

PCASL/11/2023-24
Date: 24.05.2023

To,
The National Stock Exchange of India Ltd
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051
NSE EQUITY SYMBOL: **PRUDENT**

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
SCRIPT CODE: **543527**

ISIN: **INE00F201020**

Dear Sir/Madam,

Sub.: Press release.

We are sending herewith copy of the Press Release titled as "Prudent Corporate Advisory Services Reports a Landmark FY2023, Surpassing ₹56,000 crore AUM with Quantum Profitability Growth"

The Press release is self-explanatory.

Please take the same into your records and do the needful.

Thanking you,
Yours Faithfully,

For, Prudent Corporate Advisory Services Limited

Dhaval Ghetia
Company Secretary
Tele No: 079-40209600
Email: cs@prudentcorporate.com
Encl.: As above

FOR IMMEDIATE RELEASE: 24th May 2023

Prudent Corporate Advisory Services Reports a Landmark FY2023, Surpassing ₹56,000 crore AUM with Quantum Profitability Growth

Ahmedabad, India, 24th May 2023 – Prudent Corporate Advisory Services Limited (Prudent), an independent retail wealth management services group engaged in distributing a wide range of financial products, announced its financial results for Q4FY23 and the fiscal year 2023.

Summary of Key KPIs:

Particulars	Q4FY23	Q4FY22	Change YoY%	FY2023	FY2022	Change YoY%
Revenue	177.0	129.5	36.6%	611.3	450.8	35.6%
EBITDA	58.5	33.7	73.4%	173.3	115.2	50.5%
EBITDA Margin	33.1%	26.0%	701bps	28.4%	25.5%	281bps
PAT	41.2	22.7	81.5%	116.7	80.3	45.2%
PAT Margin	23.3%	17.5%	576bps	19.1%	17.8%	126bps
Quarterly/Yearly Average AUM	56242	48590	15.7%	52865	39848	32.7%

FY23 Consolidated Financial Highlights:

- Revenue from operations grew 36% YoY to Rs. 611.3 crores, led by 33% growth in yearly average assets under management (AUM) in the mutual fund vertical coupled with insurance revenues almost doubling.
- Growth in AUM was led by robust Systematic Investment Plan (SIP) flows & acquisition of Karvy's mutual fund folios. We ended March 2023 with a monthly SIP flow of Rs. 517 crore, with almost a second rupee of gross inflow coming from SIP. As of 31 March 2023, our closing AUM surpassed the Rs. 56,000 crore mark.
- Operating profits grew 51% YoY to Rs. 173.3 crore, led by the benefits of operating leverage coupled with a larger share of insurance in overall revenue composition.
- Consequently, profit after tax grew by 45% YoY to Rs. 116.7 crore.

- Cash flow from operations (CFO) during the year stood at Rs. 127 crore & CFO/Net Income stood at 109% indicating a healthy cash conversion.

"Our FY23 results reflect the determined efforts of the entire Prudent team," said Mr Sanjay Shah, Managing Director. "We achieved three key milestones during FY23. Firstly, our Mutual fund vertical crossed Rs. 500 crore in revenues. Secondly, our cash flow from operations exceeded Rs. 100 crore. And finally, our insurance vertical crossed 10% of the overall revenues. Historically, 52% of our AUM growth has been contributed by net sales & the balance 48% from Marked to Market (M2M) gains. Barring the covid hit years, our net sales number has been equal to or higher than our gross flow from SIPs. Annualizing the monthly SIP flow as of March-23 of Rs. 517 crore, we expect gross flows from SIPs to exceed Rs. 6,200 crore in FY24, which is 11% of the FY23 closing AUM. So, we are confident of generating 11% growth from net sales and expect the balance 10% to accrue from Marked to Market (M2M), enabling us to grow at an annualized rate of 20% over the longer run. This will help us reach the Rs. 1 trillion AUM mark in the next three-four years. Additionally, perusal of inorganic opportunities led by an investment book of Rs. 142 crore coupled with healthy cash generation each year may help us reach this mark a bit earlier".

The **CEO & Whole-time Director, Mr Shirish Patel**, added, *"Our Mutual Fund Distributors (MFDs) are our key partners and pillar of strength for achieving these milestones. Each year, more MFDs are migrating to higher buckets of AUM. As of March 2023, we have 1,040 MFDs handling an AUM above Rs. 10 crore, which was just 340 four years back. Today, the need of the hour is the availability of multi-products to fulfil the demand of clients & technology platforms to execute & service clients in a paperless manner. This, coupled with the rising compliance hassles, is leading to MFDs shifting to technology platforms. This trend is benefiting us immensely. Also, our wide range of product offerings is helping MFDs to meet all the requirements of their clients under a single platform. Revenues from products other than mutual fund distribution have grown at 41% CAGR FY20-23, with insurance leading the pack. Around 7,750 partners, or their family members, have become insurance selling Point of Sales Persons (POSPs), helping us improve our cross-selling capacity."*

About Prudent Corporate Advisory Services Limited: (NSE: PRUDENT; BSE: 543527)

Prudent Corporate Advisory Services Limited (Prudent) is a retail wealth management services group based in India. The Company is among the top mutual fund distributors regarding assets under management

("AUM") and Commission received. With its unique business-to-business-to-consumer ("B2B2C") business model and through its technology-enabled, comprehensive investment and financial services platform, Prudent provides end-to-end solutions critical for financial products distribution to individuals, corporates, high net worth individuals (HNIs), and ultra HNIs in India. The Company works through 120 locations in over 21 states and has a robust digital presence. It has evolved into a leading and respected distributor of mutual funds, insurance products, stockbroking, portfolio management schemes, unlisted securities, bonds/fixed deposits, alternative investment funds, and national pension schemes. Today, with a team strength of 1119 highly skilled professionals and 26,949 well-trained and qualified channel partners, Prudent is one of India's fastest-growing financial services Group. Prudent Corporate Advisory Services Limited was founded in 2003 and is headquartered in Ahmedabad, India. For more information, please visit our website www.prudentcorporate.com.

Forward-Looking Statement:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Prudent Corporate Advisory Services Ltd will not be responsible for any action based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

For more information, contact:



DICKENSON

Parth Parekh
Head Investor Relations
Tel: 9819878413
Email: parth.parekh@prudentcorporate.com

Manoj Saha
IR Consultants
Tel: 9819860835
Email: prudent@dickensonworld.com