



Piramal Pharma Day

FEBRUARY 2021



1. Evolution of the Pharma business and recent capital raise - Ajay Piramal

1 Our Purpose and Core Values



Our Purpose

Doing Well & Doing Good

Serving people

We aim to serve our customers, community, employees, partners and all other stakeholders by putting their needs and wellbeing first.

Making a positive difference

We aim to make a positive difference through our products, services, customer-centric approach and innovation-led research.

Living our values

We live by our values in our everyday actions, decisions and conduct, at a personal as well as a professional level.

Core Values

Knowledge

Expertise

We strive for a deeper understanding of our domain.

Innovation

We aspire to do things creatively

Action

Entrepreneurship

We are empowered to act decisively and create value

Integrity

We are consistent in our thought, speech and action

Care

Trusteeship

We protect and enhance the interests of our customers, community, employees, partners and shareholders

Humility

We aspire to be the best, yet strive to be humble.

Impact

Performance

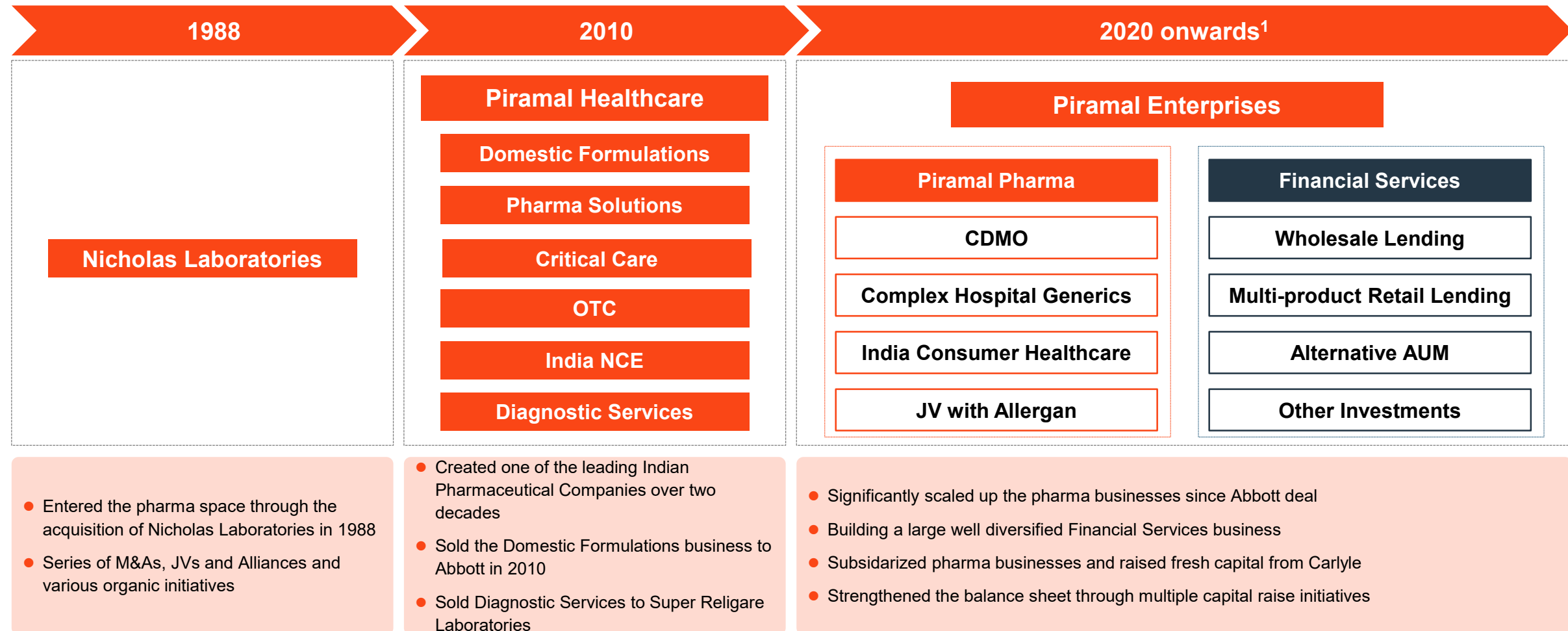
We strive to achieve market leadership in scale and profitability, wherever we compete

Resilience

We aspire to build businesses that anticipate, adapt and endure for generations.

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Phases of our Evolution



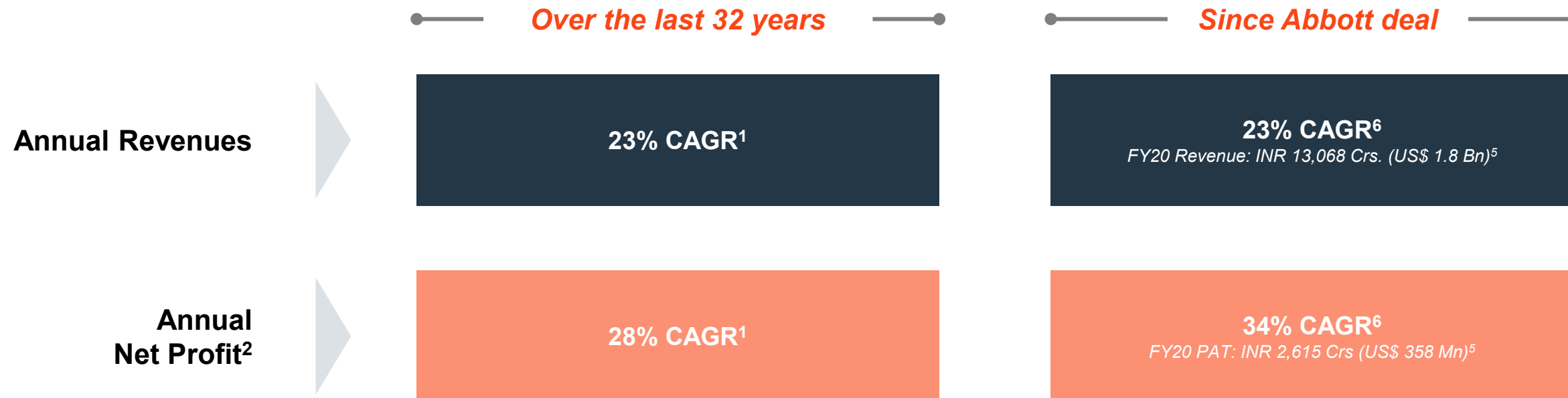
Moving from a multi-sector conglomerate structure into focused listed entities within Pharma and Financial Services

Note: (1) Sold 10% stake in Shriram Transport in Jun-2019; PEL currently holds ~20% stake in Shriram Capital Ltd. and ~10% stake in Shriram City Union Finance

1

...enabling consistent performance and long-term shareholder value creation

Strong medium and long-term performance



- 25%⁷ annualized returns to shareholders over the last 32 years
- INR 6,547 Crs (US\$ 896 Mn)⁴ returned to shareholders since FY 2011
- Cumulative 10-year pre-tax profit⁵ of INR 11,142 Crs (US\$ 1.5 Bn)⁶ between FY2011-FY2020

Notes: (1) FY1988 Revenue and PAT numbers were for the year ending June 30, 1988; (2) Normalized Net profit; FY2020 excludes one-time impact of gain/loss from sale of business; reversal of Deferred Tax Asset (DTA) and Minimum Alternate Tax (MAT) credit and additional provisions created on account of COVID-19, net of tax; (4) FY2011 PBT excludes exceptional items, e.g. gain on sale of Domestic Formulations business; (5) US\$/INR = 73.07 (as of December 31, 2020); (6) 9 year CAGR since Abbott deal; (7) Total shareholder returns are as on February 23, 2021

2 Pharma Equity Capital Raise



Closed one of the largest PE deals in the Indian pharma sector with The Carlyle Group

US\$ 490m

Raised as fresh equity
for a 20% stake in the Pharma business

US\$ 2.7 bn

Enterprise Value (EV) of the Pharma
business based on the deal

Completed in

Oct-2020



Affirmation of the strength of our ability to build new, attractive, scalable and sustainable businesses



The deal **further strengthens the Company's balance sheet**



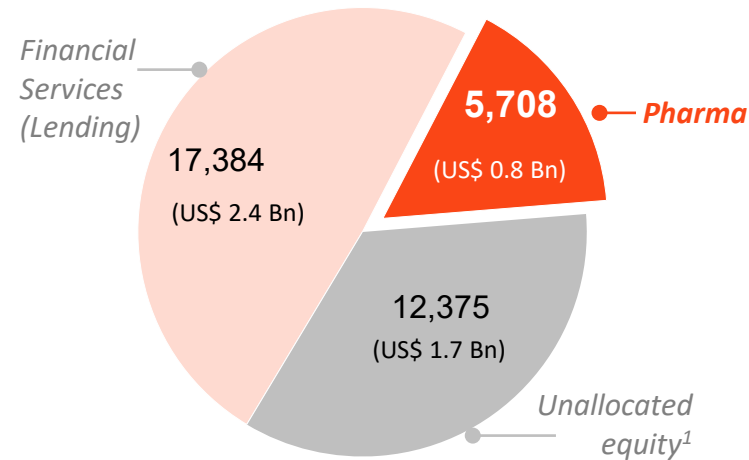
To accelerate **organic and inorganic growth plans**

Built a differentiated Pharma business valued at an Enterprise Value (EV) of US\$ 2.7 - 3.1 Bn

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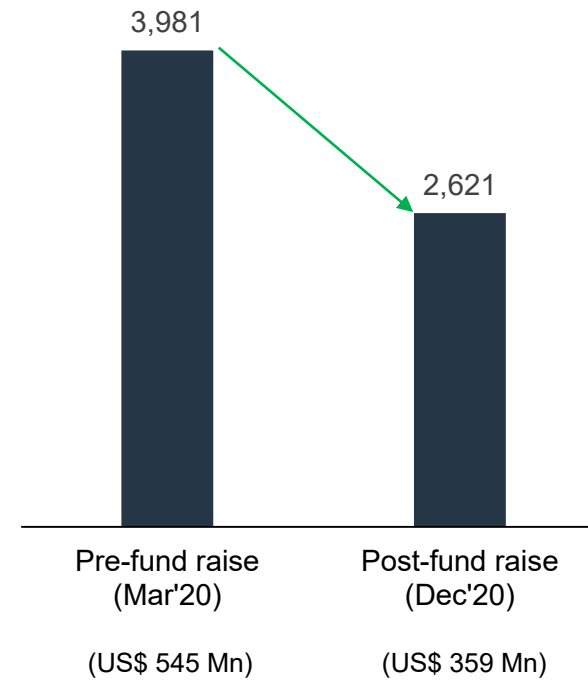
Strengthened and deleveraged the Balance Sheet

PEL Segment wise Equity Allocation (As on Dec-2020)

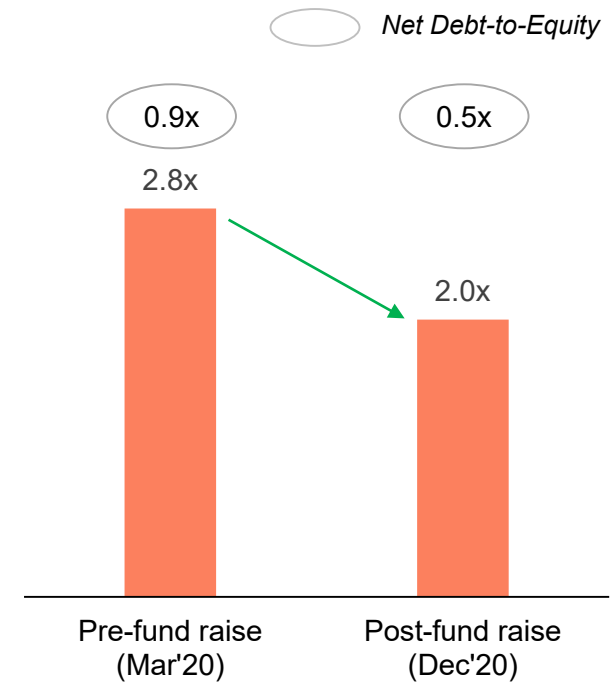


Overall Equity: INR 35,467 Cr. (US\$ 4.9 Bn)²

Net Debt (Pharma)



Net Debt-to-EBITDA (Pharma)



Carlyle capital raise to significantly strengthen pharma balance sheet for future organic and inorganic opportunities`

Notes: (1) Primarily includes investments in Shriram, receivables from DRG sale (2) US\$/INR = 73.07 (as of December 31, 2020)



Thank You