



ANANDRATHI
Private Wealth. uncomplicated

Anand Rathi Wealth Limited

Investor Presentation
Q3 FY22

Highlights

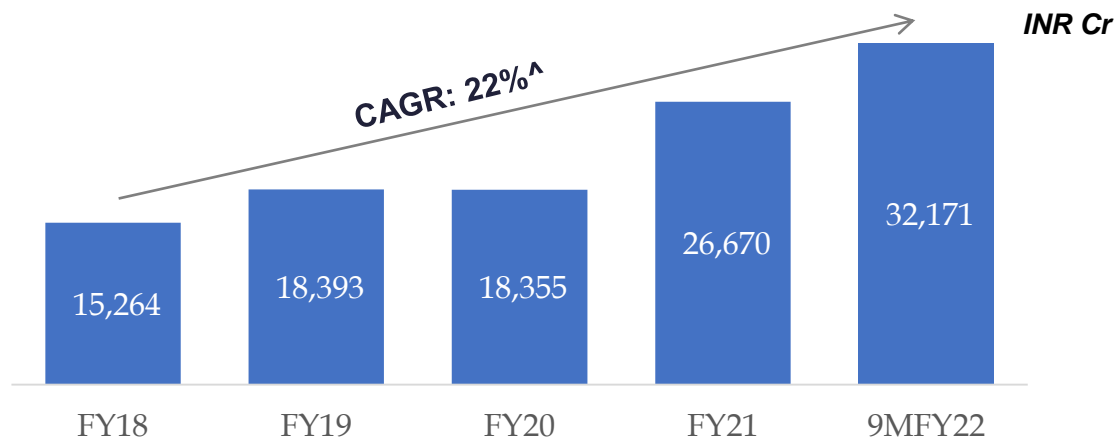
- Consolidated total Revenue for Q3 FY22 was Rs. 108.66 Cr, recording a healthy growth of 55% YoY. Revenue for 9M FY22 was at Rs. 310.88 Cr, recorded growth of 54% YoY
- Consolidated PAT for Q3 FY22 was Rs.32.04 Cr, up by 144% YoY and for 9MFY22 was at Rs. 92.20 Cr, higher by 168% YoY.
- Net cash flow from operations of INR 86 Cr in 9MFY22
- Our flagship Private Wealth business saw a strong growth of 28% YoY in AUM to INR 31,348 Cr as on Dec-21, led by a 64% YoY growth in trail based Equity MF AUM
- We're on track to achieve highest ever revenue and profitability, with record breaking margins and strong return metrics
- We added 800+ clients (net basis) by Dec-21 taking the total client count to >6,900. Our client base has grown at a fast pace, clocking a 22% CAGR from FY18 to 9M FY22 (annualized basis), in line with our goal to add ~1,000 clients each year
- RM growth has picked up in the current year with nearly 20 addition during 9M FY22.
- Further, within the overall objective of meeting client goals in an uncomplicated manner, the team has been able to identify and add new manufacturers / product categories. In case of other securities, our intention is to introduce unrelated issuers for at-least 50% of fresh requirement and we have made significant progress so far.
- Our new age business Digital Wealth ("DW") recorded a 38% YoY AUM growth as on Dec-21. Further, we've been improving penetration, onboarding more CEPs (currently at 319 from 294 as on Mar-21).
- In our OFA vertical, the number of IFAs subscribing to our platform grew to 5,164, while the mutual fund AUA on the platform assets grew by 32% YoY to over INR 84,500 Cr

Comparative Consolidated Business Summary

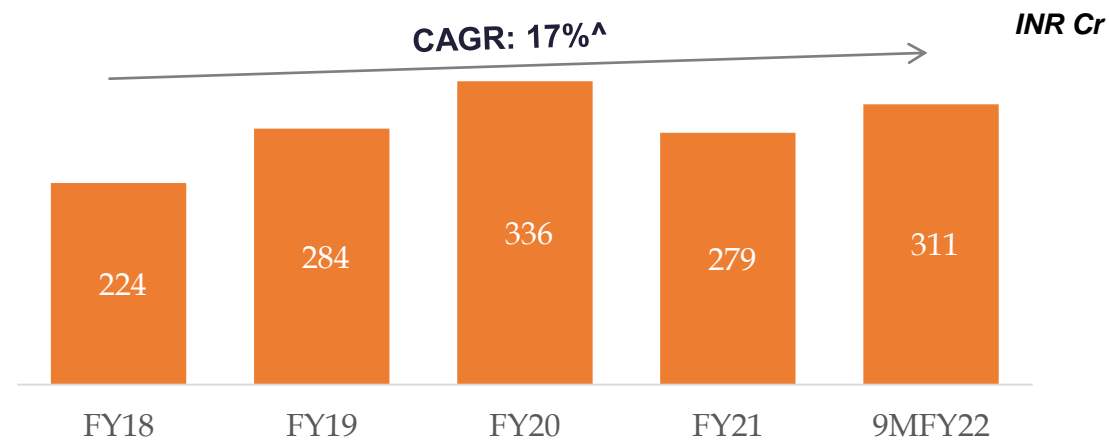
Particulars (INR Cr)	Q2FY22	Q3FY22	QoQ	Q3FY21	YoY	9MFY21	9MFY22	YoY
AUM (INR Cr)	30,989	32,171	3.8%	25,119	28.1%	25,119	32,171	28.1%
MF – Equity & debt	18,069	18,899	4.6%	13,643	38.5%	13,643	18,899	38.5%
Other securities	9,469	9,488	0.2%	8,919	6.4%	8,919	9,488	6.4%
Others	3,451	3,783	9.6%	2,557	48.0%	2,557	3,783	48.0%
Revenue from Operations	102	106	3.9%	68	55.2%	195	305	56.3%
MF – Equity & Debt	38	42	13.2%	24	76.9%	62	111	79.2%
Other securities	62	61	-2.6%	41	48.4%	125	187	50.0%
IT Enabled Services	1	1	-8.2%	1	-3.3%	3	3	2.8%
Others	1	2	100.9%	2	-28.6%	5	3	-37.4%
Costs	58	61	5.1%	47	30.1%	140	174	23.9%
Employee costs	47	50	7.0%	35	43.6%	109	139	28.1%
Other expenses	12	11	-2.3%	12	-7.9%	31	34	9.5%
EBITDA	43	44	2.3%	21	111.6%	55	131	138.5%
Margin%	42.7%	42.1%		30.9%		28.2%	43.1%	
PAT	30	32	5.2%	13	144.2%	34	92	167.9%

Consolidated Performance Overview

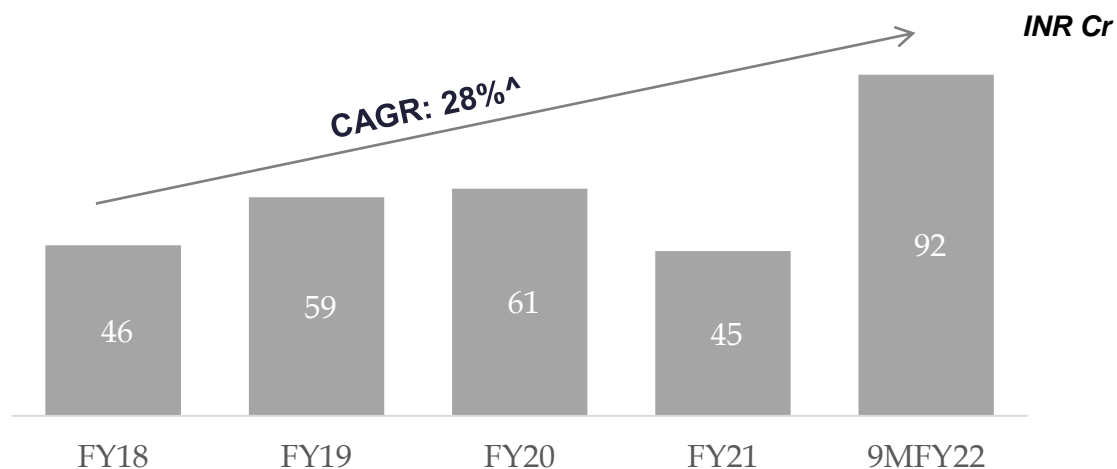
Strong growth in AUM



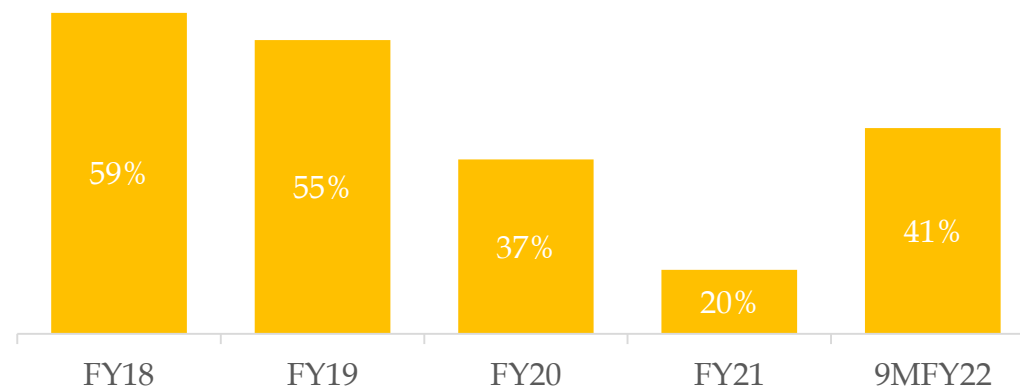
Revenue Trends



PAT Trends



Best-in-class ROE





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Private Wealth Vertical – Key Highlights

One of the leading private wealth practices in India

Overview

- We are one of the leading non-bank wealth solutions firms in India and have been **ranked amongst the top three non-bank mutual fund distributors in India** by gross commission earned in Fiscal 2020
- Started in 2002 as a AMFI registered mutual fund distribution (MFD) business – and have evolved into providing, well researched solutions to our Clients by facilitating investments in financial instruments through an objective driven process

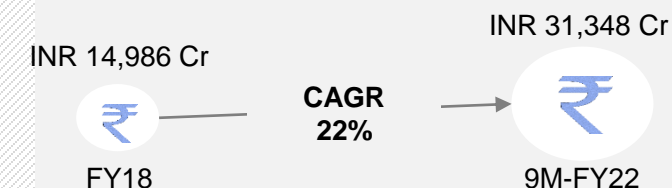
Our strengths

- Comprehensive wealth solution
- Client specific financial strategy with a focus on:
 - › Long term returns, through MFs and Other securities
 - › Safety net & estate planning using trusts & wills
- Process driven framework for consistent delivery of service

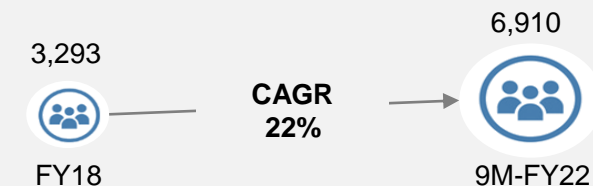
Presence across India



AuM Growth



Clients Growth



INR 129 Cr

AuM per average RM
(as on Dec-2021)



253

of RMs
(as on Dec-2021)



~27

Clients per RM
(Dec-2021)

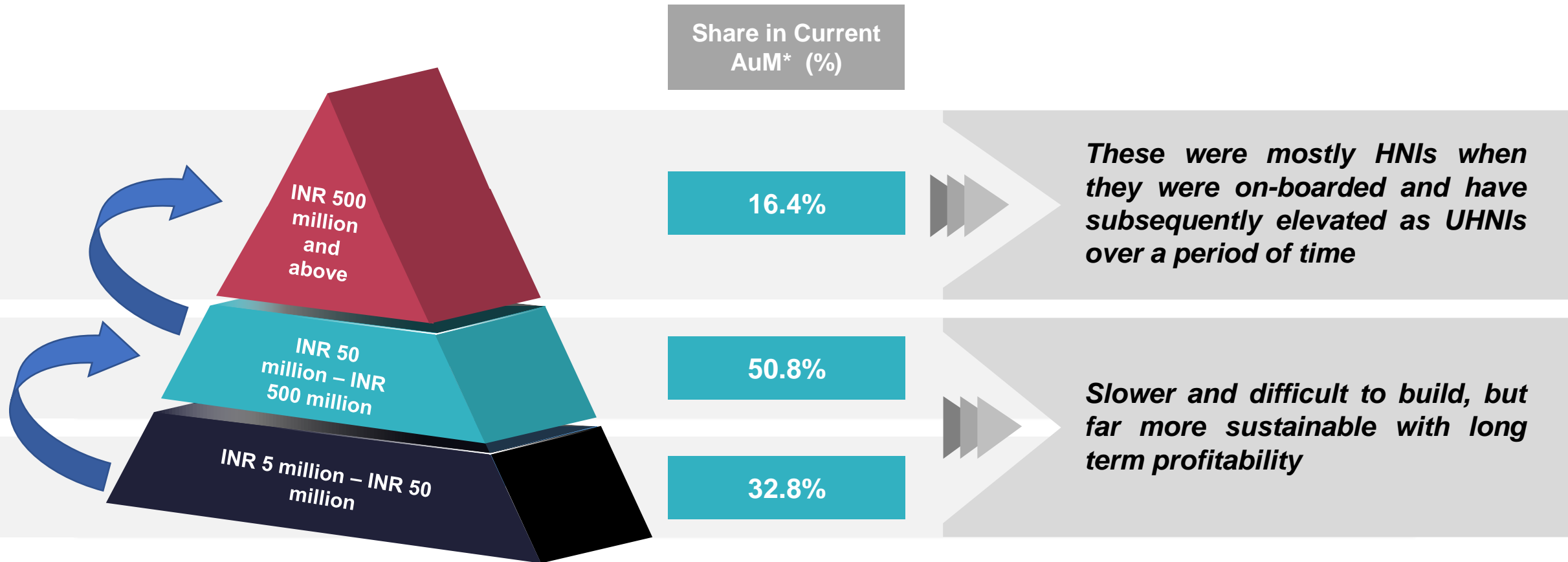


229

of AMs
(Dec-2021)

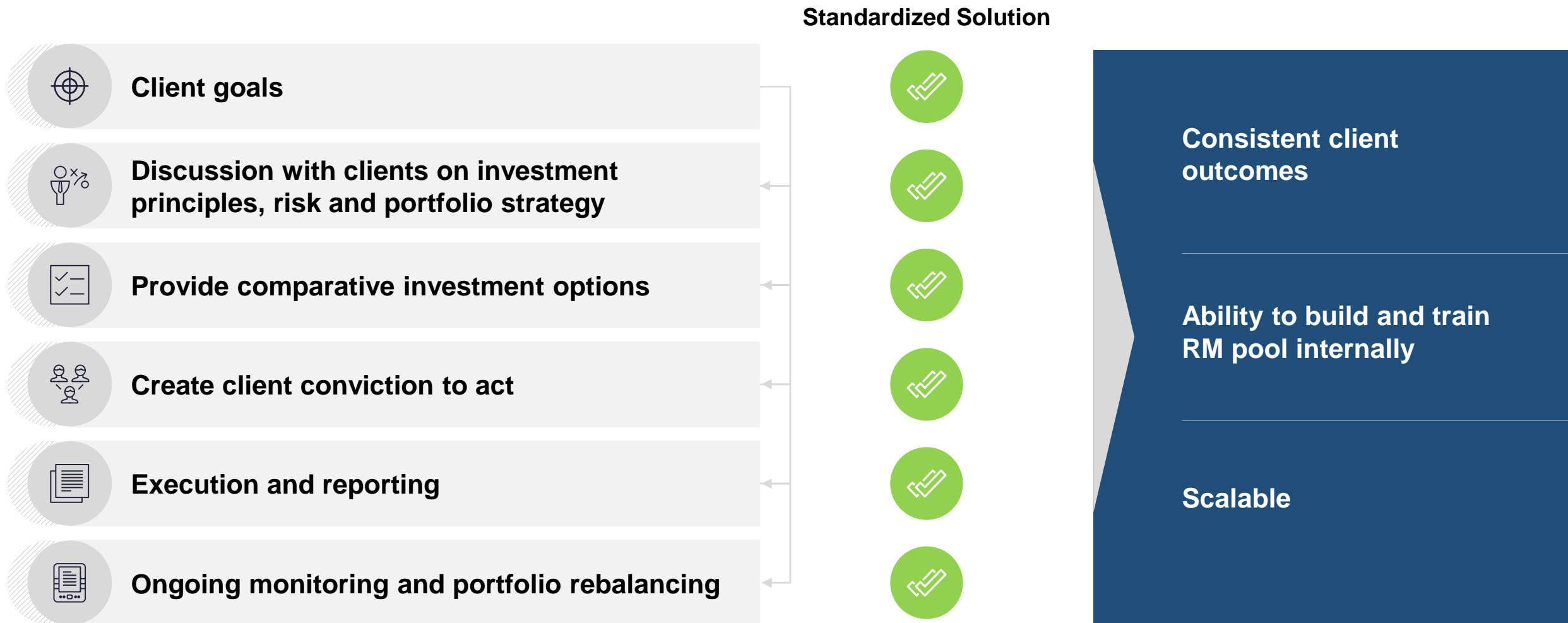


Provides wealth solutions to the more sustainable HNI segment



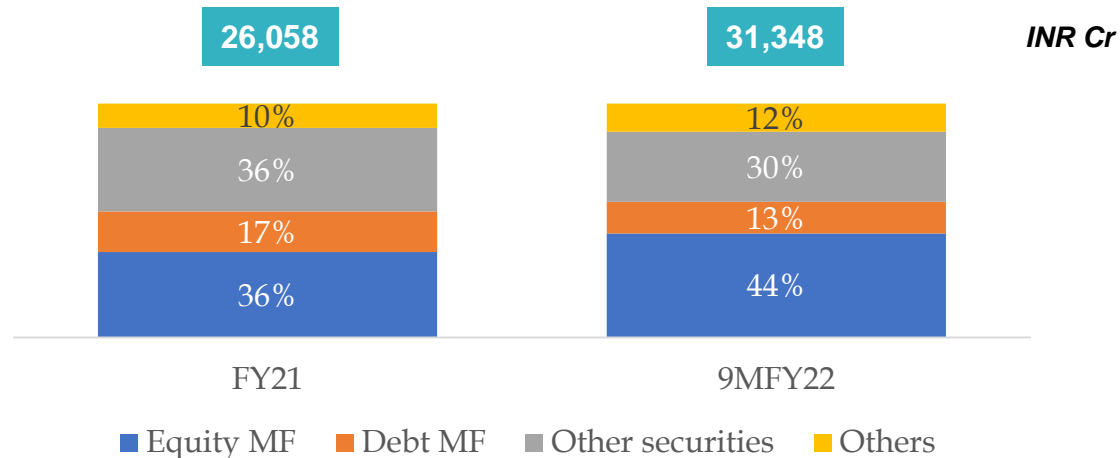
As on Dec 31, 2021, 55.4% of our clients have been associated with us for over 3 years, representing 75.2% of our total PW AuM, which shows our strength in vintage of both clients and their AuM in our business

Offers end-to-end, process driven, standardized and well researched solution...

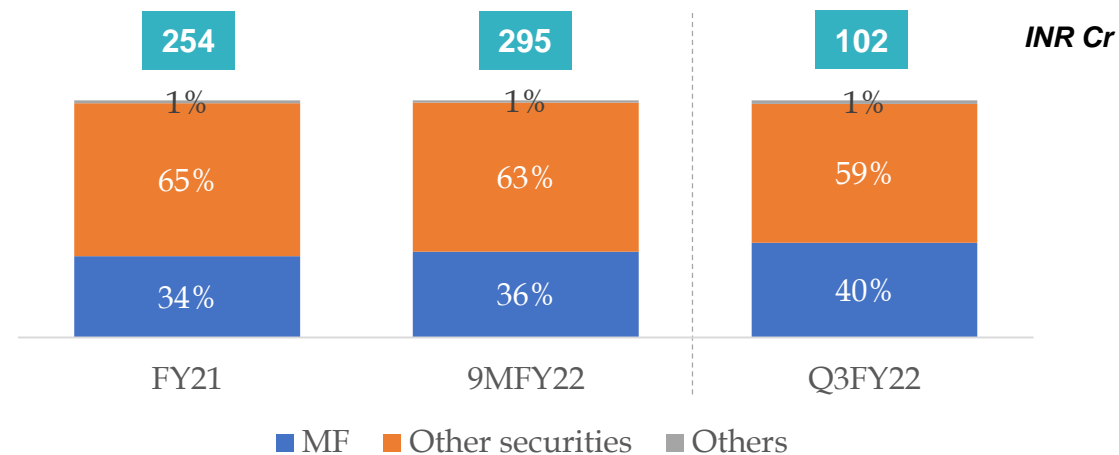


Private Wealth Performance Metrics

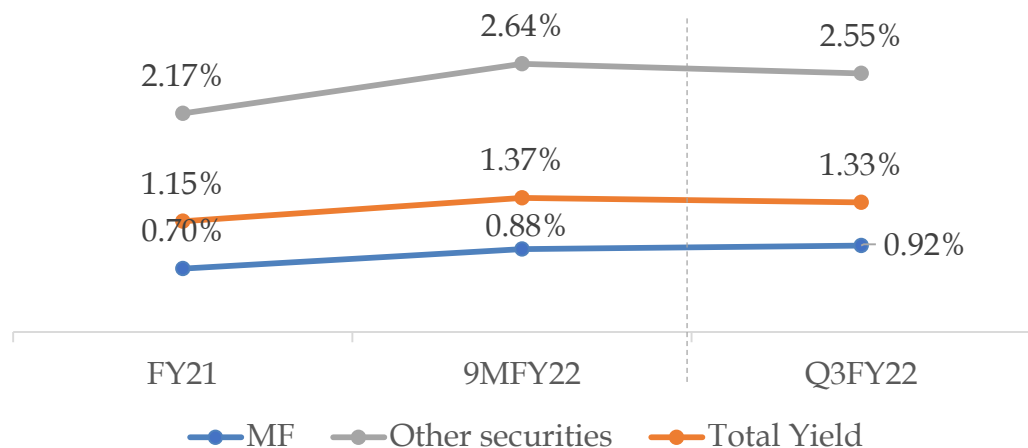
AUM Split



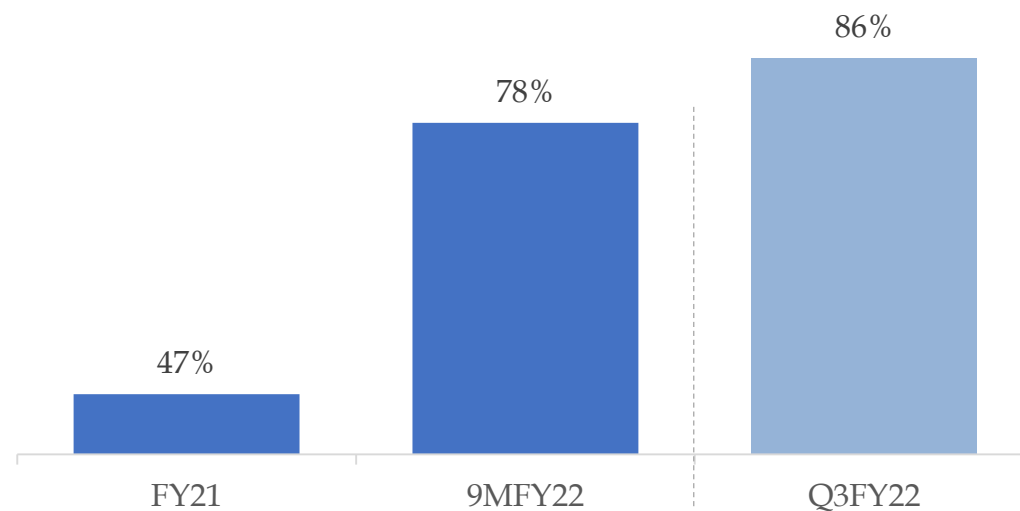
Revenue Split



Yield Analysis

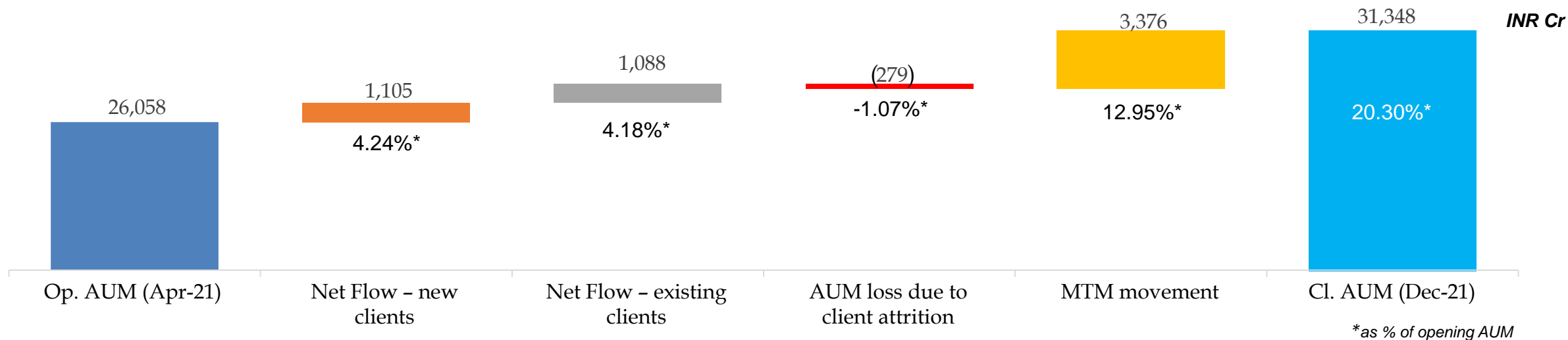


Trail Income coverage as % of Fixed Cost*



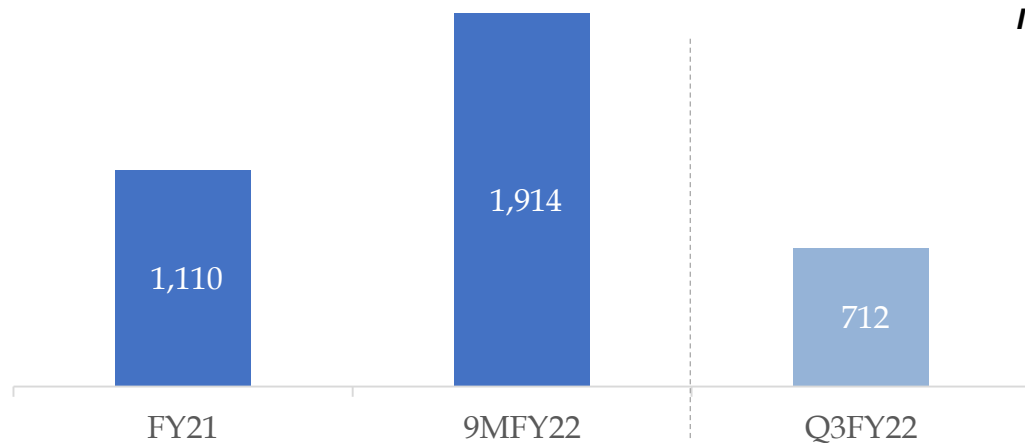
AUM Movement and Net Flows Analysis

AUM Bridge (9M FY22)

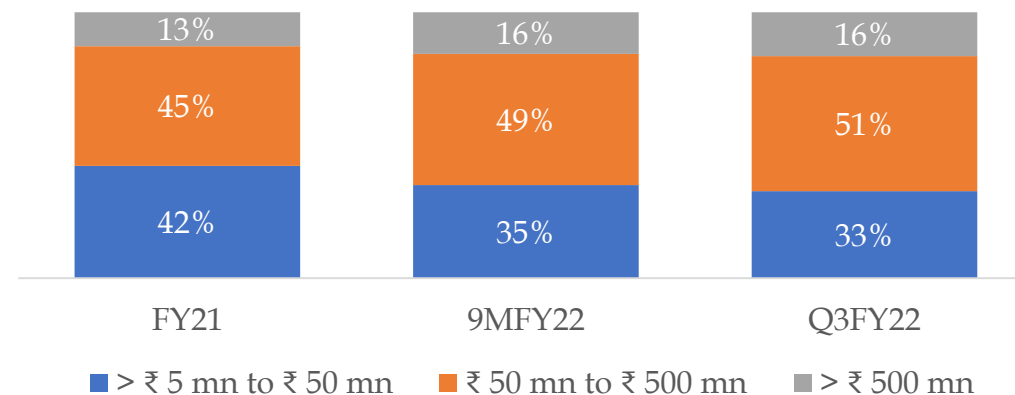


Net Flows

INR Cr

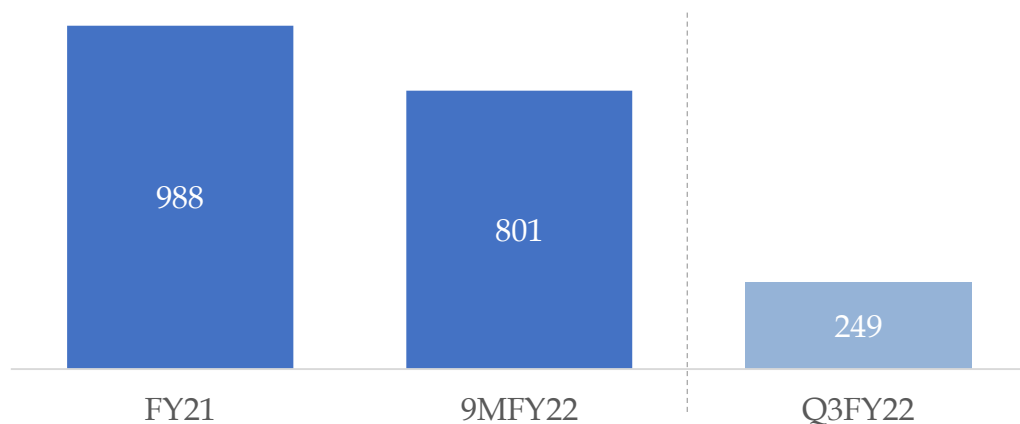


AUM Composition

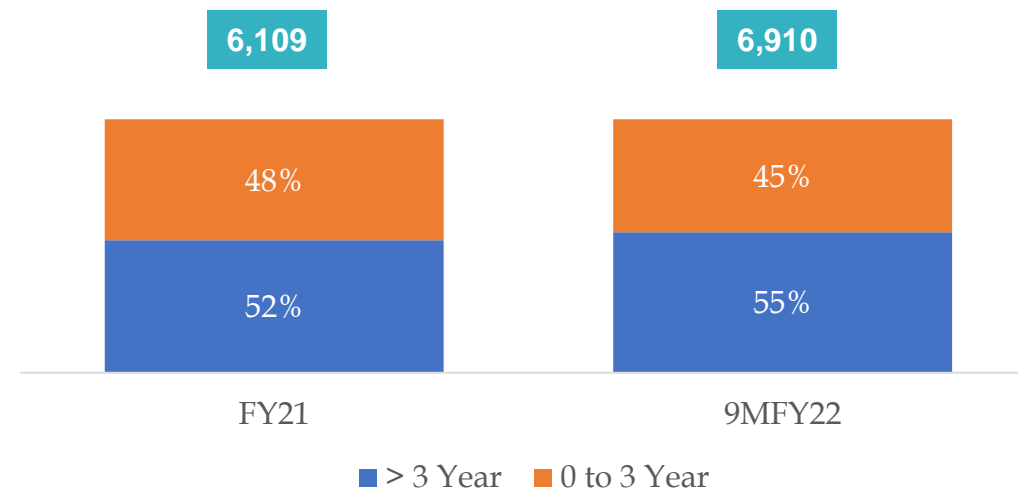


Client Metrics

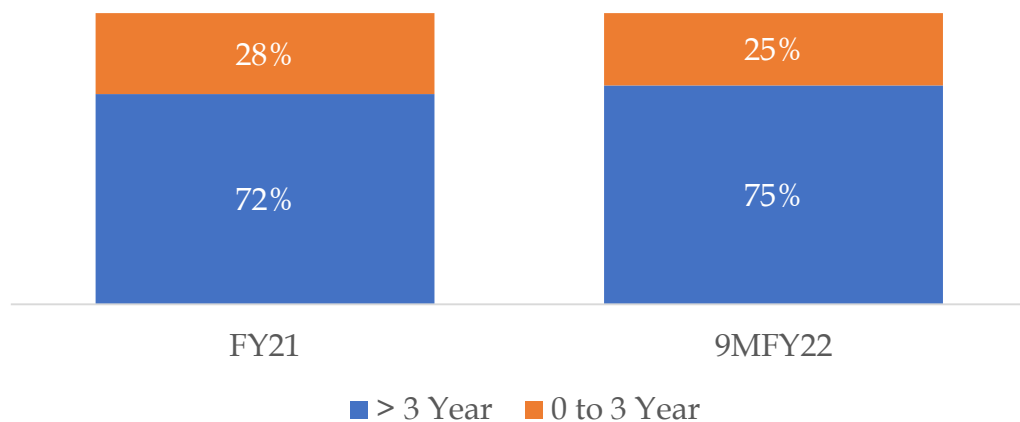
Net Client Addition



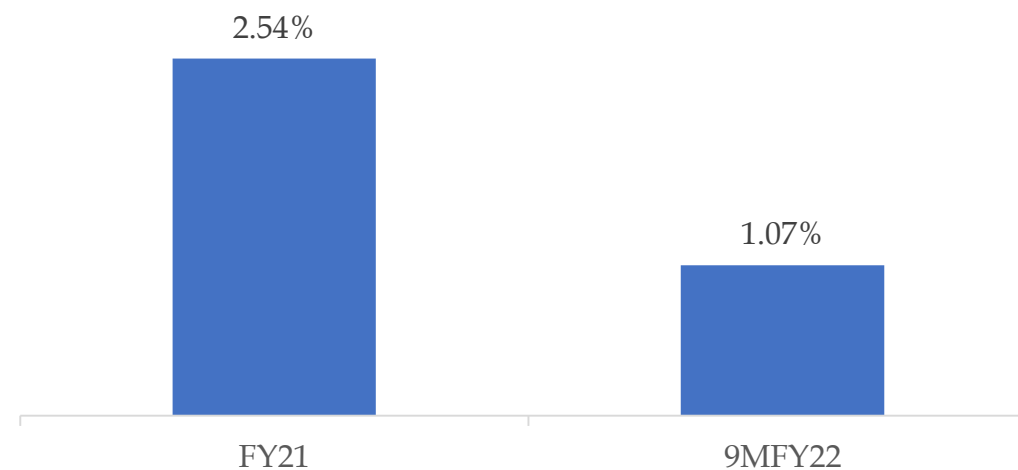
Client Vintage (#)



Client Vintage (AUM)

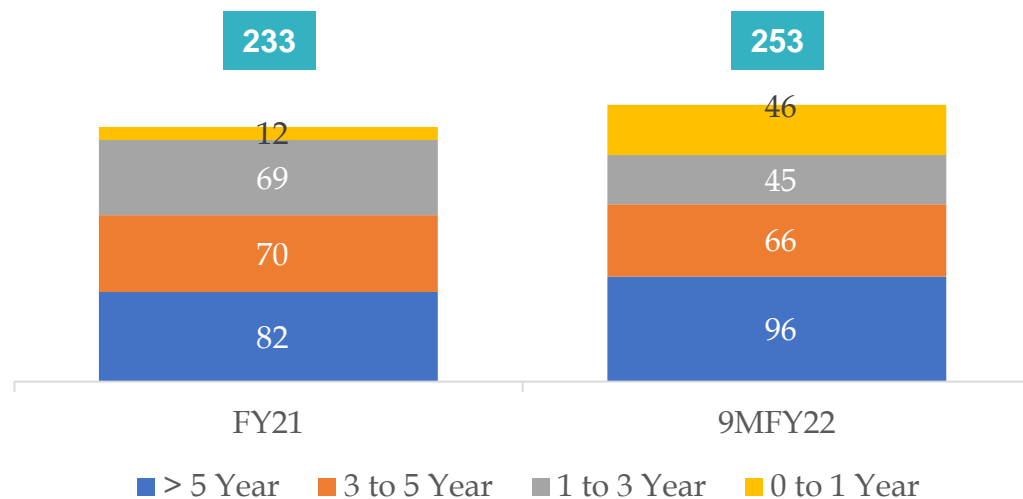


Client Attrition (% of AUM lost)

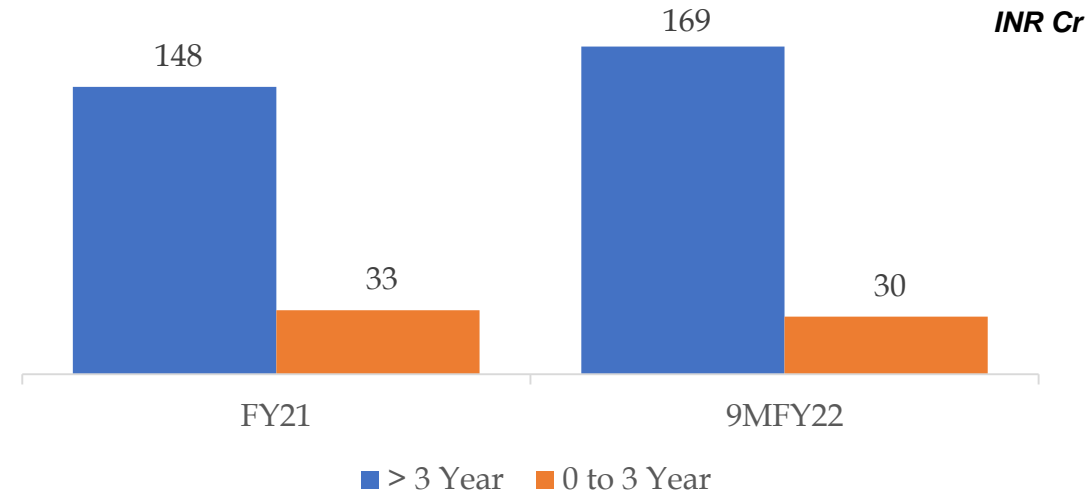


Relationship Manager (RM) Metrics

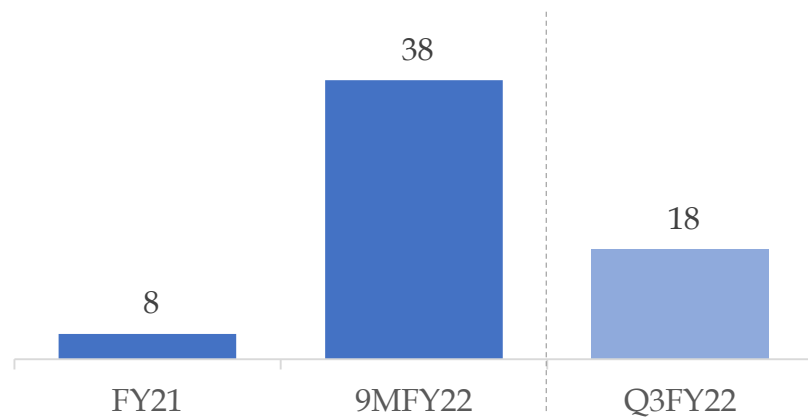
Increasing share of higher vintage RMs



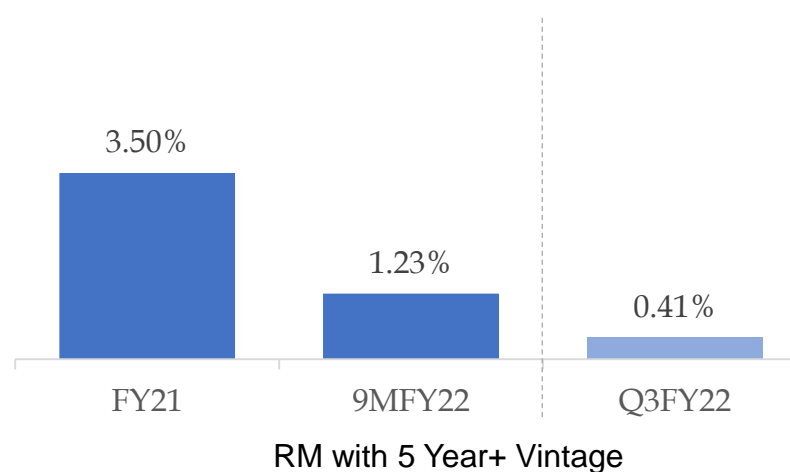
Vintage wise AUM per RM



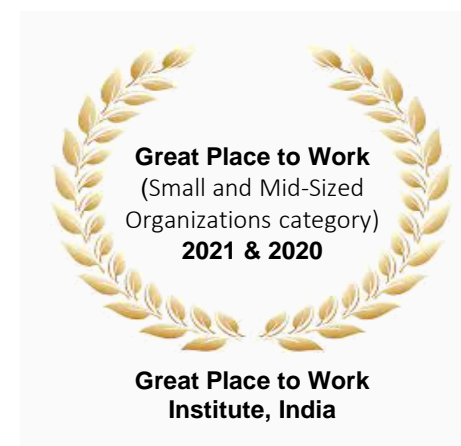
AMs promoted to RMs



Regret RM Attrition



Accolades



Growth Guidance – Private Wealth Business

INR Cr

Particulars	FY21	9M FY22	Target FY22	Target FY23
Net Flows	1,110	1,914	2,600	3,500
Revenue	262	295	400	490
Profit After tax	44	91	122	152



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DW and OFA Vertical – Key Highlights

Anand Rathi Digital Wealth - Leveraging technology to cater to the mass affluent segment through a phygital model



Innovative Product

Started in Sep-2016, DW is a fin-tech extension of our proposition, born from the extensive learnings from experience in the private wealth solutions, catering to large mass affluent segment of the market

Unique approach to wealth solutions:

- *Delivers service through a 'phygital channel' i.e a combination of human distributor empowered with technology*
- *Seeks to build a scalable and profitable model by using this blend of technology capabilities and human interface*
- *Attempts to build a partner led distribution through whom a packaged investment solution is delivered*



Performance as of December 31, 2021

AuM of **INR 823 Cr**

310 Client Engagement Partners

~ **3,500** clients



Key Highlights

Core Revenue Model:

Commission on Mutual Fund (MF) and distribution of Other securities

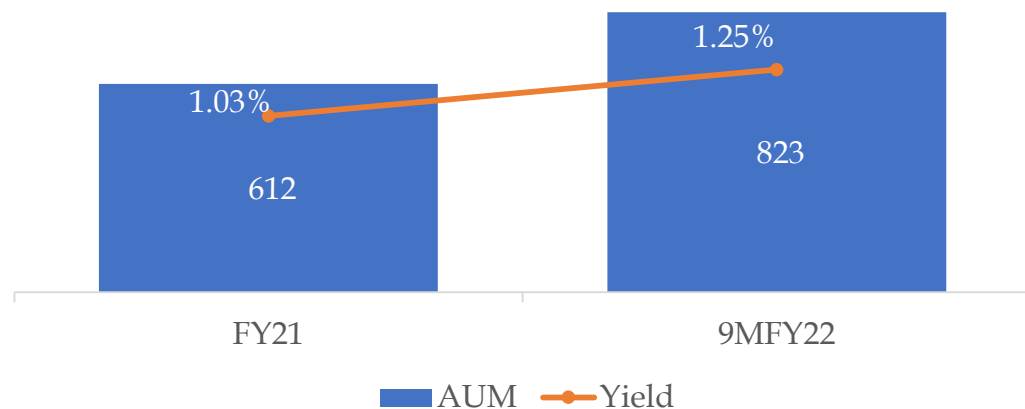
Partners on fully variable model, hence no fixed cost for platform

Customer segment: Mass Affluent having existing financial assets: INR 1 million – 50 million

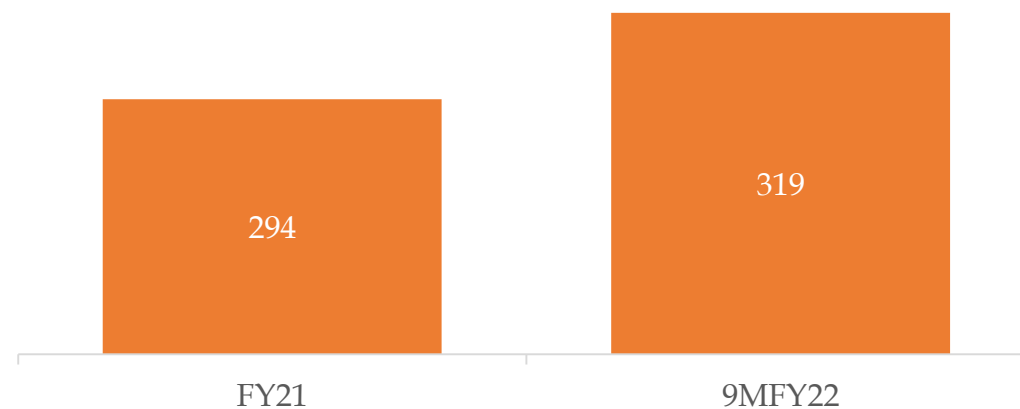
DW Vertical – Key Highlights

AUM and Yield Trends

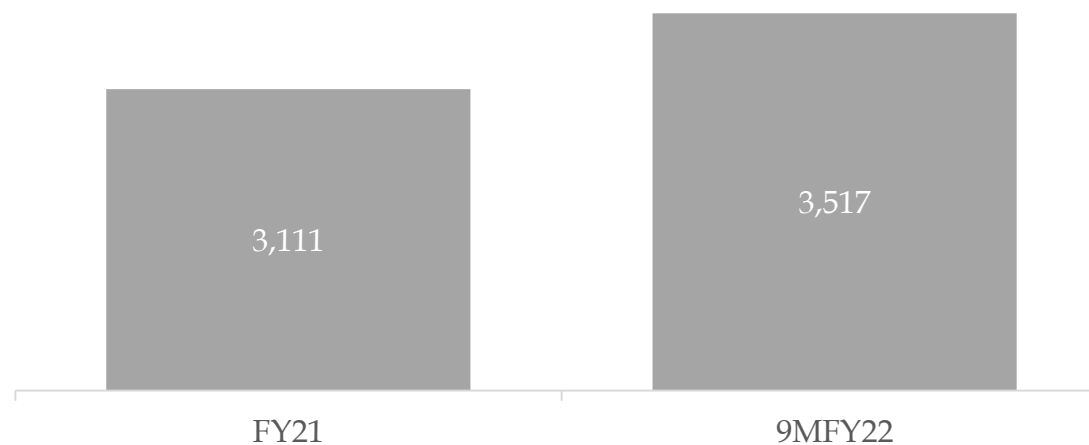
INR Cr



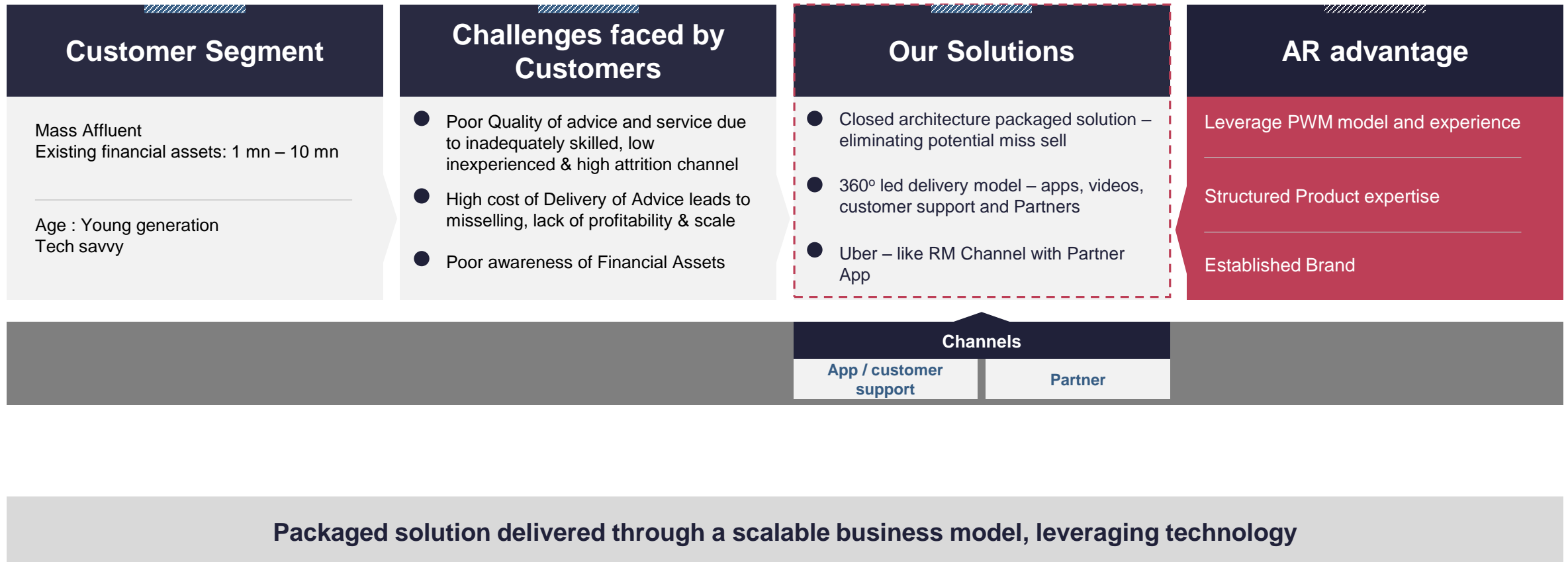
No. of Client Engagement Partners (CEPs)



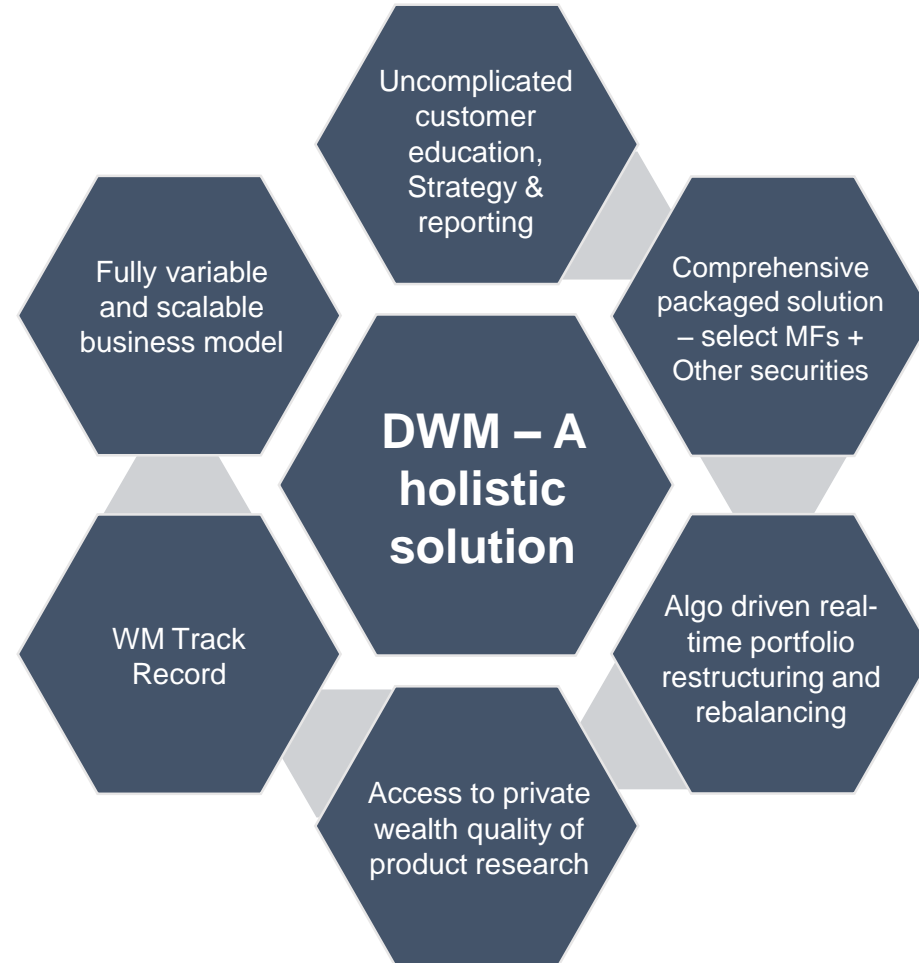
No. of Clients



Harnessing the market opportunity



Investment Highlights



Digital Wealth (DW) – Application Snapshots

DWM App

Partner app on iPads

Mobile client app

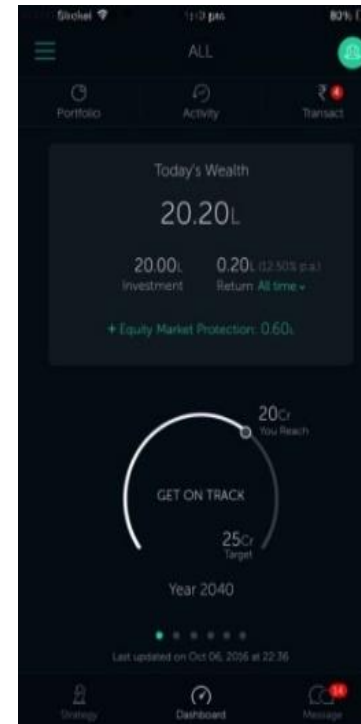
Partner CRM



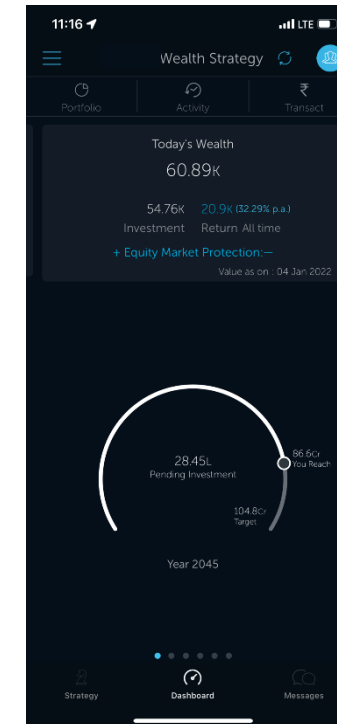
CEP Income Graph



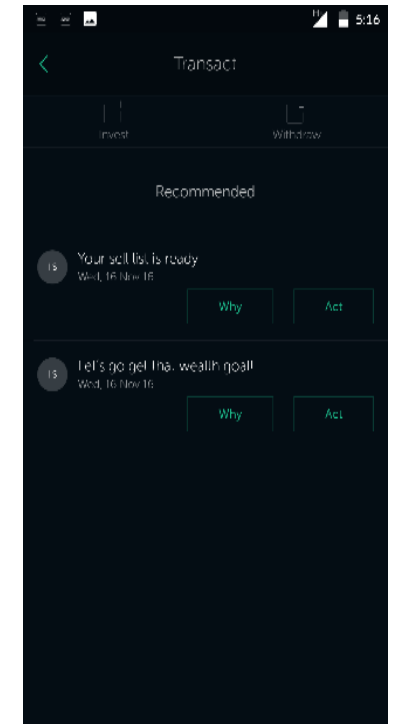
Dashboard



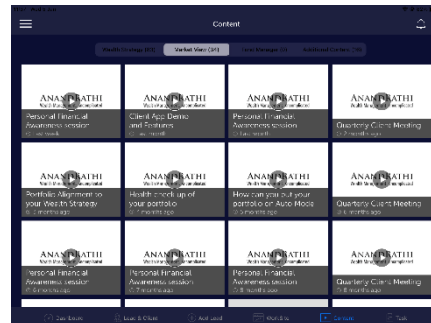
Wealth Strategy



Transact



Content



Anand Rathi OFA - Leveraging technology to cater to the retail segment through a B2B2C model



Key Information

Acquired a company providing financial planning tools for IFAs and pivoted to providing reporting and transaction services

Launched in Sep-2016 only, OFA has become India's #1 tech platform for IFAs

OFA provides a co-branded mobile first integrated technology platform to IFAs and their clients thereby, addressing the wide retail segment

AR Wealth domain expertise combined with significant tech capabilities has created a unique ability to scale up the network



Key metrics as of December 31, 2021

5,164 IFAs

16.95 lakh Platform clients

INR 84,596 crore Platform assets



Key Functionalities

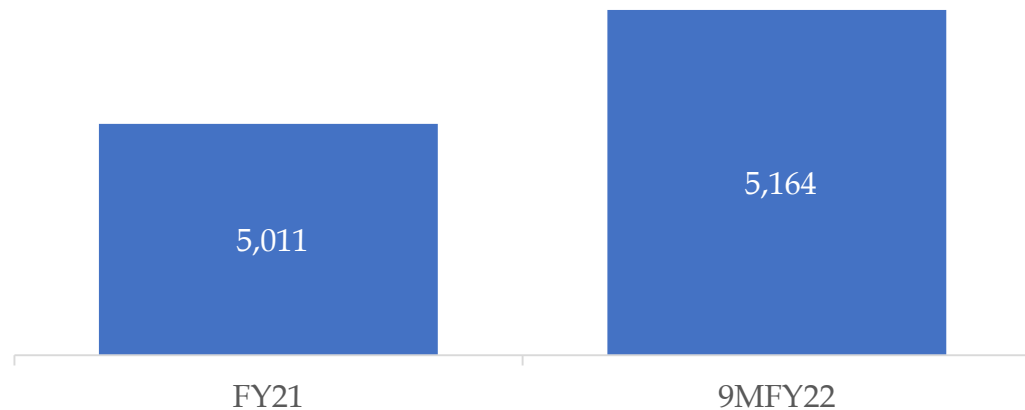
Subscription Revenue from IFAs – On subscription, the IFAs receive access to our web portal and mobile application

OFA enables IFAs with unique features such as:

- *Client reporting;*
- *Business dashboard;*
- *Client engagement;*
- *Online mutual fund transactions; and*
- *Goal planning*

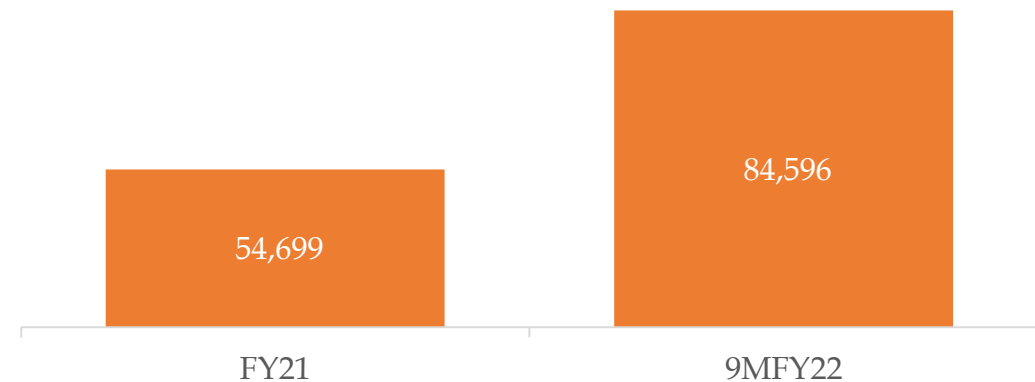
OFA Vertical – Business KPIs

No. of Independent Financial Advisors (IFAs)

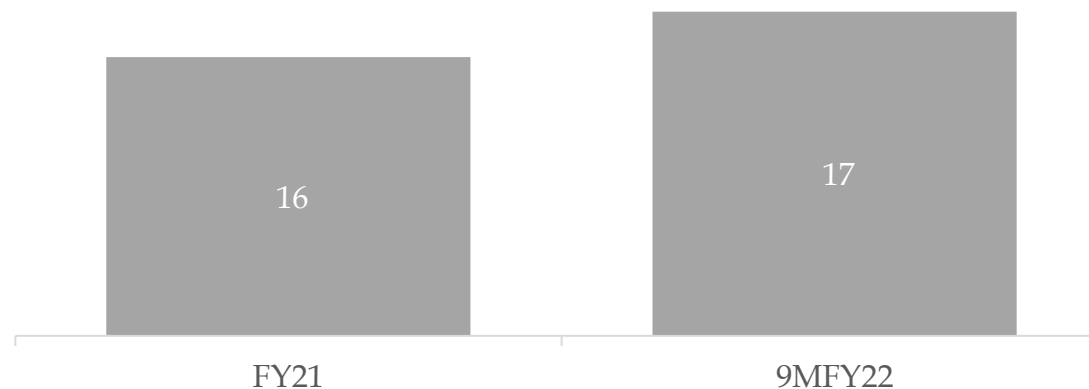


Platform Assets (Value)

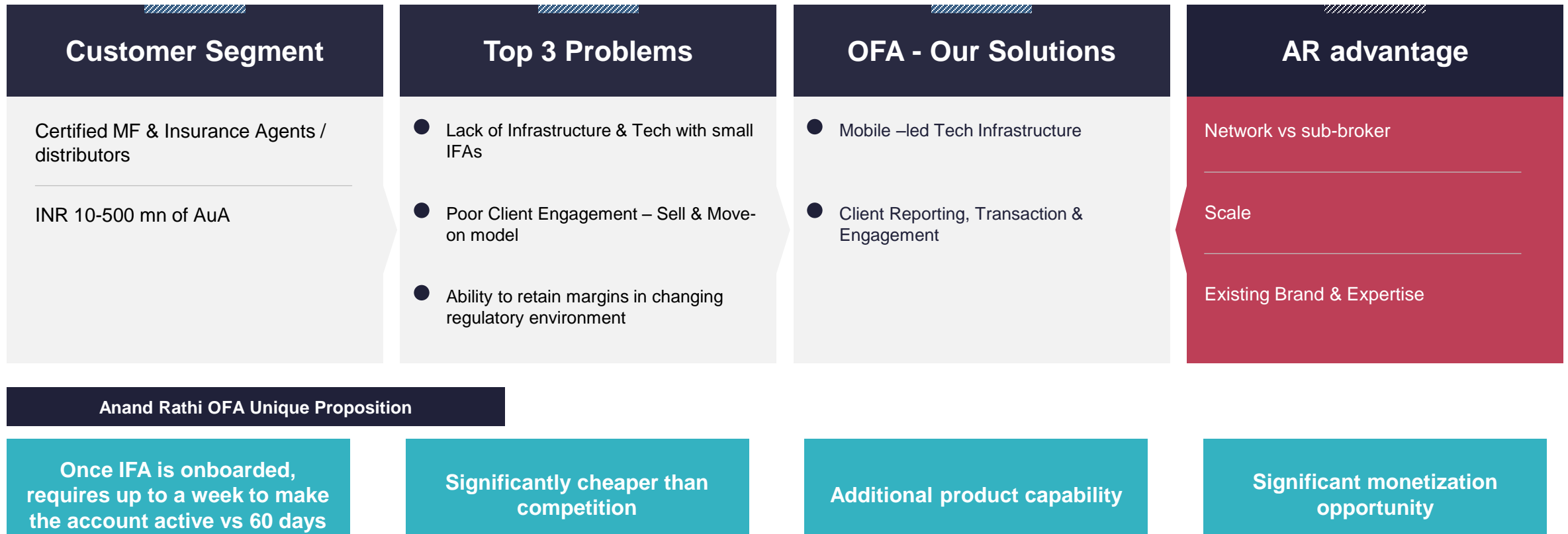
INR Cr



Platform Clients (# mn)



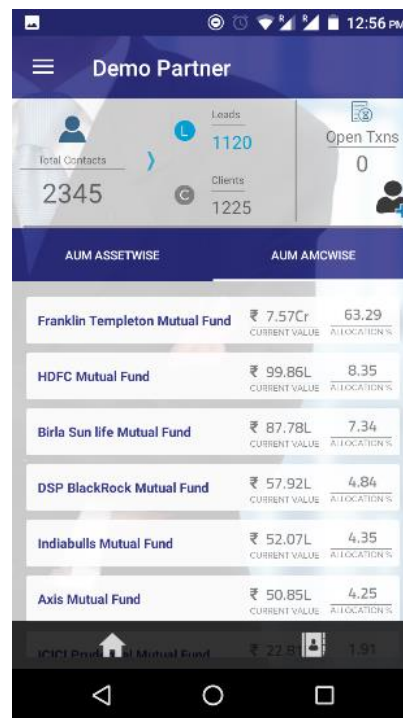
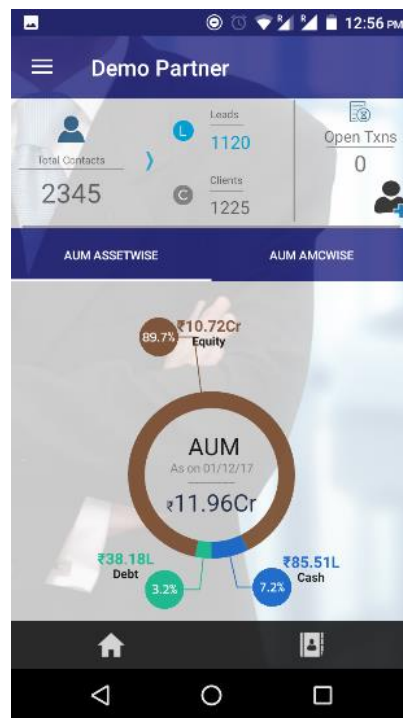
Provides a technology platform to the IFAs & their clients for reporting & transaction services



Omni Financial Advisor (OFA) – Application Snapshots

OFA App

Partner app



Client app





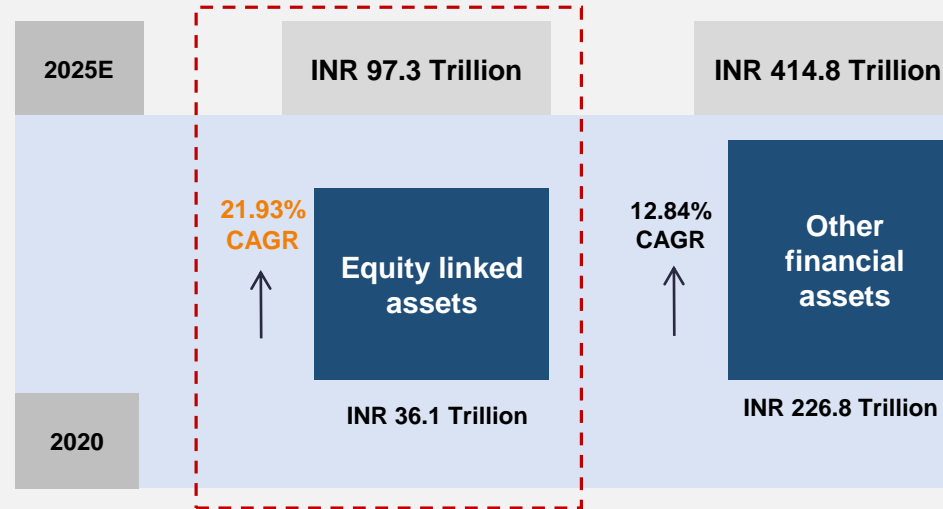
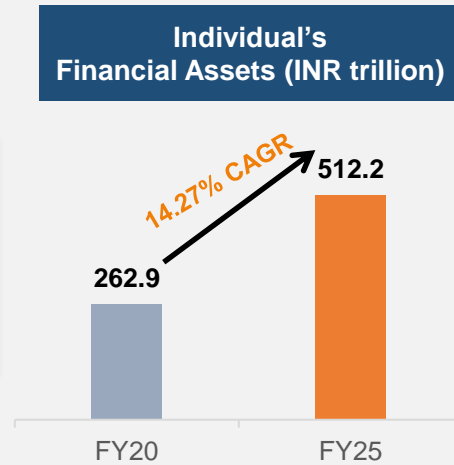
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Annexure

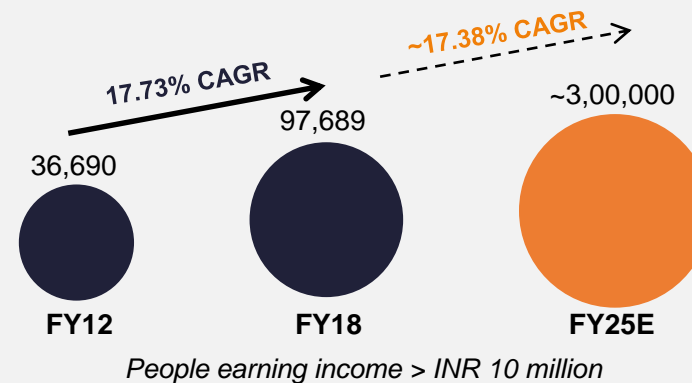
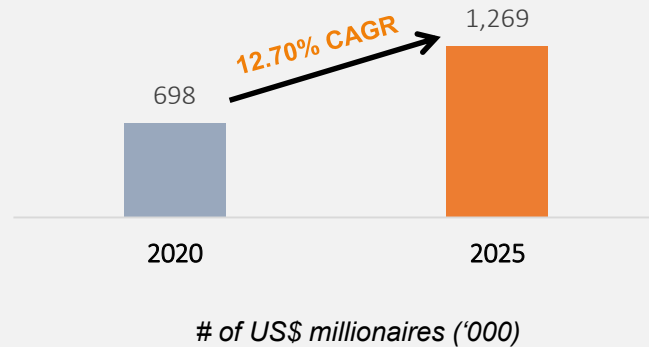
Market Potential

Financial assets as % of total assets to grow from **57% in FY20 to 63% in FY25**



Mutual fund assets to grow 2.3x from FY20 to FY25

US\$ millionaires to increase 1.8x by 2025



Taxpayers > INR 10 million Income to grow 3x from FY18 to FY25

Source: CART Industry Report

Leadership & Key Resources



Mr. Rakesh Rawal
CEO



Mr. Feroze Azeez
Dy. CEO



Mr. Chethan Shenoy
Director & Head – Product & Research



Mr. Rajesh Bhutra
CFO



Mr. Niranjana Babu Ramayanam
Head – Operations



Mr. Arjun Guha
Executive Director & Unit Head, Mumbai



Mr. Amitabh Lara
Director & Unit Head, Mumbai



Mr. Bharath Rathore
Executive Director & Unit Head, Bengaluru



Ms. Aarti Desikan
Executive Director & Unit Head, Bengaluru



Mr. Swapan Chakraborty
Director & Unit Head, Pune



Mr. Subhendu Harichandan
Director & Unit Head, Pune



Mr. Rajan Sarkar
Director & Unit Head, Kolkata



Mr. Ashish Bhandia
Director & Unit Head, Kolkata



Mr. Adil Chacko
Director & Unit Head, Delhi



Mr. Manish Srivastava
Director & Unit Head, Delhi



Ms. Protima Dhavan
Director & Unit Head, Hyderabad



Mr. Manish Srivastava
Director & Unit Head, Rajasthan



Mr. Krishanu Chaudhary
Director & Unit Head, Chennai



Mr. Harpreet Punj
Director & Unit Head, Chandigarh



Mr. Farooq Nabi
Director & Unit Head, Noida



Mr. Mukesh Kumawat
Director & Unit Head, Gurugram



Mr. Raj Vijeta Sharma
Director & Unit Head, Dubai

Board of Directors



Anand Rathi
Chairman & Non-Executive Director



Mohan Tanksale
Independent Director
(Ex CMD – Central Bank of India)



Pradeep Gupta
Non-Executive Director



Ramesh Chandak
Independent Director
(Ex MD - KEC International Ltd.)



Amit Rathi
Non-Executive Director



Kishan Gopal Somani
Independent Director
(Ex-President of ICAI)



Rakesh Rawal
Executive Director & CEO



Sudha Navandar
Independent Director
(Senior Practicing Chartered Accountant)

Awards and Accolades



**Great Place to Work
Institute, India**



World BFSI Congress



World BFSI Congress



Amity



**Capital Finance
International, London**



**Great Place to Work
Institute, India**



**Capital Finance
International, London**



**HT Media & Great Place to
Work
Institute, India**

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Thank You