

Dear Investors,

I hope this letter finds you and your families in good health.

We announced our financial results for the quarter ended in Jun 23 and this letter gives us an opportunity to share our perspective on the quarter gone by. The detailed investor presentation can be found here.

The quarter gone by has seen a robust performance of the markets with Nifty touching its all-time high of INR 20,000; a much-awaited rally after a subdued performance is the near past. The quarter saw strong net inflows from DIIs and FIIs, a 9% QoQ increase in GST collections and a CPI at a 2-year low of 4.3%. Further, GNPA for banks fell to a 10-year low of 3.9%. Globally, the scenario remained weak with woes of a slowdown looming. Bank rates are expected to remain elevated in the near term. Geo-political tensions are still high, however no major escalations were witnessed, leading to a sense of stability in the global macros.

At [Edelweiss](#), we reported an Ex-Insurance PAT of INR 110 Cr, customer reach of ~6 million (up 26% YoY) and customer assets of nearly 2 trillion (up 21% YoY). Our balance sheet remains strong with all businesses being well capitalized and carrying comfortable liquidity.

Our focus remains on delivering on our key priorities and we are happy to share the progress-

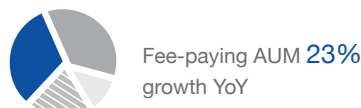
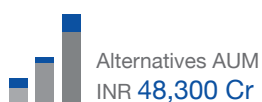


Demerger and Listing of Nuvama Wealth Management

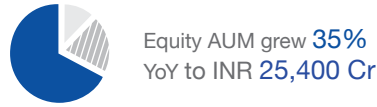
Both the demerger and the subsequent allotment of the Nuvama shares to our shareholders stand completed. The listing of Nuvama Wealth Management is expected in Aug 23. The demerger and subsequent listing of Nuvama Wealth Management has been a complex and long process; we are pleased to see this come to a close and to deliver on our commitment of unlocking value for our shareholders.

Scaling Asset Management and Insurance Businesses

Our [Alternatives](#) business continues to scale its assets under management (AUM) and fee-paying assets under management (FPAUM). Its AUM grew 33% YoY to INR 48,300 Cr and its FPAUM grew at 23% YoY to INR 24,600 Cr. We launched a first of its kind Pre-REIT offering for Indian Investors – Rental Yield Plus – which will invest in pre-leased commercial buildings.

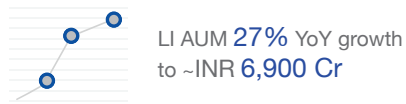


Our **Mutual Fund** business saw its AUM growing by 25% YoY to INR 110,000 Cr and its Equity AUM growing by 35% YoY to INR 25,400 Cr. The equity mix in our AUM is currently at ~23%, as guided earlier, our focus going ahead will be to increase the equity contribution to our AUM mix.



Both our Asset Management businesses have shown robust growth in the past 3 years with their combined AUMs tripling over the past 3 years.

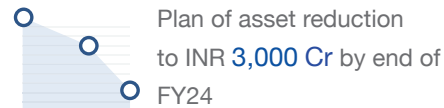
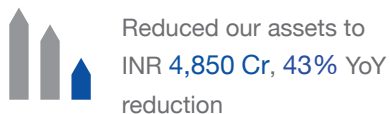
Our **General Insurance** business saw 31% YoY growth in its gross direct premium income (GDPI) with superior growth in its retail health segment of 81% YoY; against industry average of 18%. Our **Life Insurance** business saw a significant YoY improvement in its 13m persistency to 76% from 72% with steady premium growth. Its AUM recorded a robust growth of 27% YoY to ~INR 6,900 Cr.



Overall, our insurance businesses are steadily gaining scale with a focus on building a quality franchise. We have filed business updates for both our insurance businesses along with the quarterly Investor Presentation for a more detailed understanding of the franchise we have built so far.

Reducing Wholesale Credit Assets

We have consistently delivered, and at times even exceeded our plan for the targeted reduction of wholesale credit assets. This quarter as well, we have exceeded our plan and reduced our assets to INR 4,850 Cr; a 43% YoY reduction. We expect the momentum to continue and plan to reduce our assets to INR 3,000 Cr by the end of the financial year.




Edelweiss is well poised to leverage on the opportunities of the Indian economy and is committed to scaling high-quality businesses.

We take this opportunity to reaffirm our appreciation to you for your support and belief in us. We look forward to your continued support and welcome your thoughts, inputs, and feedback.

Please do reach out to our Investor Relations team at ir@edelweissfin.com for any inputs or questions that you may have.

Thank you!



Rashesh Shah
Chairman, Edelweiss