

PRESS RELEASE

Piramal Enterprises Limited Announces Consolidated Results for Q2 & H1 FY2021

- *Resilient Performance despite a Challenging Business Environment Globally*
- *Net profit increased by 14% YoY to INR 628 Cr for Q2 FY21 and by 12% YoY to INR 1,124 Cr for H1 FY21*
- *Strengthened Balance Sheet and improved Liquidity position:*
 - *Raised Long-Term Borrowings of ~INR 11,500 Cr. during H1 FY2021*
 - *Received Growth Capital of INR 3,523.40 Cr. from The Carlyle Group in Piramal Pharma*

Mumbai, India | October 28, 2020: Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302, 912460) today announced its consolidated results for the Second Quarter (Q2) and Half Year (H1) ended September 30, 2020.

Consolidated Financial Highlights

- **Balance Sheet:**
 - Shareholders' Equity increased by 28% to INR 34,739 Cr.* since Mar 19
 - 39% reduction in Net Debt by nearly INR 22,000 Cr.* since Mar 2019
 - Net Debt-to-Equity of below 1x times* at entity-level*Post Pharma deal closed in October 2020
- **Inflows / Borrowings:**
 - Total inflows of ~INR 42,800 Cr. since April 2019, through equity and borrowing transactions
 - Raised long-term borrowings of ~INR 11,500 Cr. during H1 FY2021
 - Reduction in CPs to INR 2,100 Cr. as of Sep 2020 from INR 18,017 Cr. as of Sep 2018
- **P&L:**
 - Revenue for Q2 FY21 increased by 1% YoY to INR 3,302 Cr.
 - Net Profit for Q2 FY21 increased by 14% YoY to INR 628 Cr.
 - Net Profit for H1 FY21 grew by 12% YoY to INR 1,124 Cr.

Mr. Ajay Piramal, Chairman, Piramal Enterprises Ltd. said, "We have delivered a resilient performance with net profit of INR 1,124 Crore for H1 FY21, despite adverse global environment. Continuing to focus on strengthening our balance sheet, over the past year, we brought in INR 18,000 Cr of capital and reduced our net debt-to-equity ratio to below 1x.

In Financial Services, we saw early signs of recovery across the key sectors that we lend to. Progressing on the stated strategy of diversifying the loan book, we will be launching our multi-product retail lending platform in November 2020.

The Pharma Business recorded a healthy improvement in both revenue growth and profitability. It also completed the 20% growth investment by The Carlyle Group - which is an affirmation of the robustness of the business model and consistency in performance. Both businesses are now at an inflection point, where we see a good runway for strong performances in the mid to long-term."

Key Business Highlights	
Financial Services	Pharma
<ul style="list-style-type: none"> ▪ In line with our Strategy to diversify our book, launching the multi-product Retail Lending business in Nov-2020 ▪ Early trends indicate better performance of developer clients than assumed under stressed scenario for creating provisions ▪ Continue to increase granularity of our wholesale loan book. <ul style="list-style-type: none"> - Exposure to only one account at >15% of the net worth of Financial Services ▪ Conservative provisions of INR 3,037 Cr. as of Sep 2020, equivalent to 237% of GNPA's and 5.9% of overall loan book ▪ Capital Adequacy Ratio at 34% (vs. 22% as of March 2019) 	<ul style="list-style-type: none"> ▪ Closed fund raising deal with The Carlyle Group <ul style="list-style-type: none"> - Deal values our Pharma business at an Enterprise Value of USD 2.7 - 3.1 Bn. - Received INR 3523.40 Cr. as proceed from Pharma Fund raise. ▪ Revenue of INR 1,441 Cr. (+9% YoY) with EBITDA margins of 23% for Q2FY2021 <ul style="list-style-type: none"> - CDMO Revenue up 20% YoY - India Consumer Products up 25% YoY ▪ Other Highlights <ul style="list-style-type: none"> - CDMO order book witnessing healthy growth - India Consumer Products business launched 15 products and 38 SKUs during the year - Complex Hospital Generics now seeing recovery - Cleared 4 regulatory inspections

Business-wise Revenue Performance					(INR Crores or as stated)			
Net Sales break-up	Quarter II ended				Half year ended			
	30/9/20	30/9/19	% Change	% Sales	30/9/20	30/9/19	% Change	% Sales
Financial Services	1,861	1,954	-5%	56%	3,760	3,968	-5%	60%
Pharma	1,441	1,317	9%	44%	2,479	2,489	-	40%
<i>Pharma CDMO</i>	866	724	20%	26%	1,480	1,373	8%	24%
<i>Complex Hospital Generics</i>	438	477	-8%	13%	763	891	-14%	12%
<i>India Consumer Products</i>	140	112	25%	4%	244	222	10%	4%
Total	3,302	3,271	1%		6,239	6,457	-3%	

Consolidated Financial Performance (INR Crores or as stated)						
Particulars	Quarter II ended			Half year Ended		
	30-Sep-20	30-Sep-19	% Change	30-Sep-20	30-Sep-19	% Change
Net Sales	3,302	3,271	1%	6,239	6,457	-3%
Non-operating other income	38	46	-18%	103	110	-7%
Total income	3,339	3,316	1%	6,342	6,568	-3%
Other Operating Expenses	1,278	1,188	8%	2,369	2,363	0%
Expected Credit loss	24	-107		75	-152	
OPBIDTA	2,038	2,236	-9%	3,898	4,357	-11%
Interest Expenses	1,156	1,337	-14%	2,260	2,665	-15%
Depreciation	139	128	9%	274	250	10%
Profit / (Loss) before tax & exceptional items	742	770	-4%	1,364	1,441	-5%
Exceptional items (Expenses)/Income	39	0		39	0	
Income tax						
Current Tax and Deferred Tax	204	258	-21%	365	474	-23%
DTA and MAT Credit written off	0	0		0	0	
Profit/(Loss) after tax (before MI & Prior Period items)	578	512	13%	1,039	968	7%
Minority interest	0	0		0	0	
Share of Associates	50	96	-48%	85	169	-50%
Net Profit/(Loss) after Tax from continuing operations	628	608	3%	1,124	1,137	-1%
Profit / (Loss) from Discontinued operations	0	-57		0	-137	
Net Profit after Tax	628	551	14%	1,124	1,000	12%

Note: Figures in previous periods might have been regrouped or restated, wherever necessary to make them comparable to current period.

To download the results presentation and for further information on our financials, please visit our website: www.piramal.com

About Piramal Enterprises Ltd:

Piramal Enterprises Limited (PEL), a publicly listed company in India, has diversified business interests in Financial Services and Pharmaceuticals. PEL's consolidated revenues were ~US\$1.7 billion in FY2020, with ~34% of revenues generated from outside India.

In Financial Services, the Company offers a wide range of financial products and solutions, with exposure across both wholesale and retail financing. The wholesale lending business provides financing to real estate developers, as well as corporate clients in non-real estate sectors. Within retail lending, the Company offers housing loans to individual customers and is building a multi-product retail lending platform. India Resurgence Fund (IndiaRF), the distressed asset investing platform in partnership with Bain Capital Credit, invests in equity and/or debt across non-real estate sectors. The Company has long-standing partnerships with leading institutional investors that include - CPPIB, APG, Bain Capital Credit, CDPO, and Ivanhoé Cambridge. PEL also has equity investments in the Shriram Group, a leading financial conglomerate in India.

Piramal Pharma Limited (PPL), a subsidiary of PEL, offers a portfolio of differentiated products and services through end-to-end manufacturing capabilities across 14 global facilities and a global distribution network in over 100 countries. PPL includes an integrated contract development and manufacturing (CDMO) business, Complex hospital generics business, and India Consumer Products business, selling over-the-counter products in India. In addition, it has a joint venture with Allergan, a leader in ophthalmology in the Indian formulations market. In October 2020, PPL received 20% strategic growth investment from the Carlyle Group.

For more information visit: www.piramal.com, [Facebook](#), [Twitter](#), [LinkedIn](#)

For Media Queries:

Dimple Kapur
Corporate Communications
Dimple.Kapur@piramal.com

For Investors

Hitesh Dhadha
Investor Relations
investor.relations@piramal.com