



August 9, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 021

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

Scrip Code: 500271

Scrip Code: MFSL

Dear Sir/Madam,

Sub: **Press Release**

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, we are enclosing Press Release being issued by the Company on the outcome of its Board meeting held on August 9, 2023.

You are requested to kindly take the aforesaid on record.

Thanking you,

Yours faithfully

for **Max Financial Services Limited**

Piyush Soni
Company Secretary & Compliance Officer

Encl: As above

MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

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AXIS BANK TO INFUSE FUNDS Rs 1,612 CR IN MAX LIFE; POST SUBSCRIPTION OF THE EQUITY SHARES, AXIS ENTITIES SHAREHOLDING IN MAX LIFE WILL BE INCREASED TO 19.02%

Max Life Results Highlights Q1FY24:

- **New Business Premium: Rs 1857 Crore, Up 25 %, Proprietary channels grew 23 %**
- **Gross Written Premium: Rs 4,871 Crore, Up 19%.**
- **Embedded Value at Rs 16,938 Crore; Operating RoEV at 14.0%.**
- **New Business Margin (NBM) at 22.2%, Up 110 bps**
- **Value of New Business at Rs 247 Crore, Up 16%.**
- **Total Assets Under Management (AUM): Rs 1,29,127 Crore, Up 21%**

New Delhi, August 9, 2023

Pursuant to the approval of the Max Financial and Max Life Boards, Axis Bank will be infusing Rs 1,612 Cr by subscribing to equity shares of Max Life, at fair market value determined basis DCF methodology. Axis Bank has received requisite approval from RBI for infusion of further capital in Max Life. Post subscription to the preferential issue of shares, Axis Entities shall collectively hold 19.02% equity share capital of Max Life. Axis Bank will have the right to acquire additional ~0.98% stake from MFSL. The proposed transaction is subject to receipt of shareholders' approval and regulatory approvals from IRDAI, PFRDA and CCI. This capital infusion will help Max Life to support its future growth ambitions, to augment its capital position and to improve solvency margins. On the allotment of the said share capital to Axis Bank Limited, the shareholding held by Max Financial in Max Life will stand reduced to 80.98% from the current level of 87%.

The additional capital infusion by Axis Bank in Max Life highlights their commitment towards building a stronger franchise.

Max Financial Services Limited (MFSL) today announced its financial results for the first quarter of the financial year FY24. During Q1FY24, the Company reported Consolidated Revenue[^] of Rs 4,730 Crore, grew 19% year-on-year and Consolidated PAT at Rs 101 Crore, up 48% year-on-year on account of higher investment income.

During Q1FY24, Max Life New Business Premium grew 25% to Rs 1,857 Cr and Annualised Premium Equivalent (APE) Up by 10% to Rs 1,113 Cr driven by strong growth in proprietary channels. Proprietary channels new business premiums grew by 23% year-on-year to Rs 421 Crore as result contribution of proprietary channels to total new sales increased from 34% in Q1FY23 to 39% in Q1FY24. Further, the renewal premium income (including group) rose 15% to Rs 3,014 Crore, taking the gross written premium to Rs 4,871 Crore, an increase of 19% over the corresponding previous quarter.

Further New Business Margin (NBM) expanded to 22.2% in Q1FY24, improved 110 bps over corresponding previous quarter mainly driven by change in product mix. Value of New Business (VNB) grew by 16% to Rs 247 Crore in Q1FY24. Max Life reported an Embedded Value of Rs 16,938 crore, while the Operating Return on EV (RoEV) over Q1FY24 stood at 14.0%, improved by 50 bps. Max Life's assets under management (AUM) were Rs 1,29,127 crore as of June 30, 2023, Up 21% over the corresponding previous quarter

[^] Excluding investment income

During Q1FY24, Max Life delivered a strong performance, and focus on retirement led to growth of 260% in the Annuity business in Q1 FY24. Max Life Pension Fund Management Limited added highest AUM among new PFMs in Q1 FY24, AUM increased to Rs 293 Cr as of June 30, 2023.

Max Life has secured 1 new distribution partnerships with South Indian Bank and 5 new renowned Brokers in Q1FY24. Max Life consistently maintained industry best claims paid ratio at 99.51% in FY23.

Max Life was recognized as sustainable organization for commendable initiatives towards sustainability by Economic Times. Max Life Smart Wealth Advantage Growth (SWAG) voted as 'Product of the Year 2023' in the Life Insurance Guaranteed Savings Plan category in a survey conducted by NielsenIQ. Max Life also recognized as 13th best place for data scientists to work for within India by Analytics India Magazine.

Mr Analjit Singh, Chairman Max Life Insurance and Max Financial Services said, *"The increase stake in Max Life by Axis Bank, has been long awaited and will lead to a more natural balanced ownership level considering the importance of the power of distribution through the Banca channel of Axis Bank."*

Mr. Prashant Tripathy, MD and CEO, Max Life Insurance, said, *"The additional investment by Axis Bank will hugely strengthen our insurance franchise. On the back of our innovative and balanced product mix, and strong growth in proprietary business, we've delivered a strong quarter. We are focused to drive new and strategic partnerships to unlock growth for the company along with building momentum in the existing ones."*

About Max Financial Services Limited:

Max Financial Services Limited (MFSL) is part of India's leading business conglomerate – the Max Group. Focused on Life Insurance, MSFL owns and actively manages an 87% majority stake in Max Life Insurance, India's largest non-bank, private life insurance company.

The company is listed on the NSE and BSE. Besides a 10.15% holding by Analjit Singh and sponsor family, some of the other group shareholders include MSI, Ward ferry, New York Life, Capital, GIC, Baron, Vanguard, Jupiter, Blackrock, and the Asset Management Companies of DSP, Nippon, HDFC, ICICI Prudential, UTI, Motilal Oswal, Canara Robeco, Sundaram, Aditya Birla Sun Life, Mirae, and Kotak.

About Max Life Insurance Company:

Max Life Insurance Company Limited is a Joint Venture between Max Financial Services Limited and Axis Bank Limited. Max Financial Services Ltd. is a part of Max Group. Max Life offers comprehensive protection and long-term savings life insurance solutions, through its multi-channel distribution including agency and third-party distribution partners. Max Life has built its operations over two decades through a need-based sales process, a customer-centric approach to engagement and service delivery and trained human capital. As per annual audited financials for FY2022-23, Max Life has achieved a gross written premium of INR 25,342 Cr.

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