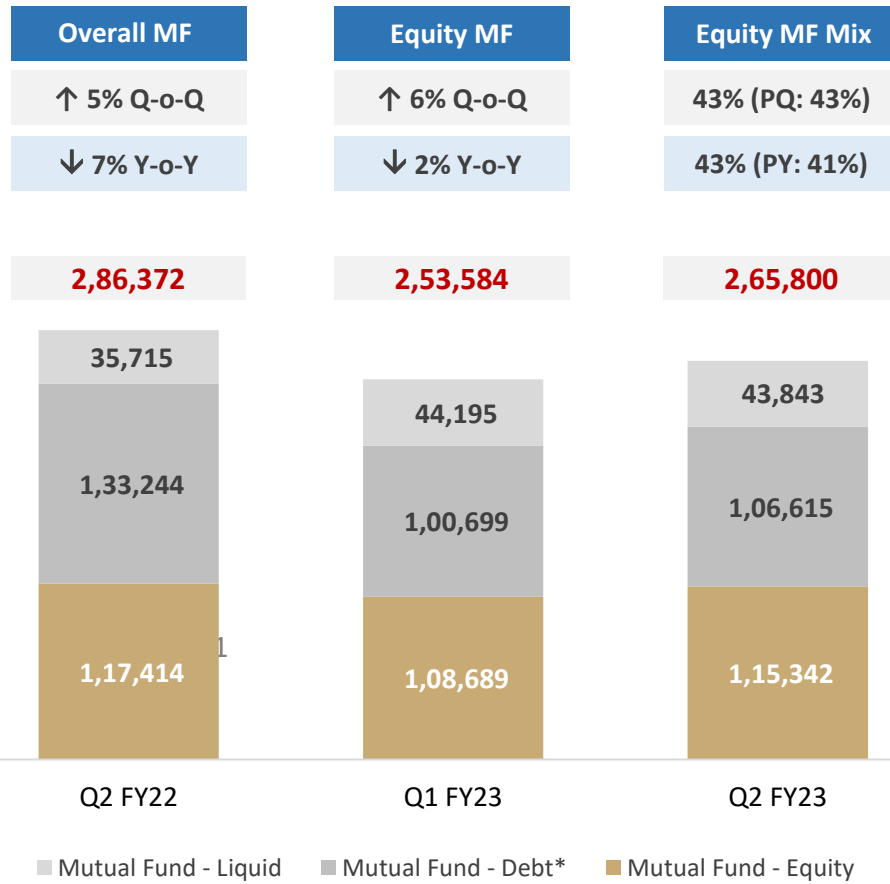
4

Leverage digital platforms for customer acquisition and enhance customer experience

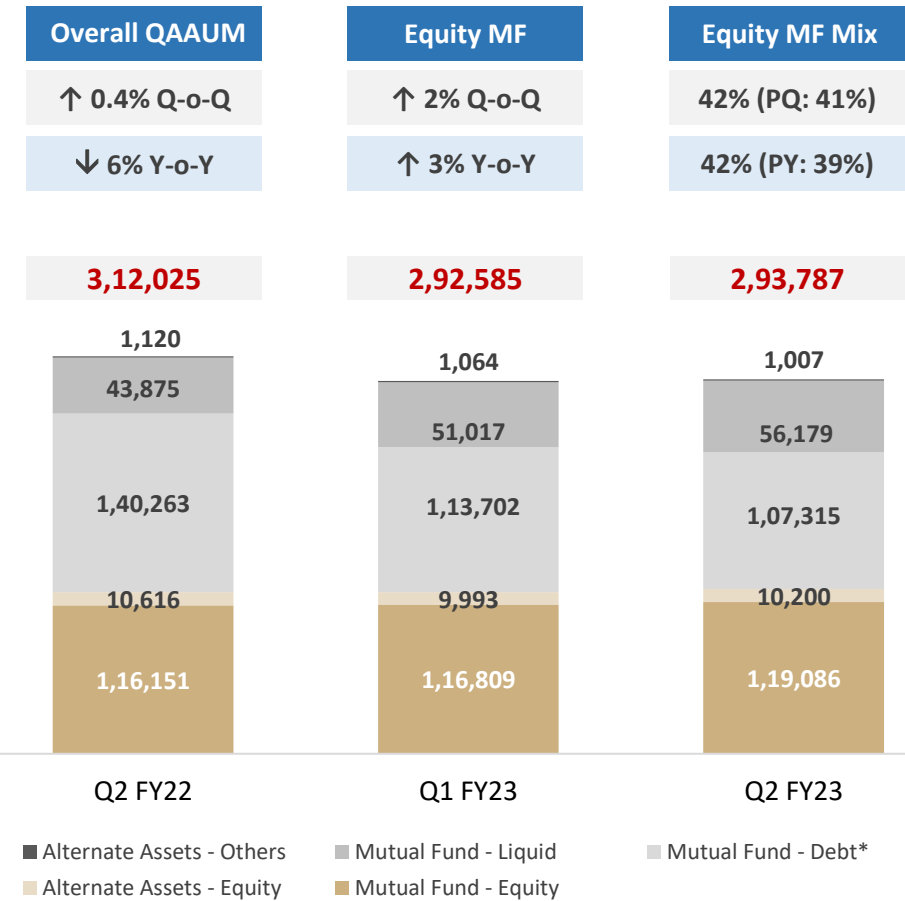
5

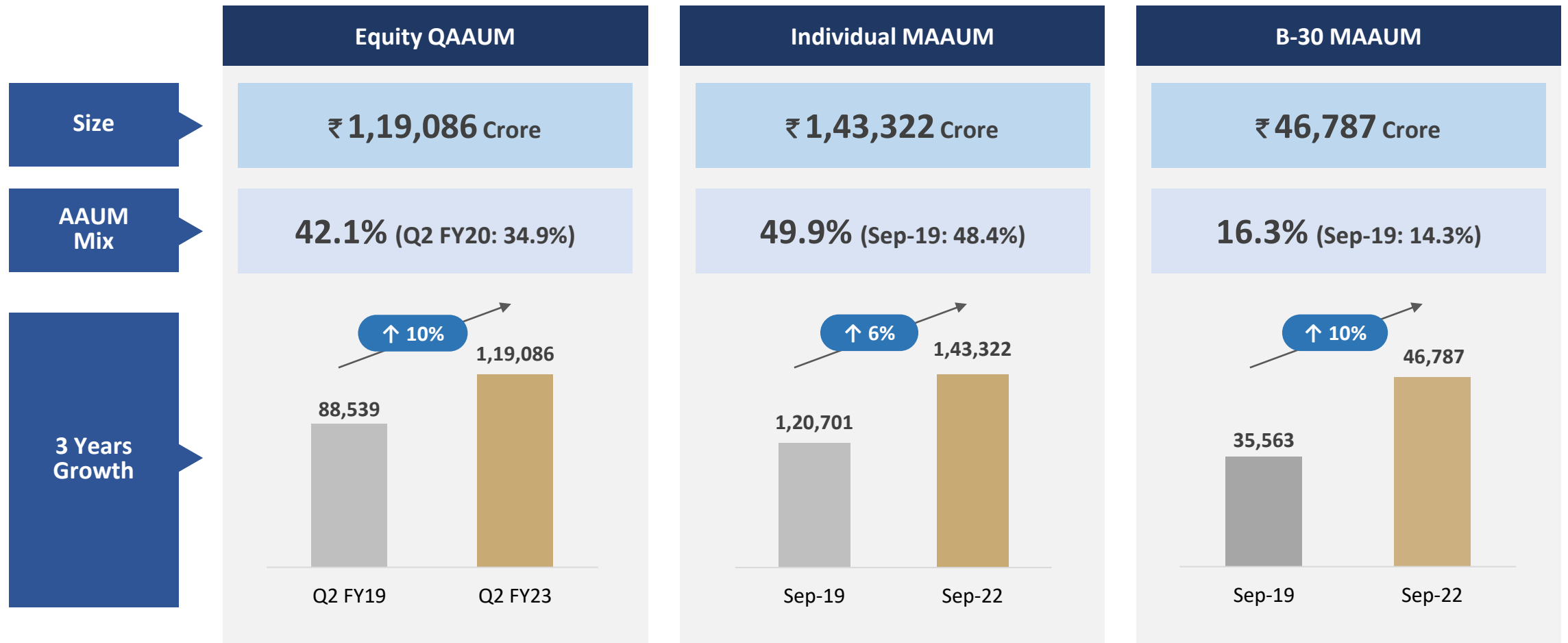
Driving a strong and robust risk management and governance framework

Closing Assets Under Management



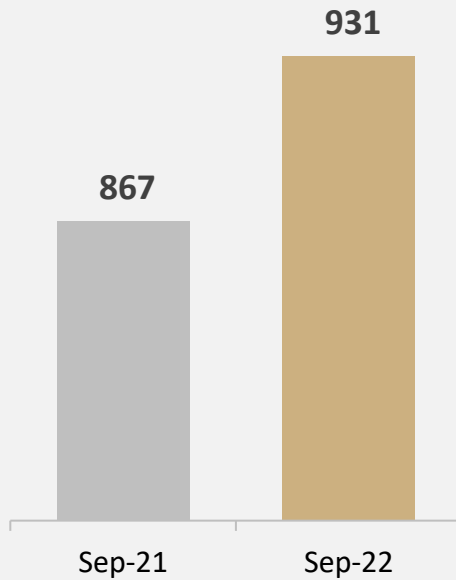
Average Assets under Management



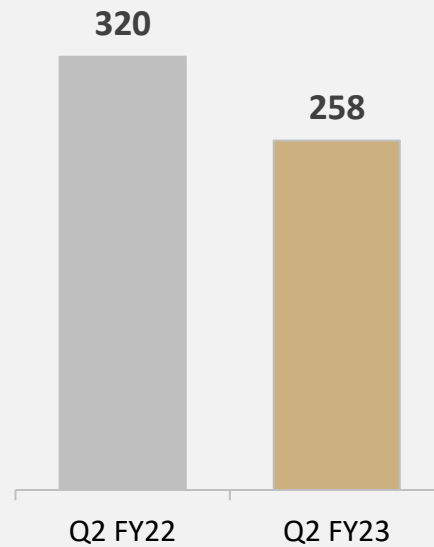


Building sustainable SIP Book

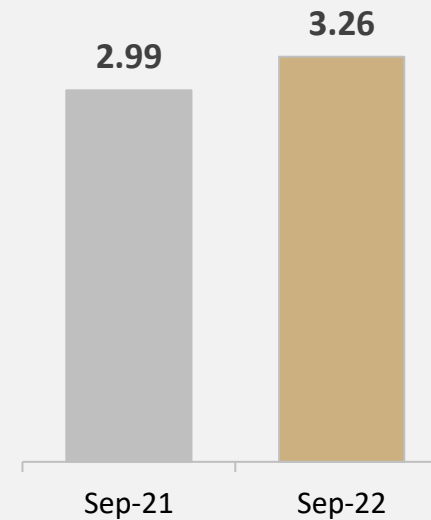
SIP Book in ₹ Cr.⁽¹⁾



Quarterly New SIP¹ registrations Count ('000)

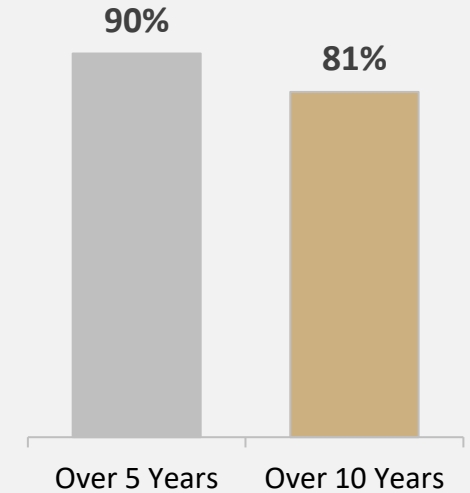


#of Live Outstanding SIPs¹ (Mn)



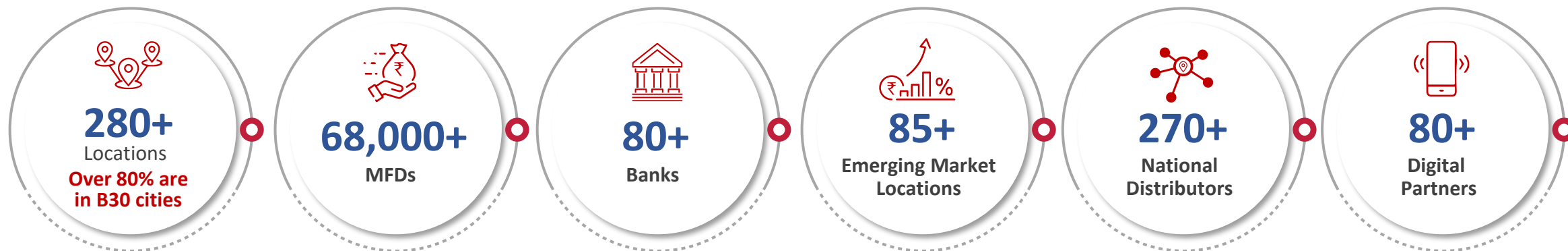
Long Tenure SIP Book⁽²⁾

% Count of Total SIPs (Sep-22)

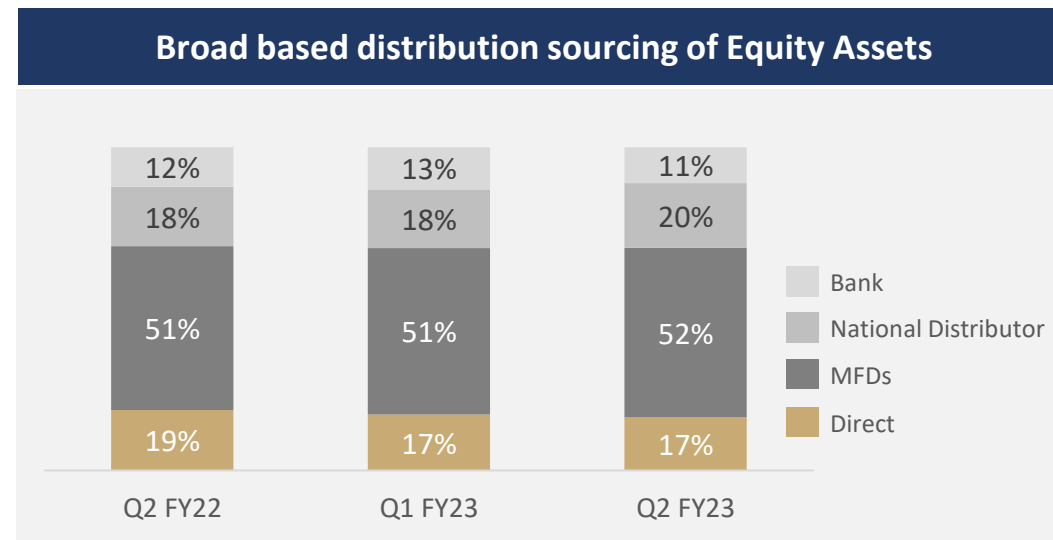
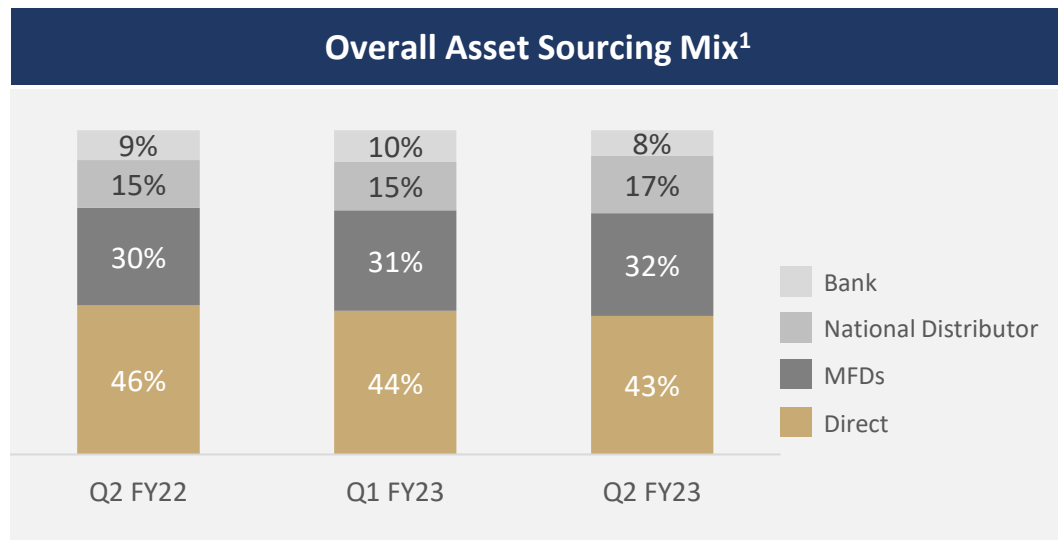


All figures in Rs Crores ¹ Includes STP ² Based on tenure at the time of registration of all live SIPs as on Sep 30, 2022

Continue to expand distributor base & empaneled 4400 + new MFDs in H1 FY23

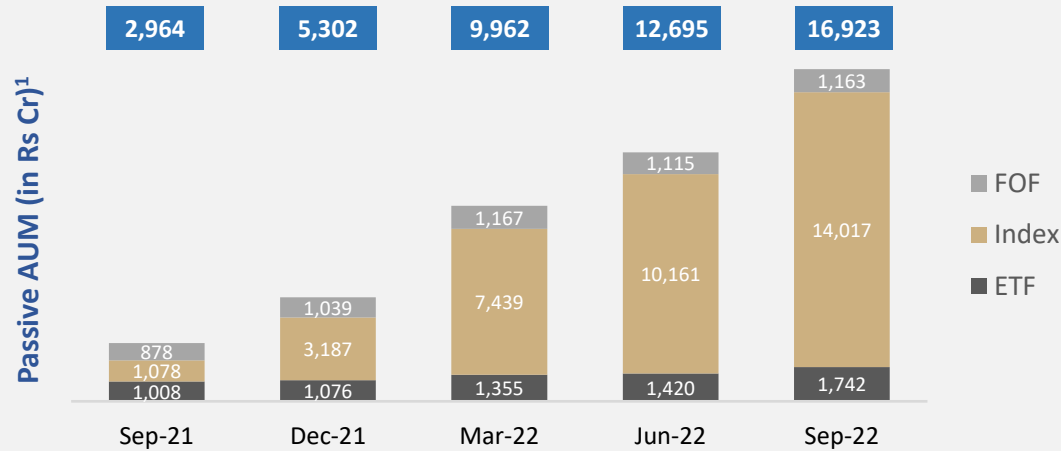


Servicing Investors across 19,000+ Pan-India pin codes



⁽¹⁾ Exclude ETF

PASSIVES



~4,53,000
Investor Folios Served

6X
Growth in Passives²

10+
Product Pipeline



PMS / AIF

AUM³
Rs. 1,626 Cr

Products launched:

- **Asset Linked PMS**
- **India Equity Services Fund**
(Roadshow underway)

Products in pipeline:

Credit Opportunities Fund



Offshore

AUM³
Rs. 9,006 Cr

Seed funding approval received for **Greater India ESG Engagement Fund** for Global Investors

Plan to launch funds for **NRIs** and **LRS** investors in India after regulatory clearance



Real Estate

AUM³
Rs. 575 Cr

Second Close completed **Aditya Birla Real Estate Credit Opportunities Fund (Category II AIF)**
First Investment from the fund concluded

Collaborating with **BentallGreenOak**, to conduct Roadshows for Offshore Real Estate Fund

¹ Closing AUM for ETFs/FoFs/Index Funds ² Since Sep-2021 ³ Avg AUM for Q2 FY23



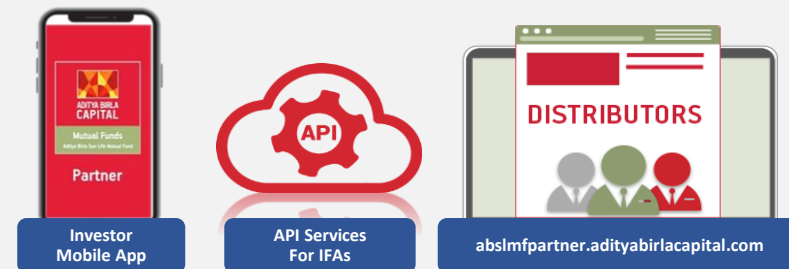
Enhancing Digital Capabilities

Customer Journey	▶ Enhancing investor experience & instant access to functionalities by providing better UI/UX	Automation	▶ Automated internal processes to bring in efficiency using low code business platform
Digital Integration	▶ API platform for rapid integration with partners and fintechs	Cutting Edge Investment Tools	▶ Automated internal processes to bring in efficiency using low code business platform
Data & Analytics	▶ Adopting Predictive and Prescriptive Analysis to gauge customer product inclinations	Pro Features	▶ Pro Investing capabilities for SIP and Lumpsum purchases on customer and partner assets

INVESTOR ASSETS



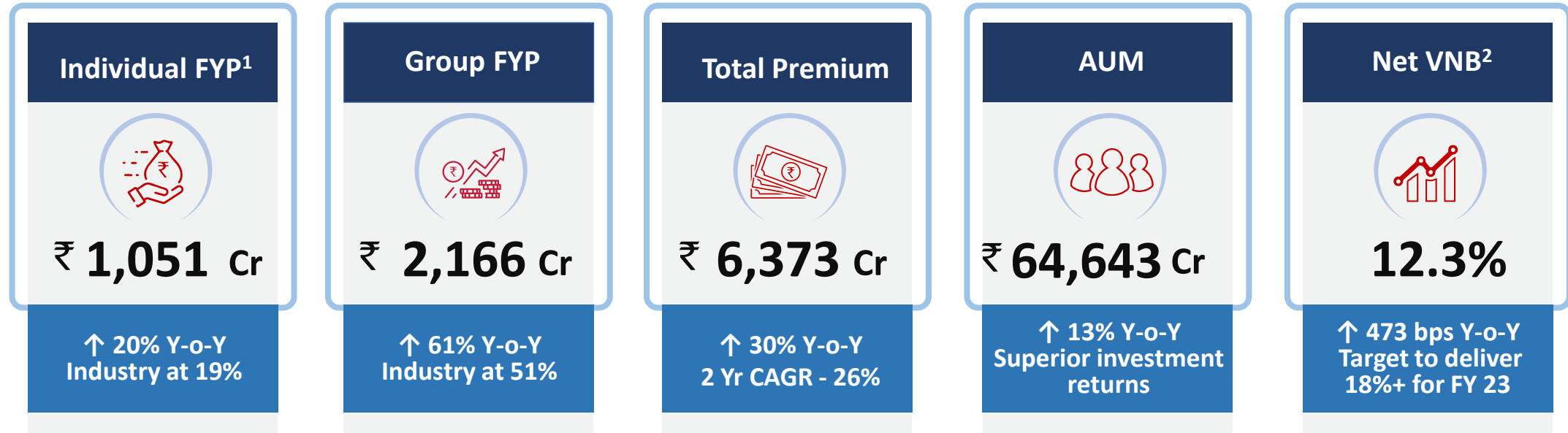
PARTNER ASSETS



Quarter 1	Quarter 2		Figures in Rs Crore	Half year	
FY 22-23 (CY)	FY 21-22 (PY)	FY 22-23 (CY)	Key Performance Parameters	FY 21-22 (PY)	FY 22-23 (CY)
2,81,527	3,00,289	2,82,580	Mutual Fund AAUM	2,87,872	2,82,053
1,16,809	1,16,151	1,19,086	Mutual Fund Equity AAUM	1,09,414	1,17,947
9,993	10,616	10,200	Alternate Assets Equity AAUM	10,184	10,097
1,26,802	1,26,767	1,29,286	Total Equity	1,19,598	1,28,044
274	372	388	Total Revenue	708	661
133	142	138	Costs	272	271
141	231	249	Profit Before Tax	436	390
103	173	192	Profit After Tax	328	295



Aditya Birla Sun Life Insurance Ltd.



Individual FYP ↑ 16% Y-o-Y Q2; significantly ahead of private players growth at 7%

Renewal Premium ↑ 14% with 77% Digital Collection | 2nd Best in Profitable Group ULIP segment³

Embedded Value of Rs.7,780 Cr with RoEV of 15.7%

1

Focus on Consistent growth in Individual and Group Business

2

Diversified and Scaled up Distribution mix with focus on Direct business

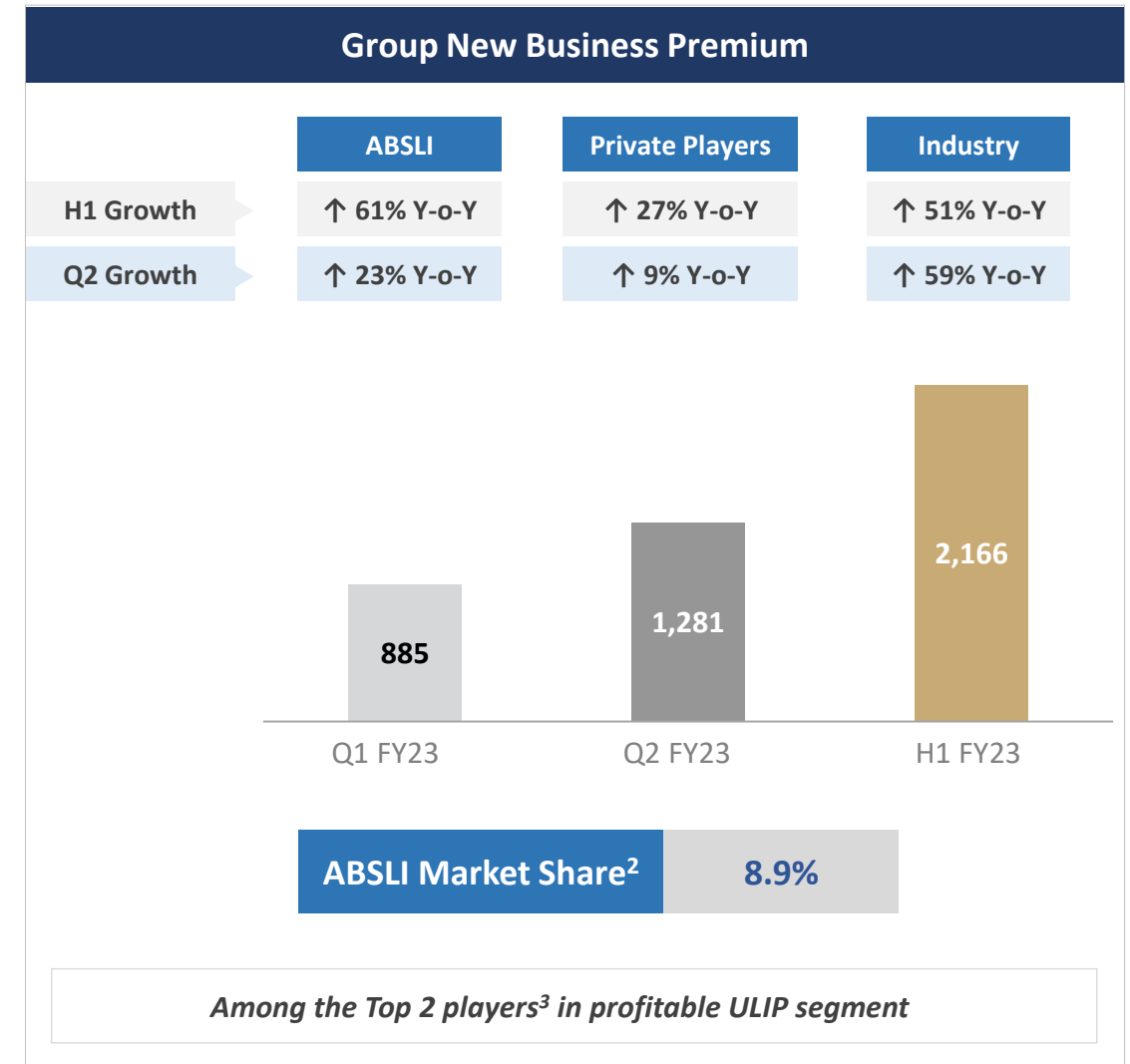
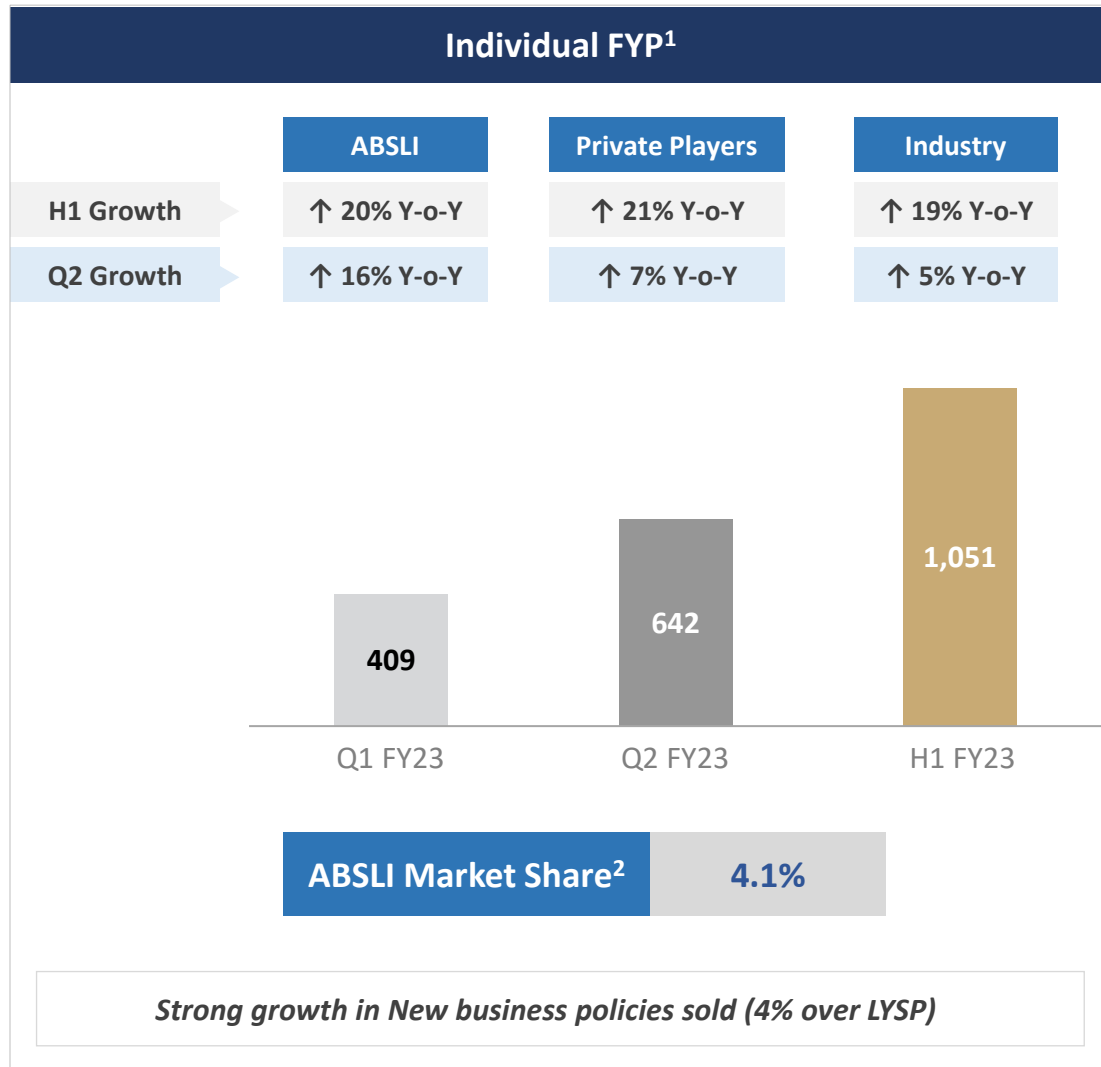
3

Customer Oriented Products, Analytics supported business and Active Risk management

4

Improvement in Quality parameters including persistency cohorts and leveraging Digital adoption

With aspiration to double absolute net VNB by FY25

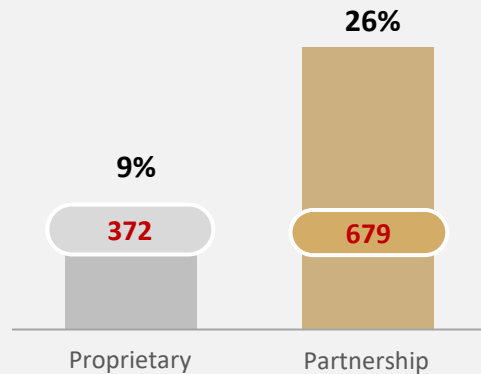


Diversified Distribution network enabling Pan India presence

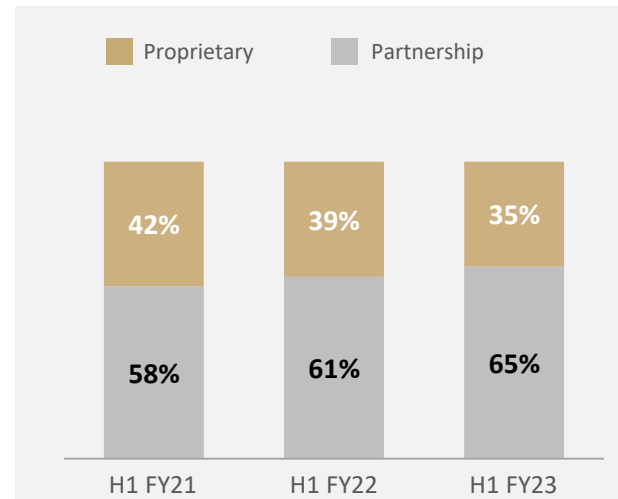


Strong growth across channels (H1 FY23 FYP Rs. In Cr)

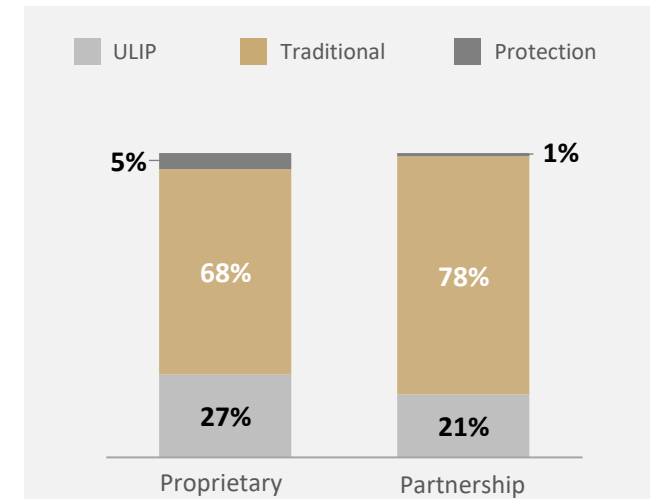
Direct - 2Yr CAGR of 27%
2Yr CAGR 150% PSU Relations



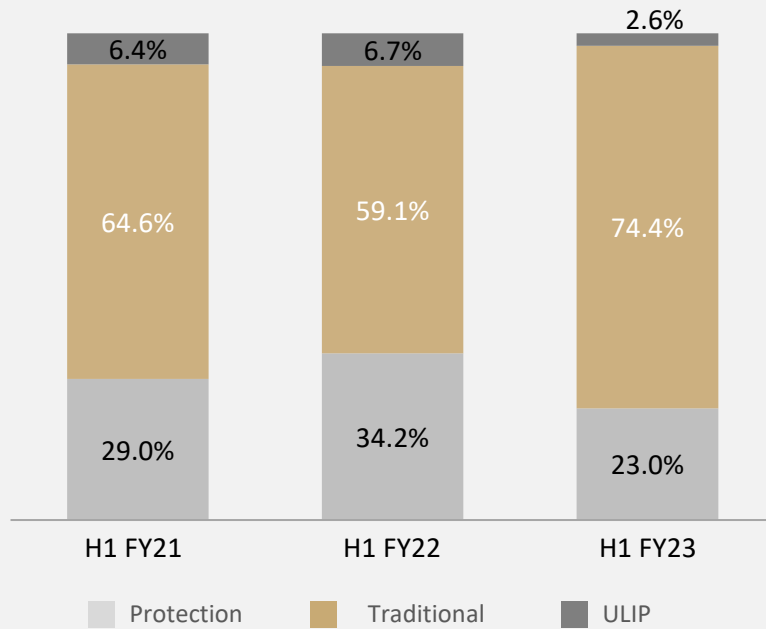
Channel Mix



Product Mix by Channel (H1 FY23)



Liquidity under stress test scenario



- **Increase in Non-PAR mix is due to higher demand**
- **New Par Product launch has helped in recalibrating the product mix with shift in FTM Sep'22 mix from Guaranteed to Par (~5.6% increase in Par from Aug to Sep)**

New Products and Risk Mitigation

Analytics Supported Business

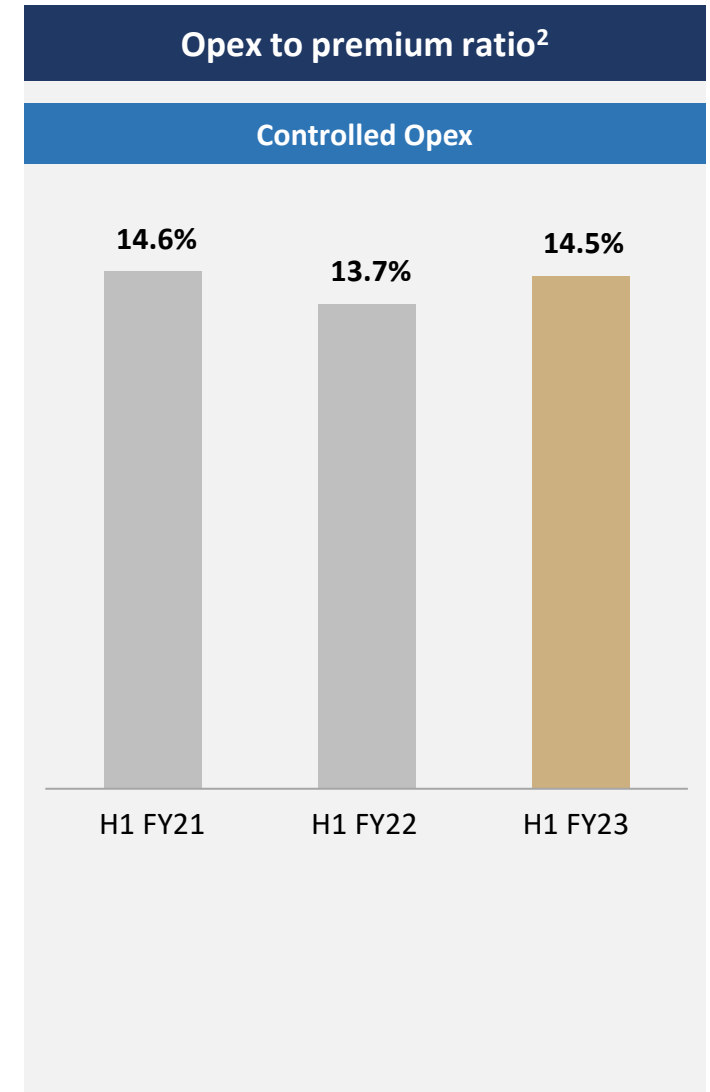
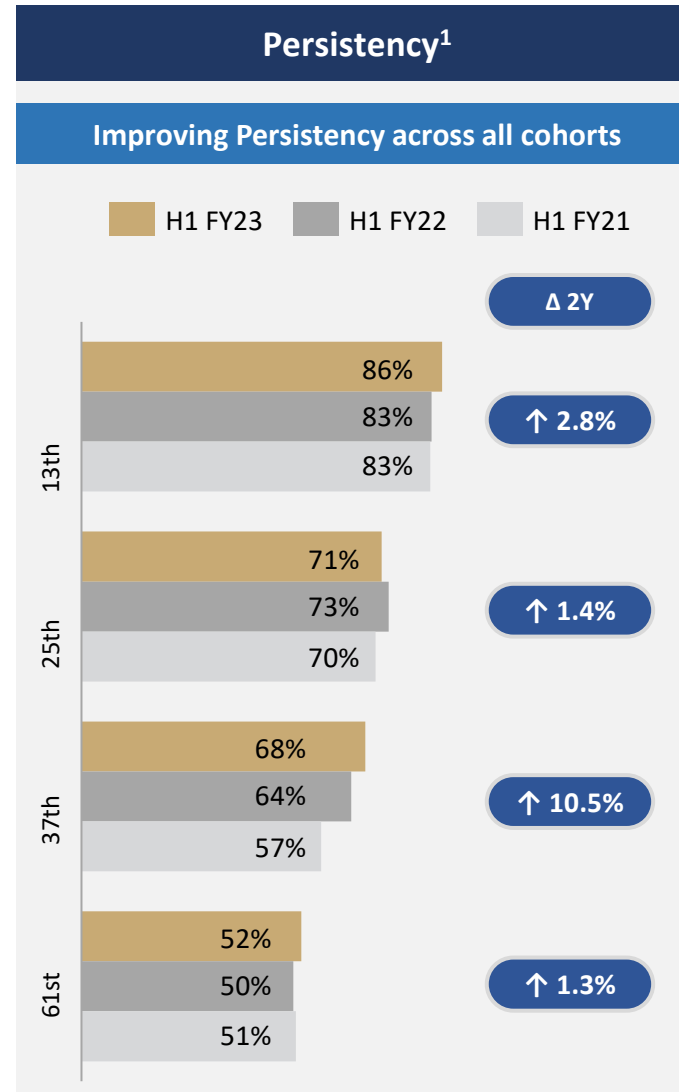
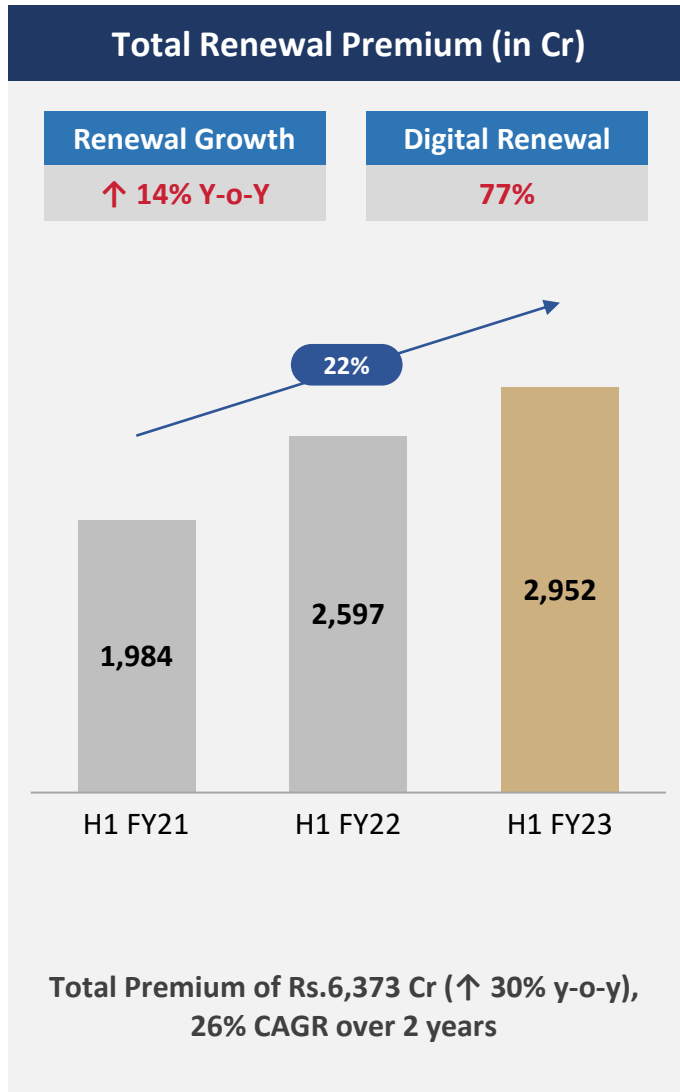
- Pre-Approved Sum Assured (PASA) contribution stands at **16% of FYP for H1 FY23** (FY'22 H1 was at 19%). **Plan to achieve 25% contribution by FY23 end.**
- 29% Upsell contribution for H1 FY23 of Individual FYP
- Relatively younger customer profile with opportunities for up-sell more solutions over various life-stages

New Products

- New products launched in last 12 months **contributed to 27%** of Individual new business for H1 FY23 (FY'22 H1 was at 12%)
- **New Fixed Maturity product** is launched on 20th Jul 2022, competing **Bank Fixed Deposit products**. Product has garnered Rs.123 Cr of FYP by Sep'22 within 75 days of launch.
- New Par product Akshaya Plan is launched on 20th Sep 2022 with Immediate Income benefit.

Active Risk Mitigation Strategy

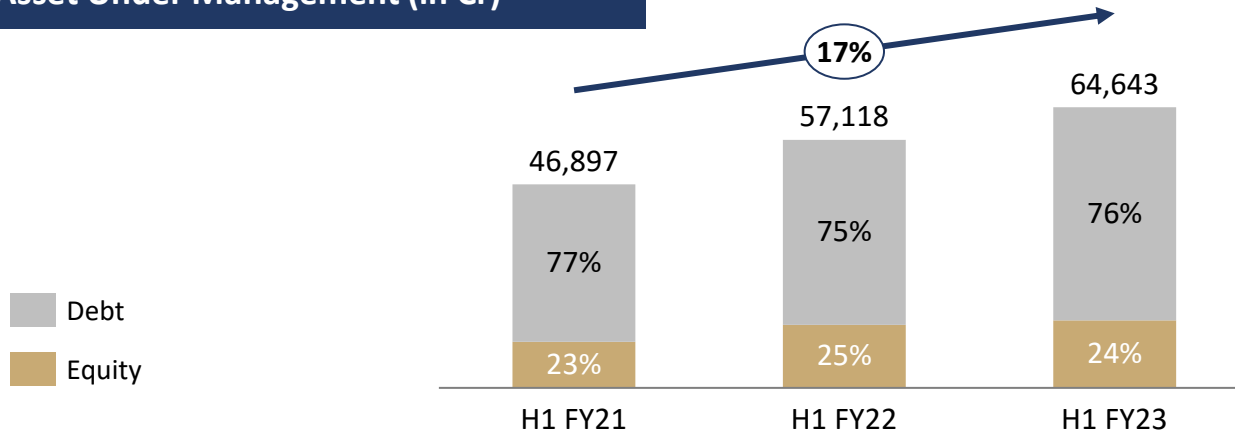
- 100% expected maturity and survival benefits are hedged through FRA depending on interest rate scenario. Guarantees are actively monitored.



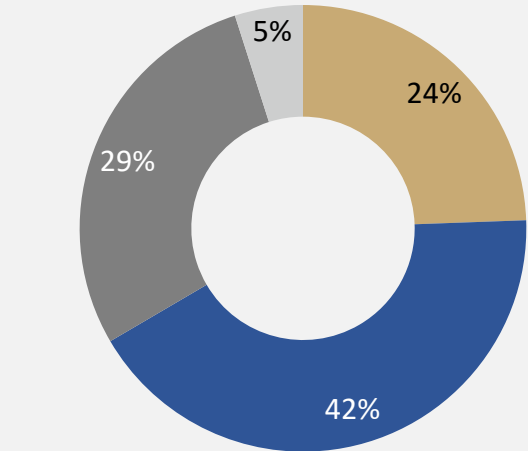
¹ 12month rolling block as per revised IRDAI Circular ² % figures in the chart denote Opex to Premium ratio

Strong Investment Processes | Competitive returns | Healthy Portfolio

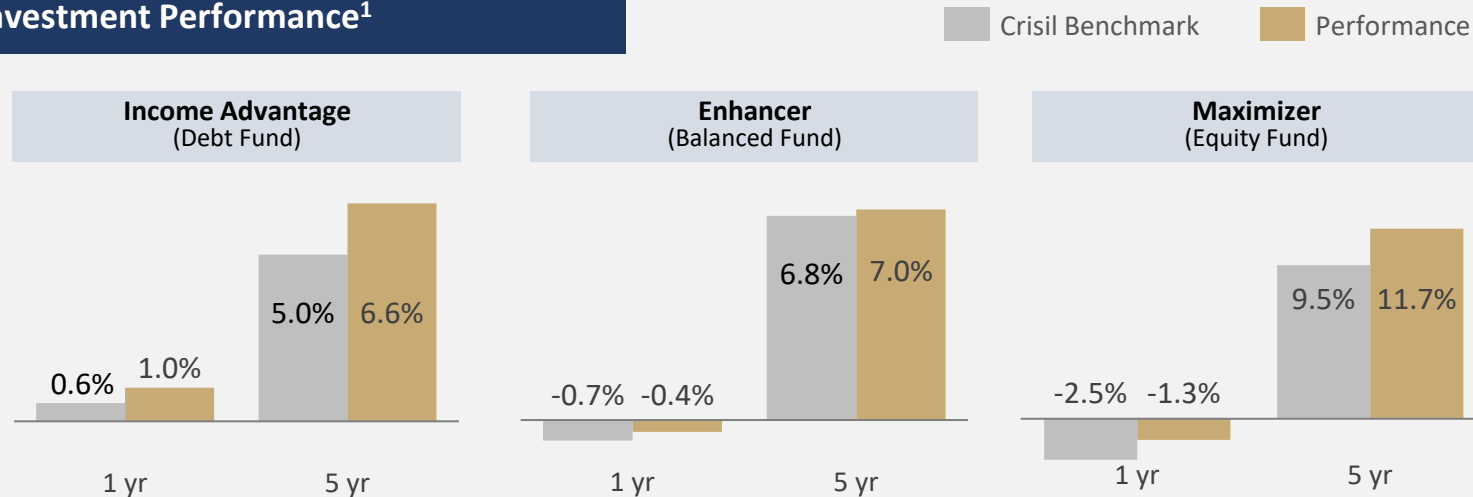
Asset Under Management (in Cr)



Composition of AUM



Investment Performance¹



- Growth of 13% in AUM vis-à-vis H1 FY22
- ~94.5% of the debt investments are in AAA & Sovereign instrument

¹ Top Funds in respective category

Strong Digital KPIs with focus on scalability, superior customer servicing and use of data analytics to Upsell

Customer Onboarding

97%

Customer Experience

- ▶ **97% New business** sourced digitally
- ▶ **54% adoption for Contactless Digital Verification** (Insta – verify) for customers
- ▶ **49% of total application** were Auto under written

Digital Renewal

77%

Customer Retention

- ▶ Digital collection at **77%**, growth of **5% y-o-y**
- ▶ **93% Auto pay adoption** at onboarding stage
- ▶ **ZARA (Bot) collected ~ Rs. 283Cr**

Customer Self Servicing

87%

Customer Centricity

- ▶ WhatsApp & Chatbot has contributed 22% in H1 (27% in Q2)
- ▶ **83% services available digitally** and Customer portal contributes to **64% of the overall transactions**
- ▶ **Digital Adoption share** increased to **87%** which is **7%** growth from H1 FY22

Pre-Approved New Business

16%

Pre-Purchase

- ▶ **PASA contributed 16%** of YTD new business
- ▶ **34L (+90% over H1 FY'22) Presentations Created** & 3.1 L Marketing Content Shared
- ▶ **Monthly Average Users: 25K (+28% over H1 FY'22)** & Daily Average Users: 5K (+48 % over H1 FY'22)

FY23 Outlook

- **99%** Digital Customer Onboarding
- Auto Underwriting at **60%**

- Accelerate Digital Collection to reach **78%**
- Achieve Zara Collection of **Rs.550 Cr**

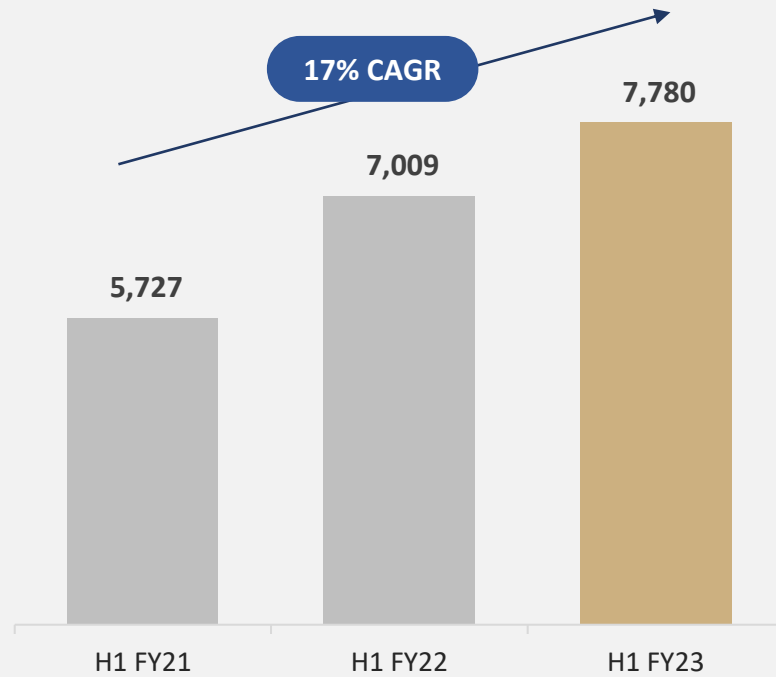
- **90%** Customer Self Servicing
- Efficient Architecture to deliver **85%** services digitally

- Digital focused Pre-Approved Sum Assured Campaigns to source **25%** of FY23 new business

Steady Increase in Margins & Value

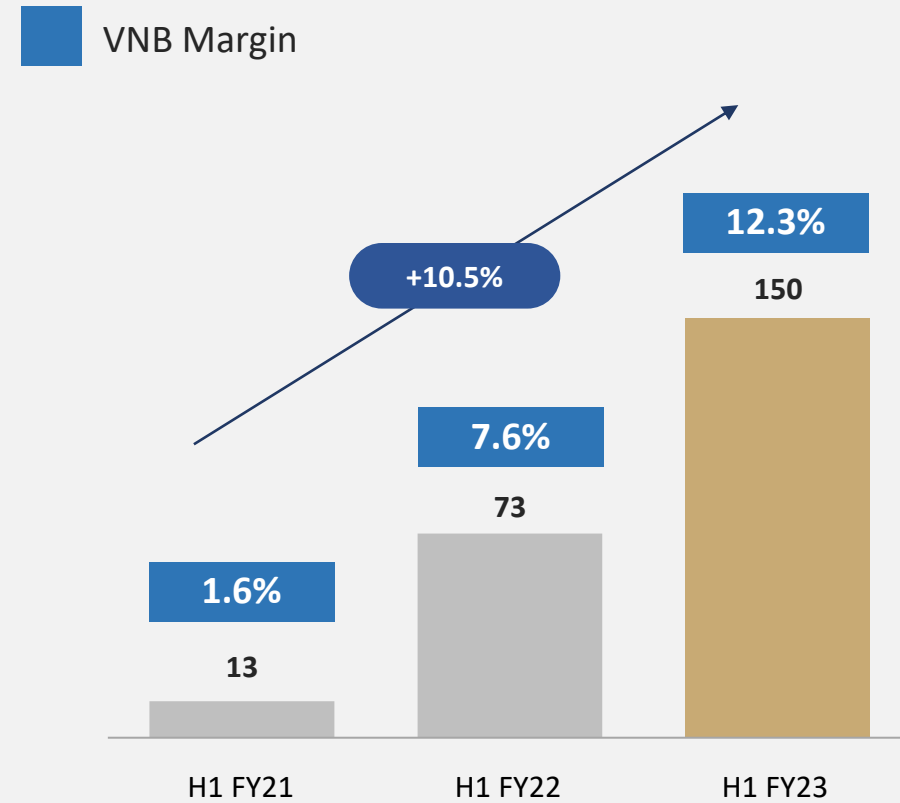
Embedded Value

FY23 Annualized ROEV of 15.7%



Net VNB¹

Target to double Net VNB by FY26



¹ Individual + Group Risk

Key Financials – Aditya Birla Sun Life Insurance Limited



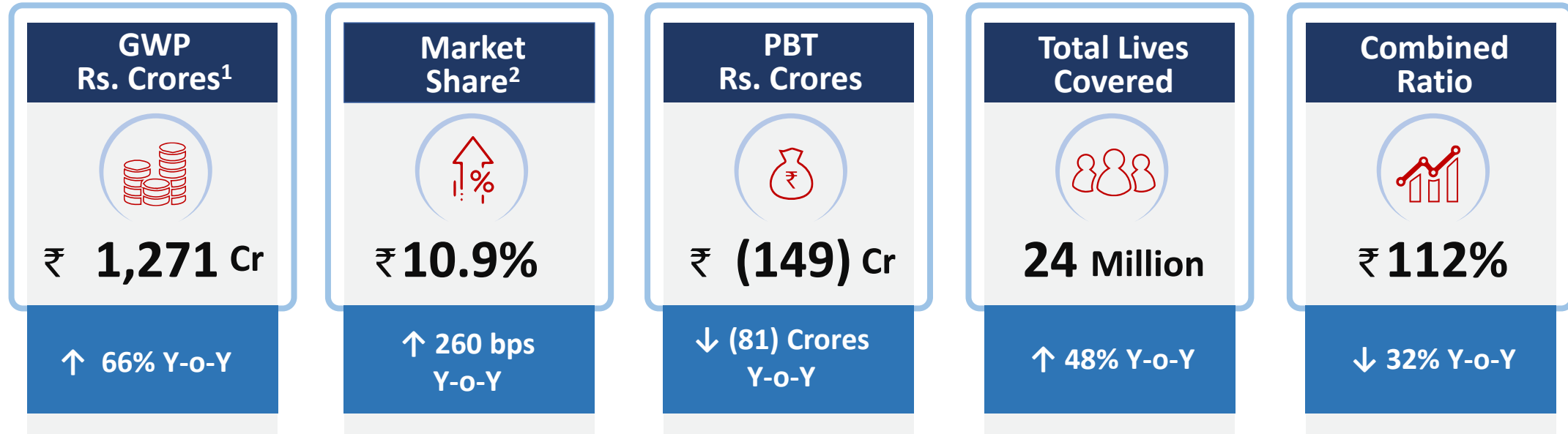
Quarter1	Quarter 2		Figures in Rs Crore	Half year	
FY 22-23 (CY)	FY 21-22 (PY)	FY 22-23 (CY)	Key Performance Parameters	FY 21-22 (PY)	FY 22-23 (CY)
450	612	806	Individual First year Premium	981	1,256
885	1,042	1,281	Group First year Premium	1,343	2,166
1,285	1,505	1,666	Renewal Premium	2,597	2,952
2,620	3,159	3,754	Total Gross Premium	4,921	6,373
439	384	482	Opex (Excl. Commission)	672	921
16.8%	12.2%	12.8%	Opex to Premium (Excl. Commission)	13.7%	14.5%
20.9%	16.6%	17.3%	Opex to Premium (Incl. Commission)	18.4%	18.8%
33	50	56	Profit Before Tax*	82	89
21	32	37	Profit After Tax	51	58

All figures in Rs Crores

*Consolidated nos. including Aditya Birla Sun Life Pension Management Company Limited



Aditya Birla Health Insurance Ltd.



Most Diverse Distribution mix with Agency contribution of 23% in retail business

Launched Millennials focused ACTIVFIT product with Industry first Face Scan based Good Health Declaration

Strategic investment by ADIA of ~ Rs. 665 Crore for 9.99% stake valuing ABHI at ~ Rs. 6,650 Crore

Key Objective of fund raise

- Growth capital
- Strong pedigree financial investor
- Benchmark valuation

Key Investor Rights

- 1 Board seat till IPO
- Anti Dilution for future fund raises
- Customary investor protection and exit rights

Promoters (ABCL and MMH) to continue to retain affirmative rights over operational matters

Particulars	Rs. Crores
Pre-Money Valuation	5985
Capital Infusion by ADIA	664
Post Money Valuation	6649
Implied Pre- Money Valuation / FY22 GWP Multiple	3.5x
Implied Post- Money Valuation / FY22 GWP Multiple	3.9x

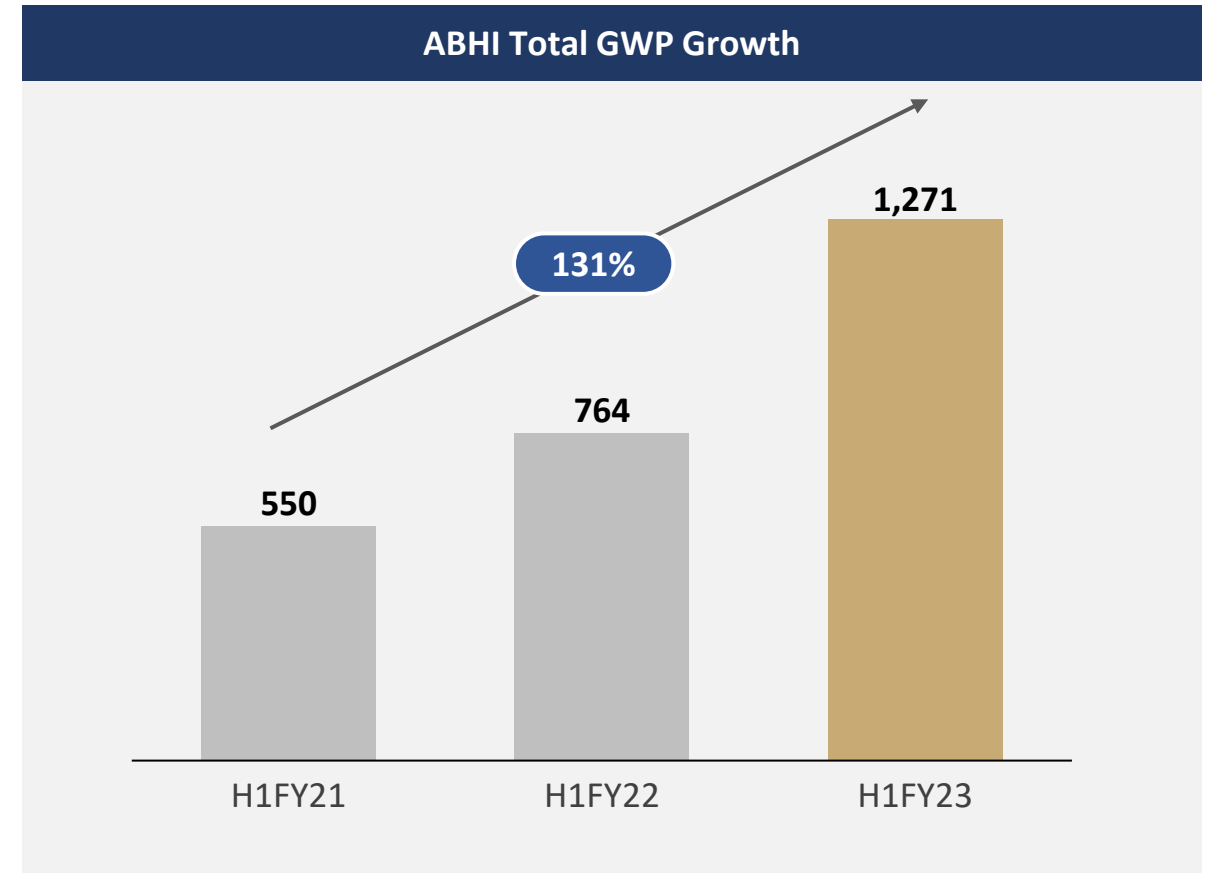
Shareholding Pattern post infusion	%share
ABCL	45.91%
MMH	44.10%
ADIA	9.99%

Total Premium (GIC) H1 FY23

Growth		
ABHI	SAHI	Industry
+66%	+27%	+18%

Market Share		
	H1 FY22	H1 FY23
SAHI Market Share	8.3%	10.9%
Industry Market Share	1.9%	2.7%

ABHI Total GWP Growth



Empowering People to lead healthier lives

1

Differentiated model with Health First approach to enhance role of the category

2

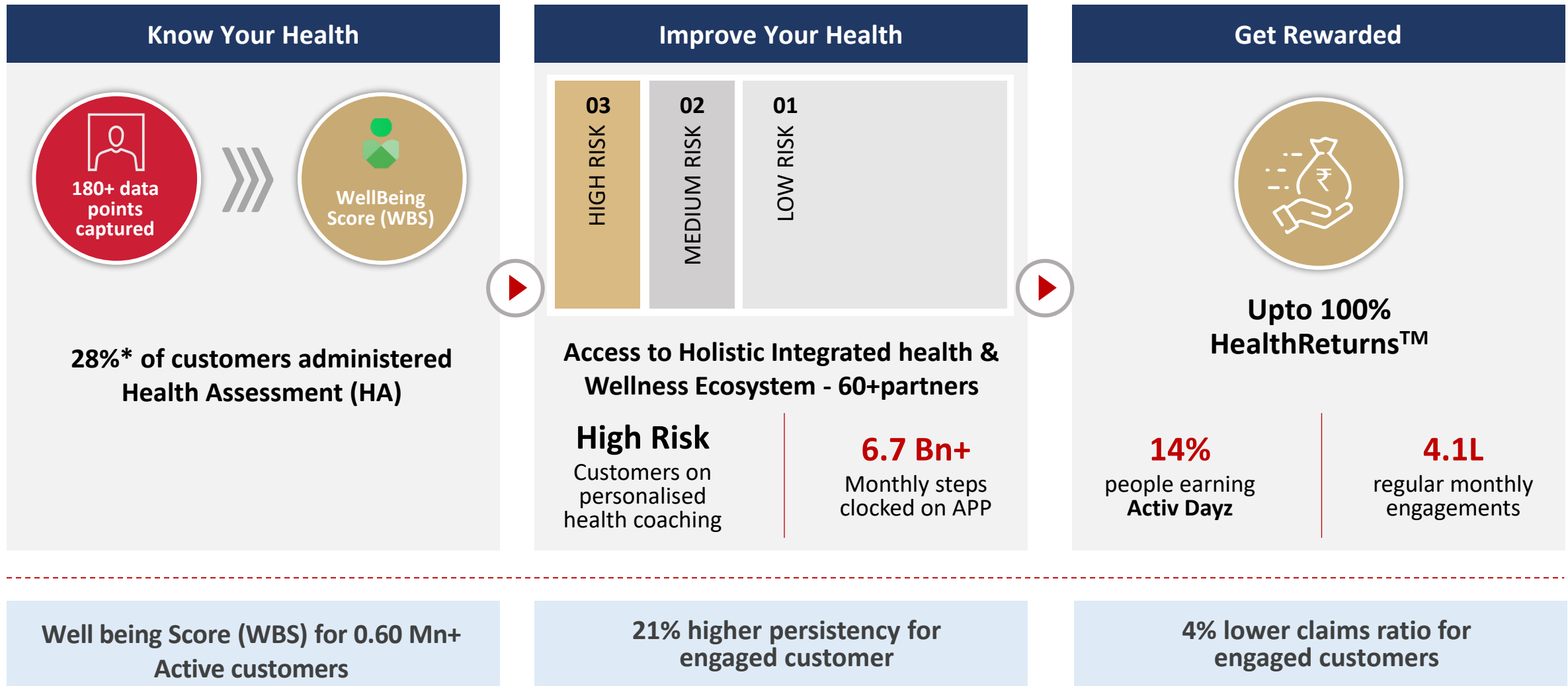
Most diversified distribution footprint covering conventional & new age digital platforms

3

End to end digital capabilities for scale engagement & superior customer experience

4

Leverage Data & Analytics to drive excellence in every facet of business



Most Diverse Product Suite for Diverse Customer Segments & Channels

Product Innovation & Market Expansion

- ▶ **Incentivize Wellness**
Upto 100% of Health Returns | contributing 20% business

- ▶ **Chronic care & Critical Illness**
ABCD | Cardiac | Cancer

- ▶ **Segment Specific**
Young & Healthy | Senior citizen

- ▶ **Byte & Contextual**
Ride | Travel | Telco | Gym | contributing 8% in retail business

- ▶ **Innovative suite**
1cr Super top up | Retail & Corporate OPD

Segmented Product – New Product ACTIV FIT

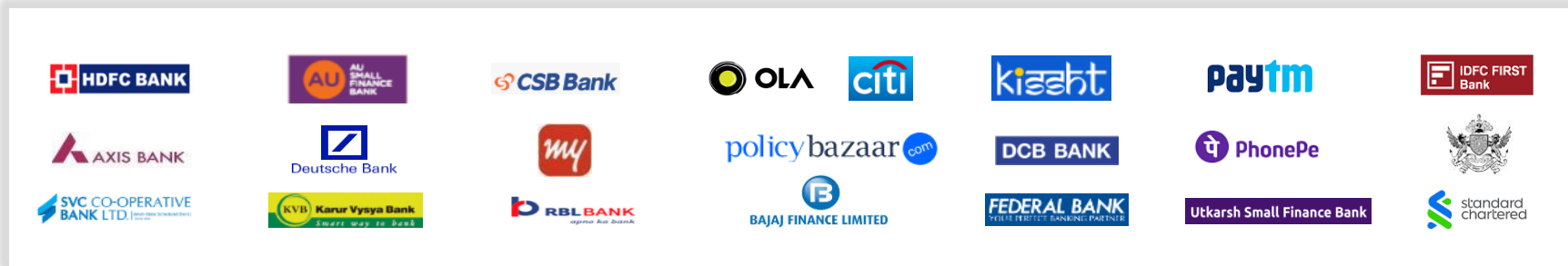
- Targeting 42.6 crs, millennials - 34% of India's population

Product Features:

- 10% Early Bird discount at <35 years age
- Earn up to **50% HealthReturns™**
- 10% discount on **Industry 1st digital Face Scan**
- **100% unlimited** Sum Insured Refill |
Maternity & Modern treatments



Most Diverse Distribution MIX



Proprietary

Growth at 38 %

One ABC led branch expansion on track

Banca

Growth at 18 %

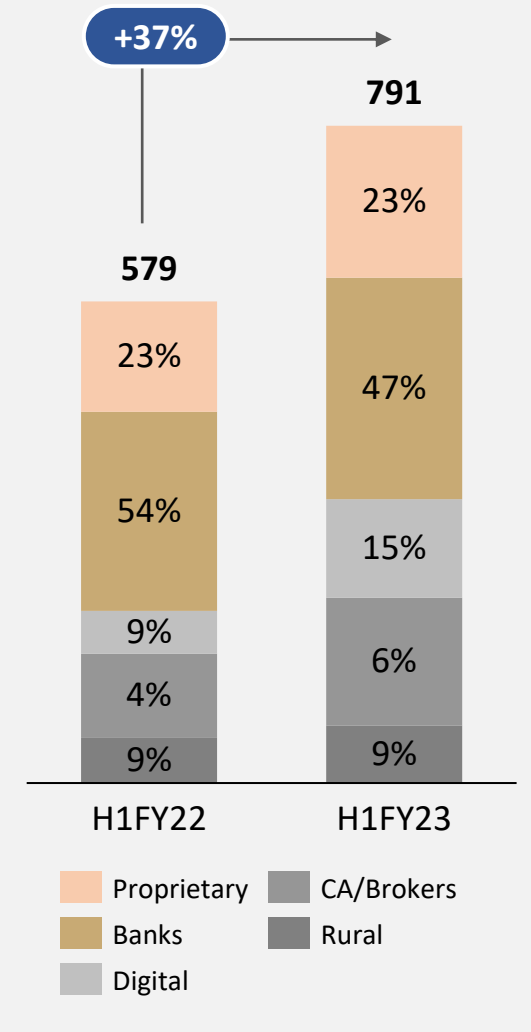
New relationship: IDFC First Bank, State Bank of Sikkim

Digital

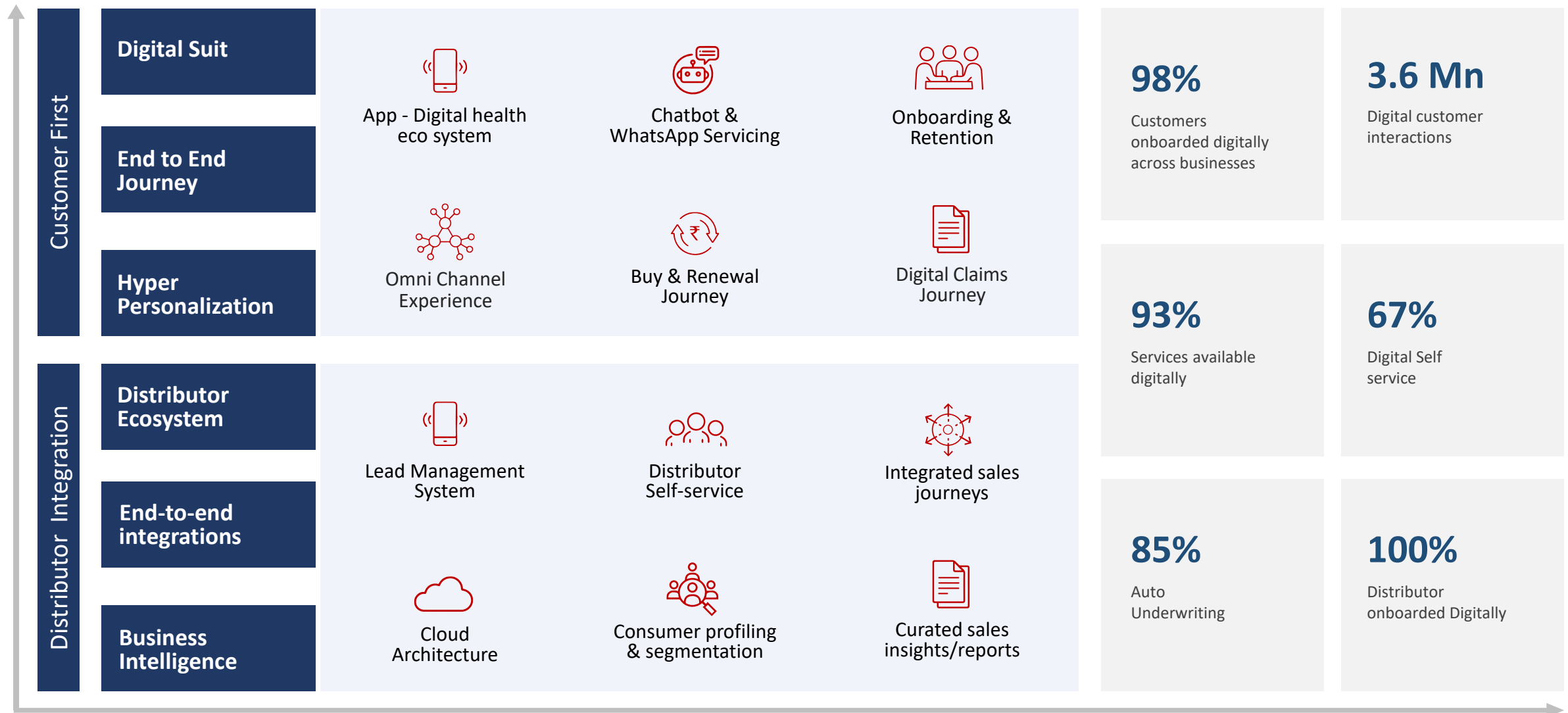
Growth at 131%

Travel / Ride / Stay / Telco / Loan Insurance

Total GWP (Rs. Crores)



Leveraging Digital to Enhance Customer & Distributor Experience



CLTV – Acquisition, Persistence & Cross-sell

- **PASA:** 10% GWP lift over last year
- **Cross-Sell:** X-Sell campaign live across channel / partners
- **Renewal:** 10% uplift: Being extended beyond 13th month
- **Early Warning Signal:** Prescriptive AI – based program to control lapses throughout the year

Customer engagement/ experience

- **WBS / HHS Score:** 18L WBS generated – helping to lower claims, higher renewal
- **Sentiment Score/NPS:** 20K+ Sentiment based action taken on In-Bound call
- **CX Score:** Scoring SLAs, events and interactions
- **OCR Based Claims:** 100,000+ OCR claims digitized

Fraud & Risk Management

- **Fraud Detection:** AI based: >36Cr savings annualized
- **Hospital Scorecard:** Outlier detection for 5000+ Hospital / Case Management
- **Automated underwriting engine:** 1000+ STP clusters
- **Pre-Issuance FWA:** Rule based engine to control LR at Sourcing

KEY LEVERS

Organization wide data lake

Eco system of in-house / ABC / ABG / Partner capabilities

Deep expertise in AI / ML / NLP / Anomaly / Computer vision

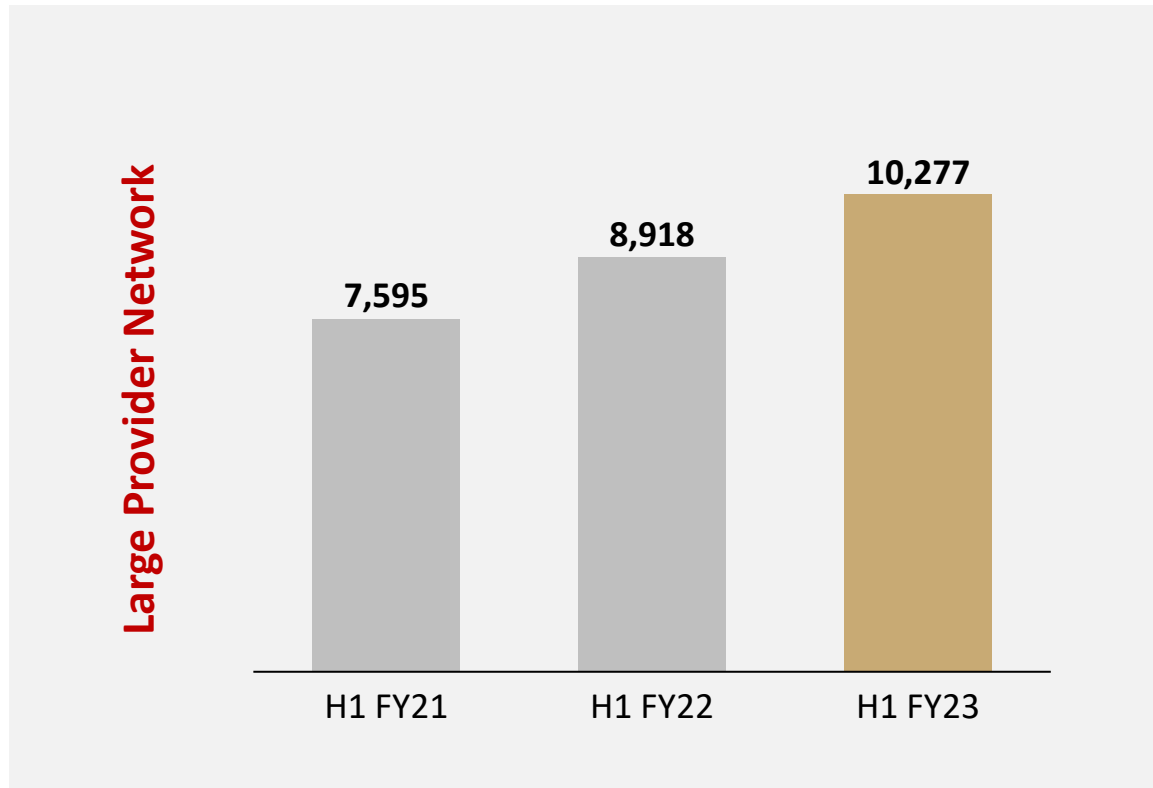
Mr. Mahesh Kumar
Gurgaon Branch

“ Life can be pretty unpredictable, and I learned about the same in the hardest way. Even after following a healthy lifestyle, I got sick and had to be admitted to the hospital and it was an absolute shock, not just for me but for my family too! Thankfully, I was covered by Aditya Birla Health Insurance. The process of claim was very easy and I got an almost 90% cashless payout on my hospital bill. The customer support was helpful throughout the time. Based on my experience, I can say that if anyone wants to protect their near & dear ones from any sudden setback they can absolutely rely on Aditya Birla Health Insurance. ”

100% HealthReturns™

Mr. Harvinder Singh
Ludhiana Branch

“ I've never been a health-conscious guy before. But thanks to Aditya Birla Health Insurance for creating a health policy with exceptional features that inspired me to improve my health schedule. I started with on-demand videos & walking 10,000 steps daily. Through this healthy habit, I was able to earn 100% HealthReturns™ which I used at the time of my policy renewal. My journey with Aditya Birla Health Insurance is a long one and the fact that they're so customer-friendly and informative really makes me keep track of my health. ”



Extensive backend Claims processing Systems | Digital Claims Adjudication | Centralized Claims Processes

100% HealthReturns™

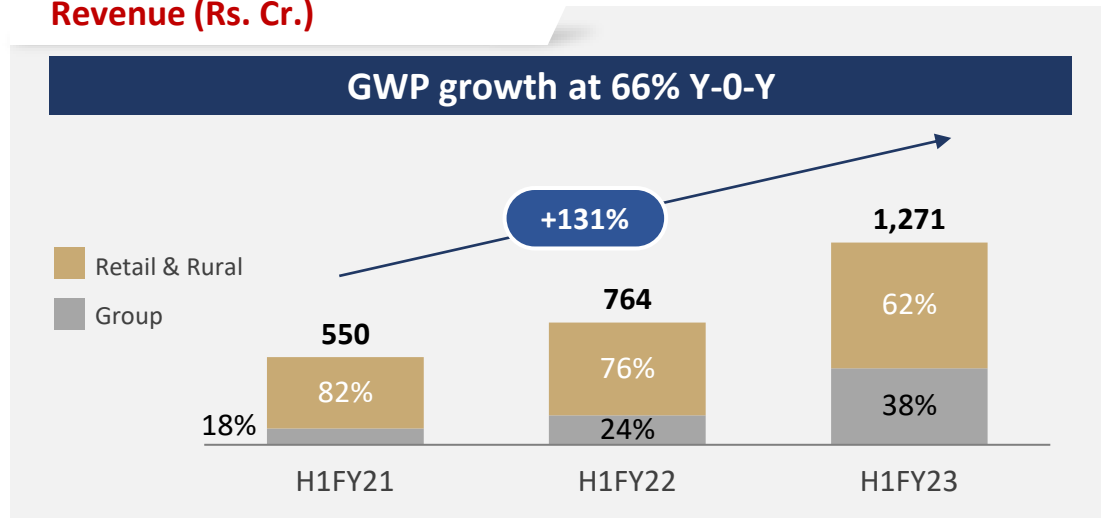
Mr. Rameez Kumar
Ludhiana Branch

“ I never took my health seriously and have struggled with issues in the past. When I bought Aditya Birla Health Insurance policy, I was informed about their HealthReturns™ feature, which can be earned by walking, exercising or other forms of healthy activities. This policy feature motivated me and I made it a point to walk 10,000 steps daily, that's how I was able to earn 100% HealthReturns™. I will be using the same to renew my policy. I have now realized the importance of a healthy lifestyle and for that I am truly grateful to Aditya Birla Health Insurance. ”

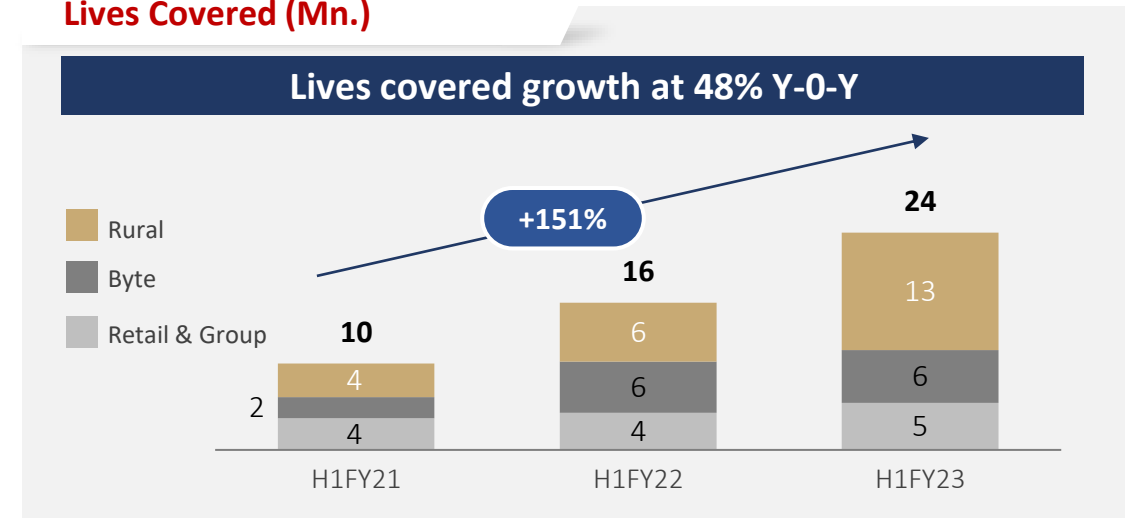
96%

Best in Industry Claims Settlement Ratio#

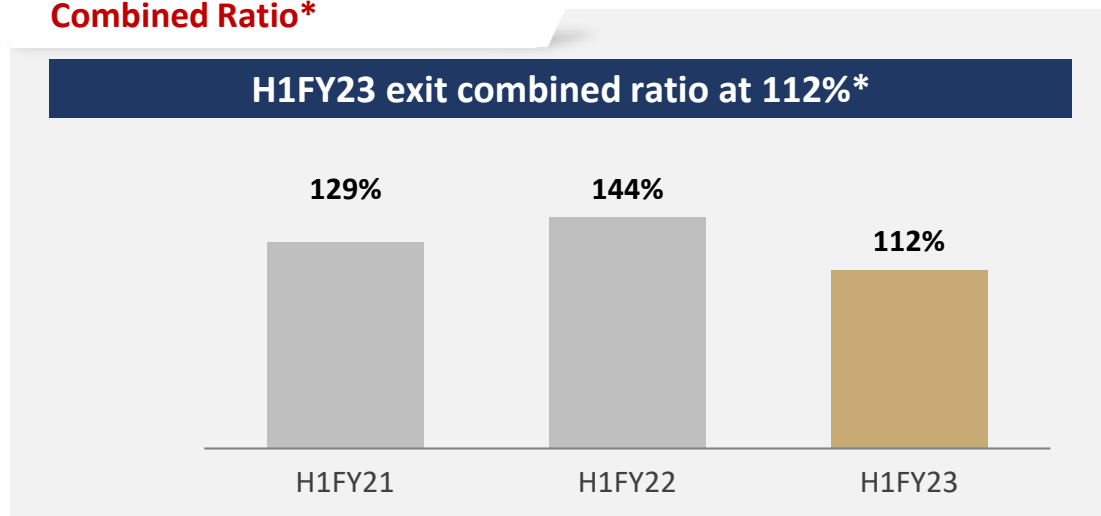
Revenue (Rs. Cr.)



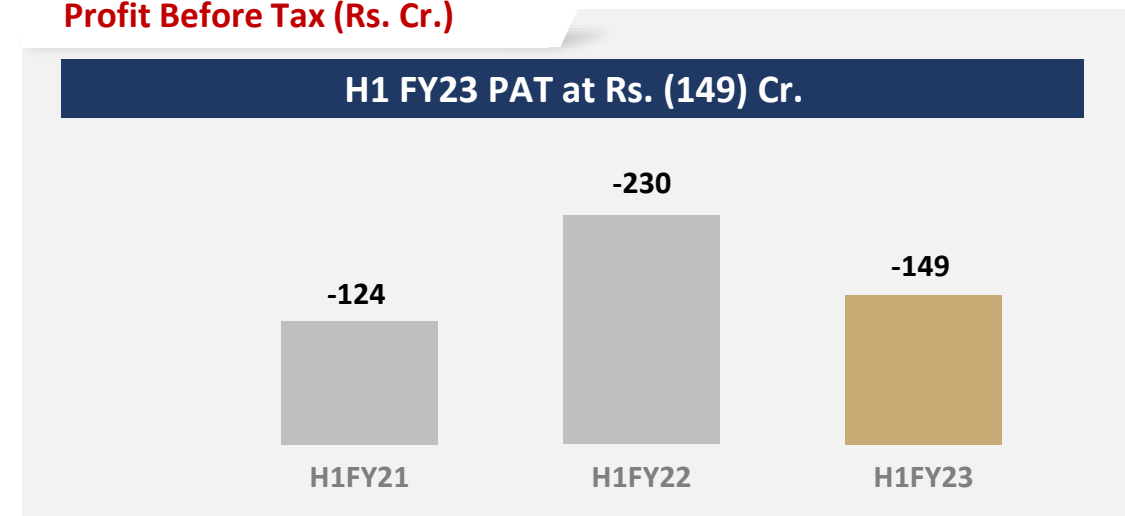
Lives Covered (Mn.)



Combined Ratio*



Profit Before Tax (Rs. Cr.)



*Combined ratio as per reported financials

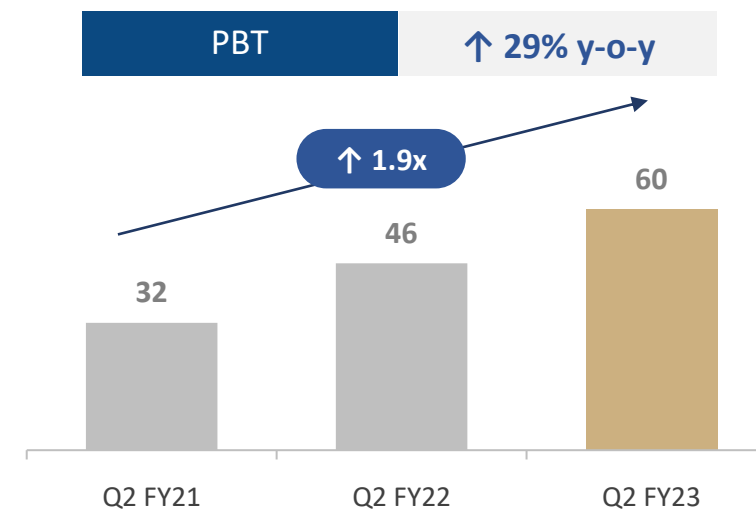
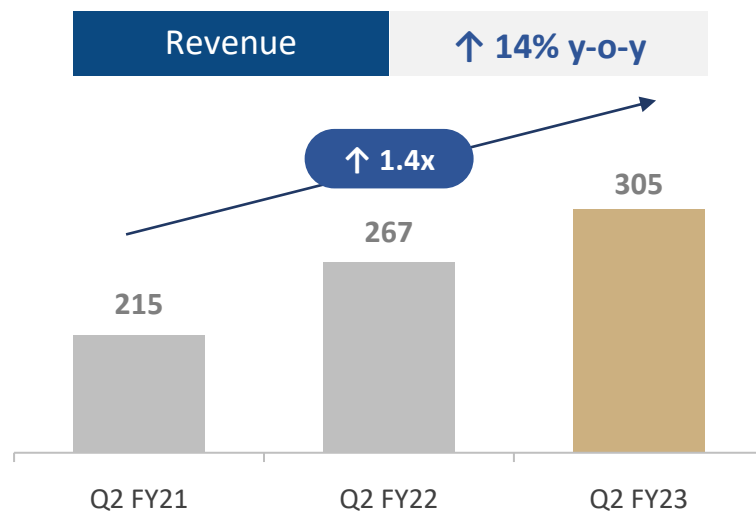
Quarter 2		Figures in Rs Crore	Half Year	
FY 21-22 PY)	FY 22-23 (CY)		Key Performance Parameters	FY 21-22 (PY)
309	421	Retail Premium	579	791
87	219	Group Premium	184	479
396	640	Gross Written Premium	764	1,271
360	609	Revenue	710	1,203
272	410	Operating expenses	505	840
(102)	(79)	Profit Before Tax (IND AS)	(230)	(149)

Note: The above numbers doesn't include Aditya Birla wellness Pvt. Ltd.



Other Updates

Strong performance across financial metrics across these businesses



General Insurance Broking

	Q2 FY22	Q2 FY23	Δ
Premium Placement	1,355	1,542	↑ 14%
Revenue	175	183	↑ 4%
PBT	24	22	↓ 8%

Stock & Securities Broking

	Q2 FY22	Q2 FY23	Δ
# Customers (Active)	0.6 Lac	0.7 Lac	↑ 8%
Revenue	58	68	↑ 18%
PBT	9	14	↑ 50%

Asset Reconstruction Company

	Q2 FY22	Q2 FY23	Δ
Closing AUM	2,533	3,204	↑ 26%
Revenue	22	34	↑ 54%
PBT	12	19	↑ 62%

¹ Consolidated segment revenue ; for Ind AS statutory reporting purpose Asset management and wellness business are not consolidated and included under equity accounting

² ABNL transferred its 51% stake in Aditya Birla Sun Life Insurance (ABSLI) to ABCL w.e.f 23rd March 2017. FY17 financials have been re-stated including earnings of ABSLI for full year to make performance comparable.

Quarter 1	Quarter 2		Figures in Rs Crore	Half year	
FY 22-23 (CY)	FY 21-22 (PY)	FY 22-23 (CY)	Consolidated Profit & Loss	FY 21-22 (PY)	FY 22-23 (CY)
5,590	5,596	6,825	Revenue	9,892	12,415
562	440	593	Profit Before Tax (before share of profit/(loss) of JVs)	758	1,155
52	89	97	Add: Share of Profit/(loss) of associate and JVs	169	149
614	529	690	Profit Before Tax	927	1,304
190	172	211	Less: Provision for taxation	299	401
(6)	(20)	(9)	Less: Minority Interest	(52)	(15)
429	377	488	Net Profit (after minority interest)	679	918

¹ Consolidated segment revenue ; for Ind AS statutory reporting purpose Asset management and wellness business are not consolidated and included under equity accounting

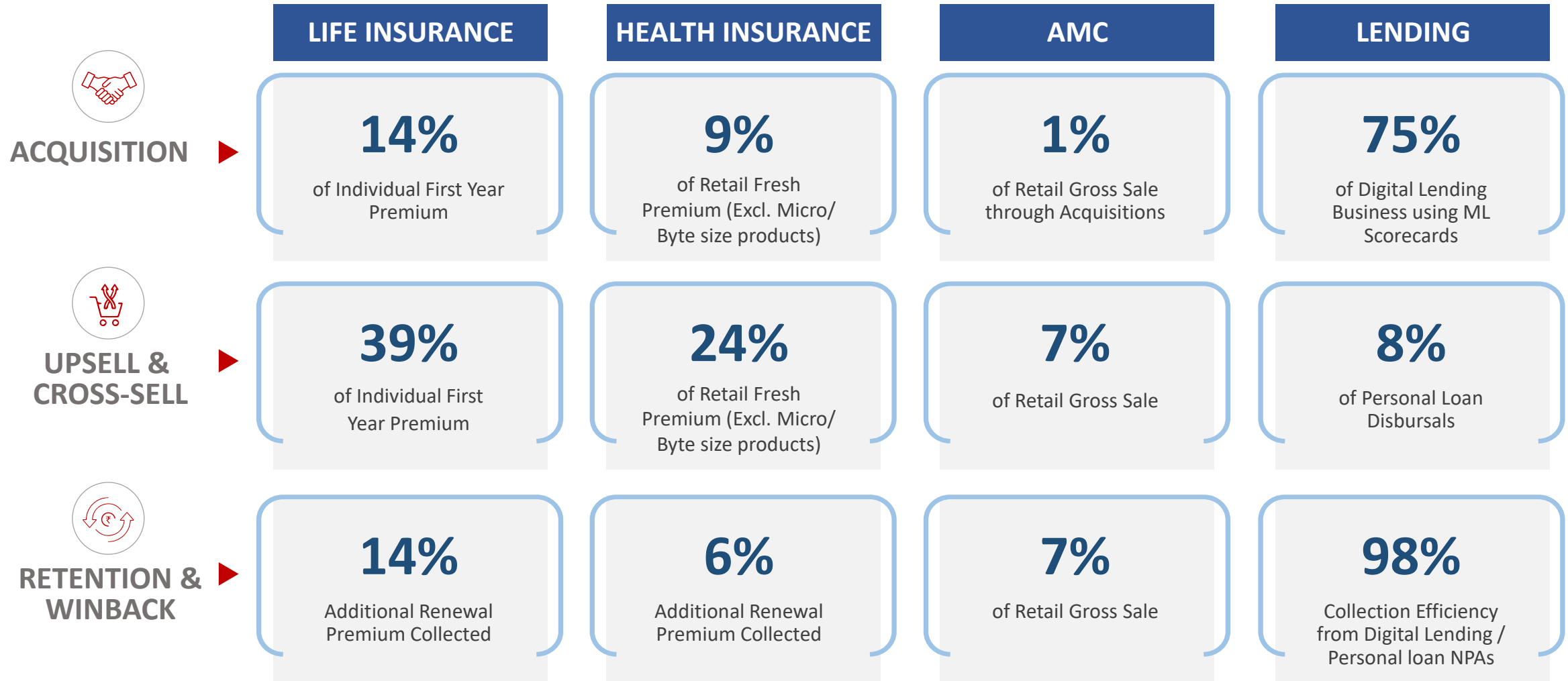
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Update Digital impact metrics

All metrics are for Q2 FY23 unless specified

REVENUE ENABLEMENT through digital customer acquisition engines	97% Customers onboarded digitally across businesses	1.8 Mn Customers acquired through ecosystem partnership in lending business.	15% Of Policy issuance verification call done through Audio Visual Bot in Life Insurance	7.3 Lac individuals planning their goals on Robo advisory Money for Life Planner tool.
CUSTOMER EXPERIENCE through new age digital channels	160+ Voice Bots for Inbound & Outbound calls across businesses	12+ Mn Customer Interactions on digital channels	6.8+ Mn Omni Channel Interactions in H1 FY23	87% policies renewed digitally in Life Insurance & Health Insurance
SCALABILITY & COST EFFICIENCIES with mid & back office automation	55% Straight through processing of service journey's	550+ Robots (RPA tech) developed so far in our mid & back offices	88% + Emails bot accuracy for intent identification	28% of total cloud Infra hosting on public cloud

Progress on multiple vectors across businesses as a result of digital focus



Leveraging data and analytic to maximise wallet share through out customer life cycle

Financial Performance



Figures in Rs. Cr.	FY17	FY18	FY19	FY20	FY21	FY22	CAGR (FY17 - FY22)	H1 FY22	H1 FY23	Y-o-Y (%)
Lending Book	38,839	51,379	63,119	59,159	60,557	67,185	12%	59,060	77,439	31%
Gross Insurance Premium	5,778	6,146	8,008	8,882	11,076	13,867	19%	5,685	7,644	34%
Active Customers (Mn)	10	11	12	20	24	35		28	41	47%
Assets under Management	2,46,159	3,05,372	3,04,322	3,05,587	3,35,919	3,70,608	9%	3,68,745	3,56,818	(3%)
Revenue ¹	11,071	12,841	16,570	17,927	20,453	23,633	16%	10,599	13,072	23%
Profit Before Tax	1,150	1,438	1,797	1,687	1,973	2,843	20%	1,197	1,549	29%
NBFC	837	1,051	1,328	1,053	1,031	1,487	12%	702	946	35%
Asset Management	337	523	647	661	696	895	22%	436	390	(11%)
Life Insurance ²	124	130	131	137	151	175	7%	82	89	9%
Housing	(16)	34	107	136	176	253		115	147	28%
General Insurance Broking	39	39	27	42	71	86	17%	61	67	9%
Stock & Securities Broking	8	10	14	17	22	36	35%	17	25	47%
ARC Business	-	-	(3)	24	37	55		22	38	75%
Health Insurance	(89)	(197)	(257)	(246)	(199)	(309)		(227)	(146)	
Interest and Brand expenses	(1)	(87)	(124)	(117)	(10)	(7)		(3)		
Others/Eliminations/Stake Sale	(89)	(66)	(73)	(21)	(3)	158		(8)	(9)	
Consolidated PAT (after minority)	573	693	871	920	1,127	1,706	24%	679	918	35%

¹ Consolidated segment revenue ; for Ind AS statutory reporting purpose Asset management and wellness business are not consolidated and included under equity accounting

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needs and accordingly
advise the right
solution

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