



November 9, 2021

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East)
Mumbai – 400051

Scrip Code: 500271

Name of Scrip: MFSL

Reg.: Board meeting for unaudited financial results for the quarter/half year ended September 30, 2021

Dear Sir/Madam,

Further to letter dated November 9, 2021, please find enclosed the "Press Release" issued by the company in this regard.

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully,

For **Max Financial Services Limited**

V. Krishnan
Company Secretary and Compliance Officer



Encl.: As above

MAX FINANCIAL SERVICES LIMITED

CIN: L24223PB1988PLC008031

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Regd. Office: Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533, India

**MAX FINANCIAL SERVICES H1FY22 CONSOLIDATED REVENUE[^] RISES 21% TO RS 15,271 CR;
MAX LIFE TOTAL AUM CROSSES RS 1 TRILLION; VALUE OF NEW BUSINESS GROWS 24% Y-O-Y,
HIGHEST EVER QUARTERLY MARGIN OF 29.1%**

Max Life Results Highlights (H1FY22):

- **Total Assets Under Management (AUM): Rs 100,090 Cr, Up 29%**
- **Gross Written Premium: Rs 8,815 Cr, Up 21%.**
- **Embedded Value at Rs 12,988 Cr; Operating RoEV at 18%**.**
- **Value of New Business at Rs 546 Cr, Up 24%.**

9th November 2021, New Delhi

Max Financial Services Limited (MFSL) today announced its financial results for the second quarter (Q2) and H1 (first half) of the financial year FY22. In the first half of the FY22, MFSL reported consolidated revenues of Rs 15,271 Cr, a growth of 21% from the year-ago period. The consolidated Profit Before Tax (PBT) stood at Rs 134 Cr, down 45% in H1FY22, primarily due to recovery in investment value in last year..

MFSL's sole operating subsidiary, Max Life, achieved a landmark with its Assets Under Management (AUMs) crossing the Rs 1-trillion mark to reach Rs 100,090 Cr – an uptick of 29% from Rs 77,764 Cr in the year-ago period. Max Life registered a 25% increase in total revenues* at Rs 11,570 Cr in H1FY22.

During H1FY22, Max Life delivered a strong performance on new business premiums (on APE basis) as it achieved a 18% jump to Rs 2,127 Cr. Further, the renewal premium income (including group) rose 19% to Rs 5,706 Cr, taking the gross written premium to Rs 8,815 Cr, a spurt of 21% over the same period in the previous financial year.

This strong performance was despite a more severe impact of the second wave of COVID-19 compared with the first wave. Claim experiences were higher than expected across all lines of businesses with significantly higher variance for Protection and Group businesses.

Max Life maintained 4th rank in the private industry. In terms of industry performance, Max Life once again posed robust results as it grew 19% in H1FY22 compared with the year-ago period. On a 2-Year CAGR, Max Life surpassed the other private players, growing at 11% while the private industry grew 8%.

Max Life has maintained a sharp focus on balanced product mix, which has aided a 24%-growth in the Value of New Business (VNB) at Rs 546 Cr compared with Rs 438 Cr in H1FY21. The higher growth in VNB was due to higher sales and change in business mix. The New Business Margin

[^] Including investment income

* Excluding unit linked investment income

** Before Covid impact

(NBM) for H1FY22 was 25.3% (at actual costs), an increase of 110 bps from 24.2% in the year-ago period

In addition, Max Life also achieved its highest-ever quarterly margin of 29.1% in the second quarter vs 19.7% in the first quarter driven by a balanced product mix.

Max Life reported an Embedded Value (EV) of Rs. 12,988 Cr – an uptick of 18% from Rs 11,047 Cr in the year-ago period driven by growth in value of new business and quality of inforce business. The Operating Return on EV (RoEV) in H1FY22 stood at 18%**.

Further, Max Life was Appointed as “Sponsor” of Pension Fund for managing assets under the country’s National Pension Scheme (NPS). The formation of the Pension Fund subsidiary is underway as Max Life has sought IRDAI’s permission to set up a new company “PFM” in line with the regulatory requirements.

Mr. Mohit Talwar, Managing Director, Max Financial Services, said, “Our robust performance in H1FY22 was driven by our constant endeavors towards customer measures despite the immense pressure on the overall sector due to the COVID-19 provisioning. Moving forward, this will continue to remain an important priority. Approval to act as Pension Fund sponsor will help us serve our customers even more comprehensively and this is in line with our focus on the retirement segment.”

He added: “Max Life crossing the Rs 1-trillion mark in the Assets Under Management category showcases the faith reposed in us by different stakeholders. Max Life will continue on this growth trajectory.”

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 81.83% majority stake in Max Life Insurance, India’s largest non-bank, private life insurance company.

MFSL recorded consolidate revenues of Rs 31,288 Cr during FY21 and a Profit After Tax of Rs 560 Cr.

The company is listed on the NSE and BSE. Besides a 14.7% holding by Analjit Singh and sponsor family, some of the other group shareholders include MSI, Ward ferry, New York Life, Baron, Vanguard, Jupiter, Blackrock, and the Asset Management Companies of Nippon, HDFC, ICICI Prudential, Motilal Oswal, Aditya Birla Sun Life, Mirae, DSP and Kotak.

About Max Life Insurance Company:

[^] Including investment income

^{*} Excluding unit linked investment income

^{**} Before Covid impact

Max Life is the sole operating subsidiary of Max Financial Services Limited. Max Life - a part of the \$4-Bn Max Group Max group, an Indian multi business corporation – is India’s largest non-bank private life insurer and the fourth largest private life insurance company.

On April 6, 2021, Axis Bank Limited, India’s third-largest private sector bank, together with its subsidiaries Axis Capital Limited and Axis Securities Limited (collectively referred to as “Axis Entities”) became the co-promoters of Max Life. This was after completion of the acquisition of 12.99% stake collectively by the Axis Entities in Max Life.

Under the deal, the Axis Entities have a right to acquire an additional stake of up to 7% in Max Life, in one or more tranches, subject to regulatory approvals.

Max Life offers comprehensive protection and long-term savings solutions, through its multichannel distribution including agency and third distribution partners. Max Life has built its operations over almost two decades through need-based sales process, a customer-centric approach to engagement and service delivery and trained human capital. It has 358 branch units across India as of March 31, 2021.

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^ Including investment income

* Excluding unit linked investment income

** Before Covid impact