

December 6, 2022

The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001. Tel no.: 22721233 Fax No.: 22723719/ 22723121/ 22722037 BSE Scrip Code: 542773	The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. Tel No.: 2659 8235 Fax No.: 26598237/ 26598238 NSE Symbol: IIFLSEC
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Dear Sir/Madam,

Sub: Investor Presentation in relation to the proposed Scheme of Arrangement between IIFL Securities Limited and 5paisa Capital Limited and their respective shareholders and creditors

We would like to inform you that, in view of the approval of the Board of Directors of IIFL Securities Limited (“**Company**”) to the proposed Scheme of Arrangement between the Company and 5paisa Capital Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Scheme**”), we enclose herewith the Investor Presentation for your information and record.

Kindly take the above on records and oblige.

Thanking You,

Yours faithfully,

For **IIFL Securities Limited**

Meghal Shah
Company Secretary
Encl: as above

Reorganizing to focus on the affluent segment



IIFL Securities Limited
NSE : IIFLSEC | BSE : 542773

December 6th, 2022

IIFL Securities can create a differentiated business model to serve the needs of the affluent segment



Market Landscape & Opportunity for IIFL Securities

- Affluent segment (INR 10 Lakh - 10 Crore AUM) is a sizeable market and expected to grow at **16-17% CAGR** by FY27 and Customer research has shown that affluent individuals want a more **personalized investment experience**, with high quality and **trusted relationship management teams** to help achieve their goals and manage their risks
- **IIFL Securities can stand for a smart capital market-focused and digitally-enabled RM led model** targeting the affluent segment. It can leverage its institutional research capabilities, brand equity, product innovation engine and pan India reach

Customer segmentation with differentiated service model

	Financial Assets	Service Model
	<INR 10 Lakhs	<ul style="list-style-type: none"> • Best served by 5paisa digital model
	INR 10 Lakhs – 1 Crore	<ul style="list-style-type: none"> • Customers looking for personalized services are best served by franchise model • Digitally savvy customers are best served by 5paisa digital model
	> INR 1 Crore	<ul style="list-style-type: none"> • Best Served by IIFL Private Client Group

India's wealth market is expected to grow at 16-17% with significant opportunity in the affluent category



IIFL group entities straddling across segments with several overlaps

IIFL Entities

Overall Indian Wealth Market

Wealth AuM, INR Lakh Crore, FY22

64-72

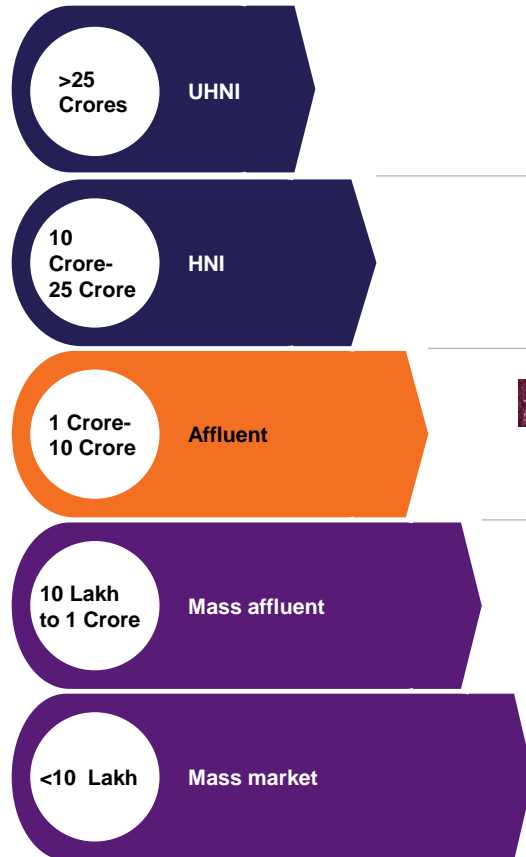
Wealth AuM, INR Lakh Crore, FY27

140-152

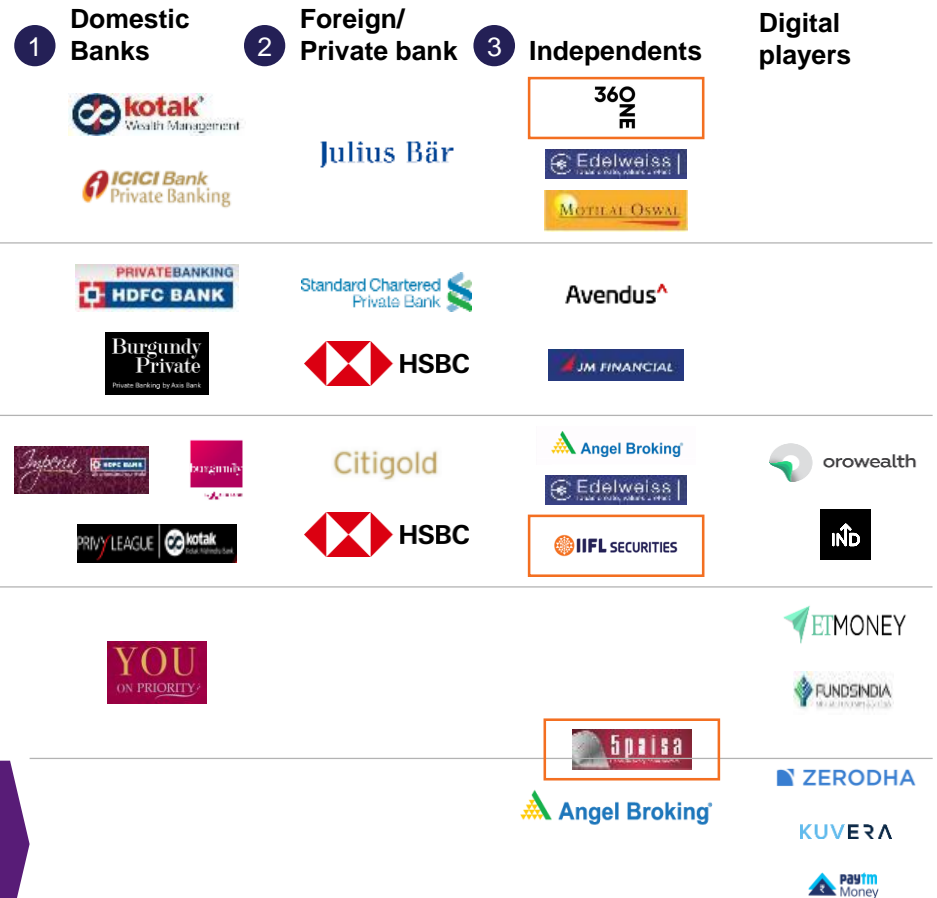
Expected CAGR, % (22-27E)

16-17%

Segmentation based on Financial Wealth, INR



Competitive landscape



IIFL Group can continue to serve the unmet needs across segments through differentiated offerings



	Target Segment	Service Model	Customer Objective	Primary Product Offerings
5paisa.com	Digitally savvy and millennials	Do-It-Yourself	Short term income generation	Stocks, derivatives, commodity and currency
IIFL SECURITIES	Affluent	Human centered relationships	Long term wealth creation	Full bouquet of offerings (e.g., Stocks, MF, AIF, PMS, Insurance, etc.)
360 ONE	UHNI	Personalized Services	Wealth Preservation	All of the above plus bespoke investment management services

IIFL Securities: Serving full spectrum of customers spread across affluent individuals, institutions and corporates



Affluent Investment Management



Customer centric goal-based offering targeting affluent segment

combined with innovative product wrappers and portfolios

Relationship driven **highly experienced team of RMs**

Strong tech and digital infrastructure enabling **digital first customer experience** and **empowering the highly trained RMs** to serve the customers

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High Volume Traders



Serves high volume traders through **dedicated trading desk**

Provides superior tech infrastructure and trading interface to **day/swing traders** and for **algorithmic trading**

Best in class **risk management services**

Institutional Equities



Strong research credentials backed by in-depth knowledge about capital markets

255+ stocks under research coverage accounting for **75%+ market capitalization**

Leading institutional broker with **strong execution capabilities**

800+ institutional clients (domestic and foreign clients) covering sovereign wealth funds, FPIs, MF, AIF, banks, pension funds etc.

Investment Banking



Well positioned in the investment banking sector supported by **customer and market understanding** across segments

Leveraging **strong distributional reach** across all segments – retail, UHNI, HNI, affluent domestic and foreign institutions

IIFL Securities can build a scalable and differentiated business catering to different customer needs



	IIFL Securities (Private Client Group)	IIFL Securities (High Volume Traders)	IIFL Securities (B2B Channels)
	High Touch “PCG” RMs with Product Specialist support	High Volume Traders	Sub- broker/Franchisee
	Dedicated RMs for investment management	Dedicated trading desk	B2B platform with product specialist support
Typical customer archetypes	Investors looking for high-quality products and bespoke investment strategies	Day/swing traders	Passive/active investors who may not be digitally savvy and seek personalized services
Servicing Model	Experienced RMs	Trading desk/ Algo Platform	Sub brokers/ Franchisees

Why is IIFL Securities well poised to win in the affluent space?








IIFL Securities has the potential to leverage its strengths to take a leading position....

...through targeted product propositions

- 1 Strong **capital market expertise, institutional research** and **product innovation engine**
- 2 **Pan India distribution network** supported by sub-broker/IFAs
- 3 Starting position: Large affluent customers base providing **significant advantage on the customer acquisition front**
- 4 Bench of **relationship driven high performing RMs**
- 5 **Well-known brand with institutional backing**
- 6 **Technology backbone** in place to build next generation of tools (RM workbench)

Affluent Investors

- | | | |
|------------------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Salaried |  | Offer goal-based investment offerings with customized portfolio analytics |
| Business owners |  | Offer integrated investment and financial offering linked to business needs |
| Professionals |  | Safely explore investment options before committing; Rewards for sharing recommendations with their network |
| Retirees |  | Unbiased information of investment opportunities by RMs; Trusted, secure and human touch service |
| NRI |  | Tax saving investment solutions to NRIs; Exclusive rates and special deals for being preferred customer |

Four key elements for delivering the affluent proposition



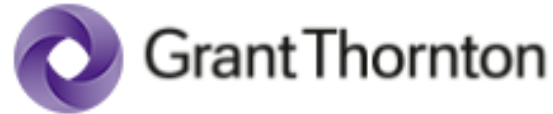
Transaction summary and rationale



- Summary**
- Transfer of **Online Retail Trading business** to 5paisa Capital
- Consideration**
- For every **50 equity shares of Rs 2 paid-up of IIFL Securities**, shareholders will get **1 equity share of Rs 10 paid-up of 5paisa Capital** on the record date, subject to regulatory and statutory approval.
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- Rationale**
- **Mitigate the overlap**, improve efficiencies and sharpen focus
 - **Operational efficiency and cost savings** through rationalization / consolidation of support functions and business processes
 - Facilitate **focused management teams** with conducive culture for respective businesses
 - More **efficient utilization of capital** for growth of the consolidated business in separate entities
 - Investors can have **superior visibility on performance**, prospects and strategy of their investment

Transaction advisors

**Report On Share
Entitlement
Ratio/Swap Ratio**



**Fairness Opinions
on Demerger
Consideration
(Merchant Banker)**



**Legal
Counsel**



Auditors

**V . SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS**

Thank You

This press release has been prepared by IIFL Securities Limited ("**Demerged Company**") and 5paisa Capital Limited ("**Resulting Company**") for information purposes only and in relation to the proposed scheme of arrangement between the Demerged Company and the Resulting Company and their respective shareholders and creditors. This is solely for the use of persons to whom it is addressed. By reading this press release, you agree to be bound by the following conditions.

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