



Motilal Oswal Financial Services Ltd

Earnings Presentation | Q2FY22 & H1FY22

BUSINESSES BUILDING SCALE

FOCUS ON PROFITABLE GROWTH

STRONG LIQUIDITY ON BALANCE SHEET

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Key Highlights

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Financials

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Businesses

Motilal Oswal Financial Services

CAPITAL MARKETS

- Highest ever broking revenue and profit
- Strong pick up in high yielding cash market share
- Acquired 0.22 mn clients in Q2; 0.44 mn in H1FY22
- ADTO grew 96% YoY to Rs 743 bn in Q2FY22
- Distribution AUM at Rs 159 bn, +43% YoY
- Distribution Gross and Net Sales at all time high
- Strong liquidity on parent balance sheet with unutilised banking lines of Rs 16.7 bn & cash of Rs 6.6 bn.

ASSET MANAGEMENT

- AMC AUM stood at Rs 496 bn, +32% YoY in H1FY22
- AMC gross sales grew 77% YoY in H1FY22 led by traction in AIF sales and healthy SIP flows
- Committed investment PE & RE AUM till date stands at Rs 69 bn
- IREF V second closing at Rs 8.1 bn
- IBEF IV fund launch receives stellar response
- Wealth AUM at all time high at Rs 315 bn, +57% YoY
- Wealth profit at all time high at Rs 271 mn in H1FY22

HOUSING FINANCE

- India Ratings assigned IND AA rating, outlook upgraded by CRISIL to AA-positive & rating upgraded by ICRA to ICRA AA-
- Disbursements grew by 74% QoQ to Rs 1.6 bn in Q2FY22 taking total count to Rs 2.5 bn in H1FY22
- NIM expanded by 151 bps YoY in H1FY22 to 6.9%
- CoF reduction by 110 bps YoY in H1FY22 to 8.4%; incremental COF at 7.07%
- Liquidity on balance sheet with undrawn sanction of Rs 9.8 bn & cash of Rs 1.3 bn.

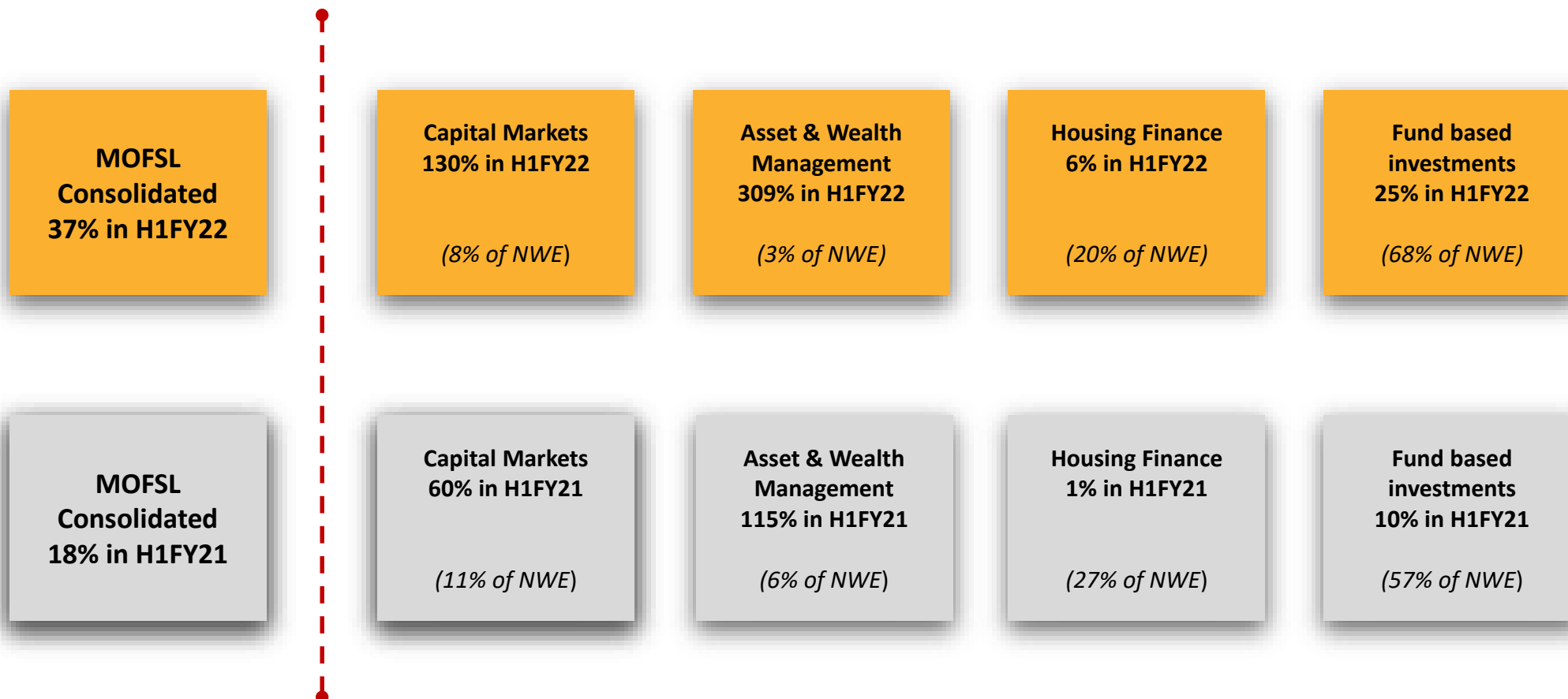
FUND BASED INVESTMENTS

- MTM gain of Rs 3.6 bn in H1FY22
- Total quoted equity investment including gains at Rs 25.3 bn, +77% YoY
- Total equity investment including alternate stands at Rs 36.1 bn, +70% YoY
- Cumulative XIRR of ~19% on total quoted investments
- Cumulative XIRR of 33% on PE/RE investments

Net Worth crossed Rs 50 bn.

Group RoE*

Segment-wise RoE, with % of net worth employed (NWE)



Note:

* Excluding Other comprehensive income and exceptional item
ROE on annualized basis

Consolidated Financials – Revenue Mix

Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Capital Markets (Broking, Distribution & IB)	6,084	4,236	44%	5,132	19%	11,216	7,674	46%
Asset Management	1,472	1,162	27%	1,381	7%	2,853	2,198	30%
Private Equity (1)	1,510	268	463%	257	487%	1,767	487	263%
Wealth Management	476	349	36%	396	20%	872	570	53%
Housing Finance	1,328	1,360	-2%	1,369	-3%	2,696	2,693	0%
Others	68	96	-29%	59	15%	127	178	-28%
Total Revenues	10,938	7,472	46%	8,595	27%	19,532	13,800	42%
Total Revenues after Intercompany adjustments	10,253	6,911	48%	7,981	28%	18,234	12,820	42%
Operating Costs	5,440	3,906	39%	4,981	9%	10,421	7,193	45%
Operating Expense	2,287	1,591	44%	1,968	16%	4,255	2,824	51%
Employee Expense	2,100	1,506	39%	1,804	16%	3,904	2,936	33%
Other Expense	1,053	809	30%	1,210	-13%	2,262	1,433	58%
EBITDA	4,813	3,005	60%	3,000	60%	7,813	5,627	39%
PBT	3,556	1,800	98%	1,826	95%	5,382	3,228	67%
Operating PAT	2,693	1,233	118%	1,291	109%	3,985	2,263	76%
MTM PAT (2)	2,672	1,731	54%	919	191%	3,591	3,036	18%
PAT (3)	5,365	2,965	81%	2,211	143%	7,576	4,634	63%

1. PE Revenue includes Rs 1,233 mn of profit on exit of investments in Q2FY22
2. MTM PAT includes profits/(loss) on account of Fund based investments made in Equity & Alternate Funds
3. H1FY21 PAT includes - Rs 666 mn of exceptional item comprising of provision made by the company on account of negative price settlement of Crude Oil Derivative positions of the customers in Commodity broking.

Consolidated Financials – PAT Mix

PAT (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Capital Markets (Broking, Distribution & IB)	1,213	797	52%	782	55%	1,995	1,370	46%
Asset Management	417	290	44%	356	17%	773	530	46%
Private Equity (1)	864	68	-	62	-	926	121	-
Wealth Management	154	82	88%	117	32%	271	82	230%
Asset & Wealth	1,436	440	226%	535	169%	1,970	732	169%
Home Finance	201	57	253%	85	137%	285	168	70%
Others	-155	-60	-	-109	-	-265	-4	-
Operating PAT	2,693	1,233	118%	1,291	109%	3,985	2,263	76%
MTM PAT	2,672	1,731	54%	919	191%	3,591	3,036	18%
PAT	5,365	2,965	81%	2,211	143%	7,576	4,634	63%
Other Comprehensive Income (OCI) (2)	647	483	34%	-391	-	256	786	-67%
Total incl. OCI	6,012	3,448	74%	1,820	230%	7,832	5,420	44%

1. PE PAT includes Rs 827 mn of profit on exit of investments in Q2FY22
2. OCI includes MTM profit on equity share investment
3. Others includes intercompany adjustments and Fund Based (ex-MTM) PAT

Consolidated Balance Sheet

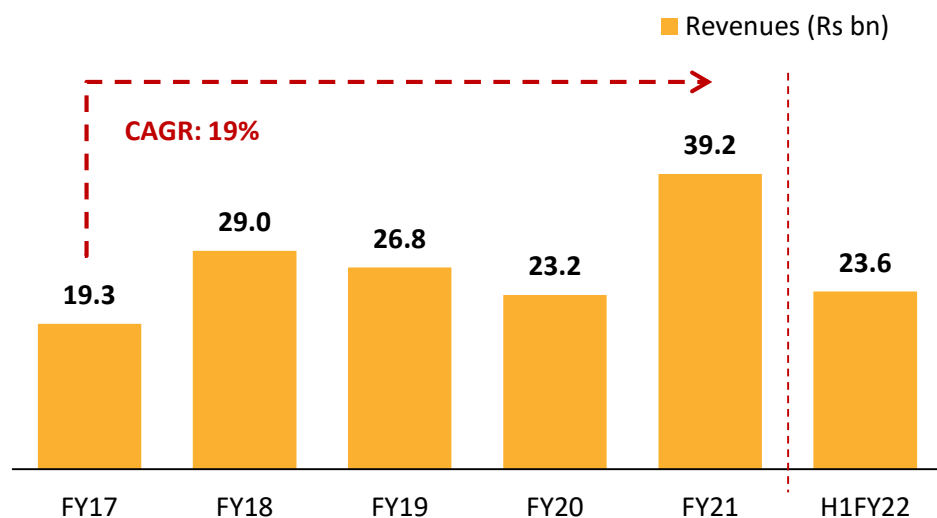
Particulars (Rs bn)	H1FY22	FY21
Sources of Funds		
Net Worth	51.7	44.3
Borrowings (1)	48.6	56.9
Minority Interest	0.4	0.6
Total Liabilities	100.6	101.8
Application of Funds		
Fixed assets (net block)	3.6	3.5
Investments	41.5	39.2
Loans and Advances (2)	46.6	45.2
Net current assets	8.9	13.8
Total Assets	100.6	101.8

1 Borrowings are inclusive of MOHFL. Ex- MOHFL borrowings are Rs 24.0 bn in Sep-21.

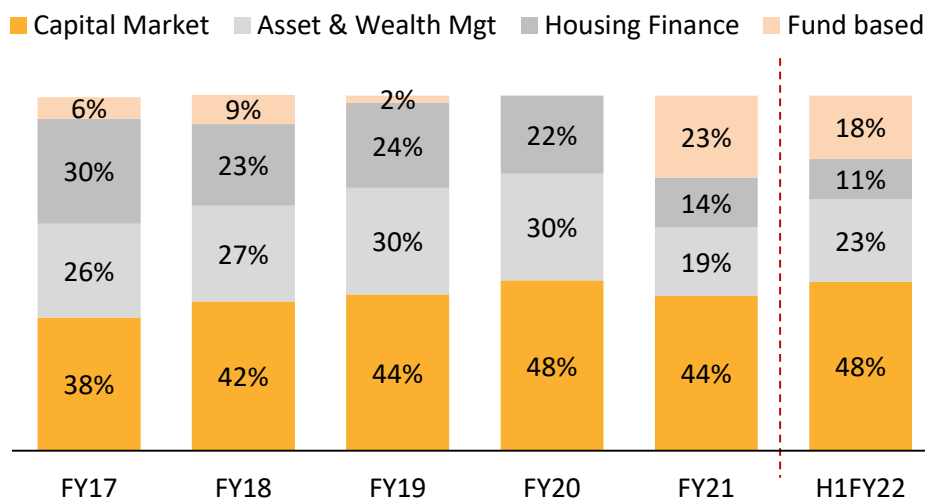
2 Loan & Advances include loan book of Motilal Oswal Home Finance and Margin Trading Facility book.

Strong Revenue and Profit trend

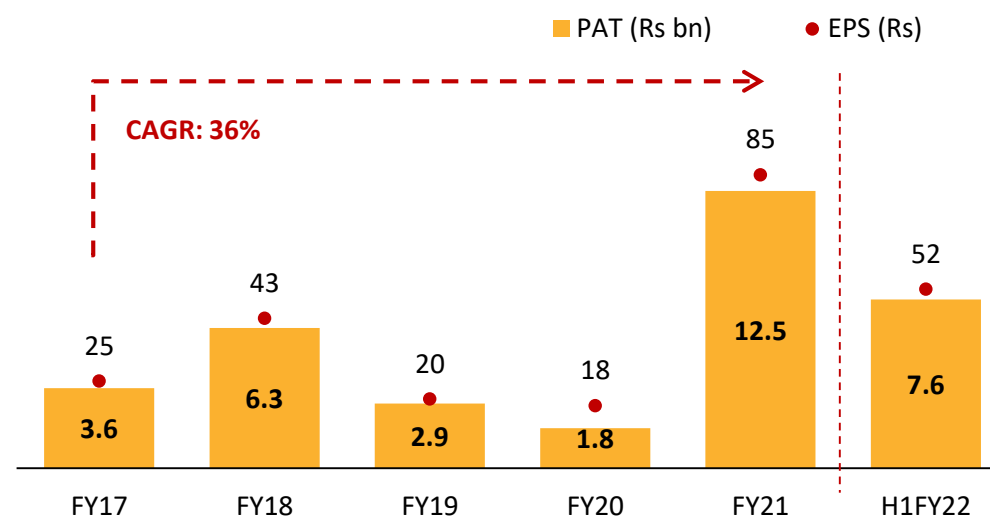
Revenue Trend



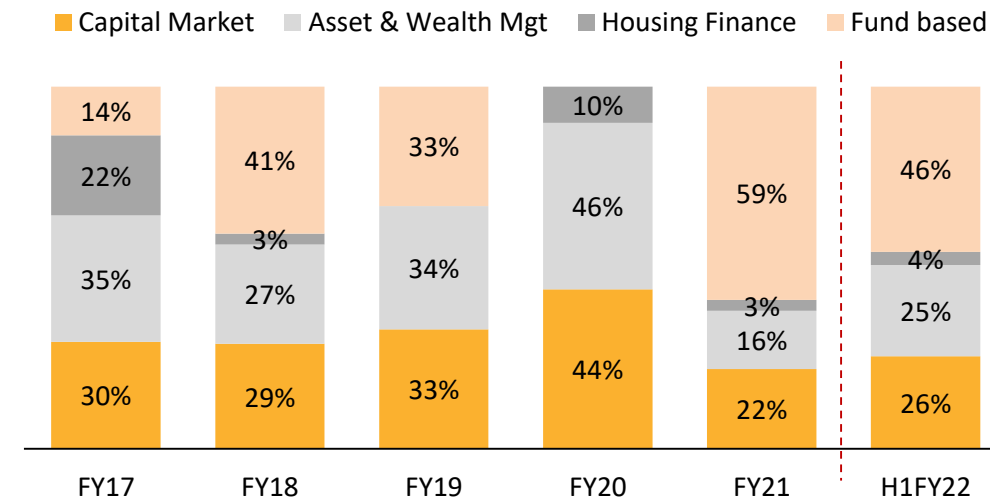
Revenue Mix



Profitability Trend



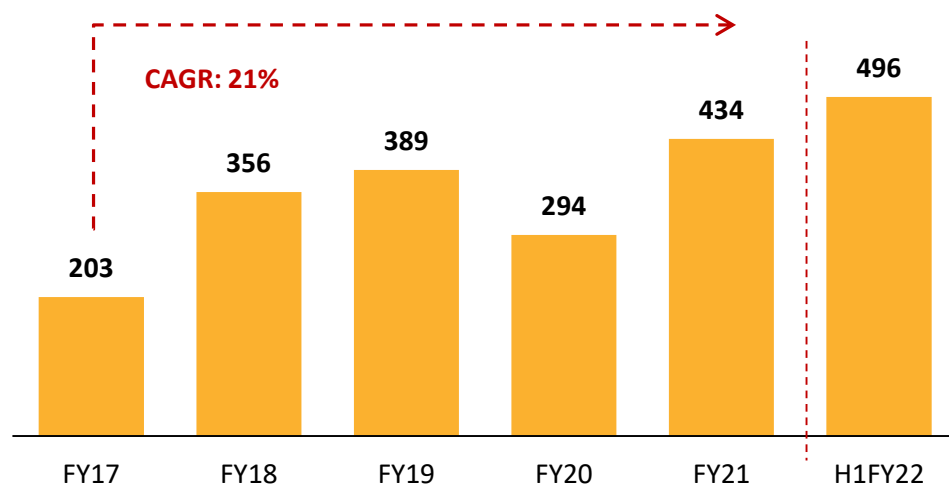
PAT Mix



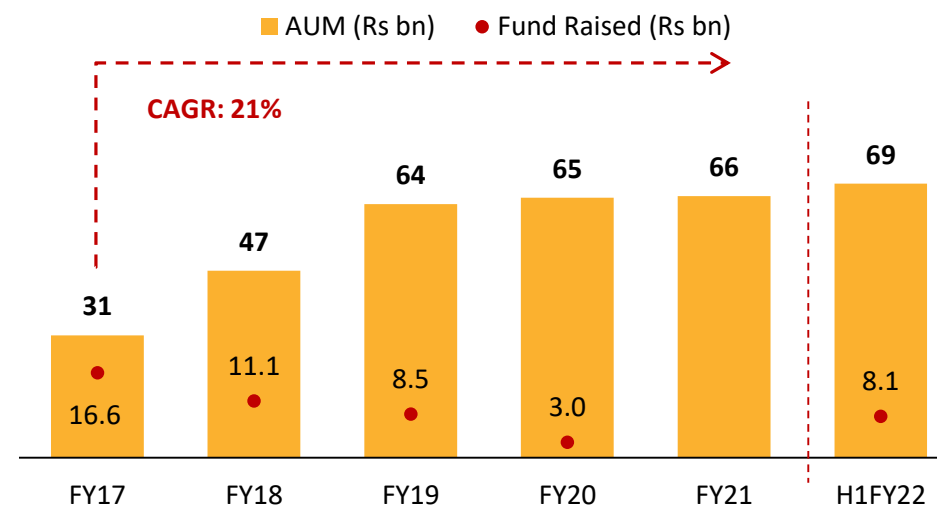
Note: Revenue and PAT are as per IGAAP for FY17. FY20 Fund Based Revenue and PAT are not factored in mix due to negative MTM.

Businesses Building Scale

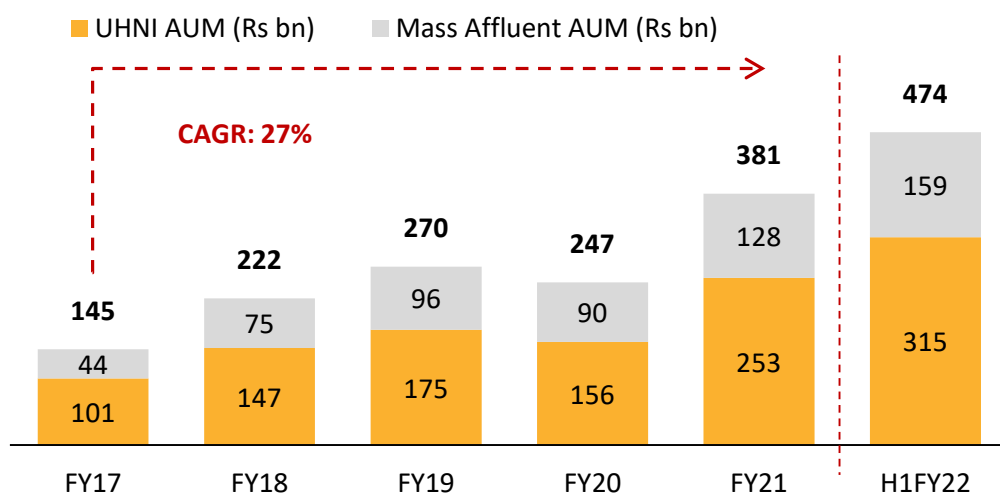
AMC AUM growth trend (Rs bn)



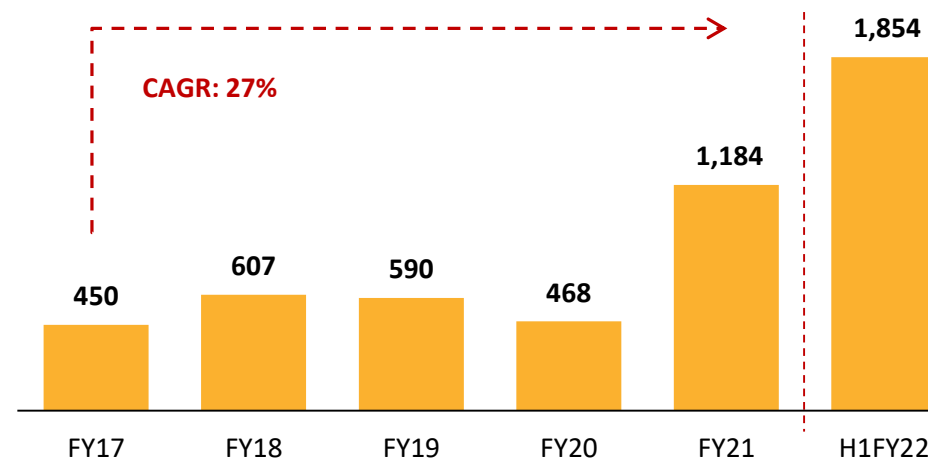
PE/RE AUM & Fund Raise



Wealth AUM (UHNI + Mass Affluent) growth trend (Rs bn)

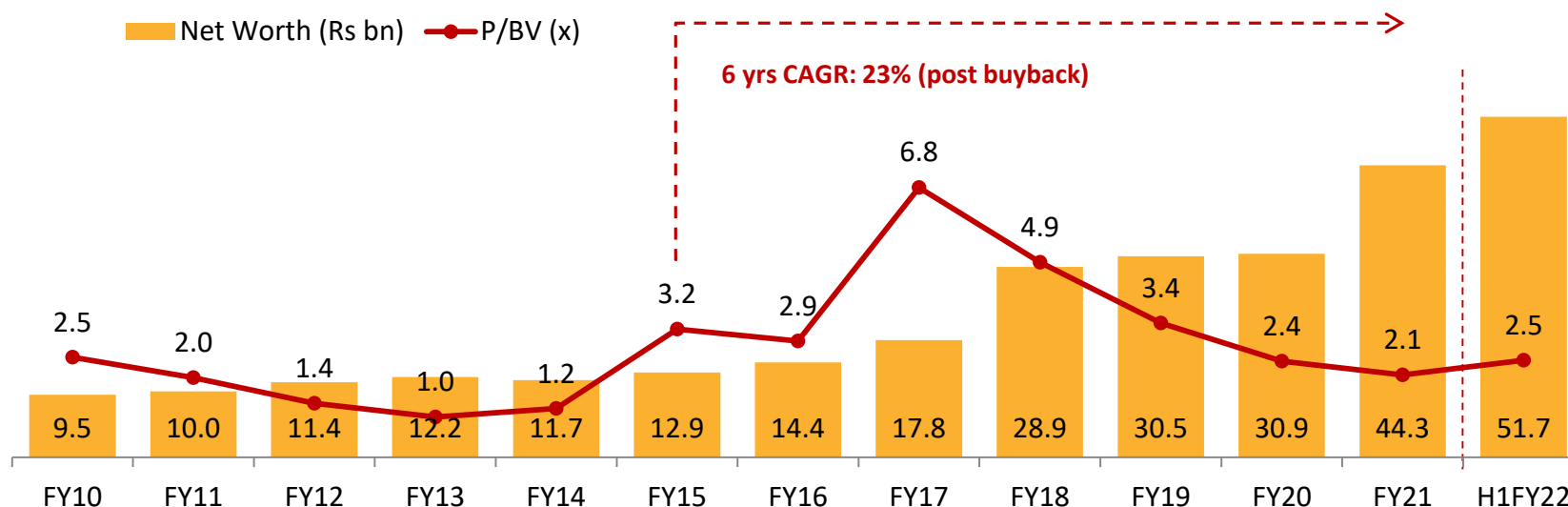


DP AUM growth trend (Rs bn)



Strong growth in Net Worth

Net Worth Trend



6 yrs CAGR: 23% (post buyback)

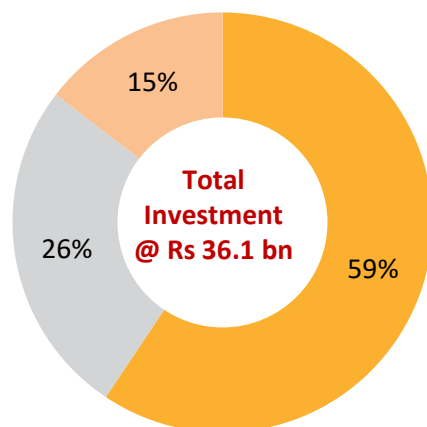
Allocation of free cash to fund based investments over and above sponsor commitment started from FY15 onwards.

Benefits of having near to liquid Net Worth:

- Helped “seed” new businesses, which are adjacent, scalable and profitable opportunities.
- Serve as highly liquid “resources” available for future investments in business.
- Raise **working capital resources** on balance sheet to handle volatility intrinsic to capital market business comfortably.
- Capable of **generating high ROE**

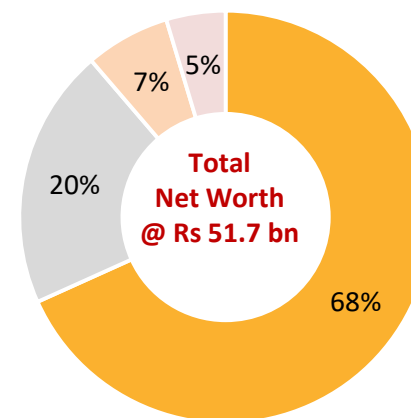
Investment Breakup

MF+Alternates PE+RE Equity Shares



Net Worth Breakup

Fund Based Investments MOHF
Corporate Office Working Capital and Others



GROWTH DRIVERS

BROKING & DISTRIBUTION

- Digital acquisition channel takes the lead in client addition
- Investment made in FY21 in manpower & branches and this continued in H1FY22 too which is likely to boost revenues.
- Advisory and research coupled with product innovation
- Distribution business gaining traction from strong sale of high yielding alternate products.

ASSET MANAGEMENT

- Traction in net inflows
- Increasing penetration in IFAs & banking channels.
- Rising Digital contribution in MF gross sales mix.
- Expanding product offerings across passive categories.
- Strong response to AIF offerings.
- Traction in SIP book

WEALTH MANAGEMENT

- Expanding products across asset classes.
- On-boarding new managers with differentiated product offerings.
- Focus on deepening client relationship
- Intensifying client level engagement
- Focus on adding New to Firm clients
- Rise in RM productivity aiding margins

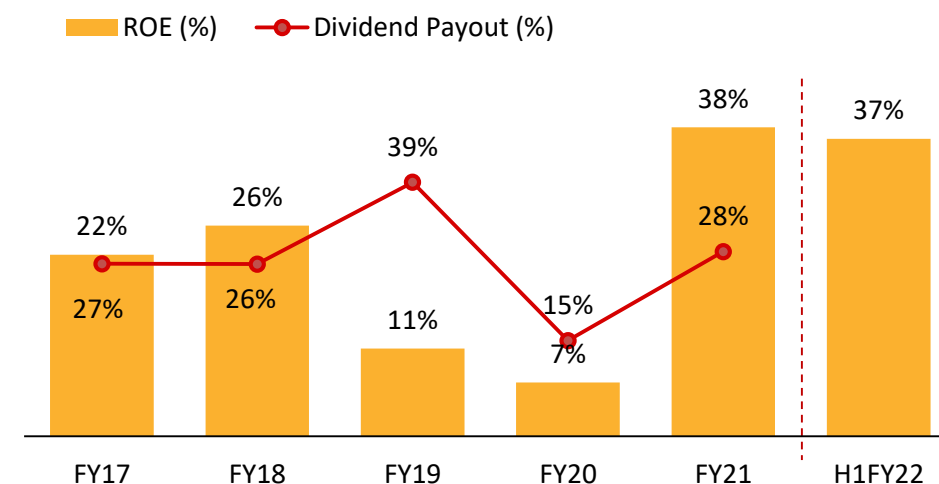
HOUSING FINANCE

- Focus on hiring FOS to ramp up sales.
- Cost of funds to trend lower as new fund raising happening at 100 bps lower rates.
- Rating upgrade further aid in lowering Cost of funds.
- Robust performance of new loan book
- Incremental focus on southern & northern markets

Key Highlights

- We have witnessed strong performance across all businesses in Q2 & H1FY22. Moreover, robust customer demand coupled with market tailwind has enabled us to register highest ever profitability in H1FY22.
- Our organizational talent has reached over 8,600 serving over 3.4 mn clients.
- As a result, our Asset under Advisory (AUA) stood at Rs 2.9 tn led by all time high AUM across AMC, Wealth and Distribution businesses.
- Our Net worth crossed Rs 50 bn.
- Consolidated net debt is Rs 40.5 bn. Excluding Home finance, net debt is Rs 17.1 bn. Total D/E stood at 0.9x. Ex-MOHF D/E stood at 0.5x. Net of investments, we have net cash on the balance sheet.

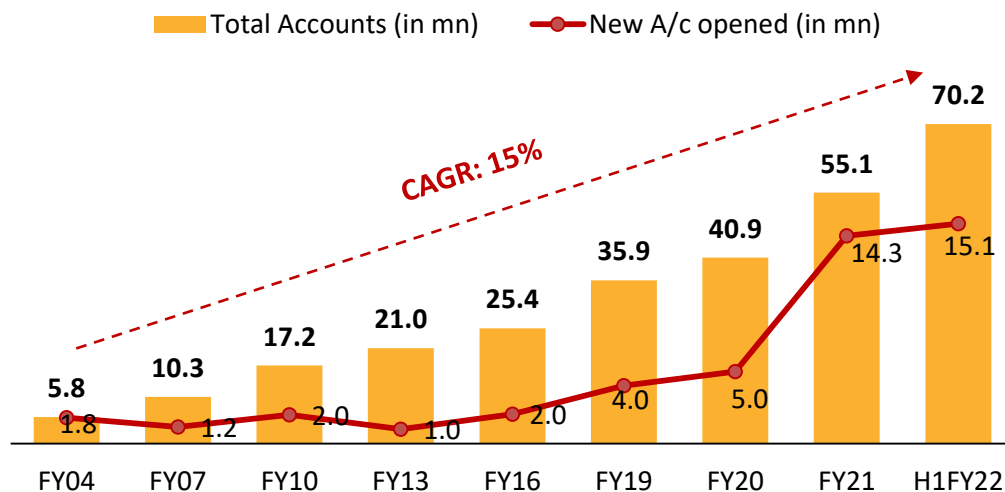
ROE trend, Dividend Payout (% of PAT excl. MTM)



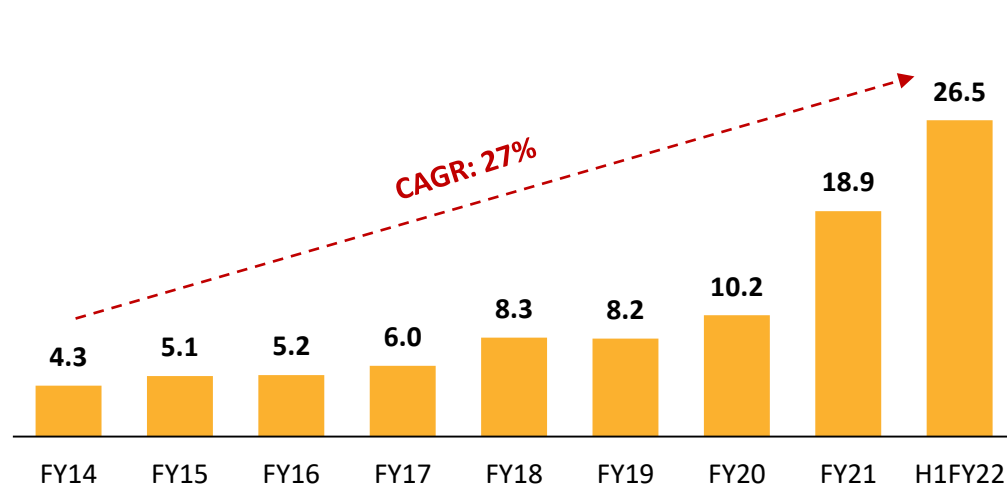
Note: ROE for FY18, FY19, FY20, FY21 & H1FY22 are excluding OCI. In FY21, company completed buyback of equity shares of Rs 1.5 bn (incl. tax)

India's Broking Industry- Huge untapped potential

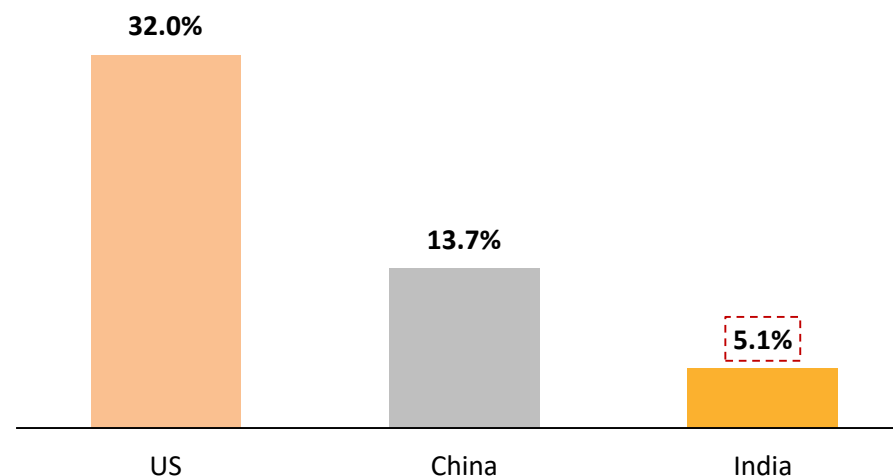
Demat Account Trend



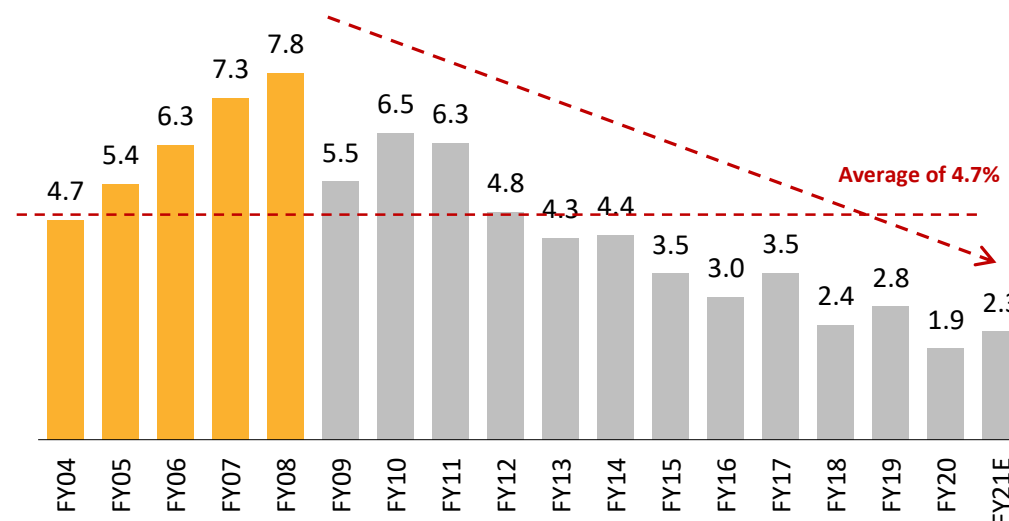
Active Client Trend (mn)



Demat Account Penetration



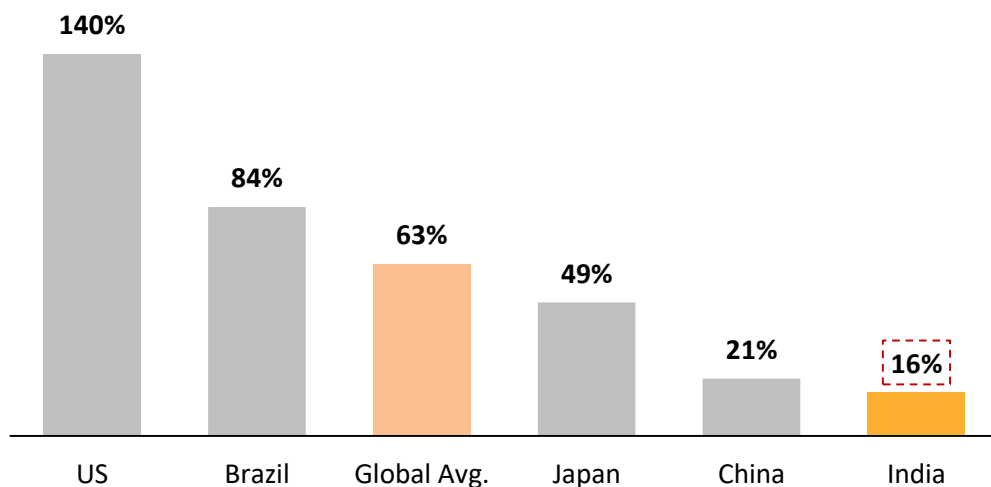
Corporate Profit to GDP (%)



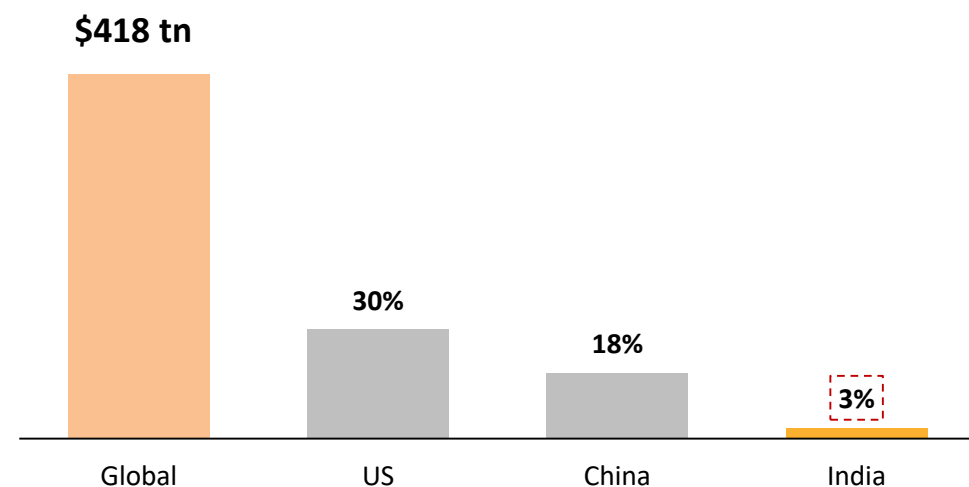
Demat account penetration= No. of demat account/population. Data as of Sep'21 for India and China and as of 2018 for USA.

India, largely under penetrated market – MF, Wealth and Mortgage

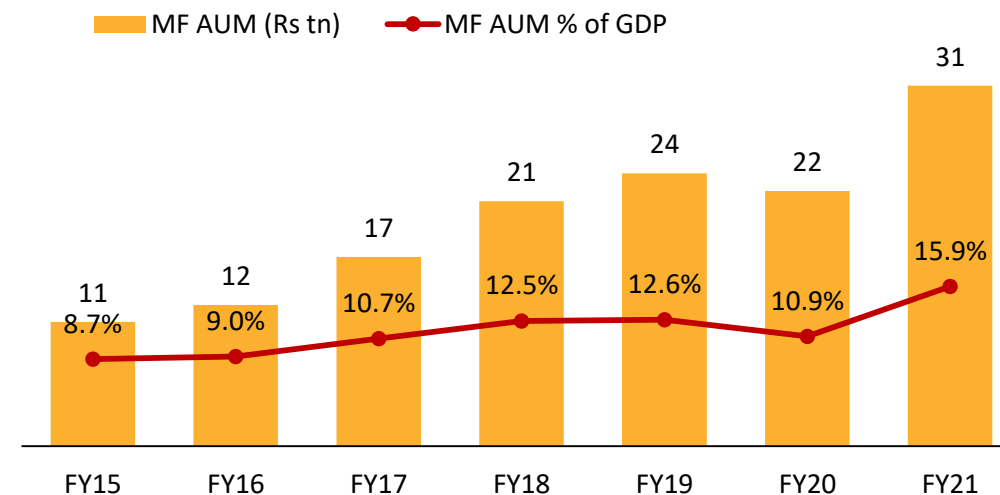
Mutual Fund Penetration



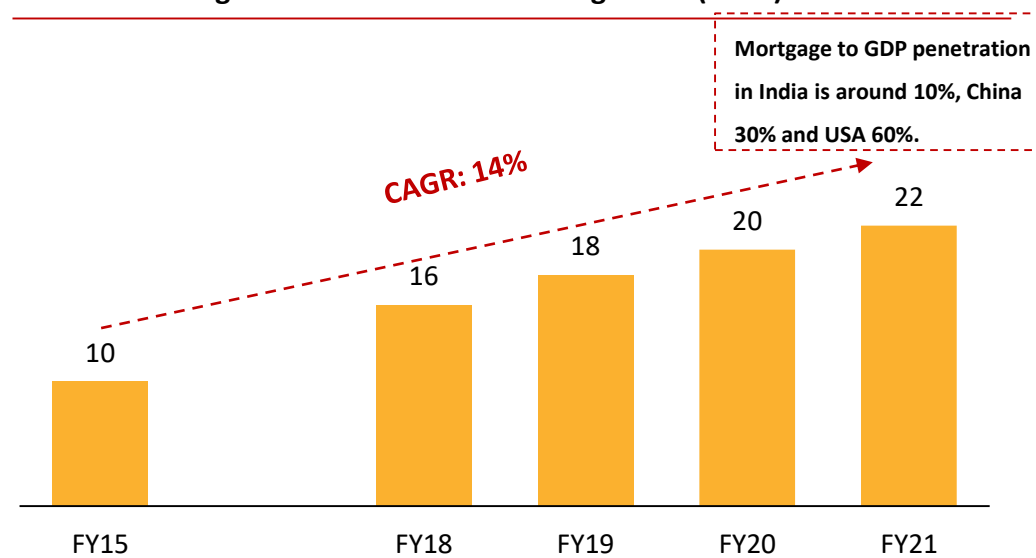
Global Wealth



Mutual Fund AUM as % of GDP



Indian Housing Finance- Loans Outstanding Trend (Rs tn)



1. Mutual Fund penetration= AUM/GDP. Data as of CY20
2. Global Wealth for CY20
3. Mortgage penetration= Mortgage/GDP. Data as of CY18

Cash market share up
70 bps QoQ to 6.3%

ADTO grew 96% YoY in
Q2FY22

Added 4.4 lakh new
clients in H1FY22; 51%
acquired through
online channel

Participated in 3 IPOs
and 1 OFS in Q2FY22

Distribution business
AUM at Rs 159 bn,
+43% YoY

Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Revenues	6,084	4,236	44%	5,132	19%	11,216	7,674	46%
- Brokerage	3,856	3,028	27%	3,572	8%	7,428	5,437	37%
- Distribution	387	244	58%	328	18%	714	410	74%
- IB	51	20	157%	12	326%	63	23	169%
- Interest/Other Income	1,790	944	90%	1,221	47%	3,011	1,803	67%
Operating Costs	3,766	2,737	38%	3,523	7%	7,288	5,011	45%
EBITDA	2,318	1,499	55%	1,610	44%	3,928	2,662	48%
EBITDA Margin	38%	35%	-	31%	-	35%	35%	-
PBT	1,624	1,095	48%	1,070	52%	2,693	1,856	45%
PBT Margin	27%	26%	-	21%	-	24%	24%	-
PAT	1,213	797	52%	782	55%	1,995	1,370	46%

- The business reported highest ever revenue and profit for the quarter and half year. Brokerage revenue growth was led by gain in cash market share coupled with strong growth in volume. Further, robust growth in distribution income and interest income boosted total revenues.
- In **Retail broking** business strong traction witnessed in new clients addition driven by online digital acquisition, total 4.4 lakh clients acquired in H1FY22, +114% YoY. Active clients have registered 62% YoY growth at 0.72 mn as of September 2021.
- Distribution business AUM grew by 14% QoQ and 43% YoY at Rs 159 bn. Current penetration of only ~13% on total client base. During the quarter, strong traction witnessed in high yielding alternate products offering.
- MOFSL's overall ADTO grew 96% YoY to Rs 743 bn with a market share of 2.3% (ex-prop) in Q2FY22. Our overall market share was subdued as industry recorded strong growth in low yielding options which constitutes lower proportion in volume mix compared to industry. However, we have gained market share in high yielding cash segment.
- Significant investment has been made in talent and expanding our reach. In H1FY22 we continue to add talent (~600 in H1) which will augment future growth. Operating leverage benefit to be seen in coming quarters as productivity plays out from these investments.
- Broking business funding book stood at Rs 21 bn in Q2FY22, + 100% YoY and 21% QoQ.

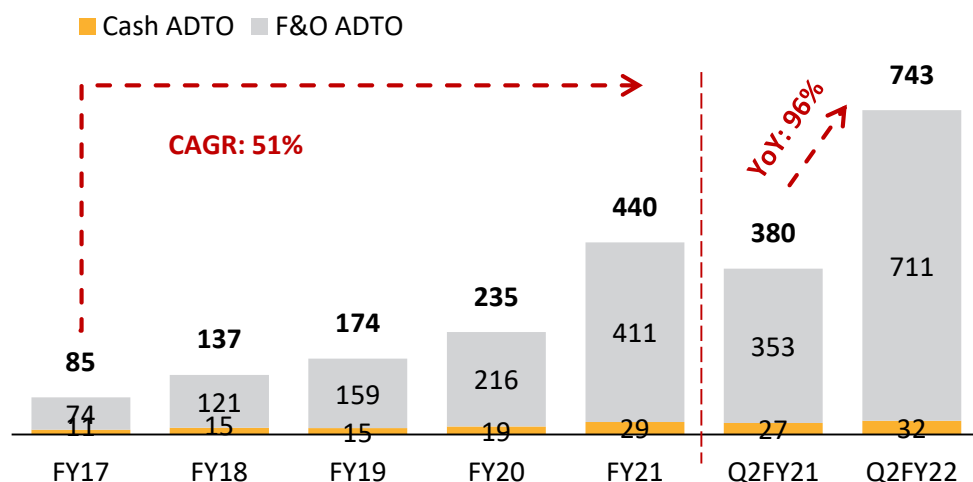
Retail Broking & Distribution

- Ramped up digital acquisition by expanding dedicated digital acquisition team.
- 57% of total trades were online trades & 61% of clients have traded online; mobile app witnessed higher ever logins at 5.3 lakhs
- Focus on banking partnership. Signed agreement with 4 banks to launch 3 in 1 (banking + demat + trading) accounts.
- Acquisition of smaller regional brokers by converting them in franchisees is gaining traction across geographies; 7 brokers acquired in last 1 year.

Institution broking

- Institutional team wins big in Asiamoney poll 2020.
- Hosted 17th AGIC and 2nd edition of Fintech Day in Q2FY22
- Retained top quartile domestic rankings across clients

MOFSL Broking ADTO (Ex-prop, Rs bn)



Investment Banking

- During the quarter, we completed 3 IPOs- Aditya Birla Sun Life AMC, Devyani International and GR Infraprojects Ltd. and also participated in OFS of Indostar Capital.
- We have a strong pipeline of signed IPO mandates which will start entering the markets in H2FY22, as a result further revenue traction can be witnessed in coming quarters.
- The team continues to engage on a wide cross-section of mandated transactions across capital markets and advisory.



IPO - Rs 27.7 bn



IPO - Rs 18.4 bn

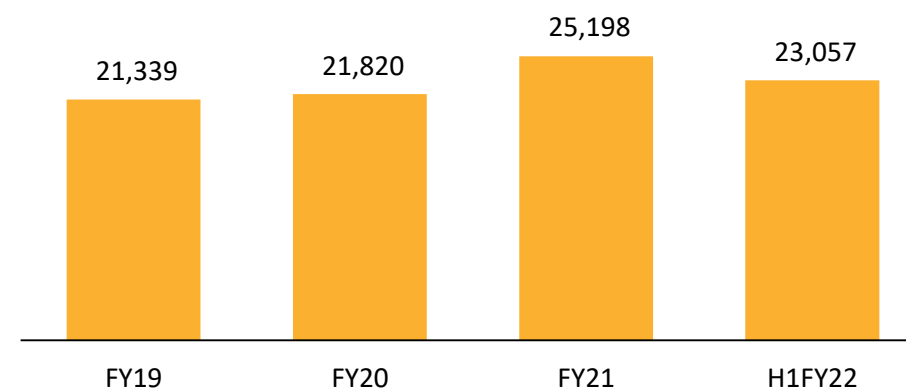


IPO - Rs 9.6 bn



OFS- Rs 1.8 bn

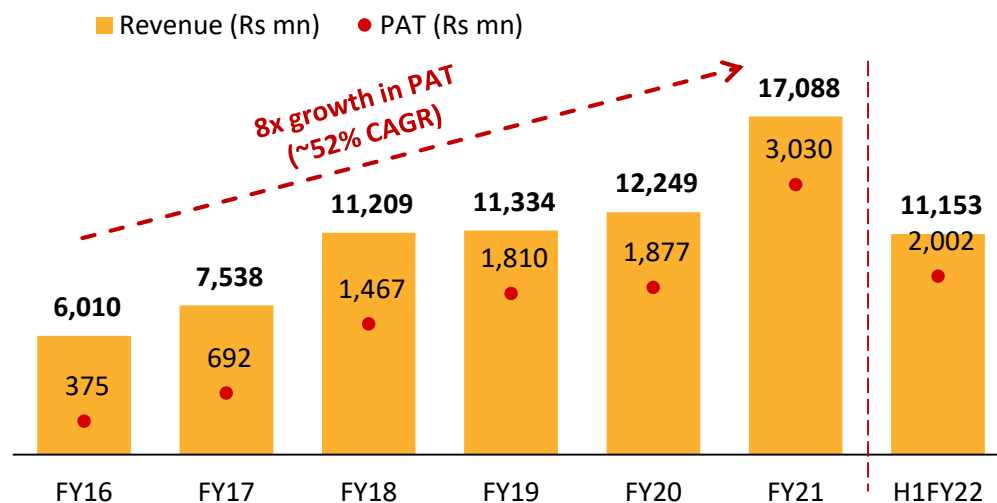
ARPU Trend (Rs)



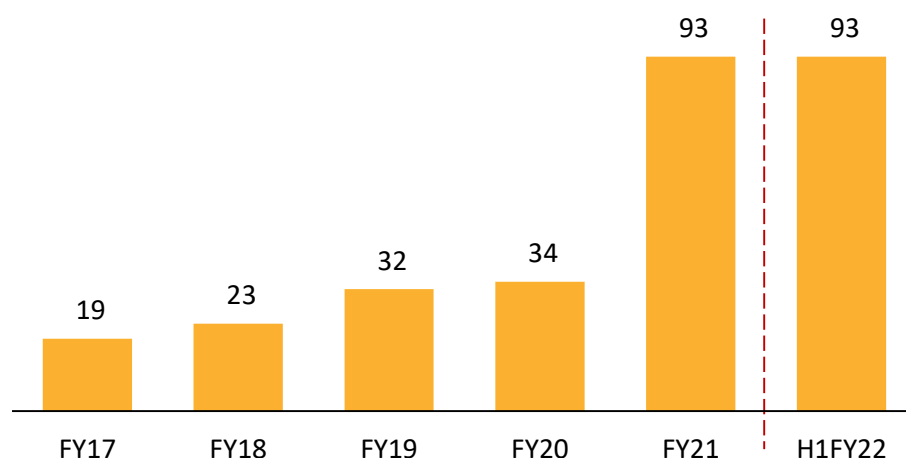
Note: ARPU= Brokerage/ Average of NSE Active Clients. H1FY22 figure is annualized.

Broking & Distribution- Growth Journey

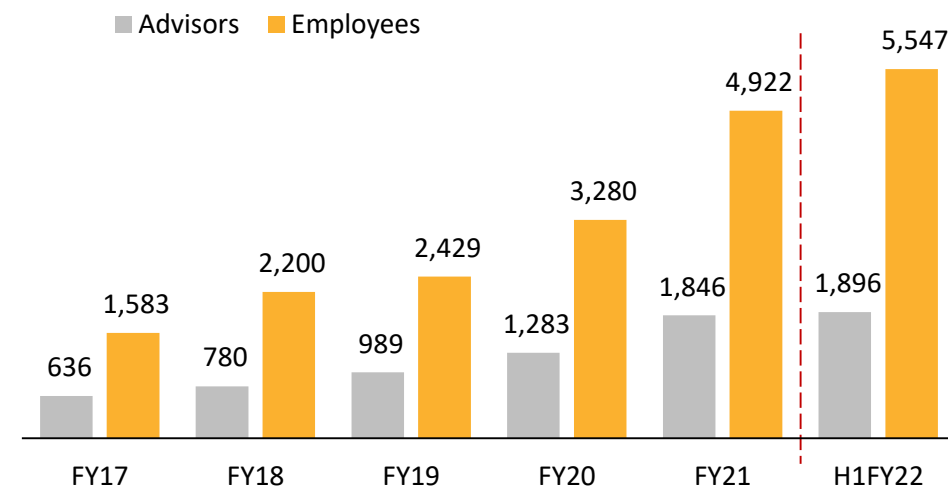
Revenue & PAT Trend (Rs mn)



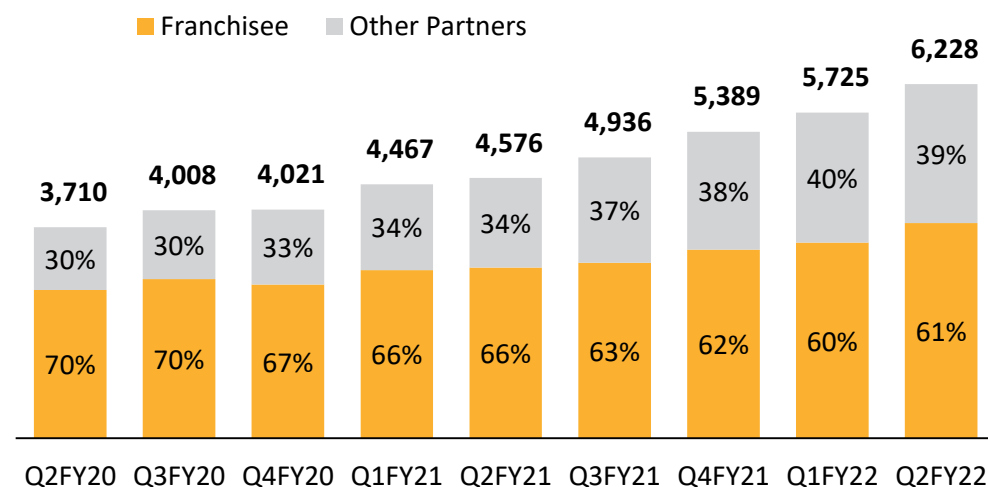
Expansion in low frills branches to diversify geographical reach



Investment in talent for future growth

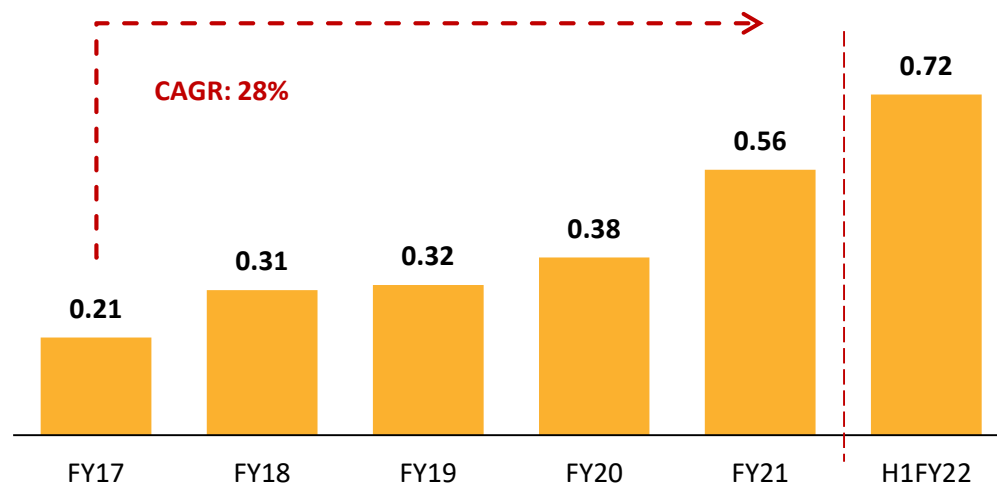


Acquisition Trend of Franchisees/Business Partners

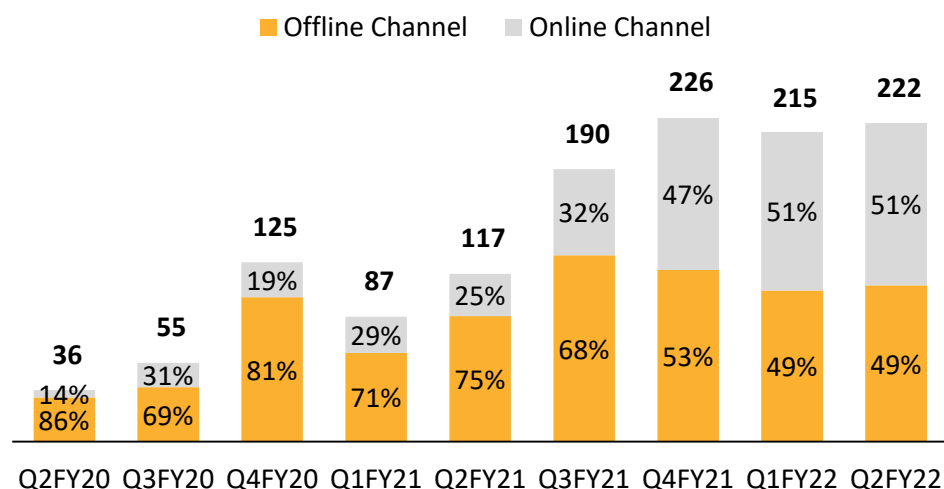


Broking & Distribution – Strong growth in Client acquisition

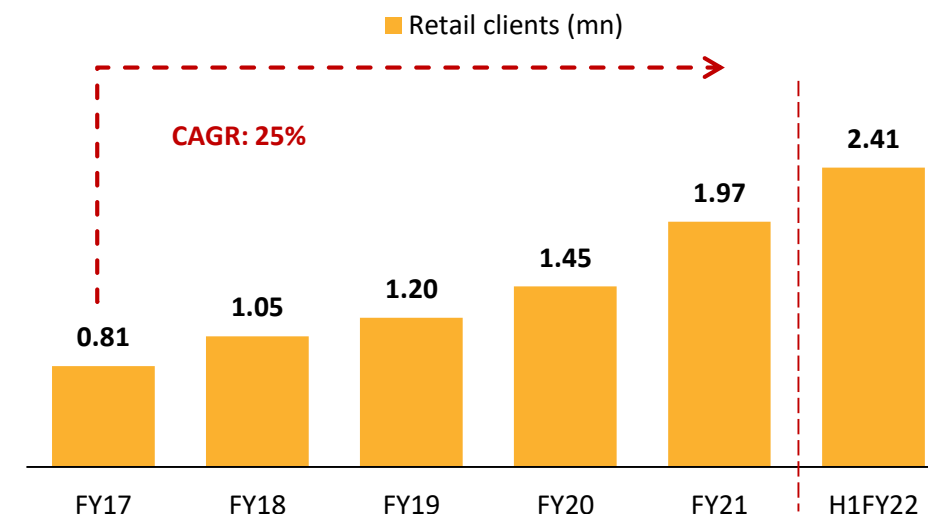
Active Clients (mn)



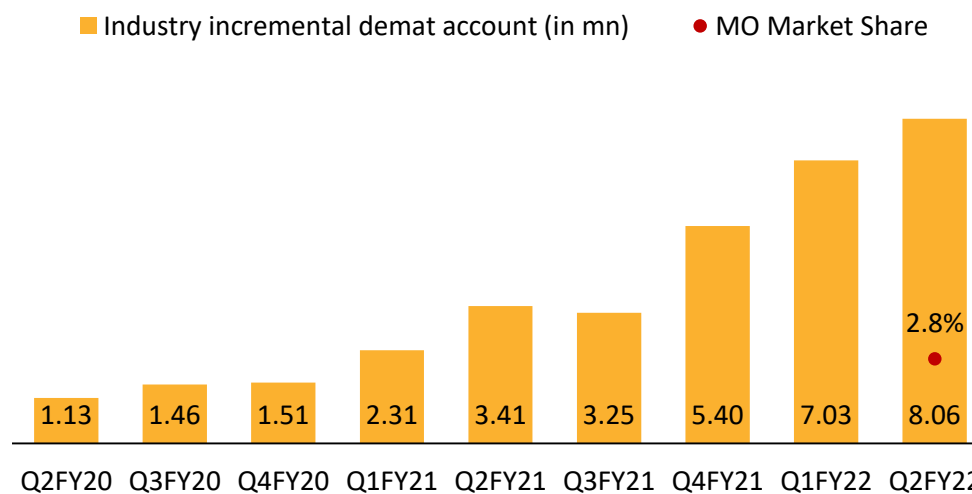
Significant traction in Client Acquisition (in '000)



Strong growth in Retail Client base

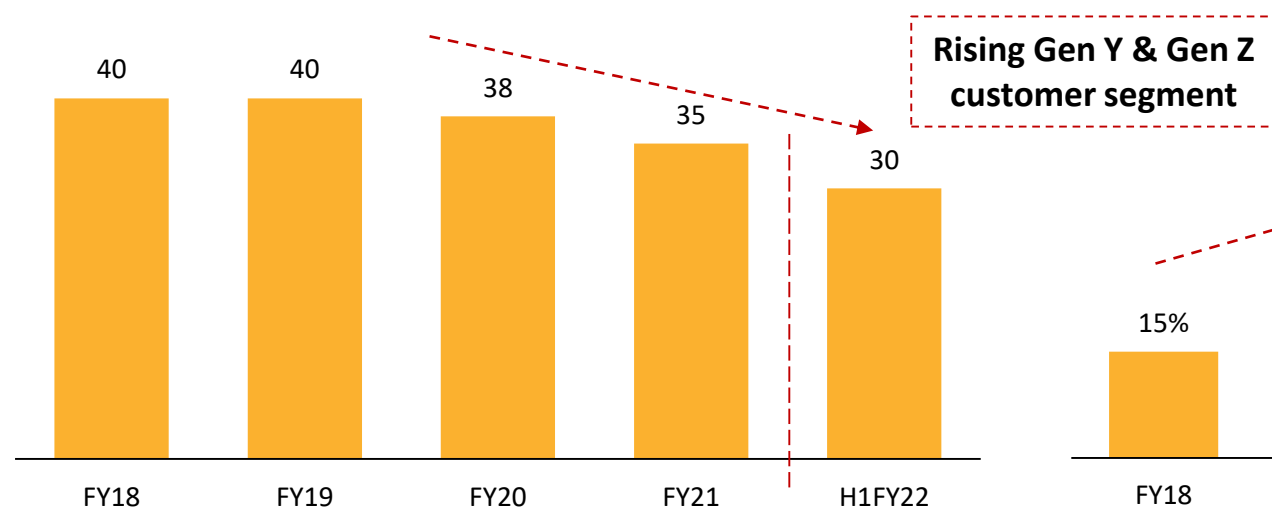


Incremental Demat Account Market Share

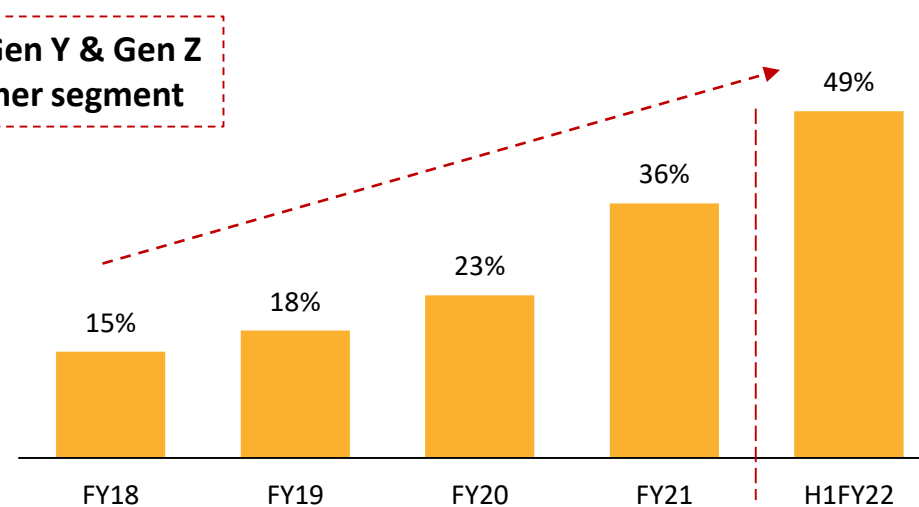


Diversifying Customer Segment & Penetration

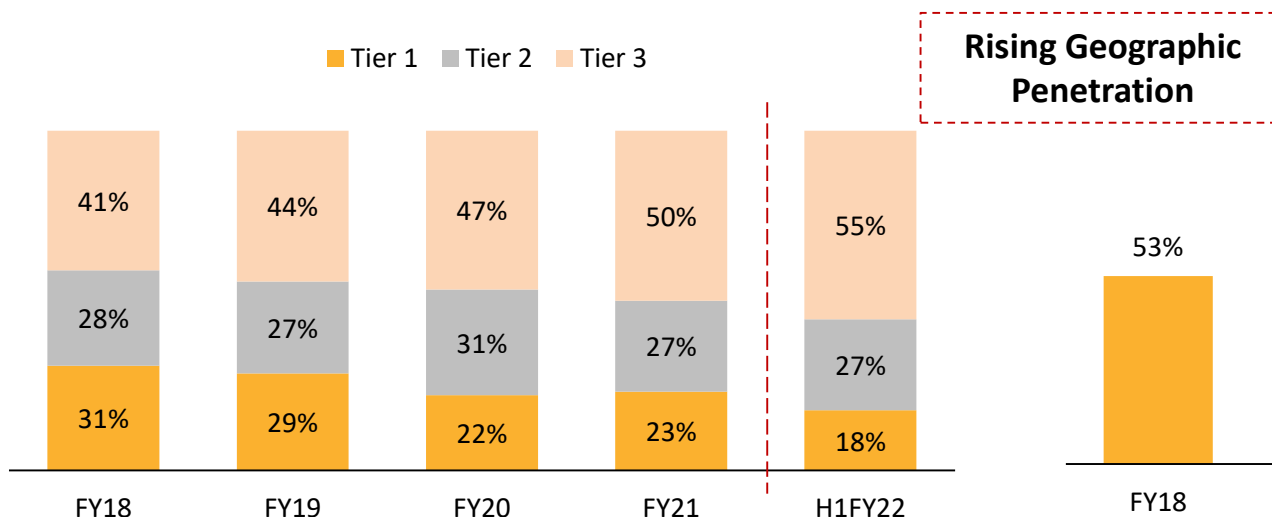
Median Age of Clients Acquired



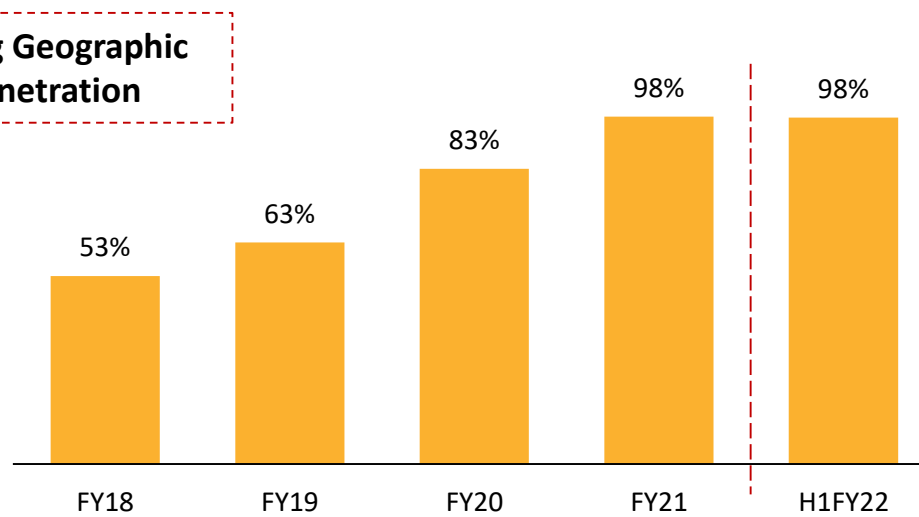
Customers acquired % below 30 years of age



City wise Acquisition

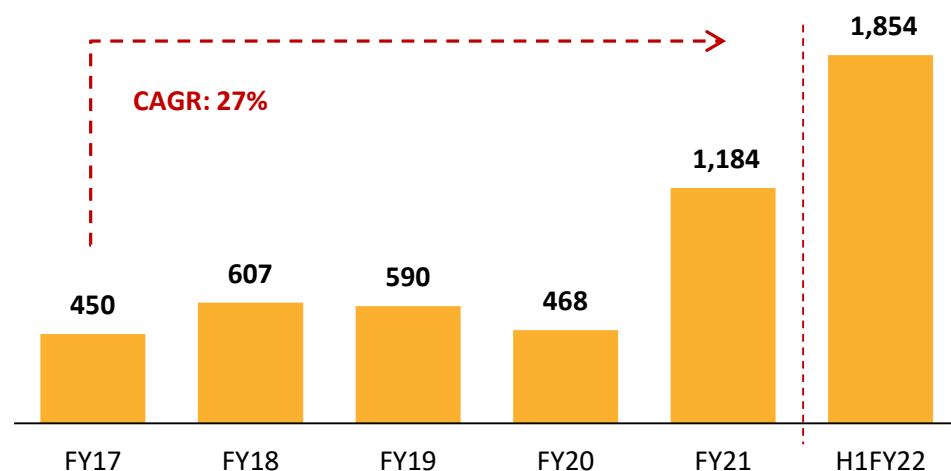


Pin code coverage-new clients acquired

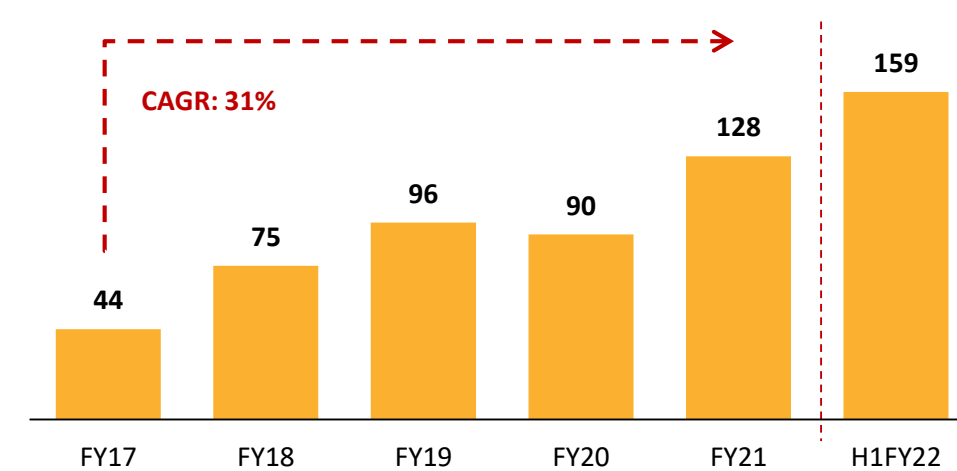


Strong growth in Distribution AUM serving to mass affluent

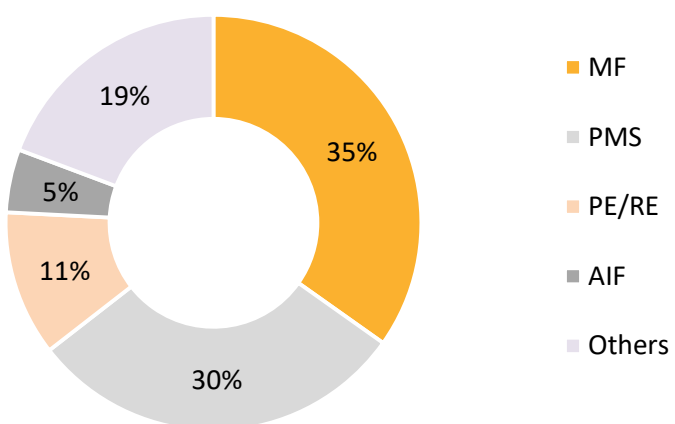
DP AUM growth trend (Rs bn)



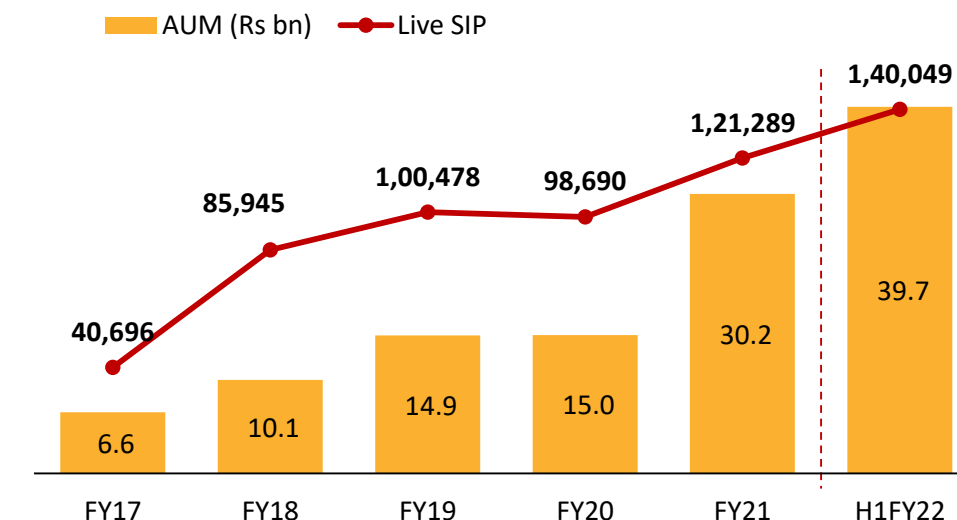
Rising Distribution (Mass Affluent) AUM (Rs bn)



Distribution AUM Mix



SIP AUM and Live SIP count



Retail Broking Business Model

Branch

- 93 Branches
- 3,400+ Employees
- 720+ Advisors for personalized services
- 5.7 lakh+ clients
- Focus on only clients with margin

Franchisee

- Largest Franchisee Network (500+ cities)
- 6200+ Active Partners
- 600+ Employees
- 420+ Advisors
- 12.5 lakh+ clients
- Local Advisory for new clients

PCG

- HNI Client Servicing
- 100+ Advisors
- 6,500+ HNIs

Digital

- Online client acquisition/ advisory
- 700+ Employees
- 470+ Advisors
- 5.5 lakh+ clients
- 51% of incremental new client acquisition through digital channel

Broking Business Enablers

Distribution

- Unique & Diversified Product Offerings- MF, PMS, AIF, PE, RE, Insurance, Bonds
- Rs 159 bn AUM
- SIP AUM- Rs 39.7 bn
- Live SIP Count- 1.4 lakh
- 3.2 lakh unique clients
- Team of 230+ people

Products

- IPO Financing
- Working Capital Financing
- Margin Funding
- Commodity & Currency

Research

- 275 stocks under coverage
- Advisory AUM Rs 11.5 bn
- Building Product Basket for distribution with RIAs covering both Cash and F&O segments
- Unique Investment Baskets from research coverage with smooth execution feature

Technology

- Separate apps for Traders and Investors- only broker to have dedicated trader platform
- 4.1 mn app downloads till date
- 46.3 mn website traffic & 0.85 mn logins in H1FY22
- AI enabled Advisory Terminals
- Need based products

01

Prospecting & Acquisitions

Digital Presence:

- Social Media
- Branding
- Website Engagement



15 Mins On-Boarding:

- Mobile
- Website
- DIY & Assisted Model



02

New Client Engagement

- Real time research delivered directly on Mobile with one click execution



- Digital journeys – induct and familiarize clients – products / services / platforms



- Multi language digital product demos and videos



- Education focused Offerings – video tutorials and webinars



03

Multi Node Client Servicing

Best in Class Products

Robo driven products / offering for all investor & trader types / multiple startup integration / wealth creation at the core



Habit Sensitive Platforms

Only broker to have specialized platforms for traders & investors / completely aligned product suit on each platform



ML Backed Services

Machine learning powered customer engagement / Artificial intelligence to customize offerings



04

Engaging Clients – On-Going

Digital Engagement

Behaviour based artificial intelligence powered product sales / machine learning powered customized advisory / data assisted engagement automated engagement journeys





Data & Analytics Backed By:

Automated Digital Engagement | Real Time Client Campaigns | Product Design basis VoC and Feedback | Predictive Analytics

**AMC Closing AUM
Rs 496 bn,+32% YoY in
H1FY22**

**Strong traction in AMC
net sales, 5x YoY
growth in H1FY22**

**Strong growth in SIP
addition, +62% YoY**

**SIP Flows touched all
time high in Sep at Rs
190 cr**

**Market share of 1.5%
in MF Equity AUM**

Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Avg. AUM (bn)	486	370	32%	444	10%	465	343	35%
Total Revenues	1,472	1,162	27%	1,381	7%	2,853	2,198	30%
-Mutual Fund (Net)	379	258	47%	346	10%	726	498	46%
-Alternates (Net)	493	424	16%	481	3%	973	782	25%
Opex	319	280	14%	339	-6%	658	547	20%
EBITDA	571	411	39%	497	15%	1,068	746	43%
EBITDA Margin	39%	35%	-	36%	-	37%	34%	-
PBT	565	399	42%	491	15%	1,056	729	45%
PAT	417	290	44%	356	17%	773	530	46%

- Strong growth in PAT on YoY basis led by strong growth in average AUM.
- In Q2FY22, MF AUM stood at Rs 307 bn (+46% YoY), while PMS and AIF AUM stood at Rs 157 bn (+13% YoY) and Rs 29 bn (+28% YoY) respectively.
- Gross sales of AMC improved 77% YoY in H1FY22 led by 55% YoY growth in MF and 5x growth in AIF sales . Net sales of AMC grew by 5x YoY in H1FY22.
- Added around 2.2 lakh SIPs in H1FY22, +62% YoY. New SIP count market share stood at 1.7% in H1FY22.
- SIP inflows in H1FY22 was at Rs 10.4 bn, +30% YoY (on realised basis).

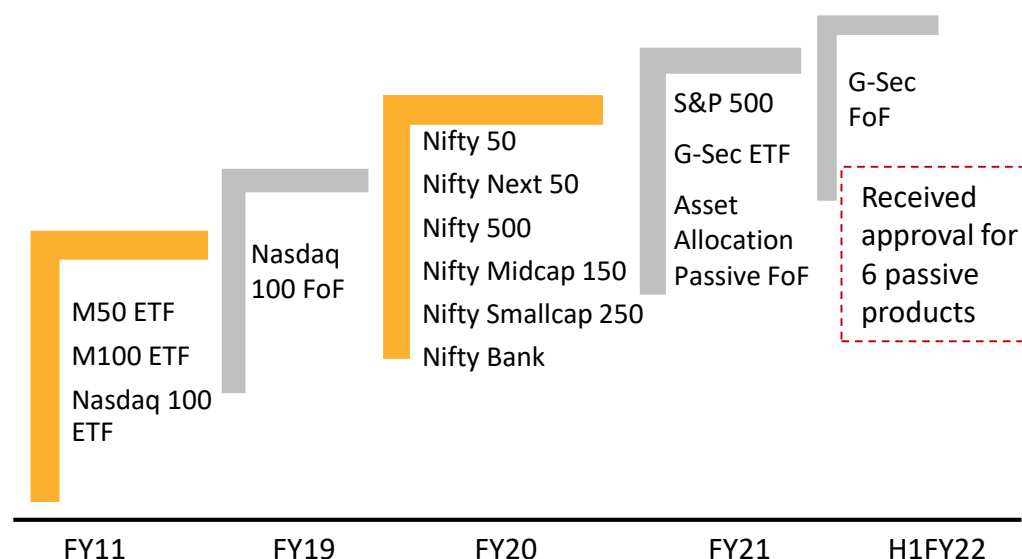
- Distribution reach is expanded by reaching out to more number of IFAs and tie-up with banking channels.
- We are one of the largest players in CAT III long only close ended AIF with AUM of Rs 46 bn (Rs 29 bn AUM + Rs 17 bn commitment).
- Favourable response to alternate offerings under AIF strategy, garnered Rs 14.9 bn in H1FY22. Expect continued strong flows in a few more AIF strategies which are in pipeline.
- Moreover, exit of some of the AIF strategies with strong returns will not only help us gain investor's confidence but also in accumulating gain from share of profit from the exits.
- Launched Motilal Oswal 5 year G-Sec FoF during the quarter which would invest in Motilal Oswal 5 year G-Sec ETF.
- Received strong traction in Passive offerings, our AUM more than tripled within a year to Rs 87 bn. Most of the investments by large family offices are preferring our unique passive and international offerings.
- Retailization of passive strategy will help on-board clients from the bottom of the pyramid which are typically new to the equity asset class or have lower risk appetite.

Performance across product and categories

Product	Strategy	Inception Date	1 Year Return	Since Inception Return	Since Inception Alpha
PMS-Value	Large-Cap	25-Mar-03	47.9%	20.3%	2.4%
PMS-NTDOP	Multi-Cap	11-Dec-07	56.8%	16.6%	4.8%
PMS-IOP	Mid-Cap	15-Feb-10	53.3%	10.1%	-
MF – F-25	Large-Cap	13-May-13	49.0%	15.8%	0.5%
MF – F-30	Mid-Cap	24-Feb-14	67.8%	20.6%	-
MF – Flexi Cap	Flexi-Cap	28-Apr-14	43.1%	18.8%	2.4%

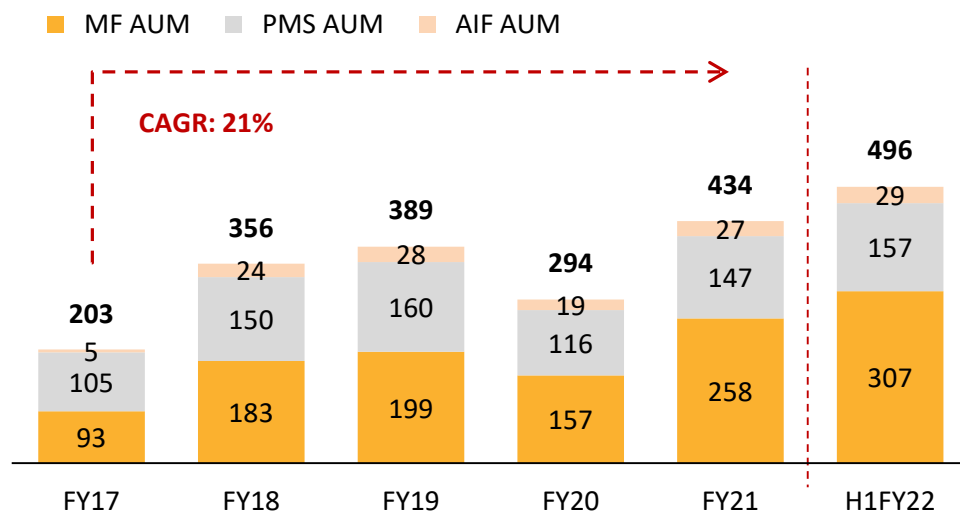
* Read above MF (direct) performances with their corresponding Disclaimers in the funds' Fact Sheets, which are available in www.motilaloswalmf.com.

Passive Product Launches

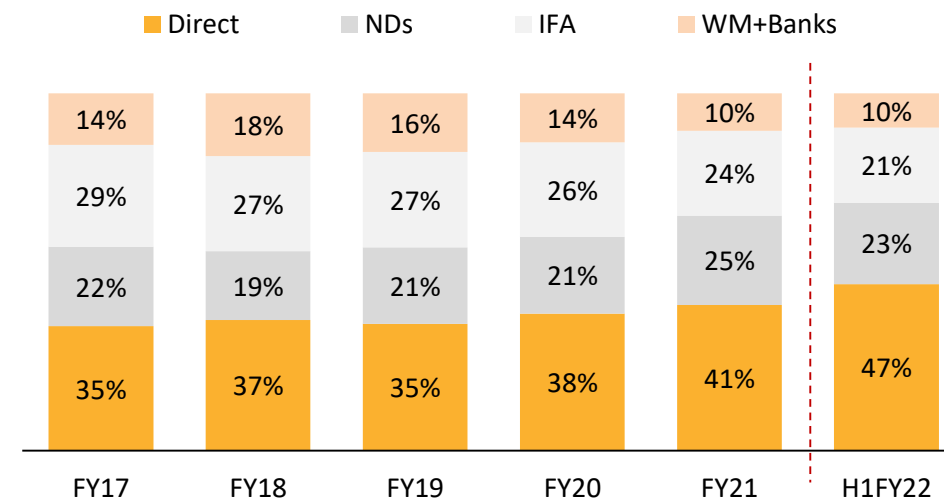


Asset Management – Potential levers to scale business

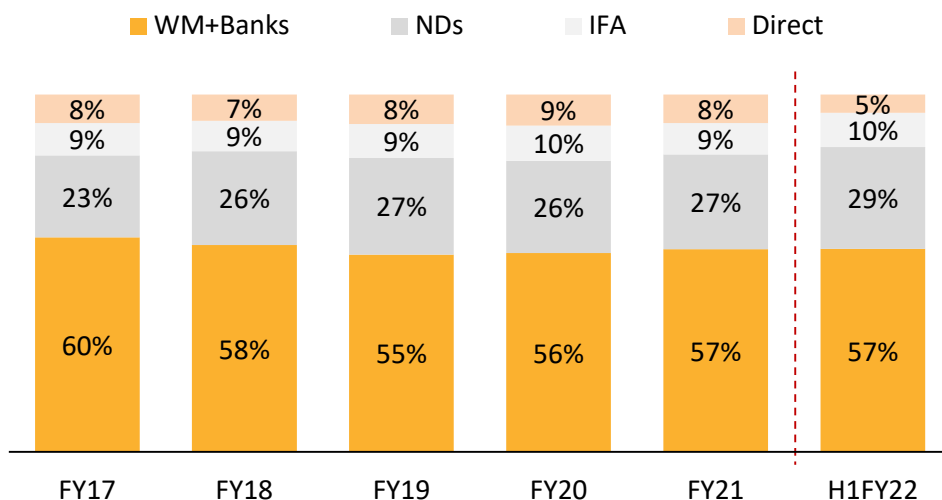
MOAMC AUM breakup and growth trend (Rs bn)



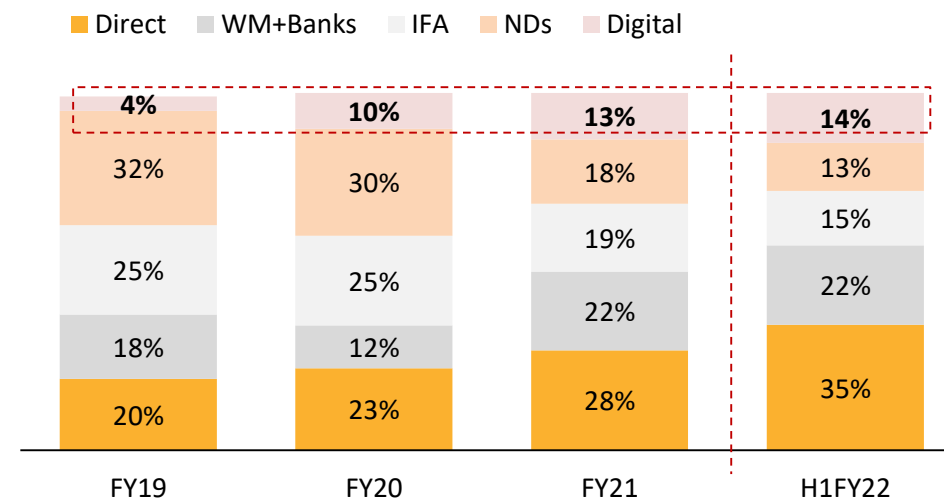
MOMF AUM mix



MO Alternates AUM mix

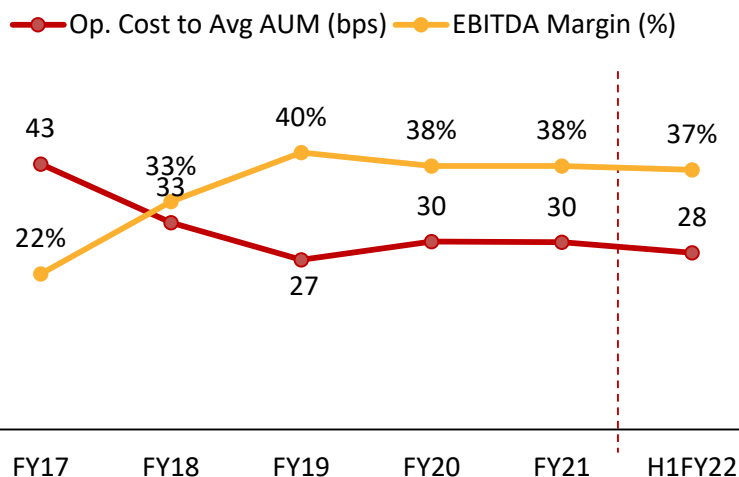


MO MF GS mix

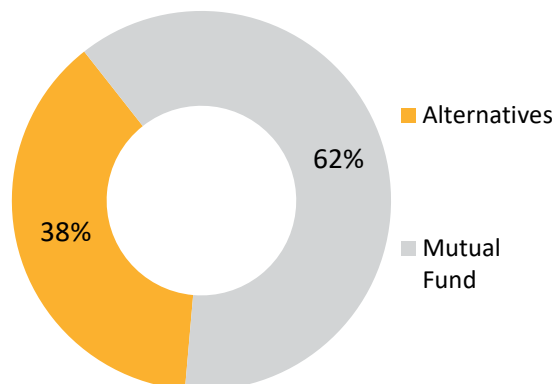


Asset Management – Potential levers to scale profitability

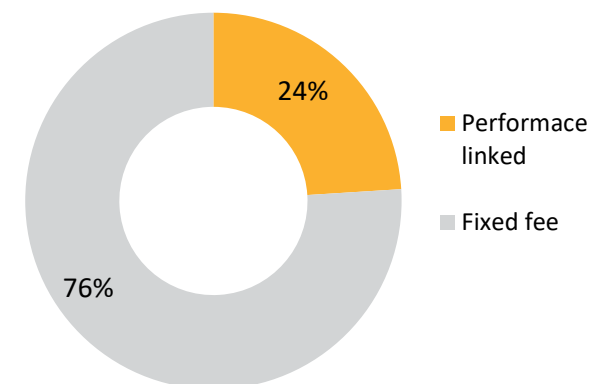
AMC EBITDA Margin and Opex to AAUM trend



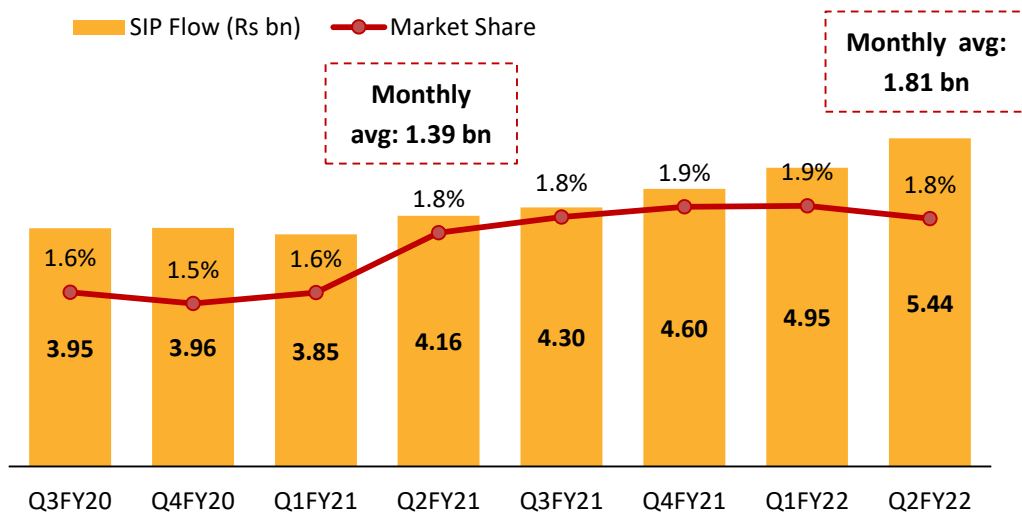
Alternatives share in AUM



Performance linked AUM share in alternatives

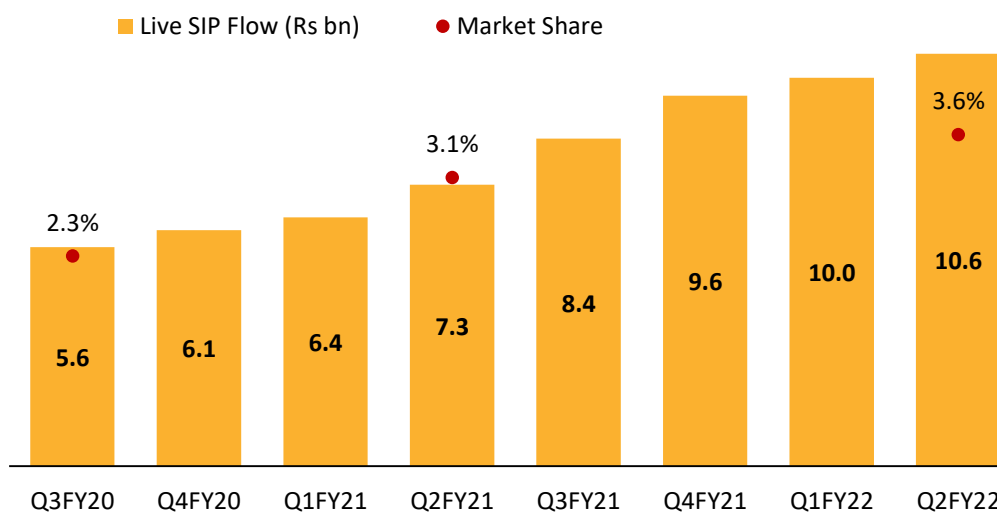


MOMF SIP flows (Rs bn)



Note :SIP Flows amount are on realized basis

MOMF Live SIP Flows (Rs bn)



Note : Live SIP Flows amount includes unrealized flows.

Committed investment AUM till date stands at Rs 69 bn, +6% YoY

IBEF IV, one of the biggest fund, with a target size of Rs 40 bn launched

IREF V achieved its 2nd close at Rs 8.1 bn

Strong performance of IREF II & III funds with +21% IRR

Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Total Revenues	1,510	268	463%	257	487%	1,767	487	263%
Operating Cost	475	158	200%	169	182%	644	302	113%
EBITDA	1,035	110	-	88	-	1,123	185	-
PBT	1,034	107	-	88	-	1,122	181	-
PAT	864	68	-	62	-	926	121	-

- PE Revenue and PAT includes Rs 1,233 mn and Rs 827 mn respectively of profit on exit of investments in Q2FY22.
- IBEF IV fund launched with a size of Rs 40 bn. We have received strong response for this fund and closure of this fund will be sooner than expected. The full impact on the fee based revenue will be visible in FY23.
- Most of our investments across PE & RE products will start maturing in next 18-24 months which will result in high profits from exit of investments on consistent basis.

PE Funds	Active Funds (Rs bn)	No. of Investments
IBEF II	10	11
IBEF III	23	9
Total	33	20

RE Funds	Active Funds (Rs bn)	No. of Investments
IREF II	5	14
IREF III	10	24
IREF IV	11	11
IREF V	8	3
Total	34	52

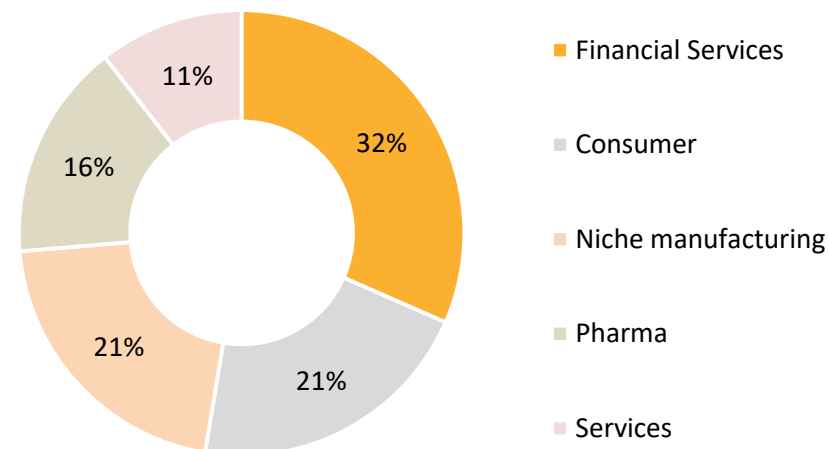
Growth PE Funds

- MOPE Funds stand out with stellar performance. Fund I has exited all its 13 investments and delivered a portfolio IRR of 26.8%.
- Fund II was deployed across 11 investments after raising commitments from marquee institutions; portfolio exits have commenced with 1 divestment completed and the balance lined up over next few quarters.
- Fund III was raised in 2018 with a corpus of ~Rs 23 bn of which it has already committed 89% across 9 investments; the Fund is extensively evaluating opportunities for deploying the balance amount.
- Recently launched Fund IV with an estimated corpus of ~Rs 40 bn; initial traction has been quite encouraging and the team expects to announce first close of Fund IV soon

MOPE Funds Performance

No. of Investments	32
Investments Fully Exited	14
Drawdown	Rs 23.7 bn
Amount Invested	Rs 21.2 bn
Current Value of Investments	Rs 42.8 bn
Average IRR of Fully Exited Investments (IBEF 1 st Fund)	26%+

MOPE Funds- Sector Allocation



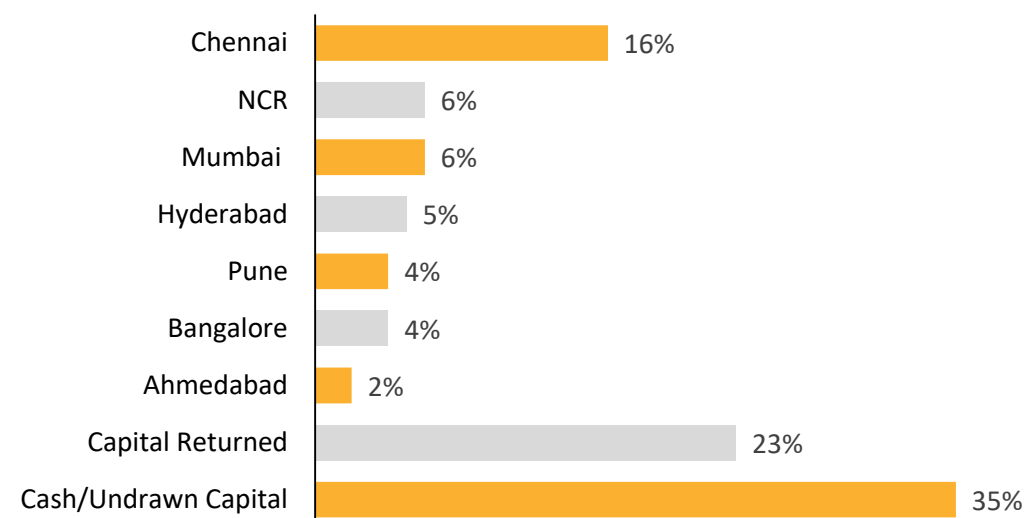
Real Estate Funds

- IREF II is fully deployed across 14 investments. The Fund has secured 10 complete exits and 1 structured exit and has returned money equalling 134.8% of the Fund Corpus back to the investors. Average IRR on exited investments is 21.3%
- IREF III has deployed Rs 14 bn including reinvestments across 25 investments. The Fund has secured 10 full exits and has returned money equalling 63.7% of the investible funds back to its investors. Average IRR on exited investments is 22.5%.
- IREF IV, with a size of Rs.11.48 bn has deployed Rs 7.4 bn across 15 investments. It has secured 4 full exits and has returned money equalling 14.9% of the investible funds back to its investors. Average IRR on exited investments is 21.3%.
- IREF V with a target size of Rs 10 bn achieved 2nd close at Rs 8.1 bn during the previous quarter. The Fund has deployed Rs 1 bn across 3 investments till date.

MORE Funds Performance

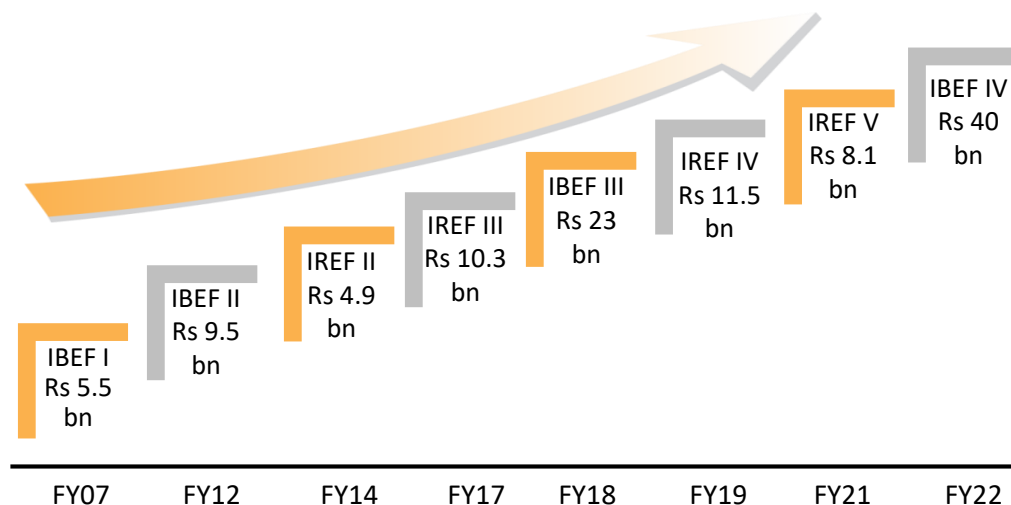
No. of Investments	70
Investments Fully Exited	35
Amount Invested	Rs 34.5 bn
Total Receipts	Rs 29.9 bn
Amount Distributed	Rs 19.7 bn
Average IRR of Fully Exited Investments (Fund II, III & IV)	21%+

MORE Funds- City Allocation

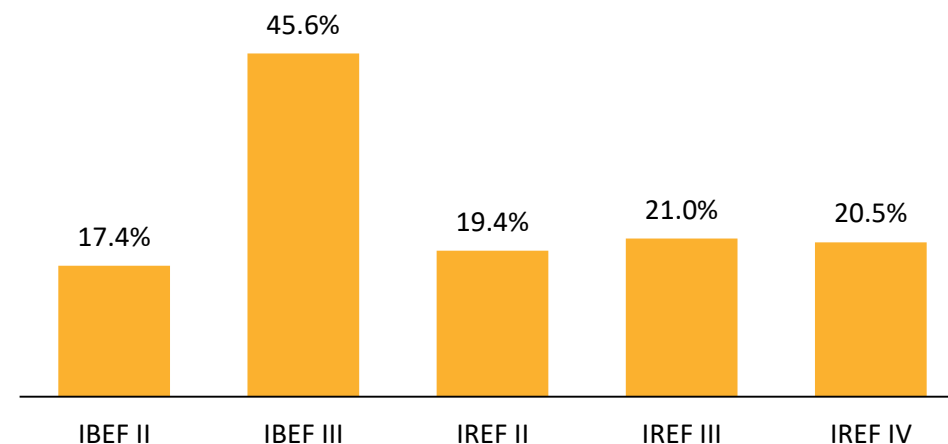


PE & RE– Exits from 7 funds provides strong visibility over next decade

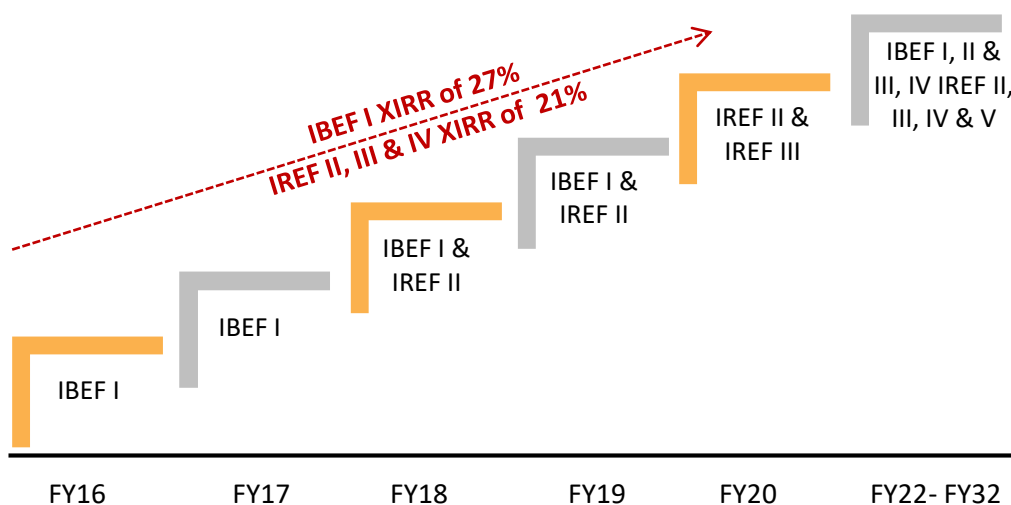
Launch period of PE & RE Funds



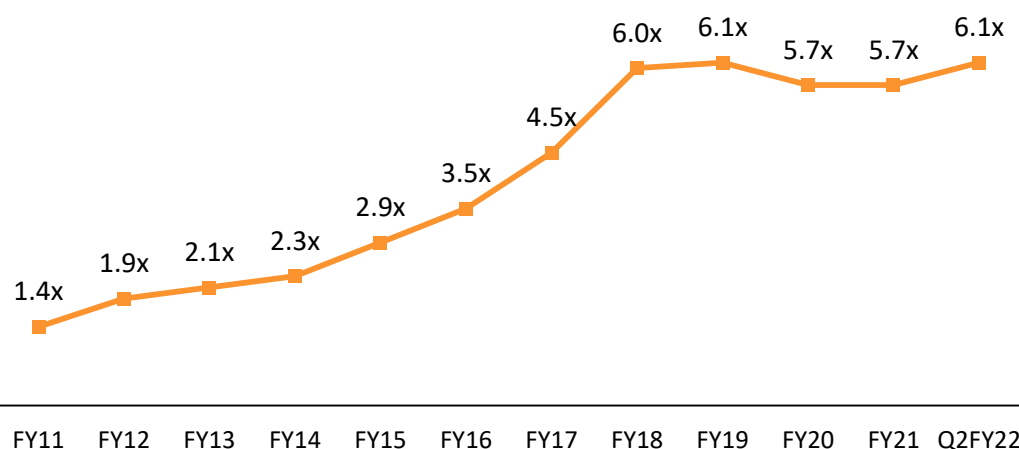
PE & RE Fund Level IRR



Exit period of PE & RE Funds



IBEF exits delivered 6.1x MoC



WEALTH MANAGEMENT- Aiming high

Wealth AUM
at an all-time high at Rs
315 bn, up 57% YoY

Strong traction in Net
sales at Rs 30.4 bn in
H1FY22, +127% YoY

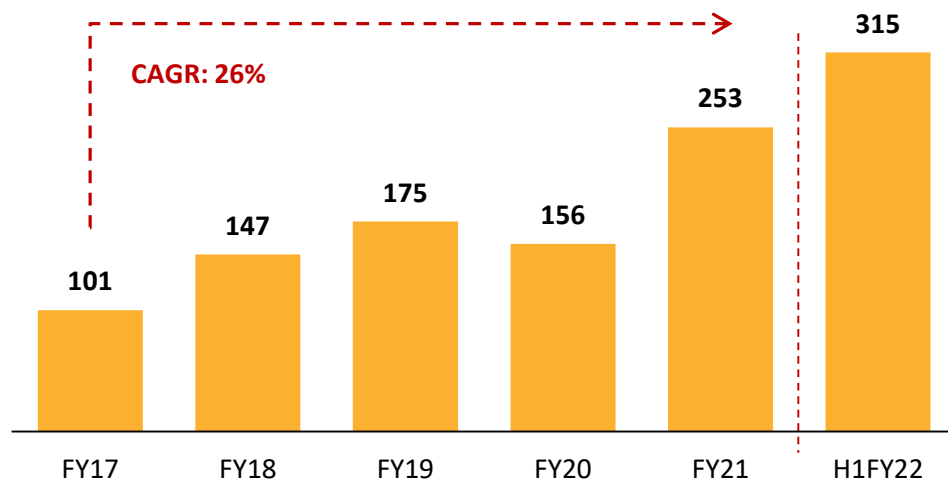
Trail income covers 87%
of expenses; will help
in protecting margin in
downturn

Total families at 4,416

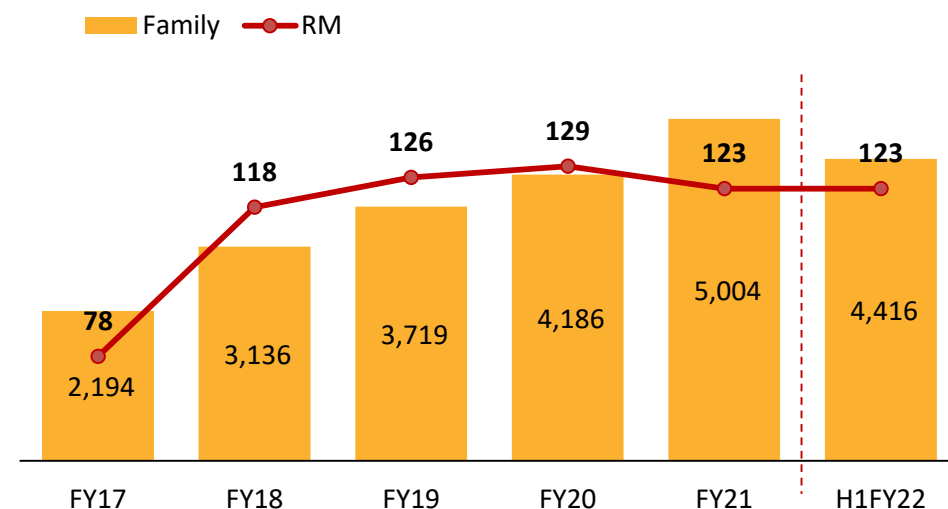
Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
AUM (bn)	315	200	57%	288	10%	315	200	57%
Revenues	476	349	36%	396	20%	872	570	53%
Operating Cost	268	236	14%	225	19%	493	453	9%
EBITDA	208	113	84%	171	21%	379	118	222%
EBITDA Margin	44%	32%	-	43%	-	43%	21%	-
PBT	204	110	86%	163	26%	367	111	229%
PAT	154	82	88%	117	32%	271	82	230%

- Wealth business demonstrated strong growth in revenue and profitability led by traction in net sales and average AUM.
- Net Sales at multi quarter high in Q2FY22 at Rs 19.9 bn, +309% YoY and +88% QoQ.
- Strong operating leverage is visible led by improvement in RM productivity. We continue to invest in this business by adding RMs.
- RM Vintage (3+ years) have improved significantly to 50% in Q2FY22 from 35% in Q2FY21.
- Trail based revenue model since inception has helped us to cover our fixed costs despite higher investment in RMs in the recent past.
- Yield improved by 7 bps QoQ to 63 bps. Equity mix of ~64% in total AUM in H1FY22.
- Launched several new products during the quarter across various asset classes. New portfolio managers are getting on-boarded with differential offerings.
- Focus on pre IPO and unlisted equity funds which is gaining traction in current market environment.

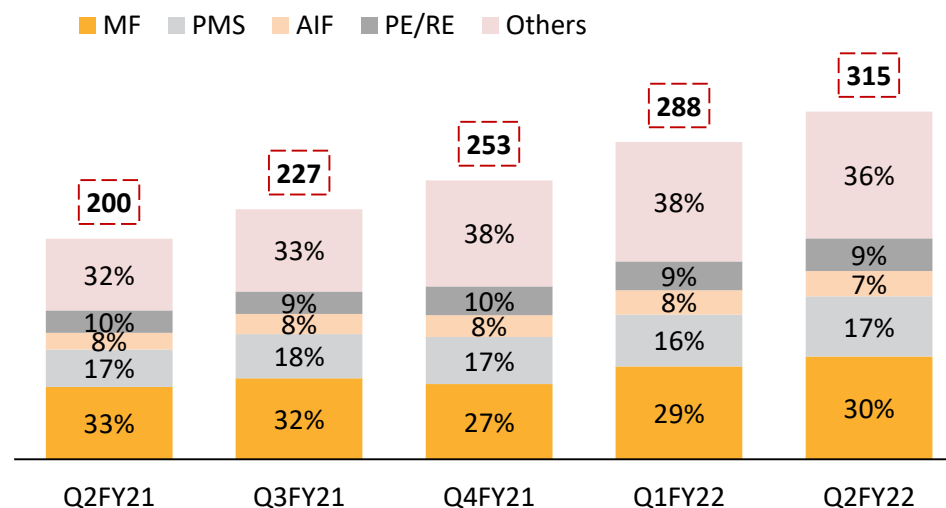
Wealth AUM (Rs bn)



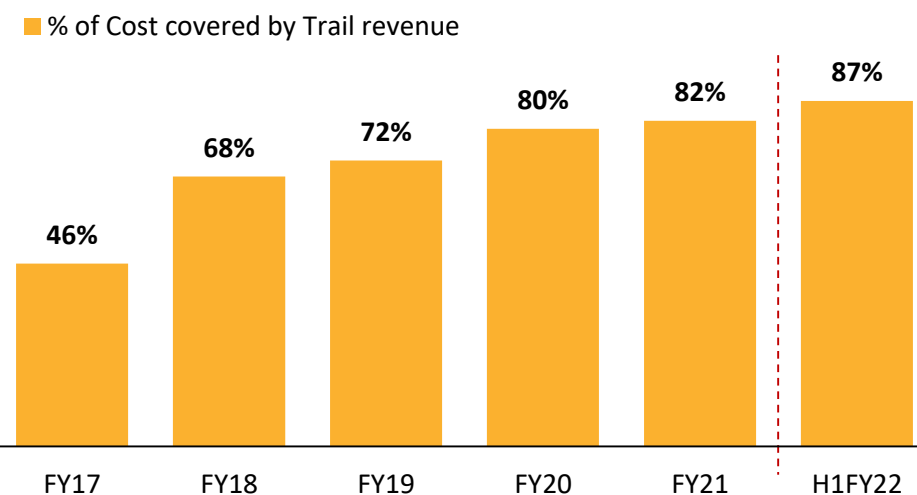
Wealth UHNI Family Clients and Sales RM



AUM Breakup (Rs bn)



Trail income will protect margin in downturn



IND AA/Stable rating assigned, outlook upgrade to Positive by CRISIL and rating upgraded to ICRA AA-

Logins & disbursements have seen strong uptick in Q2FY22

Improvement in CoF led to margin expansion

Incremental funds raised @7.07% in H1FY22

Tier 1 CAR remains robust at 48% and liquidity remains strong

Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Net Interest Income (NII)	694	558	24%	615	13%	1,309	1,126	16%
Total Income	733	563	30%	734	0%	1,467	1,141	29%
Operating Cost	253	202	25%	250	1%	504	412	22%
- Employee Cost	178	133	34%	180	-1%	358	277	29%
- Other Cost	76	70	8%	70	7%	146	135	8%
Operating Profit (Pre-Prov.)	479	360	33%	484	-1%	964	728	32%
Provisioning	202	193	5%	372	-46%	574	320	79%
PBT	277	167	66%	112	147%	390	408	-4%
PAT	201	57	253%	85	137%	285	168	70%

- Disbursements in H1FY22 stood at Rs 2.5 bn, +198% YoY. Business is geared up for stronger growth in disbursements in H2FY22. Sales force expansion is currently underway.
- Incremental COF was around 7.07% in H1FY22. Net gearing remained conservative at 2.5x, CRAR robust at 50%.
- Yield on Advances stood at 13.9% in H1FY22 while Cost of Funds was down by 110 bps YoY to 8.4%, resulting in expansion in Spread by 70 bps YoY to 5.5%.
- NII grew by 16% YoY in H1FY22 led by robust disbursement and improvement in cost of funds. NIM expanded to 6.9% in H1FY22 mainly on account of lower cost of funds.
- In H1FY22, provisions were higher due to impact of 2nd Covid wave and restructuring. Total PCR stood at 124% including Standard and Covid provisioning.
- In Q2FY22 business has come back strongly led by revival in demand and customers confidence. Our collection efficiency in September has reached to ~100% and with better resolutions we are able to bring down GNPA/NNPA to 2.2%/1.4% respectively.
- MOHFL carries liquidity on balance sheet of Rs 1.3 bn representing 5% of its borrowing. Undrawn sanction of Rs 9.8 bn as of Sep-21.
- IND AA rating assignment by India Ratings, outlook upgrade by CRISIL to CRISIL AA- Positive and rating upgrade by ICRA to ICRA AA-, all restores confidence on company and acknowledge its initiatives taken to revive the business.

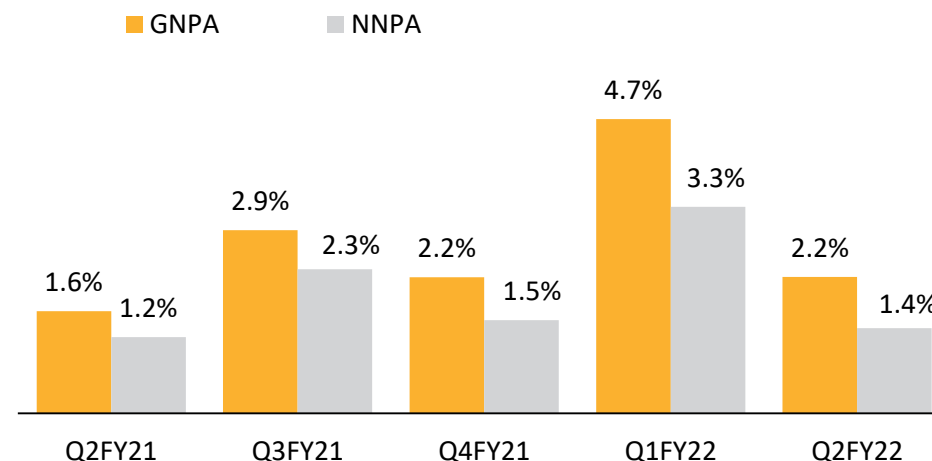
ECL Provisioning Details

Particulars (Rs mn)	H1FY22
Stage 1 & 2	33,731
% portfolio in stage 1 & 2	97.82%
Stage 3	751
% portfolio in Stage 3	2.18%
ECL Provision % Stage 1 & 2	1.92%
Total Assets	34,482
ECL Provision	931
ECL Provision %	2.70%
Coverage Ratio % (incl. Std. and Covid provisioning)	124%

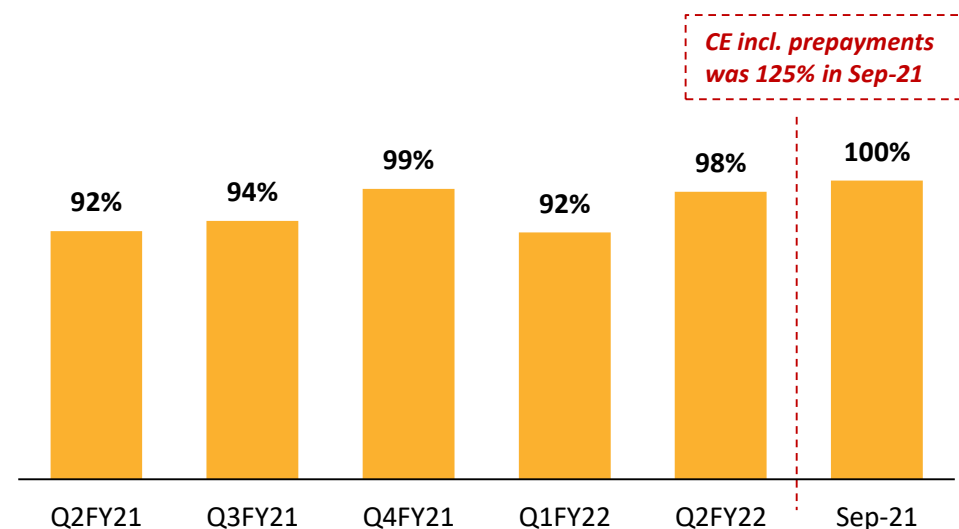
MOHFL's geographic reach - Presence across 101 locations in 11 states/UTs

State	Nos. of Branches
Maharashtra	31
Gujarat	15
Tamil Nadu	14
Rajasthan	10
Karnataka	9
Madhya Pradesh	8
Andhra Pradesh	5
Chhattisgarh	2
Telangana	2
Haryana	3
Delhi	2

MOHFL's GNPA and NNPA Trend

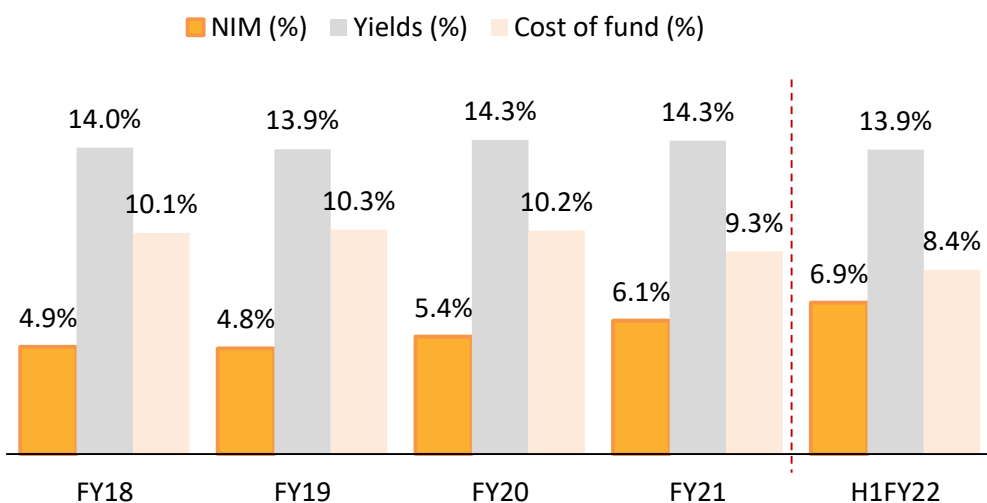


Collection efficiency trend

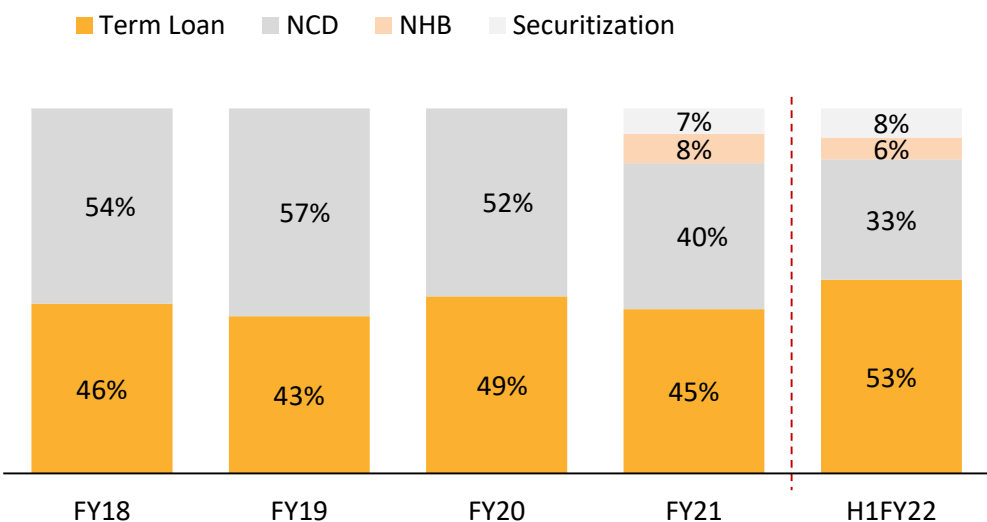


Home Finance – Strong liability management

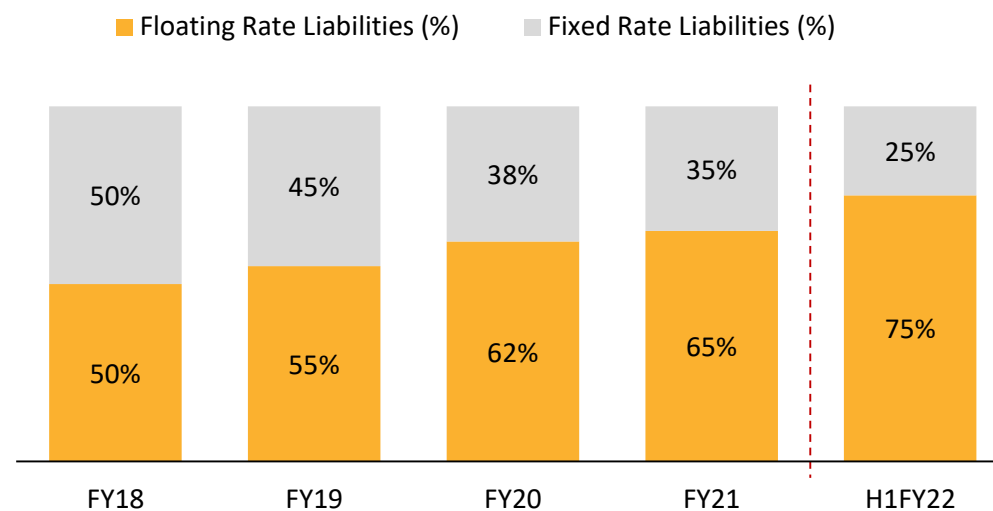
NIM expansion led by traction in CoF



Diversified liability mix

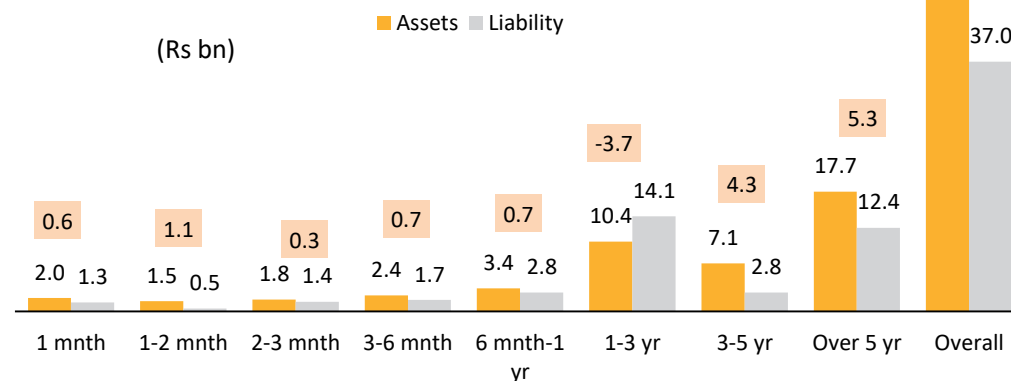


Liability mix based on rates (%)

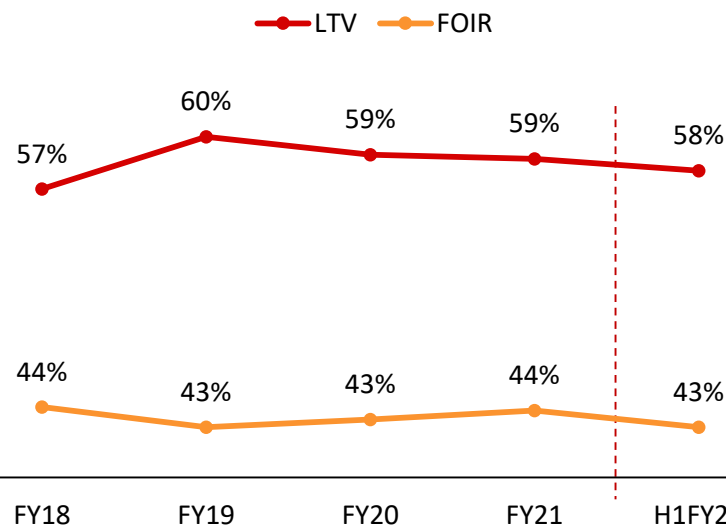


Positive ALM for 1 year

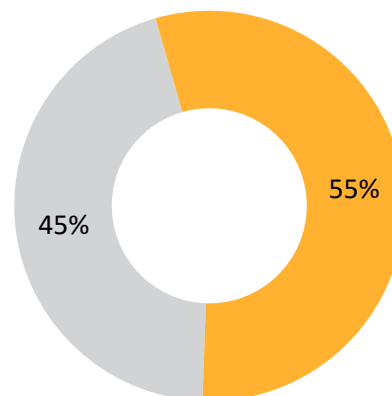
Strong liquidity on balance sheet with undrawn sanction of Rs 9.8 bn & cash of Rs 1.3 bn.



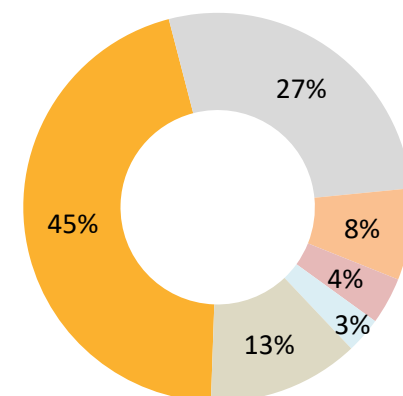
Conservative LTV and FOIR



Customer segment mix and Product mix



Self Employed Salaried



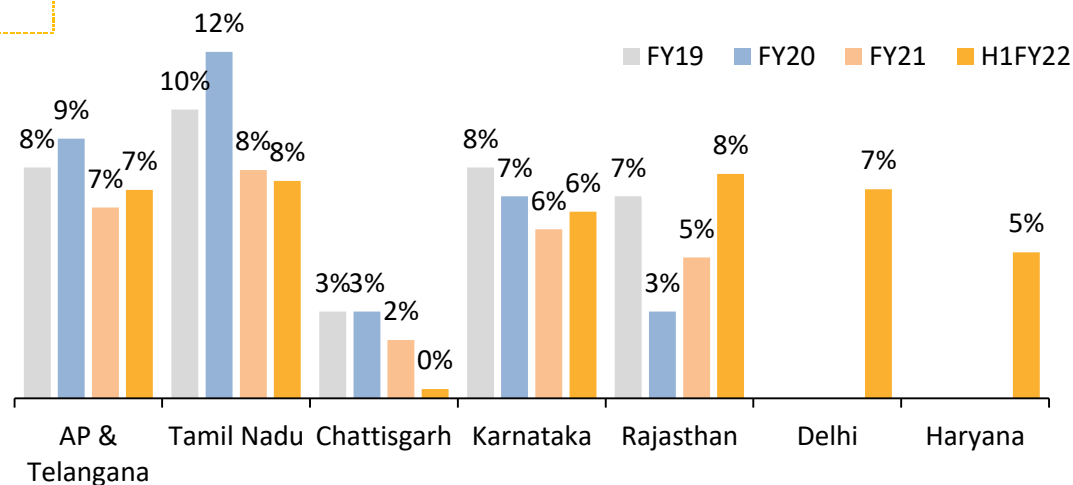
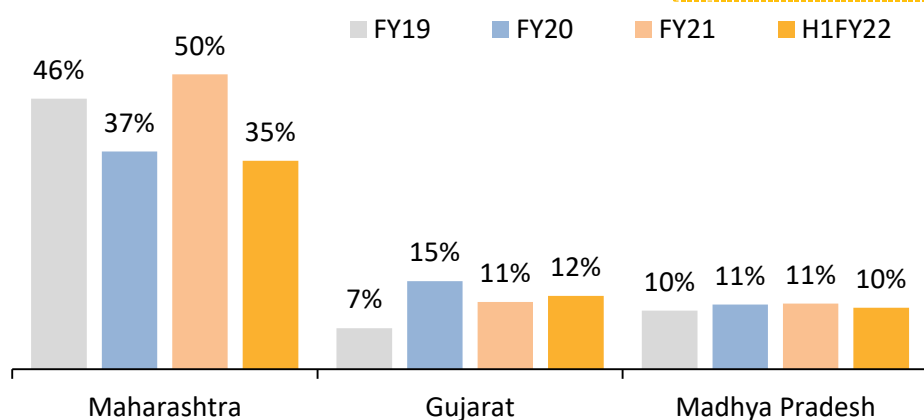
New Purchase
 Self-Construction
 Resale
 Home Improv./Ext.
 Composite
 Others

State Wise Disbursement– Rising new state contribution

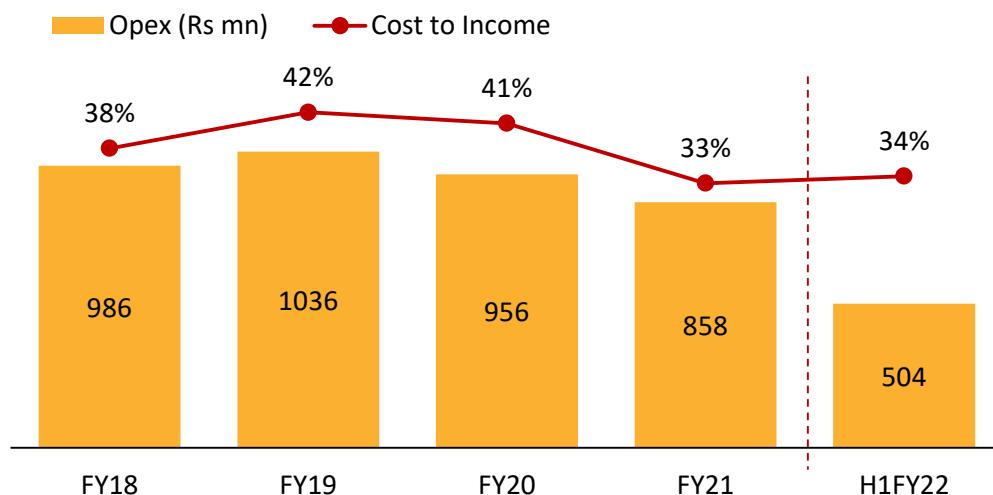
Old States

Incremental contribution from new state is rising leading to lower concentration risk

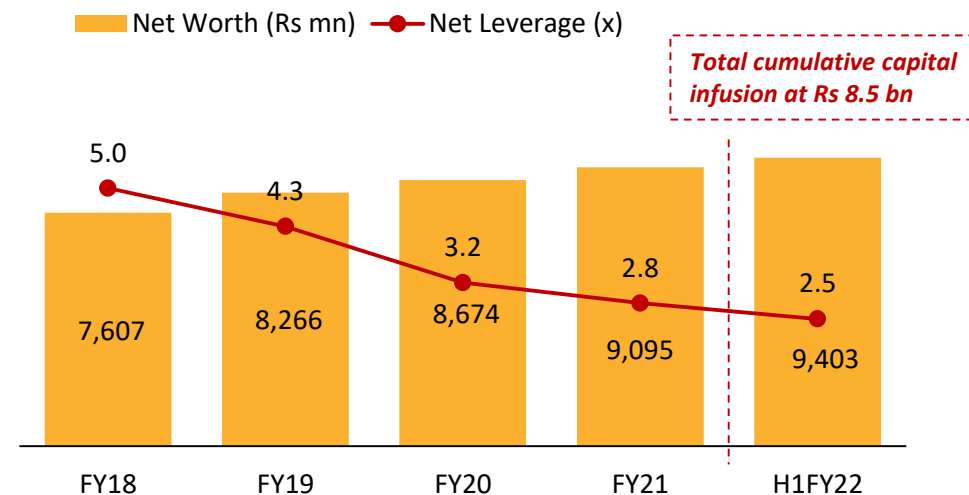
New States



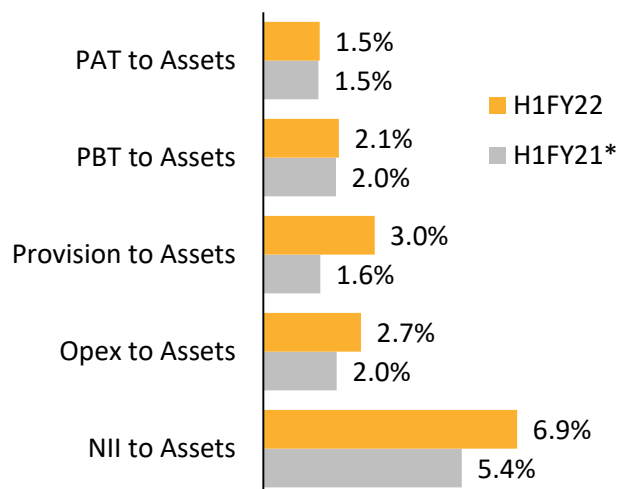
Opex and Cost to Income trend



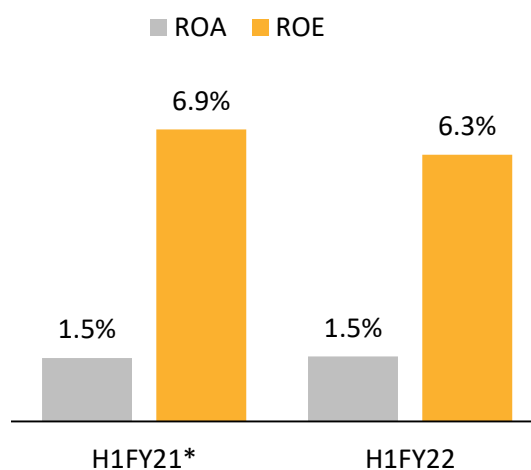
Net Worth (in mn) and Net D/E



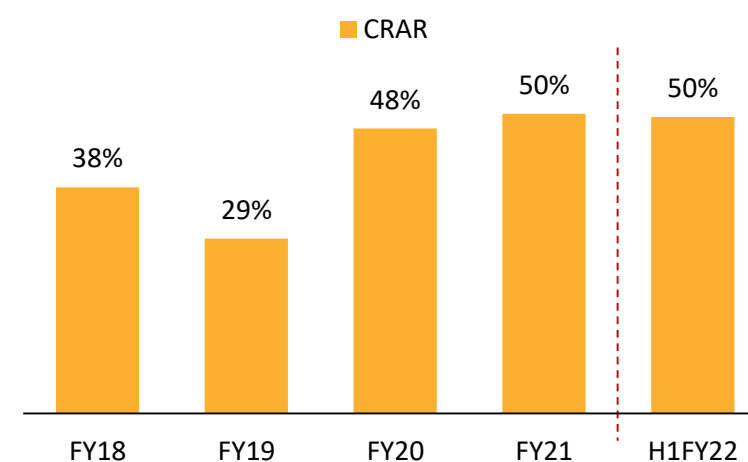
ROA Tree



ROA and ROE Trend



Capital adequacy ratio trend



*ROA and ROE are after excluding the impact of adoption to new tax regime in FY20.

Informal Self Employed



Age 34//Location- Hadapsar

- Auto rickshaw driver since last 8 years, earns ~ Rs 28k p.m.
- Additionally, wife runs her own flower business where she earns ~Rs 8k p.m.
- Income assessment done basis route and average daily run of auto as well as business purchases and contracts
- Loan of Rs. 8 lakh sanctioned for home construction with LTV of <40% and EMI of Rs. 9,671

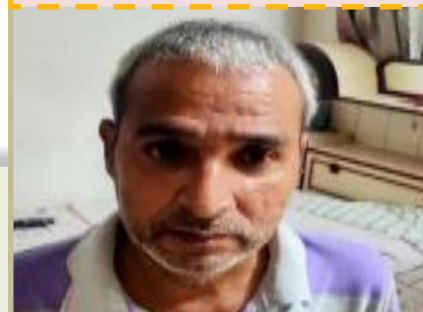
Formal Self Employed



Age 43//Location- Jaipur

- Owner of a dhaba in Jaipur; started this business 10 years back
- Income from business is ~ Rs 65k p.m.
- Additionally son runs another Dhaba in Jaipur
- Due to the nature of his business, he found it tough to get loan from large FIs.
- He approached MOHF and we sanctioned him a loan Rs 25 lakh with LTV <64%

Bank Salaried



Age 48//Location- Sitapura

- Salaried employee, works as a teacher in a Govt. school in Chaksu, Rajasthan
- Salary of Rs 65k p.m.
- Family of 4 people who were staying in a joint family owned accommodation in Jaipur
- He approached us through our connector channel
- Loan sanctioned of Rs 25 lakh at 11% RoI with FOIR <46% and LTV <67%

Cash Salaried



Age 50//Location- Faridabad

- Cash salaried employee, works as a machine operator in a workshop for last 5 years
- Salary of Rs 19k p.m.
- Total family income is Rs 50k p.m.
- It was difficult for him to avail a loan to purchase his first home from other FIs due to his income profile
- Loan sanctioned of Rs 9.5 lakhs at 13.5% RoI



Mobility

- MO Parivaar App for all stakeholders
- 360 Degree view of customer for employees
- Download various certificate, statements and receipts
- Online EMI, PEMI & Part payment facility
- Online E-KYC
- Employee Training Application

Digital Marketing



- Chat Bot and E-mail BOT solution for customer query handling
- Whatsapp solutions is In-process
- Digital promotion on major online media platform
- 14,000 + digital leads generated
- Social Media presence on Instagram, Facebook, Twitter, YouTube, LinkedIn



- 80% of channel partners are on-boarding with MO Partner Application
- Real-Time empanelment of MOF and MOP
- Real-Time lead sharing capability
- Real-Time lead Status



Channel Partners (MOF & MOP)

- E-Ticket system for customer query handling
- API Integration (CIRIF & Hunter)
- Digital documentation management
- Individual tracking platform for various loan processes
- Digital payment solutions



Infrastructure

FUND BASED INVESTMENTS

Total quoted equity investment including MTM gains was Rs 25.3 bn as of H1FY22.

Total unrealised gain on fund based investments at ~Rs 17.4 bn

Cumulative XIRR of ~19% on total quoted investments

XIRR of 33% on PE/RE investments

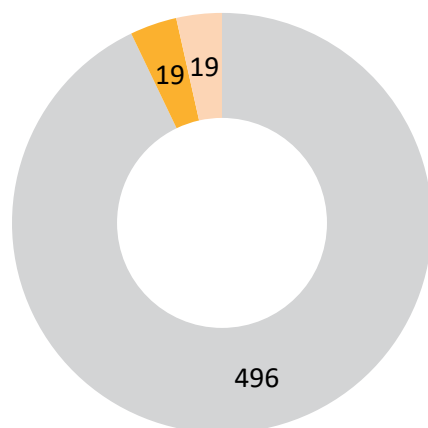
Particulars (Rs mn)	Q2FY22	Q2FY21	YoY (%)	Q1FY22	QoQ (%)	H1FY22	H1FY21	YoY (%)
Revenues	3,091	2,035	52%	1,108	179%	4,200	3,521	19%
-MF/Alternates	1,782	964	85%	1,209	47%	2,991	2,382	26%
-PE/RE	1,341	980	37%	-140	-	1,201	1,130	6%
-Others	-31	92	-	39	-	8	8	-7%
PAT	2,654	1,728	54%	913	191%	3,567	3,031	18%
Fund Based OCI	632	480	32%	-377	-	255	767	-67%
TCI	3,286	2,208	49%	536	513%	3,821	3,798	1%

- Fund based book includes gains/loss on sponsor commitments cum investments in equity MF, PE funds, Real estate funds, AIF and strategic equity investments.
- Total equity investment including alternate funds was at Rs 36.1 bn as of Sep-21, MTM of these gains are now included in earnings under Ind-AS reporting.
- Cumulative XIRR on total quoted equity investments is ~19% (since inception), whereas XIRR on PE/RE investments stood at 33%.
- These investments have helped “seed” our new businesses, which are scalable, high-RoE opportunities. They also serve as highly liquid “resources” available for future investments in business, if required.

Fund Based investments – Skin in the game

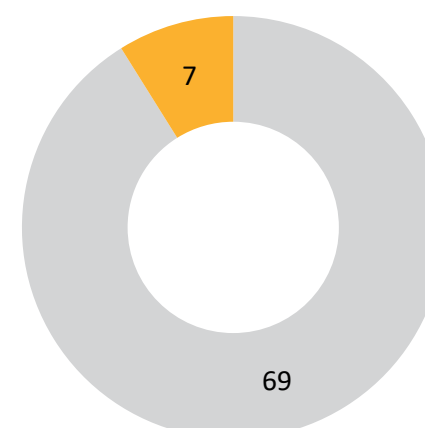
Skin in the game in AMC

■ AMC AUM (Rs bn)
 ■ Sponsor AUM (Rs bn)
 ■ Promoter AUM (Rs bn)

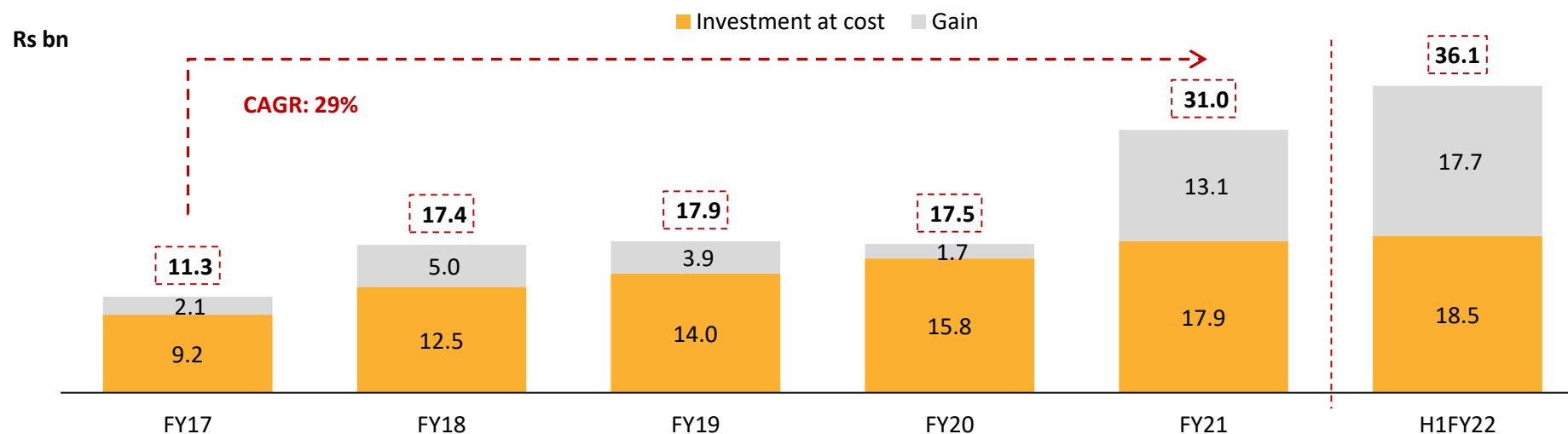


Skin in the game in PE

■ Committed investment AUM (Rs bn)
 ■ Sponsor Commitment in PE (Rs bn)



Strong Growth in investments over the years





ENVIRONMENTAL

- Usage of LED lights which consume 45% less electricity
- Emphasis on increased use of electronic means of communication
- Food wastage awareness drive in head office
- Main office building is equipped with rainwater harvesting system and recycled waste water is reused as flush water and in watering plants
- Around 1000+ trees planted by employees through various volunteer programs
- We ensure that we fund to projects which is on non agriculture land & non forest land and having all **environmental clearance**.
- MOHF follows **International Finance Corporation (IFC)** Performance Standard



SOCIAL

- Physical & emotional wellbeing assistance program
- Medical – Moral – Financial support to Employees & their families combating Covid
- Set standard practices is followed across all branches to ensure safety of employees
- Dedicated Talent Development Program for developing High Potentials, fast-tracking for Hi-Pos
- Company has formed committee **W-I-N-G-S (Women Initiative to Nurture, Grow & Succeed)** to ensure substantial women representation in mid-senior level of the organization
- Offers **home loan at concessional rate to women borrowers**.



GOVERNANCE

- Diverse Board Composition
- **50% Independent Director** in Holding Company and at least 30% in material subsidiary
- Average Board experience > 30 years
- Remuneration policy recommended by Nomination & Remuneration Committee
- Corporate Governance
- Code of Conduct Policy
- Risk Management Policy
- Data privacy policy
- Business Responsibility Reporting
- Policy for prohibition of Insider Trading
- Prevention of sexual harassment at workplace policy & awareness of the same through e-mailers

Awards & Accolades




**Motilal Oswal
Financial Services
Limited once again
recognized as a Great
Place to Work - India
certified
organization.**



**Asia Money Brokers
Poll 2020
No. 1 Local Brokerage
No. 1 Overall Sales,
No. 1 Sales Trading
Team,
No. 1 Corporate
Access Team**



**Motilal Oswal Wins
Best PMS in 10
years performance
across all categories
at India's Smart
Money Manager
Awards - 2021.**



**Motilal Oswal PWM win
"Best Boutique Wealth
Manager – India award
by Asset Triple A three
years in a row**



**Motilal Oswal PWM
win "Best Wealth
Manager - Highly
Commended (India)"
award at The Asset
Triple A Private Capital
Awards 2021.**



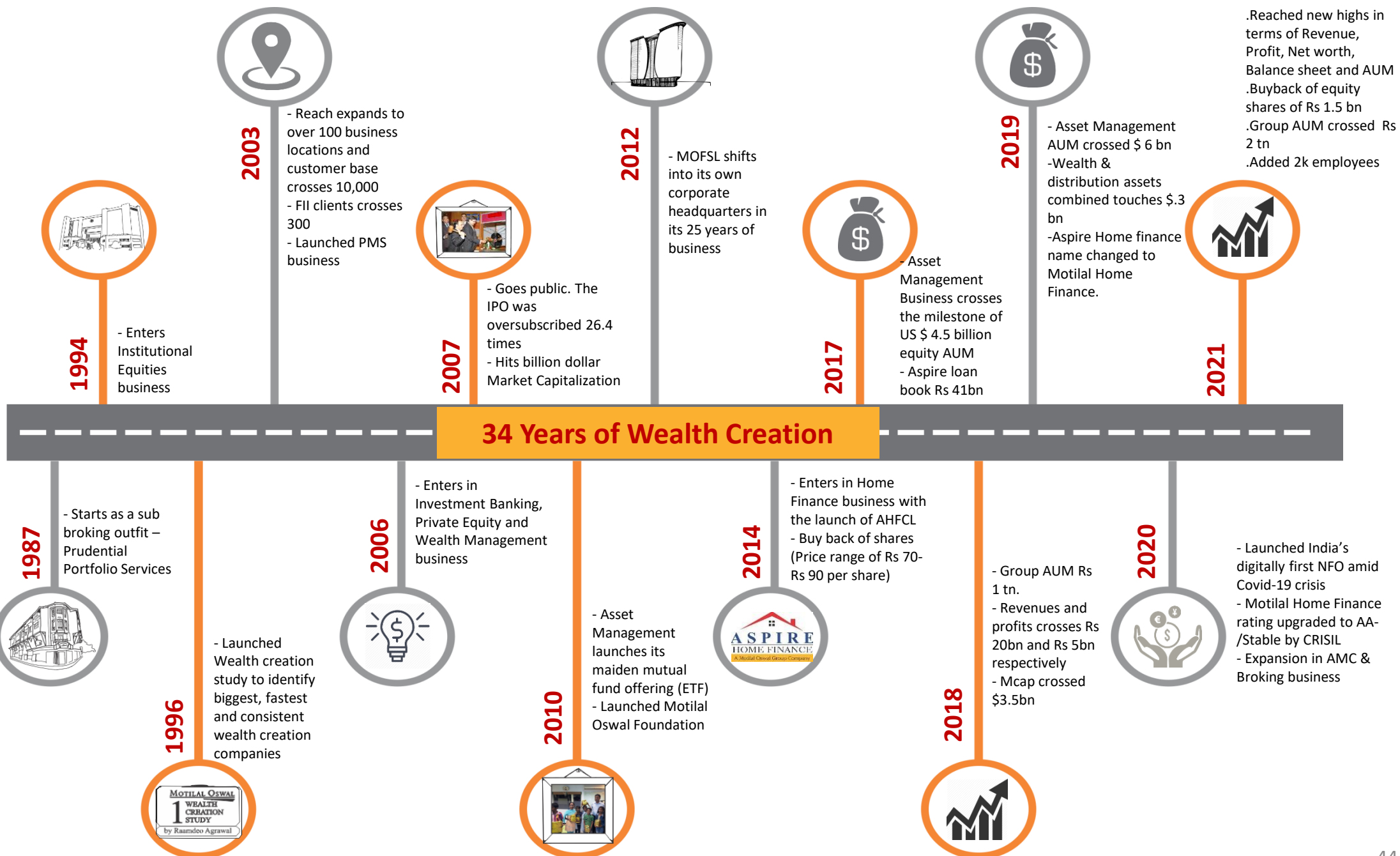
**Motilal Oswal Real
Estate awarded
"Franchise Brand of the
year Award" from
Franchise & Retail
Award 2021.**



**Motilal Oswal
wins Innovation in
cross media marketing
award for Skin in the
game campaign at Asia-
Pacific Stevie Awards.**



**Motilal Oswal
Corporate
Communication team
featured in Reputation
Today's top 30
corporate
communication teams
for 2021.**



Management team



Raamdeo Agrawal, Chairman

A CA by qualification, Mr Agarwal started MOFSL along with Mr Motilal Oswal in 1987. He is Chairman of MOFSL and also the co-founder of MOFSL. A keen believer and practitioner of the QGLP philosophy, his wealth creation insights and decades-rich experience have played a pivotal role in the growth of MOFSL.



Motilal Oswal, MD & CEO

A CA by qualification, Mr. Oswal started MOFSL along with Co-promoter, Mr Raamdeo Agrawal in 1987. He has served on the Boards of the BSE, Indian Merchant's Chamber (IMC), and on various committees of the BSE, NSE, SEBI and CDSL.



Navin Agarwal, MD & CEO – Asset Management

Mr Agarwal is a CA, ICWA, CS and CFA by qualification. He was responsible for the Institutional Broking & Investment Banking business and has been instrumental in building a market-leading position for the Group in Institutional Broking. He has been with MOFSL since 2000.



Ajay Menon , CEO – Retail Broking and Distribution

Mr Menon is a CA by qualification. He possesses over 23 years of experience in Capital Markets. He joined the Group in 1998. He is also a Whole time Director of MOFSL.



Rajat Rajgarhia , CEO – Institutional Equities

Mr Rajgarhia is a CA and MBA by qualification. He joined MOFSL in 2001 as a Research Analyst, went on to Head the Research team, and currently heads the Institutional Equities business.



Abhijit Tare, CEO – Investment Banking

Mr Tare brings with him over 25 years of rich experience in Institutional Equities and Investment Banking. He is a CA by qualification. He has worked with TAIB Securities and HRS Insight. He joined MOFSL Group in 2004.



Arvind Hali, CEO- Housing Finance

Mr Hali is an MMS post graduate from the University of Mumbai and has more than 20 years of experience. Previously he was with Art Housing Finance Ltd. Prior to that, he was associated with Intec Capital, AU Financiers limited, Capri global, Dhanlaxmi Bank, Reliance Capital Ltd, Standard Chartered Bank, and GE countrywide.



Ashish Shanker, CEO- Wealth Management

Mr Shanker is an alumni of Harvard University and has 24 years of experience. He joined MOPWM as Head- Investment Advisory in 2012. and was instrumental in building the research and advisory platform and creating the proprietary 4C fund manager framework Prior to joining MOPWM, he was associated with HSBC and SCB.



Vishal Tulsyan, CEO – Private Equity

Mr Tulsyan is a CA (all-India rank holder). He has more than 15 years of experience in Financial Services. He has worked with Rabobank as a Director. He joined MOFSL in 2006 and is the founder MD& CEO, of Motilal Oswal Private Equity (MOPE).



Sharad Mittal, CEO - Real Estate Funds

Mr Mittal has been instrumental in scaling up the MORE business to an AUM of Rs 28 bn in last 6 years. Prior to joining MORE, he was associated with ICICI Bank, ICICI Pru AMC and ASK Property Advisors



Shalibhadra Shah, Chief Financial Officer

Mr Shah is a CA by qualification. He is a Finance professional with 17 years of experience spanning the entire gamut of Finance, Accounts, Taxation & Compliance. He joined MOFSL Group in 2006.

Independent Directors



C. N. Murthy, Independent Director (MOFSL)

Mr Murthy has done his B.Tech (Hons) from IIT, Kharagpur. He is a trained Professional Life/Executive Coach certified by Coaching & Leadership Inc. Canada. He has nearly 40 years of experience in the packaging industry working with ITC Ltd. and with a global packaging major, HPPL headquartered in Finland.



Divya Sameer Momaya, Independent Director (MOFSL)

Mrs. Momaya has done B.com from Garware College of Commerce, University of Pune. She is a founder mentor of D. S. Momaya & Co. and possesses more than 16 years of industry experience. Her corporate journey includes experience with companies like BSEL Infrastructure Realty Limited and Bombay Stock Exchange Limited.



Pankaj Bhansali, Independent Director (MOFSL)

Mr Bhansali is a qualified Chartered Accountant with over 20 years of experience. He has held various positions in Religare Enterprise Limited in India as well as in UK. He is currently the Managing Partner of Arth Capital Advisors Private limited, a boutique investment banking and advisory firm.



Chandrashekhar Karnik, Independent Director (MOFSL)

Mr. Karnik has done Post Graduation in Business Management. He also holds Post Graduate Diploma in Industrial Relations and Personnel Management. He is a Business focused and strategic HR leader with over 43 years of experience. He has worked with corporates such as Forbes & Company Ltd., Hotel Corporation of India Ltd., FER Electricals Ltd. and Bombay Oxygen Corporation Ltd.



Swanubhuti Jain, Independent Director (MOFSL)

Mrs. Jain has done Post Graduate Diploma in Sales and Marketing Management from NMIMS. She has been associated with ICICI Pru Life Insurance, Birla Sun Life Insurance, Asit C. Mehta Investment, MCX and Accenture Consulting India. She spearheaded the JITO Incubation & Innovation Foundation (JIIF) to become one of the fastest growing Angel Network & Incubator. She is currently serving as CEO/COO of JIIF.



Ashok Jain Independent Director (MOAMC)

Mr Jain is the Whole-time Director and CFO of Gujarat Borosil. He has rich and varied experience of more than two decades in Corporate Management, particularly Finance.



Abhay Hota, Independent Director (MOAMC)

Mr. Hota has rich and varied experience of over 35 years in Regulatory and technical aspects, and Project Management. He has worked with the RBI as a central banker.



Sanjay Kulkarni, Independent Director (MOHFL)

Mr Kulkarni is an Engineer from IIT Mumbai and has done his MBA from IIM Ahmedabad. He has over 40 years of experience in Banking and Financial services.

This earning presentation may contain certain words or phrases that are forward - looking statements. These forward-looking statements are tentative, based on current analysis and anticipation of the management of MOFSL. Actual results may vary from the forward-looking statements contained in this presentations due to various risks and uncertainties involved. These risks and uncertainties include volatility in the securities market, economic and political conditions, new regulations, government policies and volatility in interest rates that may impact the businesses of MOFSL. MOFSL has got all market data and information from sources believed to be reliable or from its internal analysis estimates, although its accuracy can not be guaranteed. MOFSL undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Covid-19 Impact

The Covid-19 pandemic have resulted in significant number of cases in India. The impact of the same is uncertain and will depend on on-going as well as future developments. The Company has recognised provisions as on 30th September 2021 towards its loans based on the information available at this point of time including economic forecasts, in accordance with the Expected Credit Loss method. The Company believes that it has taken into account all the possible impact of known events arising out of COVID 19 pandemic in the preparation of these results. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions.”

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Thank You...

For any query, please contact :

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