

Date: November 9, 2022

Place: Chennai

**Ref: SHAI/B & S/SE/138/2022-23**

To,  
The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001  
Scrip Code: **543412**

To,  
The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot C/1,  
G Block, Bandra-Kurla Complex  
Mumbai – 400051.  
Scrip Code: **STARHEALTH**

Dear Sir/ Madam,

**Sub: Earnings Call Presentation – September 30, 2022**

Further to our letter SHAI/B & S/SE/136/2022-23 dated November 7, 2022 regarding intimation of Q2 & H1-FY2023 Earnings Call, please find enclosed the Earnings Call Presentation on performance of the Company, to be made to the Investors and Analysts on Thursday, November 10, 2022 for the quarter ended on September 30, 2022.

The above information is also being hosted on the Company's website at [www.starhealth.in](http://www.starhealth.in)

This is for your kind information.

**For Star Health and Allied Insurance Company Limited,**

**Jayashree Sethuraman,**  
**Company Secretary & Compliance Officer**



# H1FY23 PERFORMANCE REVIEW

November 2022

# Agenda

1 Our Strategy

2 Performance Update

# Agenda

1 Our Strategy

2 Performance Update

# Key pillars of our Strategy

## 1 Leadership in Retail Health

33% Retail Health Insurance Market Share

46% Retail Health Accretion Market Share

## 2 Well Spread Distribution Network

21% CAGR in no. of agents since FY20 to 0.59 million

815 Branches

## 3 Investment in Technology

63% premium value issued digitally

INR 6.1bn GWP acquired from online channels

## 4 Diversified and Specialized Product Suite

Specialized Products contribute 16.5% of Star Health's total retail health GWP

## 5 Focus on Risk Management

14k Network Hospitals

66% claims processed through ANH

## 6 Superior Operating Performance

Solvency Ratio at 1.95x (claims based)

Best-in-class Opex/GWP Ratio of 16.5%

# Agenda

1 Our Strategy

2 Performance Update

# Key Performance Indicators (1/2)

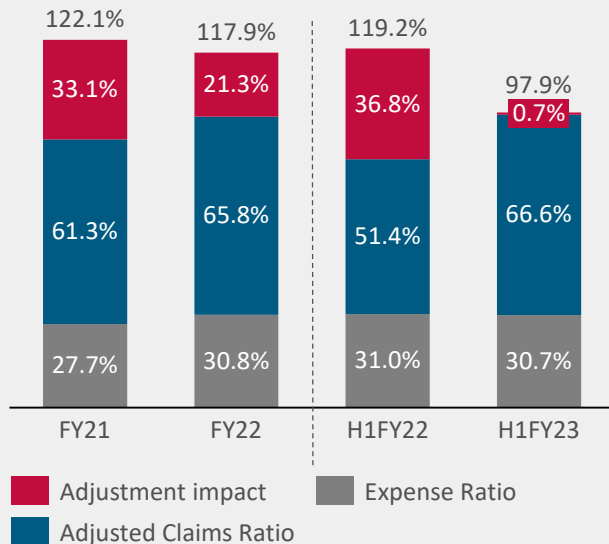
Particulars (INR millions, unless otherwise stated)	Fiscal Year Ended March 31,		Six Months Ended September 30,	
	2021	2022	2021	2022
GWP	93,885.4	1,14,634.7	50,697.8	56,565.6
Period-on-period growth of GWP	36.8%	22.1%	28.2%	11.6%
Retail Health Renewal Premium Ratio	97.9%	94.0%	91.0%	94.4%
Number of agents (in '000s)	462.4	549.5	514.6	586.0
Number of hospitals in network (in actual number)	10,871	12,820	11,778	14,000
Investment Income	4,236.8	7,928.2	4,303.3	4,109.7
Investment Yield	7.1%	8.2%	9.8%	7.1%
Profit/(Loss) after tax	(10,857.1)	(10,406.7)	(3,802.7)	3,063.5
Net worth	34,843.4	45,133.8	31,986.6	48,761.2
Return on equity*	-40.4%	-26.0%	-14.6%	7.6%

*Return on Equity = Profit After Tax/Average Net Worth \*Return on equity is not annualised.*

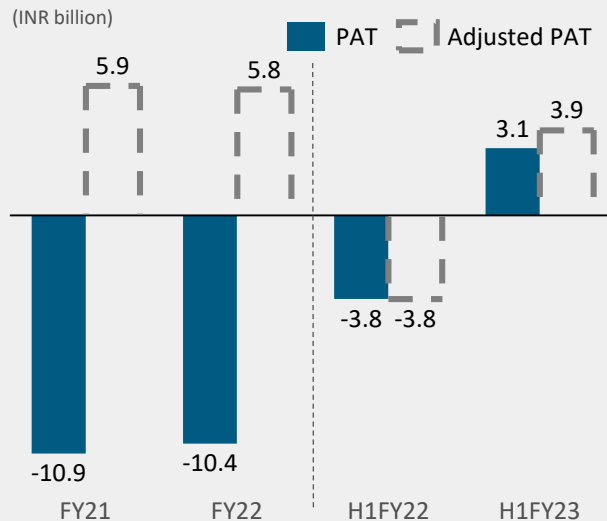
*Note: Numbers are basis 1/365 URR method.*

# Key Performance Indicators (2/2)

## Claims, Expense and Combined Ratio



## Profit After Tax (PAT)

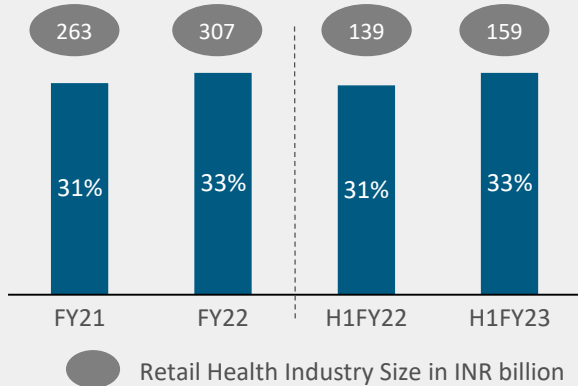


Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID -19 claims impact, One time expenses (Sweat Equity, Intangibles – IT Software, Provision for Doubtful Debts (RSBY) and Goodwill Gesture Scheme); Adjustments for FY22 excludes COVID-19 claims impact, Non business ESOP cost. Adjustments for H1FY22 and H1FY23 includes COVID impact but excludes Non business ESOP cost  
 Note: FY2021 and FY2022 numbers are basis 1/365 URR method

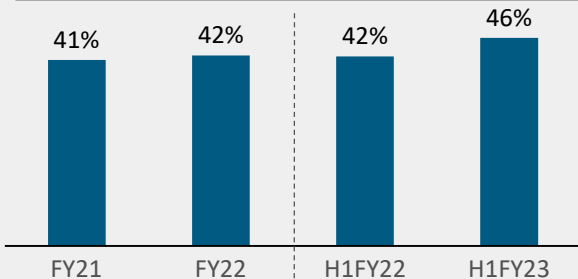


# 1 Leadership in Attractive Retail Segment

## Retail Health Market Share

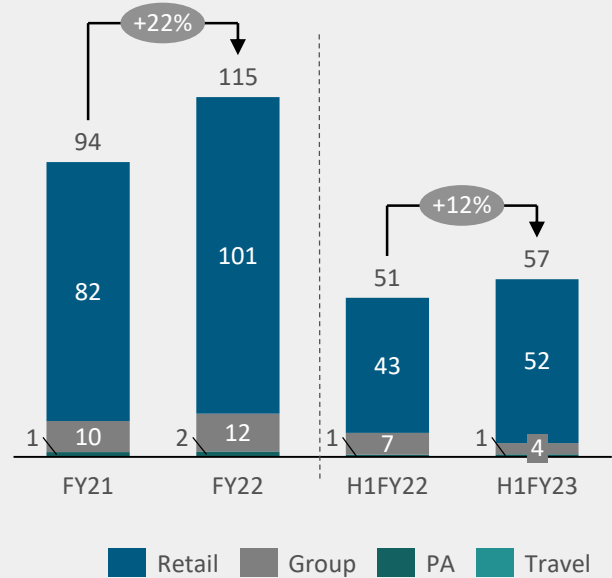


## Retail Health Accretion Market Share



## Gross Written Premium

(INR billion)



# Agenda

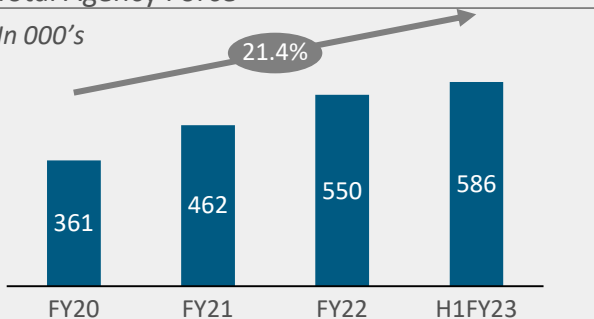
1 Our Strategy

2 Performance Update

## 2 Largest and Well Spread Distribution Network

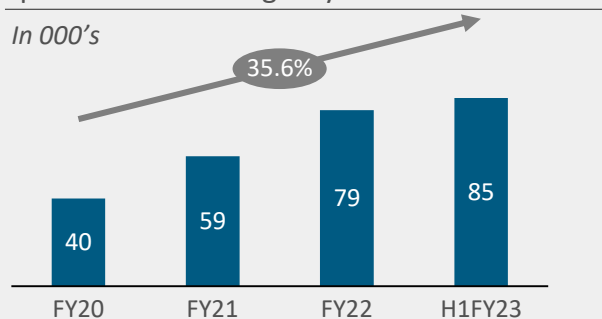
Total Agency Force

In 000's

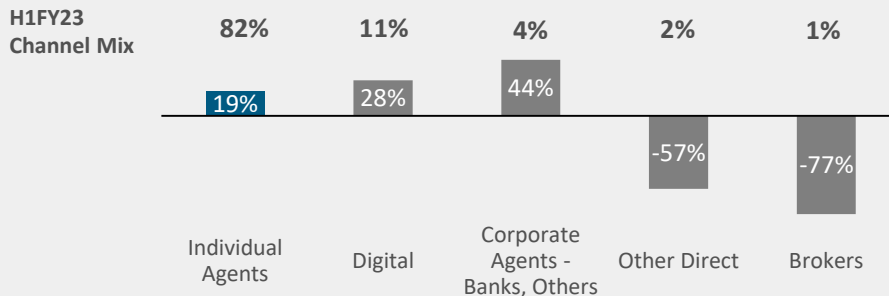


Sponsored Health Agency Force

In 000's



Channel wise mix and growth, H1FY23

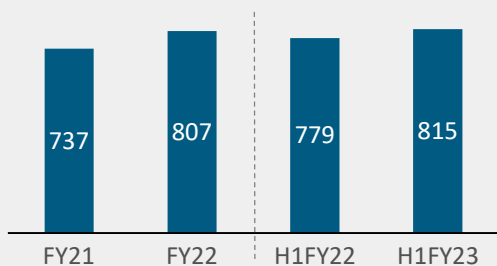


Note: Brokers excludes online brokers such as Policybazaar

## 2

# Extensive Footprint and Alternate Distribution Channels

## Extensive Branch Network

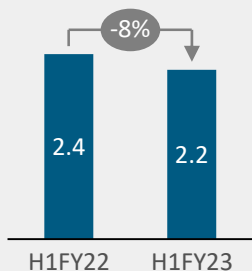


Well distributed footprint across  
enables Pan-India growth

## Focus on SME Group Health Sales

INR billion

60%  
SME  
contribution



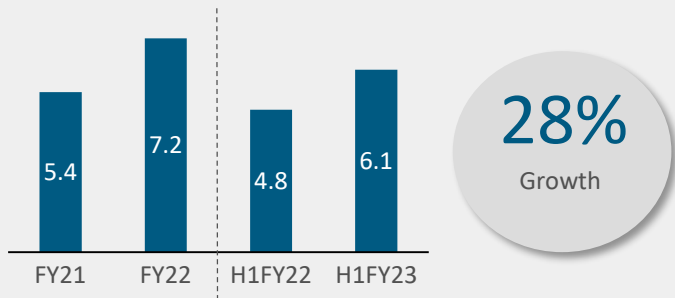
## Partner Integration



### 3 Continued focus on Digital Growth

#### Digital Acquisition

GWP acquired through online channels, INR 'billion



#### Hyper-personalization

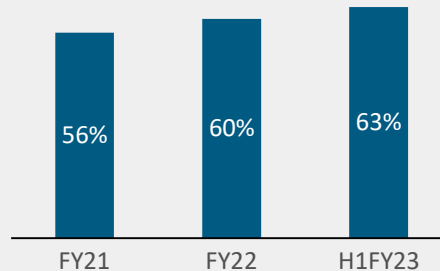
STAR POWER - personalized single channel customer self-service application

1.7mn

Customer App downloads

#### Digital Issuance

% of premium collection



#### Digitizing Customer Acquisition

More than 80% of agents have downloaded the STAR ATOM app

Note: Digital includes web-sales, tele-sales, web aggregators and online brokers

# 4 Diversified and Specialized Product Suite

## Specialized Products



Star Cancer Care Policy



Star Senior Citizens Red Carpet Health Insurance Policy



Star Cardiac Care Policy



Young Star Policy

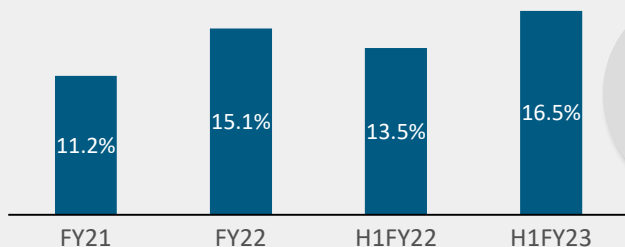


Star Diabetes Safe Policy



Women Care Policy

## Retail Premium Mix for Specialized Products (%)



31%

Accretion growth

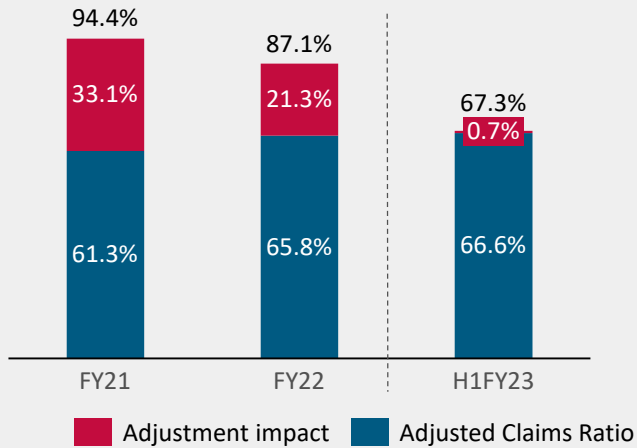
## New Product launches H1-2023

Star Extra Protect  
Star Health Assure

Note: Specialized products include disease and age specific products like Cancer care, Cardiac Care, Diabetes Safe, Senior Citizen Red Carpet, Women's Care and Young Star

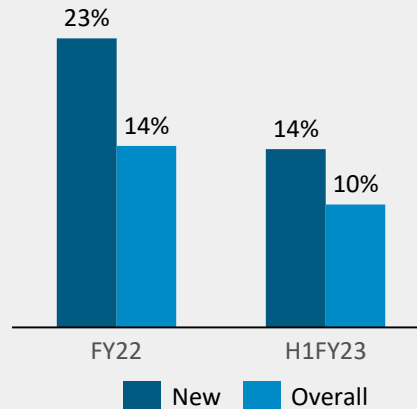
# 5 Strong Domain Expertise Driving Superior Claims Ratio

Net Incurred Claims Ratio<sup>(1)</sup>



Increasing Sum Assured

*Growth of Average Sum Assured on Retail Health policies*



Fraud Analytics

*Disciplinary action against erring hospitals*



Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID -19 claims impact; Adjustment for FY22 and H1FY23 excludes COVID-19 claims impact

Note: (1) Net incurred claims ratio is defined as net incurred claims divided by net earned premium.

Note: FY2021 and FY2022 numbers are basis 1/365 URR method

## 5 Extensive Claims Processing and Network Negotiation

8.2mn

Claims Settled  
Since Inception<sup>(1)</sup>

88%

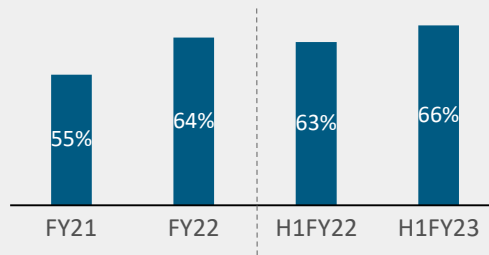
Cashless  
authorization < 2 hr

14k

Network  
Hospitals

ANH<sup>(2)</sup> Share...

Proportion of total cashless claims



- Largest Hospital network
- Valuable service provider (VSP) introduced to improve TAT's, Best pricing, transparency etc.

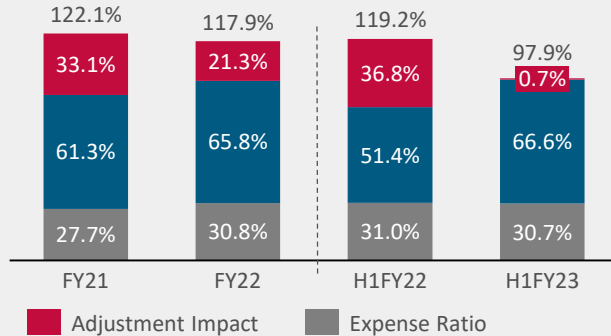
Note: (1) Data as of Sep 30, 2022 (2) ANH refers to Agreed Network Hospitals with better negotiated package based pricing.



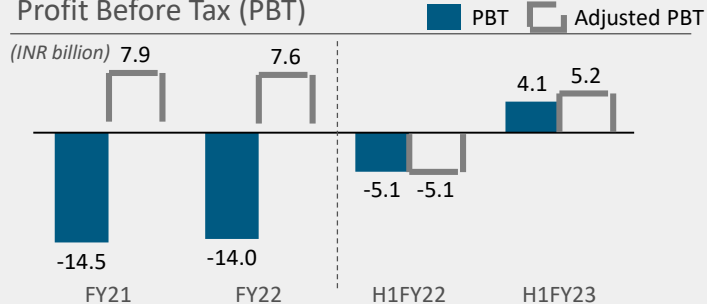
## 6

## Financial Performance

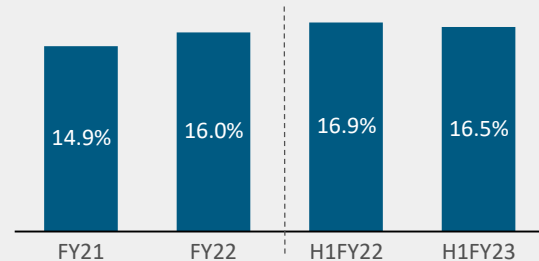
## Combined Ratio



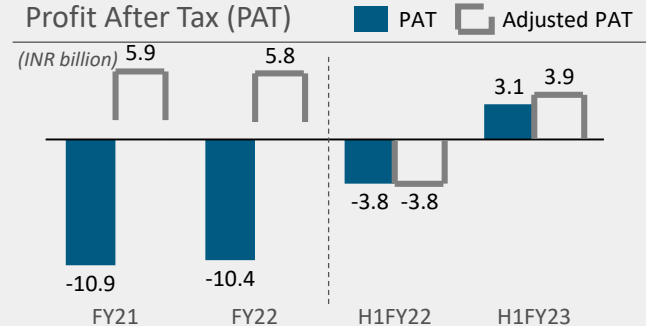
## Profit Before Tax (PBT)



## Opex/GWP Ratio



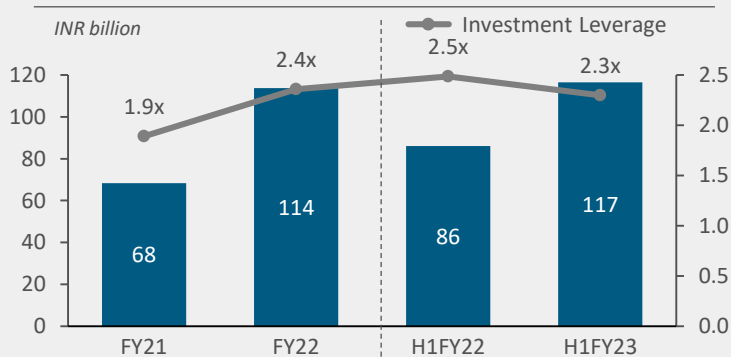
## Profit After Tax (PAT)



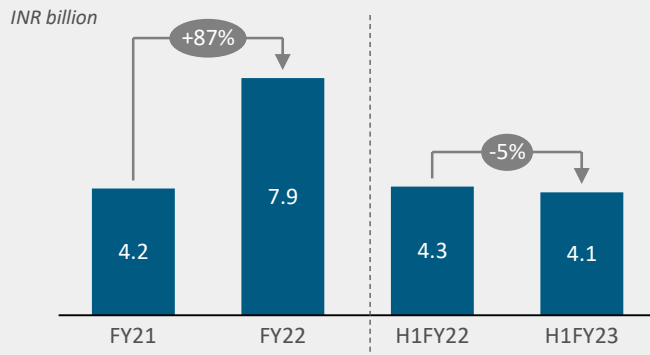
Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID-19 claims impact, One time expenses (Sweat Equity, Intangibles – IT Software, Provision for Doubtful Debts (RSBY) and Goodwill Gesture Scheme); Adjustments for FY22 excludes COVID-19 claims impact, Non business ESOP cost. Adjustments for H1FY22 and H1FY23 includes COVID impact but excludes Non business ESOP cost. Note: FY2021 and FY2022 numbers are basis 1/365 URR method

## 6 Robust Investment Performance

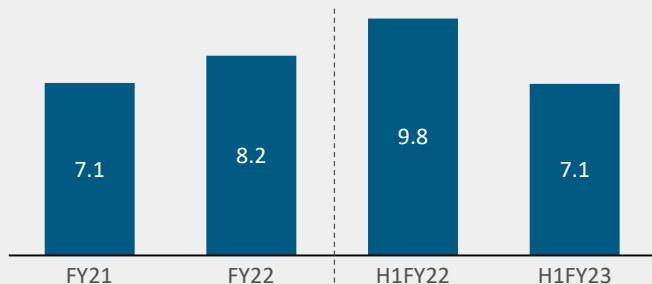
### Total Investments Assets



### Investment Income



### Steady Returns...



Note: Quarterly returns are annualised

### ...with fixed income portfolio

**77%**  
AAA, Govt.  
Portfolio & FD

#### Long-Term Funds

Government Securities, State Development Loans, Corporate Bonds, Fixed Deposits, REITs, InvITs and ETFs

#### Short-Term Funds

Bank FDs, Overnight Mutual Funds, CPs, CDs, T-Bills, CMBS, Short Maturity Bonds and Tri-Party REPOs (TREP)s

**THANK YOU**



# Glossary

Particulars	
FY	Financial Year
GWP	Gross Written Premium
CAGR	Cumulative Annual Growth Rate
Y-o-Y	Year-on-Year
VQST	Voluntary Quota Share Treaty
URR	Unexpired Risk Reserve
ANH	Agreed Network Hospitals
PA	Personal Accident
SME	Small and Medium Enterprises
TAT	Turn Around Time