

Nuvama Wealth Management Limited Announces Q2 FY24 Results, Showing Strong Year-over-Year Growth of 57% in Operating PAT

Mumbai, 27th October 2023: Nuvama Wealth Management Limited (NSE, BSE: NUVAMA), one of India's leading Wealth Management companies, reported their first results, as a listed company, for quarter ending September 30, 2023.

Nuvama Group: Consolidated Performance

1. Revenues: Q2 FY24 stood at **₹492 Cr**, grew by **29% YoY** and H1 FY24 at **₹909 Cr**, grew by **24% YoY**.
2. Operating Profit After Tax (PAT): Q2 FY24 stood at **₹145 Cr**, grew by **57% YoY** and H1 FY24 at **₹240 Cr**, grew by **63% YoY**. Operating leverage has improved profitability.
3. Wealth and Asset Management continues to drive long term growth. Capital Markets witnessed strong performance in Q2 FY24.

Particulars - ₹ Cr	Q2 FY24	Q2 FY23	YoY %	H1 FY24	H1 FY23	YoY %
Revenues	492	382	29%	909	732	24%
Costs	302	260	16%	594	530	12%
Operating Profit Before Tax (PBT)	191	123	56%	315	202	56%
Operating Profit After Tax (PAT)	145	93	57%	240	147	63%

Speaking on the occasion, **Ashish Kehair, MD & CEO of Nuvama Group**, expressed, "It has been a challenging time globally these past 6 to 9 months - The fallout of Silicon Valley bank, followed by rising bond yields owing to fiscal deficit concerns in the US and persistent weakness in China's economic recovery. These have had an adverse impact on global asset markets and economic activity. There has been some rub-off on India as well with weakness in exports, however our domestic economy stands resilient with liquidity being benign. With a strong capex push by the government and strong corporate balance sheets there is a resultant improvement in the investment climate. With growth momentum firmly in favour of India and both vectors 'Financial Wealth' and 'Penetration' doubling in the next 5-6 years we expect to see robust growth in organised wealth management.

Our unique wealth management platform helped us leverage these domestic tailwinds and Nuvama saw a robust client activity across all our businesses. Our revenues and operating PAT for H1FY24, grew by 24% YoY and 63% YoY respectively. Our client assets in Wealth Management have surged over ₹2,17,000 Cr, growing by 21% YoY. Our AUM for Asset Management has reached ₹6,175 Cr, growing by 43% YoY. We have adapted to shifting economic landscapes and delivered value to our clients leading to this good run. We also achieved an important milestone in the quarter gone by. The company got listed on the stock exchanges in India on 26th September 2023.

Looking ahead, Nuvama is well-positioned to seize growth opportunities within the Indian economy, particularly in the domain of wealth and asset management and expand our presence across the nation. We also plan to double the number of relationship managers in the next five years. We also plan to build a full stack offshore capability to serve the domestic clients for their offshore needs and the NRI diaspora. In addition, our Asset Management division will persist in building a full suite of alternatives, scale public market strategies and enhance distribution capabilities by leveraging Nuvama and expanding in domestic and international markets".

Key Highlights

1. Wealth Management

- a. Revenues: **₹281 Cr** in Q2 FY24, grew by **16%** YoY and **₹553 Cr** in H1 FY24, grew by **17%** YoY
- b. PBT: **₹97 Cr** in Q2 FY24, grew by **21%** YoY and **₹191 Cr** in H1 FY24, grew by **32%** YoY
- c. Client Assets: **₹2,17,278 Cr** as at end of Q2 FY24, grew by **21%** YoY
- d. Nuvama Wealth: Revenue remains granular and continues to grow across solutions and channels.
- e. Nuvama Private: **59%** of revenues generated from ARR earning assets in H1 FY24

2. Asset Management

- a. Revenues: **₹19 Cr** in Q2 FY24, management fee grew by **17%** YoY and **₹32 Cr** in H1 FY24, management fee grew by **42%** YoY
- b. Client Assets: **₹6,175 Cr** as at end of Q2 FY24, grew by **43%** YoY. Includes Private Markets, Long Only and Hedge Fund strategies. Undrawn commitments of ~₹1,600 Cr to add to fee paying aum in next few quarters.
- c. Business continues to expand offerings with launch of Absolute Return Portfolio Management Service (PMS) as an alternative to debt MF which are now taxable and Flexi-Cap PMS scheme.

3. Capital Markets

- a. Revenues: **₹190 Cr** in Q2 FY24, grew by **86%** and **₹320 Cr** in H1 FY24, grew by **51%** YoY
- b. PBT: **₹90 Cr** in Q2 FY24, grew by **442%** YoY and **₹122 Cr** in H1 FY24, grew by **251%** YoY
- c. Client Assets for Asset Services: **₹65,828 Cr** as at end of Q2 FY24, grew by **47%** YoY
- d. The business witnessed a strong performance in Q2 FY24 mainly driven by increase in capital market activity and increase in market share.

About Nuvama Group

Nuvama has built a strong foundation of trust and reputation in the Indian market over 25 years. As one of India's leading integrated wealth management firm in India, Nuvama oversees ₹2,89,281 Cr of client assets and caters to a diverse set of clients which include of ~11 lac affluent and HNIs and ~3,300 of India's most prosperous families, as of Q2 FY24. Nuvama offers wealth management solutions, covering investment advisory, estate planning, investment management, lending and broking services for individuals, institutions, CXOs, professional investors, and family offices. It also offers a wide bouquet of alternative asset management products and is a leading player in capital markets.

For more details, please visit: <https://www.nuvama.com>

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