

EW/Sec/2022/214

November 9, 2022

BSE Limited P J Towers, Dalal Street, Fort, Mumbai - 400 001. Scrip Code: 532922	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. Symbol: EDELWEISS
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Dear Sir/Madam,

**Sub: Update on Nuvama Wealth Management (formerly known as Edelweiss
Wealth Management) Business**

Please find attached an update in Indian Rupees on Nuvama Wealth Management (formerly known as Edelweiss Wealth Management) Business.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Edelweiss Financial Services Limited

Tarun Khurana
Company Secretary

Encl.: a/a



Nuvama Wealth Management

Formerly Edelweiss Wealth Management

Business Update

1. India Wealth Opportunity

2. Who We Are

3. Our Edge

4. Future Aspirations

- India's financial services sector is poised to transform
 - Financial wealth would continue to grow rapidly
 - Investment asset class will grow even faster
 - Rising formal penetration will multiply the opportunity
- Making India's wealth industry a structural and scalable opportunity

India's financial services sector is poised to transform

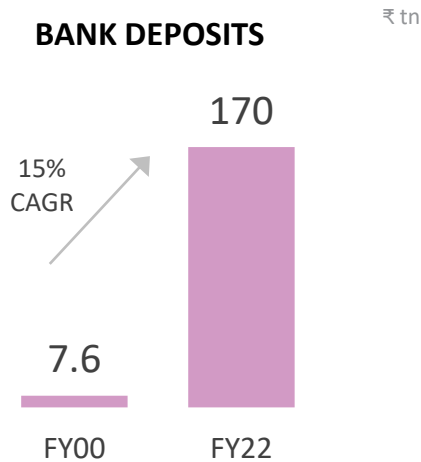
Continued momentum across segments, a catalyst to growing wealth

WEALTH MANAGEMENT	ASSET MANAGEMENT	CAPITAL MARKETS	INSURANCE
<ul style="list-style-type: none">○ Wealth will grow to reach <u>₹ 800+ tn</u> by 2025 (11% CAGR - 10 years)○ # HNIs/UHNI estimated to grow 1.7x in 5 years (2020-25)○ India to be the <u>4th largest</u> private wealth market globally by 2028	<ul style="list-style-type: none">○ AUM will grow to reach <u>₹ 90+ tn</u> by FY26 (18% CAGR - 11 years)○ Alternatives are now mainstream, will reach <u>₹ 11+ tn</u> by FY26 (CAGR 32% - 11 years)	<ul style="list-style-type: none">○ Multiple reforms developing deeper and robust capital markets○ India to be the <u>5th largest</u> stock market globally by 2024	<ul style="list-style-type: none">○ Continued growth in AUM and premiums reaching ₹ 50 tn and ₹ 8.3 tn resp in FY21 (10% CAGR - 5 years)○ Huge growth potential given low penetration of 4.2% (premium as % of GDP)

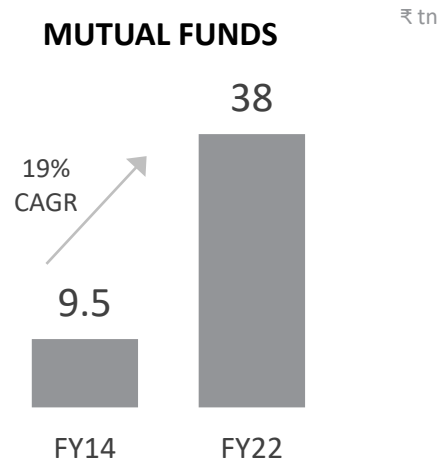
Making “Wealth Management” a key beneficiary given its proximity to client relationships

Financial wealth would continue to grow rapidly

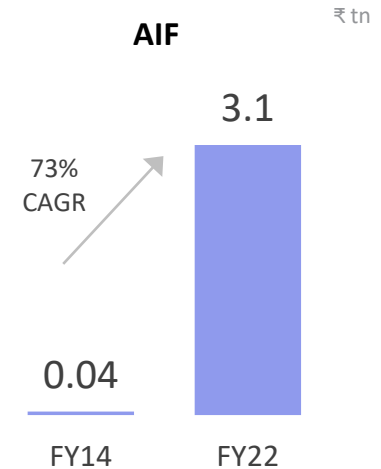
Financial assets would reach ₹ 500+ tn by FY25



Bank deposits have doubled every ~4.5 years over last 2 decades



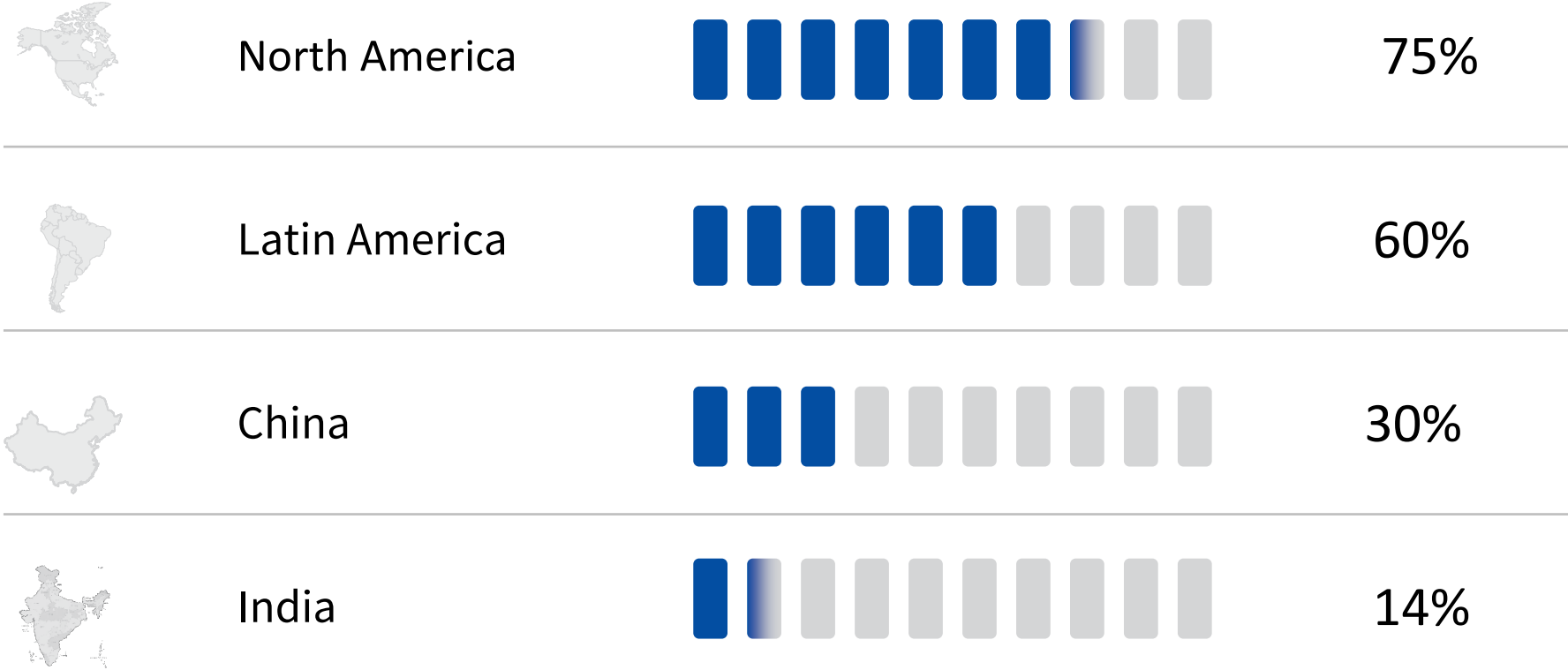
MF present size equivalent to 1/5th of ₹ 200 tn, the estimated growth in financial assets by 2025



AIF present size equivalent to 1% of ₹ 300 tn, the present size of total financial assets

Investment asset class will grow even faster driven by “value-migration” and has a “long-runway”

Rising formal penetration will multiply the opportunity



**Organized players in India have ~14% penetration
vis-à-vis developed nations at ~75%**

Making India's wealth industry a structural and scalable opportunity



Greater Growth

- Demographics and rising affluence
- Critical to client

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



Strong Economics

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

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



Foreseeable Consolidation

- Increasing product complexity
- Enhanced regulatory focus
- Technology disruptions

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

1. India Wealth Opportunity

2. Who We Are

3. Our Edge

4. Future Aspirations

- Integrated platform: Wealth & Investment Management with Capital Markets
- Market dominant and scaling fast
- Proven execution capabilities across diversified clientele
- Transformed from individual businesses to a platform

Our Business: Market dominant and scaling fast

Wealth and Investment Management

with

Capital Markets



Amongst top 2 independent wealth management players



Fastest growing alternate investment management franchise

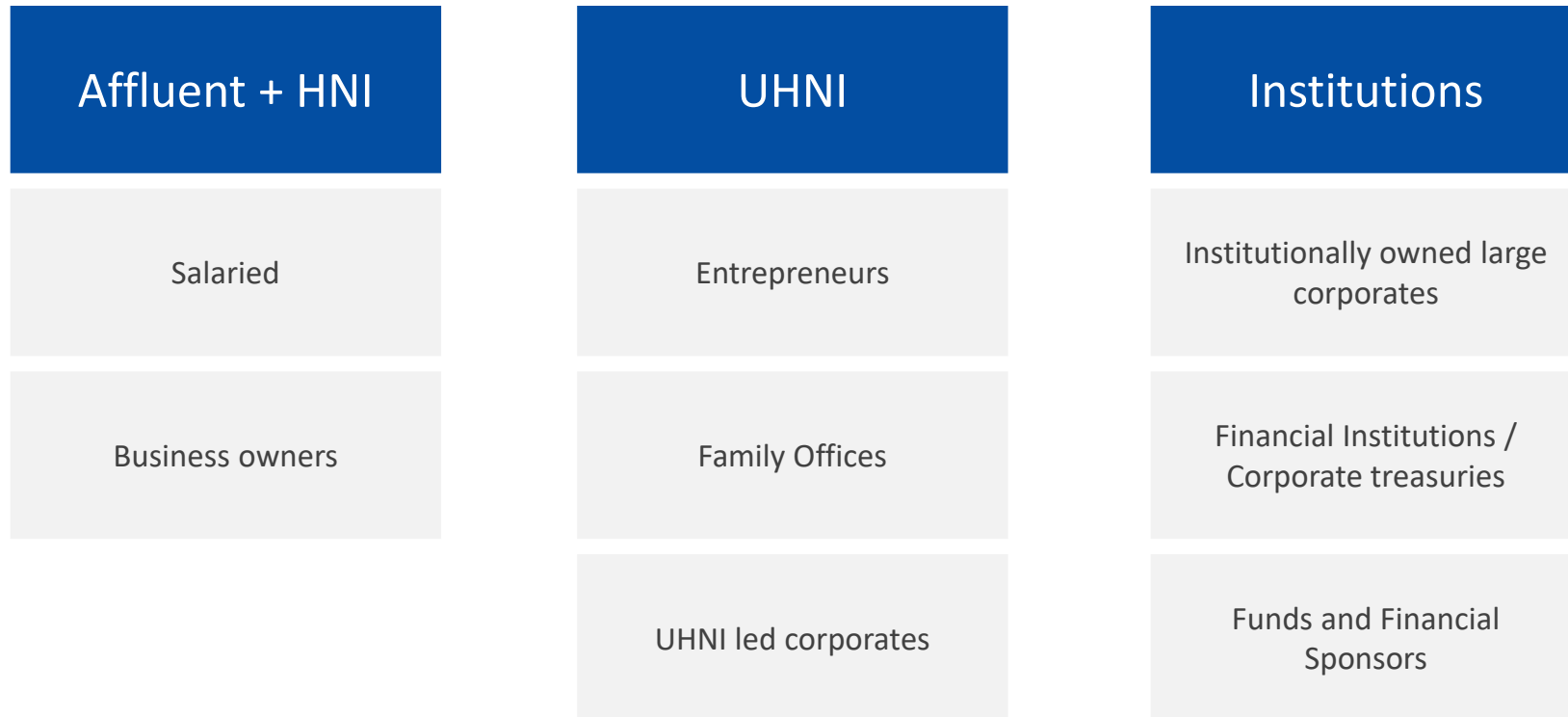


One of the largest Institutional domestic brokerage house



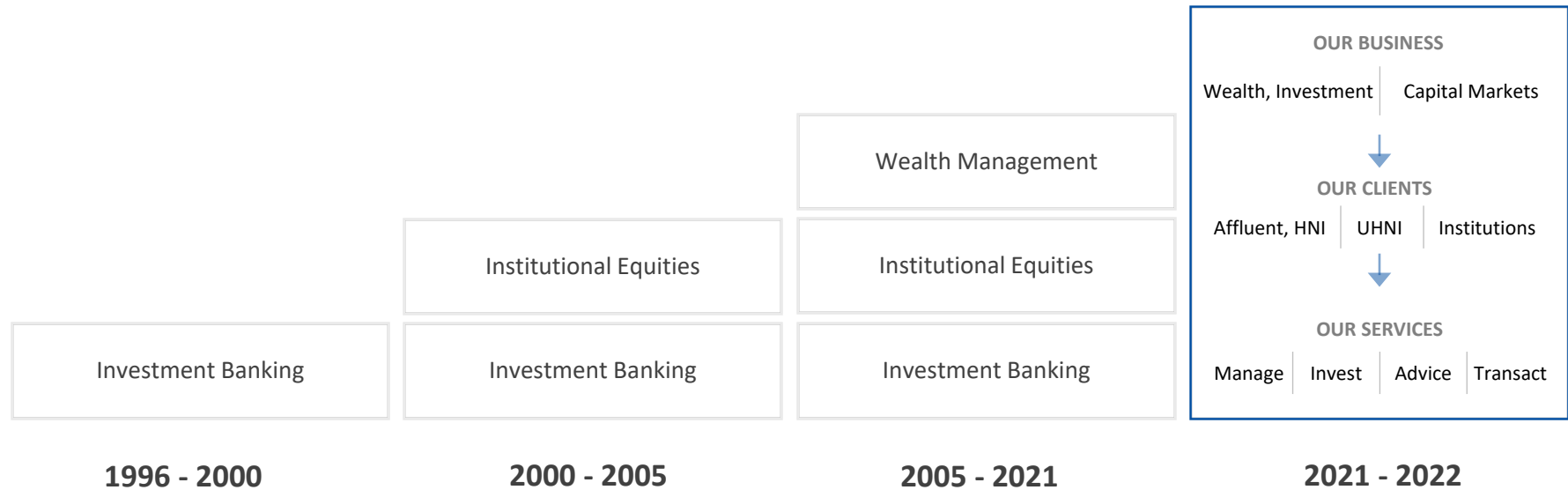
Advising capabilities across equity and debt solutions

Our Clients: People, Businesses and Institutions



Proven execution capabilities across diversified clientele

Our Journey: Individual businesses to a platform



BACKED BY HIGH-QUALITY PARENTAGE

EDELWEISS

A strong presence across financial services

GLOBAL PARTNERSHIP VALIDATING PLATFORM STRENGTH

PAG

Invests ~INR 2,366 crores in Mar 21 for majority stake

1. India Wealth Opportunity

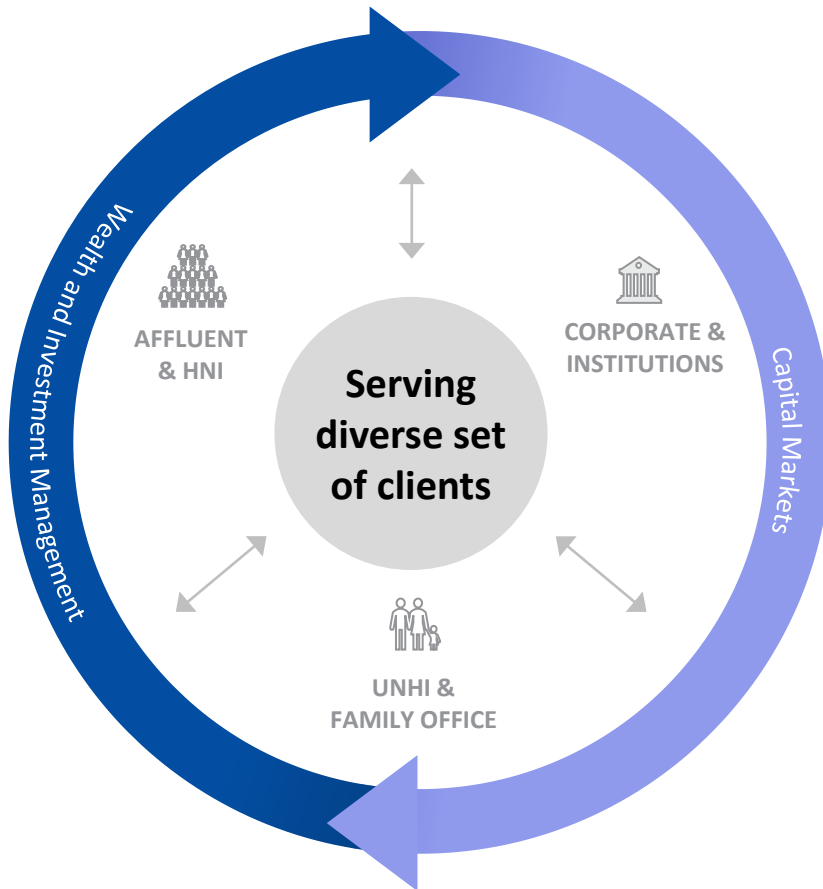
2. Who We Are

3. Our Edge

4. Future Aspirations

- Integrated ecosystem driving superior client experience and synergistic growth
- Deep and differentiated product platform
- Scaled client segments in this large and growing market
- Superior earnings and strong performance

Superior product capabilities + Ready client access = Synergies



Capital market led access to liquidity events for wealth management

Wealth management led rapid scale-up of investment management

Capital market led access to high-quality research and services for wealth management

Lending access to meet financing needs for wealth management (LAS, ESOP, etc.)

Our Product Platform: Deep and Differentiated

1

Differentiated client delivery

Added many industry 1st and unique solutions for customer clusters

2

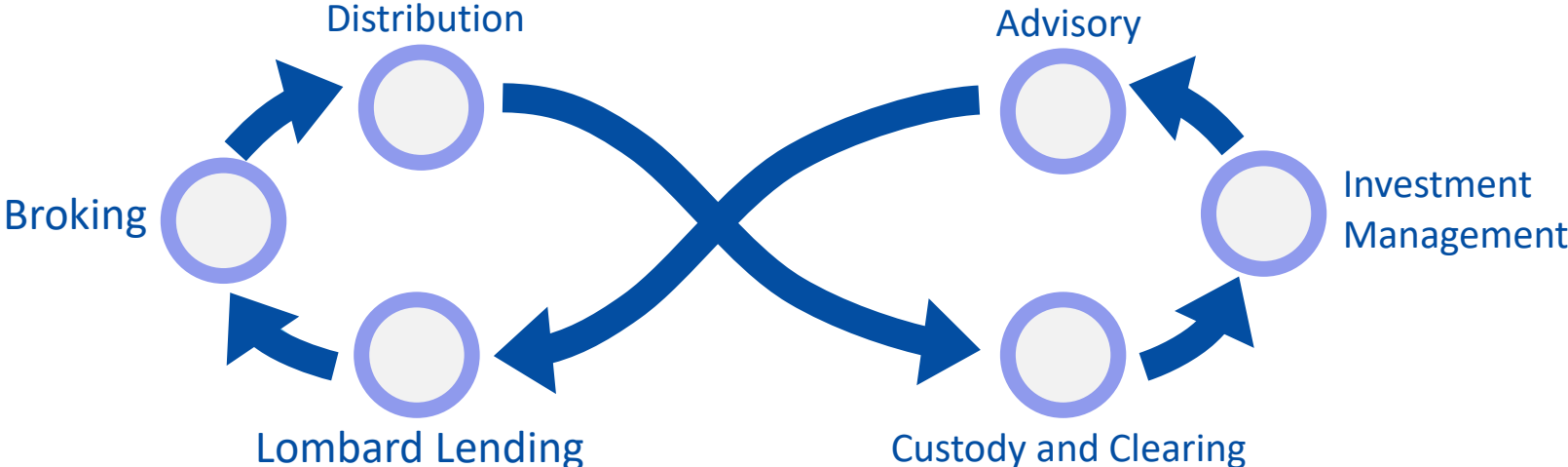
Hybrid channel - Human + Technology

Scaling efficiently and enriching client experience

3

Superior and Multi-product mix

Fulfilling all client goals and greater monetization opportunity



Our Business Segment: Wealth and Investment Management

Significant presence across the large and growing opportunity

₹ 163,000

AUM in Cr

850K+

Affluent, HNI
Clients

2800+

UHNI Clients and
Family Offices

23,000+

Partner
Network

450+

Locations

1000+

Relationship
Managers

1. Broad based play covering “Affluent and above” client segments, constituting ~80% of total financial wealth with huge growth opportunity in India
2. Largest player in affluent segment, leveraging capabilities (technology + network + people) established over a decade, a fast-growing category with high barriers to scale and succeed
3. Best-in-class digital capabilities; ‘*Edelweiss Mobile Trader*’ - highest rated app in google play store, ‘*edelweiss.in*’ - most comprehensive multiproduct digital web platform

Our Business Segment: Wealth and Investment Management

4. Fastest growing player in Investment Management, a segment at the cusp of exponential growth
 - a) Multiple strategies - Pre IPO and private equity, long short, capital protected long only, venture debt
 - b) Complete digital platform for onboarding and servicing - Industry first
 - c) Differentiated and synergistic play with wealth management - Rapidly scaled raising ~4k cr in 12m

Our Business Segment: Capital Markets

Market dominating franchise

700+

Institutional clients
(Public-side)

280+

Companies under
Research Coverage

450+

Custody
Clients

₹ 39,000

AUC in cr

250+

Investment Banking
Deal Closures

1. Leading institutional equity platform, strong distribution capability, reach across NA, EU, ME, SEA & India
2. World class custody and clearing services with fast growing market share
3. Full-service advisory capability, across equity and debt solutions, serving through-out business life cycle

Our Performance: Strong client addition and enhanced engagement

AFFLUENT AND HNIs

UHNI AND FAMILY OFFICE

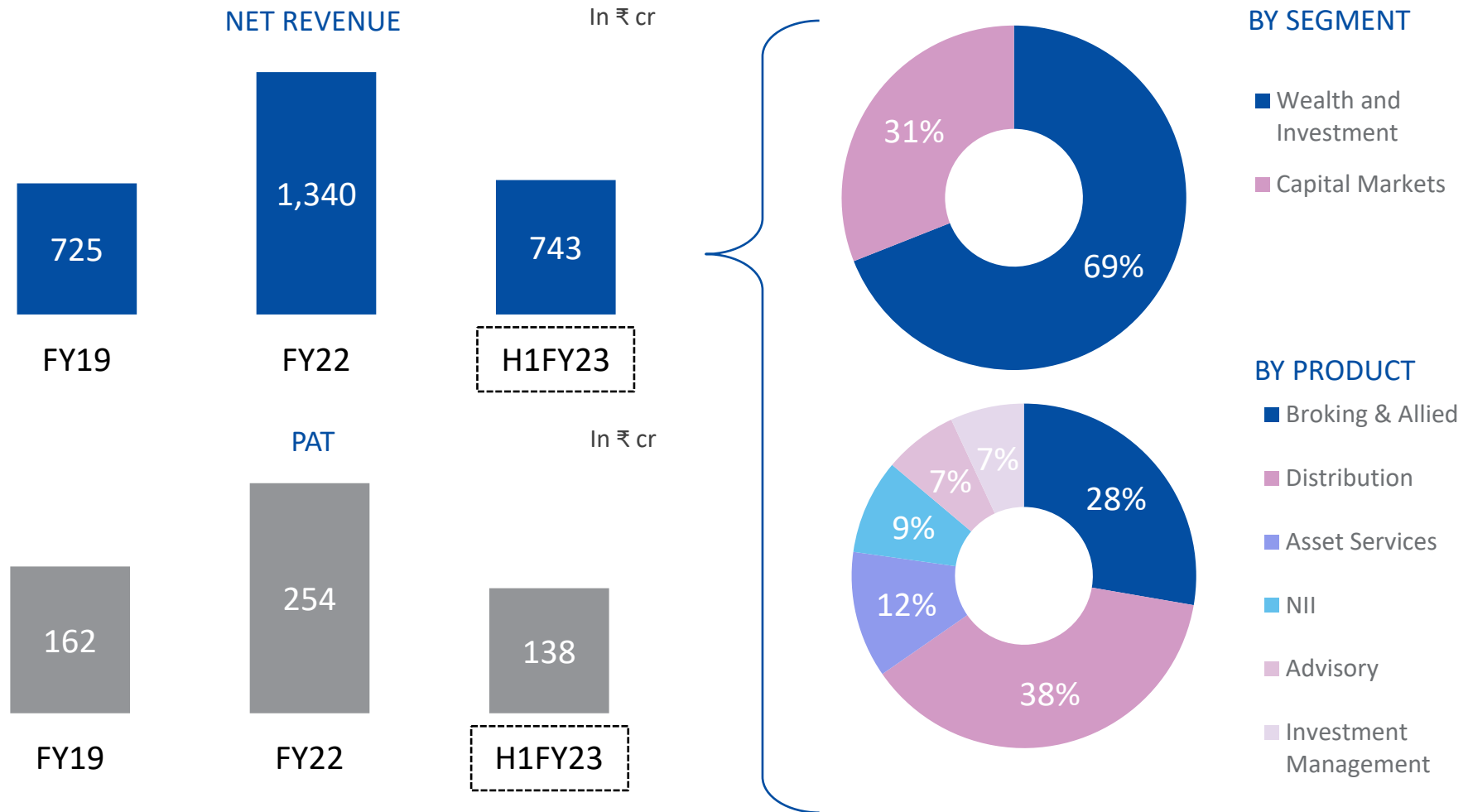
CORPORATE AND INSTITUTIONS

AFFLUENT AND HNIs		UHNI AND FAMILY OFFICE		CORPORATE AND INSTITUTIONS	
FY22	5 YRS CAGR	FY22	5 YEARS CAGR	FY22	5 YRS CAGR
AUM in cr		AUM in cr		AUC in cr	
₹ 53,000	↑ 30%	₹ 1,06,000	↑ 15%	₹ 39,000	↑ 51%
NUMBER OF CLIENTS		NUMBER OF CLIENTS		INSTITUTIONAL EQUITY MARKET SHARE	
850K	↑ 14%	2,800	↑ 48%	~5%	-
NET PROMOTER SCORE		NET PROMOTER SCORE		ADVISORY DEAL CLOSURES	
84	↑ 50%	40	↑ 27%	49	↑ 28%

Our Performance: Delivering best-in-class outcomes

HIGHER PRODUCTIVITY (Wealth Management)		LEADING RETURNS (Investment Management)	LEADING RESEARCH
AFFLUENT AND HNIs	UHNI AND FAMILY OFFICE		
₹ ~60 cr AUM per RM	₹ ~3,500 cr AUM per team leader	Amongst top quartile IRR (30 th Sep'22) Crossover I – 20.3% Crossover II- 32.3% Edge - 15.2%	280+ Companies under coverage
~250 Active clients per RM	~90 Families per team leader		Top 3 ranks in 19 out of 29 Categories

Our Performance: Superior and diversified earnings



Stable growth and on track to deliver PAT growth of 20%+ YoY

Our Performance: Won accolades across credible platforms

Best Private Bank - India

Global Private Banking Innovation Awards – 2022

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

Best Wealth Manager, India

The Asset Triple A Private Capital Awards 2021

Best Broker - India

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

Top Rankings in Asia Money Brokers Poll 2021

Rated #1 in 6 categories, Rated #1 for ESG three years running, Rated top 3 in 19 categories

Leading India Custodian

Global Custodian ABEM Survey – 2017, 2018, 2019, 2020, 2021

Outstanding Wealth Management Offerings for High Net Worth clients

Global Private Banking Innovation Awards – 2021 by Global Private Banker & The Digital Banker

Best Private Bank

Global Finance Magazine – 2018, 2019, 2020, 2021

1. India Wealth Opportunity

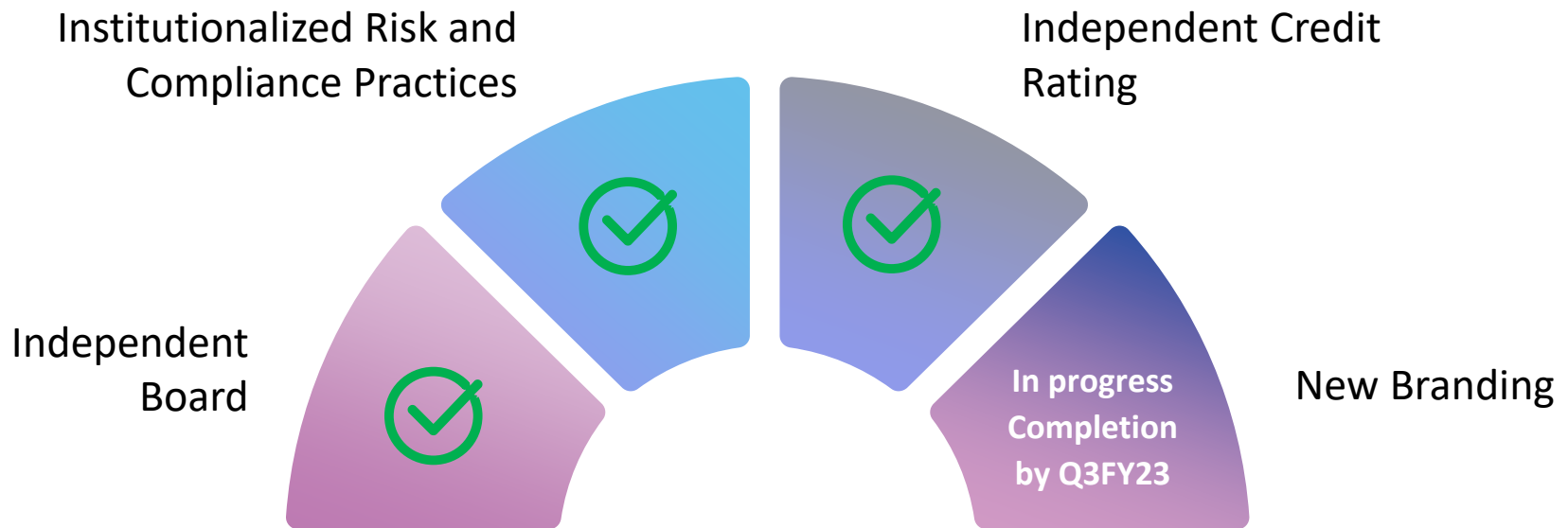
2. Who We Are

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4. Future Aspirations

- Transitioning smoothly to operate independently
- Scale meaningfully and efficiently
- Wealth and Investment Management to drive growth

Transitioning smoothly to operate independently as a listed entity



Robust operating framework and strong governance

Significant growth momentum over next 3 years

Necessary fundamentals in place to grow
Adequately capitalised with strong networth of ₹ 2,065 crore

1. Grow Wealth Management

2. Significantly Scale Investment Management

3. Maintain Leadership in Capital Markets

Wealth clients and client assets
Grow to ~2x



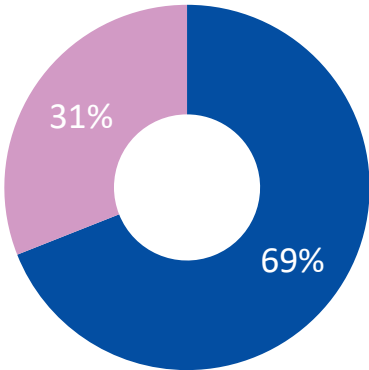
Investment management assets
Grow to ~5x



Operating leverage to deliver significant improvement in cost to income ratio

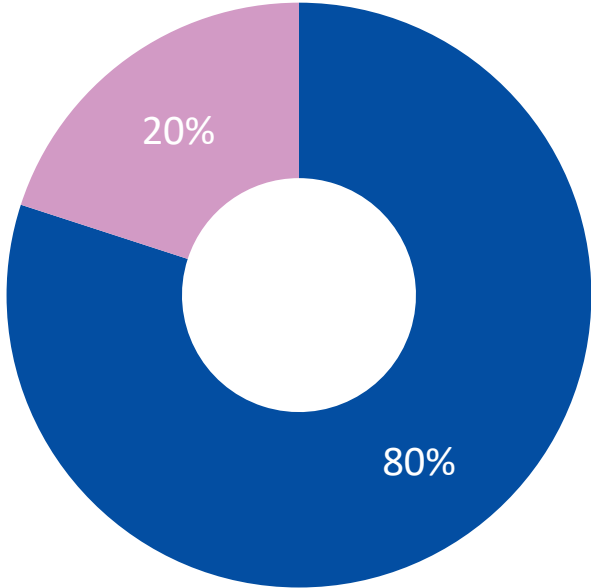
Wealth and Investment Management - key growth drivers

REVENUE H1 FY23



■ Wealth and Investment

IN 3 YEARS



■ Capital Markets

Poised to capture the structural and scalable wealth management opportunity:

1. One amongst the two scaled wealth management platforms in the country
2. Robust value proposition - diversified platform across client segments
3. Embedded growth lever - Investment Management
4. Strong leadership with proven track record and focused execution plan

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For more information, please visit www.edelweissfin.com

NOTES:

- Slide 1: Edelweiss Wealth Management has been now rebranded to Nuvama Wealth Management
- Slide 3: Source: Karvy Wealth Reports, Knight Frank Wealth Report 2021, India Brand Equity Foundation September 2021
- Slide 4: Source: RBI and SEBI and Karvy Wealth Reports, Investment assets includes Insurance, Direct Equity, Mutual Fund, Unlisted Equity, Alternative Investments and International Assets
- Slide 5: Source: Asian Private Banker, Credit Suisse Global Wealth Reports, Statista and Internal estimates
- Slide 6: Source: World bank, Asian Private banker, Kotak Wealth Report, Karvy Wealth Report, McKinsey Wealth Reports, Investor Presentation of WM players in India / globally and Internal EWM estimates
- Slide 8: Rankings stated are based on following parameters: Amongst top 2 independent players basis AUM does not include banks, Fastest growing alternate investment management franchise is basis AUM raised, Largest Institutional domestic brokerage house basis revenue market share
- Slide 14 to 23: EWM data and metrics presented are for period as specified and may have been rounded off for presentation purposes.
- Slide 19: Net revenue and 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