

Q2 FY24 RESULTS PRESS RELEASE



PROTECTING INVESTING FINANCING ADVISING

- Overall lending portfolio (NBFC and HFC) : ₹ 1.09 lakh Crore (↑ 41% y-o-y)
- Mutual fund quarterly average AUM : ₹ 3,10,899 Crore (↑ 10% y-o-y)
- Individual first year premium in life insurance : ₹ 1,189 Crore in H1 FY24 (↑ 13% y-o-y)
- Gross written premium of health insurance : ₹ 1,561 Crore in H1 FY24 (↑ 23% y-o-y)
- Consolidated¹ revenue : ₹ 8,831 Crore in Q2 FY24 (↑ 22% y-o-y)
- Quarterly consolidated PBT crossed ₹ 1,000 Crore in Q2 FY24 (↑46% y-o-y)
- Consolidated PAT : ₹ 705 Crore in Q2 FY24 (↑ 44% y-o-y)
- Udyog Plus, B2B platform for MSME crossed ₹ 100 Crore disbursement milestone till date

Particulars	₹ Crore		
	Q2 FY23	Q2 FY24	Y-o-Y growth
Revenue ¹	7,215	8,831	22%
Profit after Tax (after minority interest)	488	705	44%

Mumbai, 3rd November, 2023: Aditya Birla Capital Limited (“The Company”) announced its unaudited financial results for the quarter and half year ended September 30, 2023.

The Consolidated Revenue¹ of the Company grew by 22% year-on-year to ₹ 8,831 Crore in Q2 FY24. The Consolidated Profit after tax grew 44% year-on-year to ₹ 705 Crore in Q2 FY24. The strong momentum across businesses led to a 41% year-on-year and 8% sequential growth in the overall lending portfolio (NBFC and HFC) to ₹ 1,08,961 Crore as on September 30, 2023. The total AUM (AMC, life insurance and health insurance) grew by 12% year-on-year to ₹ 4,04,354 Crore.

The Company has a pan-India presence with 1,403 branches across all businesses as of September 30, 2023. The Company’s branch expansion is targeted at driving penetration into tier 3 and tier 4 towns and new customer segments.

The Company follows a ‘Digital First Approach’ for product innovation, direct acquisition, seamless onboarding and service delivery. In H1 FY24, ~ 78% customers were onboarded digitally in the AMC business. In life insurance, ~ 80% renewals were done digitally in H1 FY24. In Health Insurance business, ~ 85% business is delivered by auto-underwriting.

The Company continues to see a robust response to its comprehensive B2B platform for MSME ecosystem, Udyog Plus, with more than 164,000 registrations as of September 30, 2023. It offers paperless digital journey for business loans and loan disbursement of upto ₹ 10 lakh. The Company has integrated Udyog Plus with ABG ecosystem to provide channel financing to dealers. Udyog Plus has reached a monthly disbursement run rate of ~ ₹ 50 crore with ABG ecosystem contributing two-thirds of the business.

1. Segmental Revenue: Aditya Birla Sun Life AMC Ltd., Aditya Birla Wellness Pvt. Ltd and Aditya Birla Health Insurance Ltd. (from October 21, 2022) consolidated based on equity accounting under Ind AS, Consolidated Revenue includes revenues from these businesses on a 100% basis to show holistic financial performance

Highlights of NBFC business for Q2 FY24

- Disbursements grew by 32% year-on-year to ₹ 16,477 Crore
- Loan portfolio grew by 44% year-on-year and 9% sequentially to ₹ 93,522 Crore
- Net interest margin (NIM) expanded by 16 basis points year-on-year to 6.87%
- Profit before tax grew by 51% year-on-year and 7% sequentially to ₹ 736 Crore
- Return on assets increased by 10 basis points year-on-year to 2.51%
- Return on equity grew by 424 basis points year-on-year to 18%
- Gross stage 2 and 3 assets declined by 326 basis points year-on-year and 22 basis points sequentially to 5.24%

Highlights of Housing Finance business for Q2 FY24

- Disbursements grew by 52% year-on-year to ₹ 1,882 Crore
- Loan book grew by 23% year-on-year and 6% sequentially to ₹ 15,439 Crore
- Profit before tax grew by 28% year-on-year to ₹ 97 Crore
- Return on assets grew by 9 basis points year-on-year to 2.03%
- Return on equity grew by 144 basis points 14.5%
- Gross stage 2 and 3 assets declined by 390 basis points year-on-year and 38 basis points sequentially to 4.39%

Highlights of Asset Management for Q2 FY24:

- Mutual fund quarterly average assets under management (QAAUM) increased by 10% year-on-year and 5% sequentially to ₹ 3,10,899 Crore with equity mix at 41.9%
- Individual monthly average assets under management grew by 11% year-on-year, to ₹ 1,59,069 Crore in September 2023
- Monthly systematic investment plan (SIP) inflows grew by 4% year-on-year to ₹ 968 Crore in September 2023
- Passive AUM grew by 68% year-on-year to ₹ 28,438 Crore

Highlights of Life Insurance business for H1 FY24:

- Individual First Year Premium (FYP) grew by 13% year-on-year to ₹ 1,189 Crore
- Renewal premium grew 19% year-on-year to ₹ 3,521 Crore
- 13th month persistency continued to improve at 87% in Sep 2023 (Sep 2022: 86%)
- Net VNB margin expanded by ~ 195 bps year-on-year to 14.2%
- Embedded value grew by 13% over March 2023 to ₹ 10,226 crore

Highlights of Health Insurance business for H1 FY24:

- Gross written premium grew by 23% year-on-year to ₹ 1,561 Crore
- Market share among standalone health insurers was 10.7%
- Combined ratio was 119%
- The net loss reduced to ₹ 140 Crore in H1 FY24 from ₹ 149 Crore in H1 FY23

Highlights of Other businesses for Q2 FY24:

Profit before tax for other financial services businesses (general insurance broking, stock and securities broking, and stressed assets platform) of the Company grew by 36% year-on-year to ₹ 81 Crore

About Aditya Birla Capital Limited

Aditya Birla Capital Limited (ABCL) is the holding company for the financial services businesses of the Aditya Birla Group. With subsidiaries/JVs that have a strong presence across Protecting, Investing and Financing solutions, ABCL is a financial solutions group that caters to diverse needs of its customers across their life cycle. Powered with about 42,000 employees, the businesses of ABCL have a nationwide reach with over 1,403 branches, more than 2,00,000 agents/channel partners and several bank partners.

Aditya Birla Capital Limited is a part of the Aditya Birla Group, in the league of Fortune 500. Anchored by an extraordinary force of over 185,000 employees, belonging to 100 nationalities, the Group is built on a strong foundation of stakeholder value creation. With over seven decades of responsible business practices, the Group's businesses have grown into global powerhouses in a wide range of sectors – metals, pulp and fibre, chemicals, textiles, carbon black, telecom, cement, financial services, fashion retail and renewable energy. Today, over 50% of Group revenues flow from overseas operations that span 36 countries in North and South America, Africa, Asia and Europe.

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