

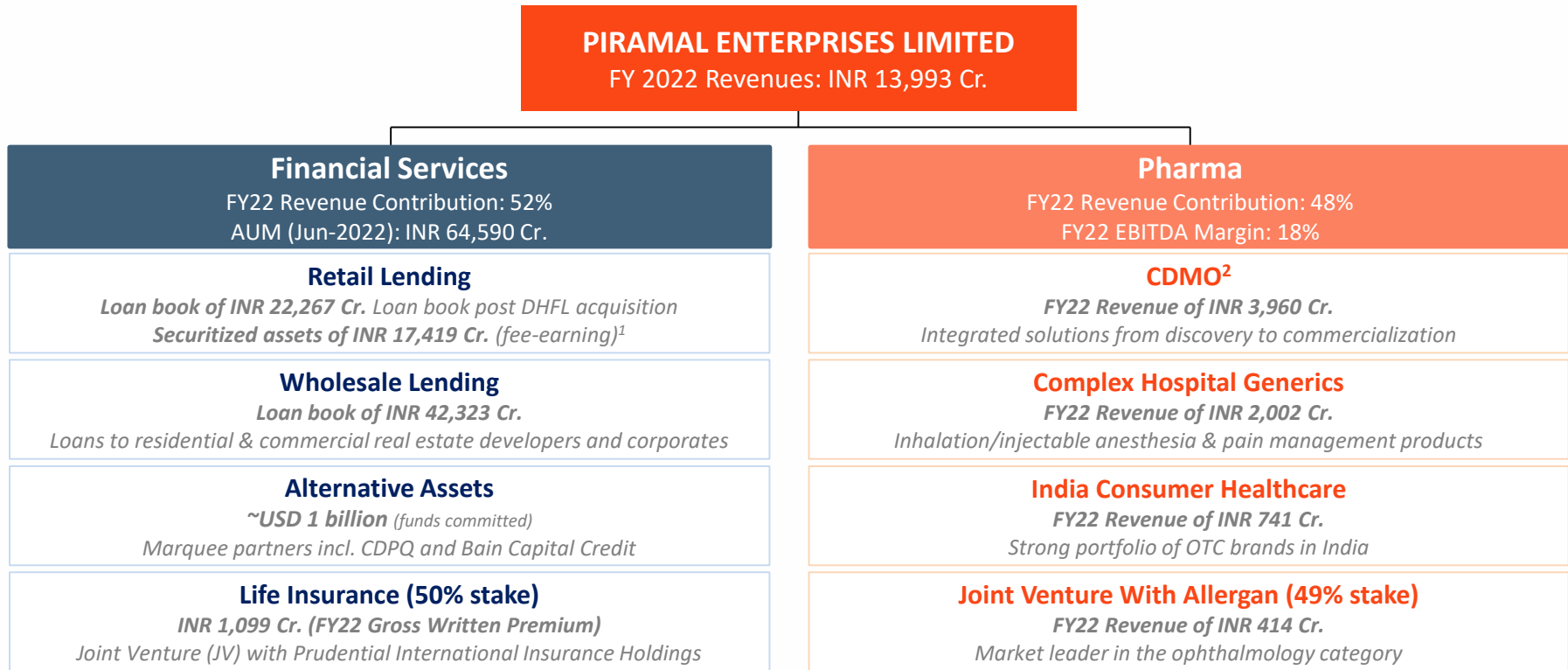
Piramal Enterprises Limited

Investor Presentation

August 2022



Company Overview



Focus on two core businesses – Financial Services and Pharma

Equity allocation

(In INR Crores)

Overall Equity As of March 31, 2022

Financial Services (Lending): 48%

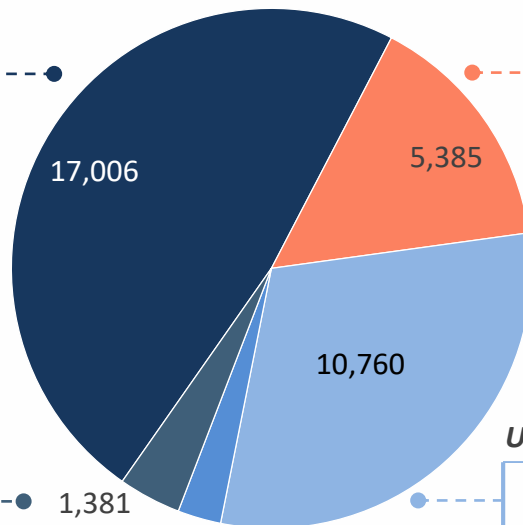
Capital Adequacy Ratio of 21%

Alternatives: 4%

Commitment of ~1 billion;
partnerships with marquee institutions

Life Insurance: 3%

Joint Venture (JV) with Prudential
International Insurance Holdings



Pharma¹: 15%

Built a differentiated business, valued at an EV of USD 2,775 million in Jun-2020 by The Carlyle Group

**Overall Equity¹:
INR 35,489 Cr.**

Unallocated equity: 30%

Includes investments in Shriram, cash & cash equivalents and others

Strong balance sheet with adequate growth capital in both Financial Services and Pharma businesses

Note: (1) Excludes Non Controlling Interest (NCI) of INR 1,348 Cr.

Key Milestones: Demerger and Simplification of Corporate Structure

Key Milestones	Status / Expected Timeline
Board Approval	✓
Filing of Application with Stock Exchanges	✓
RBI Consent (on Scheme of Arrangement)	✓
Consent from the Financial creditors ¹	✓
Consent from SEBI / Stock Exchanges	✓
Approval from shareholders ¹	✓
RBI Approval (for NBFC license to PEL)	✓
NCLT Approval	-
Listing of PPL on Stock Exchanges	Q3 FY2023 (expected)

Demerger and subsequent listing of PPL on the Stock Exchanges is expected to be completed by Q3 FY2023²

Note: (1) Convened meetings of Equity shareholders, Secured Creditors and Unsecured Creditors on 5th July 2022 for approving the Scheme of Arrangement, as ordered by the Hon'ble NCLT

(2) Subject to regulatory approvals

Partnerships / Investors

Our Partnerships



THE CARLYLE GROUP



Our Top Investors



Eastbridge Capital

BLACKROCK®



WELLINGTON
MANAGEMENT®



Aberdeen

NOMURA



STATE STREET
GLOBAL ADVISORS.



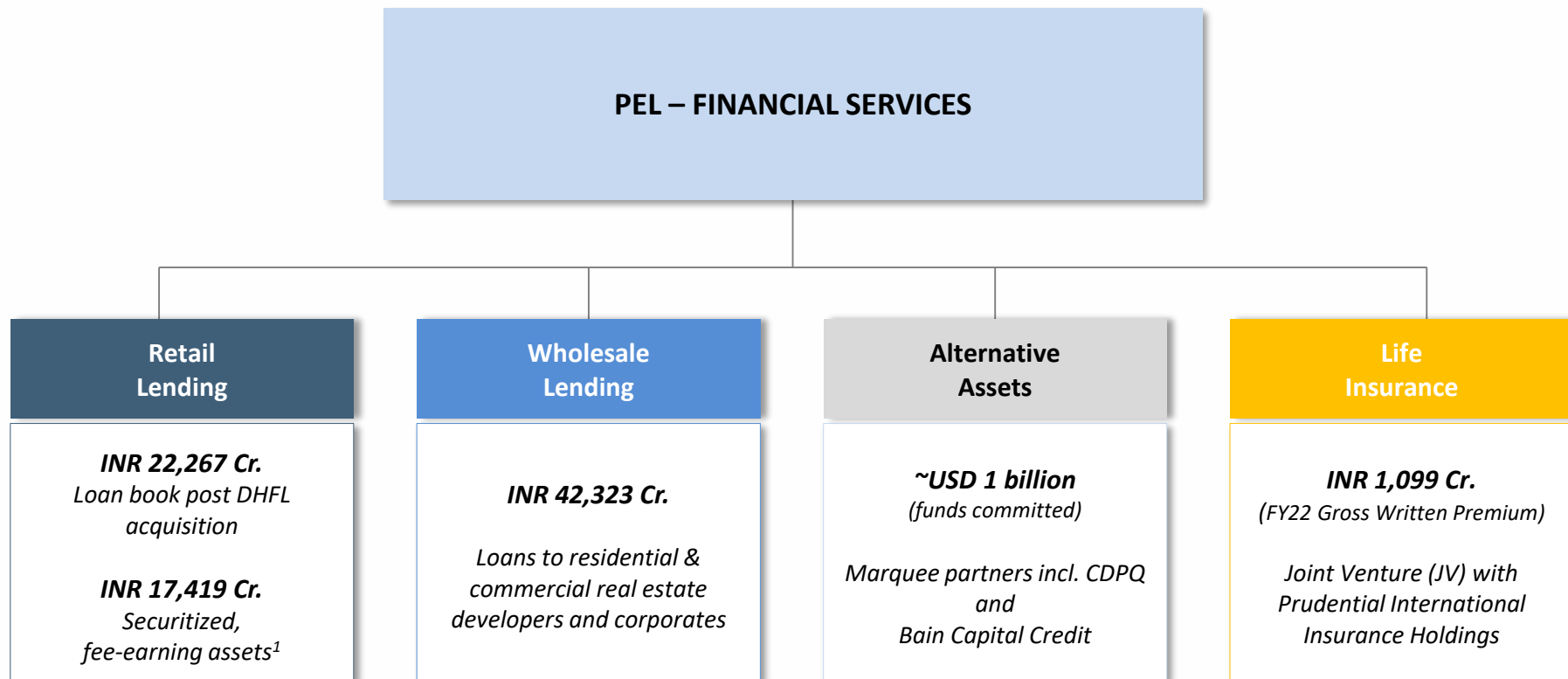


Financial Services



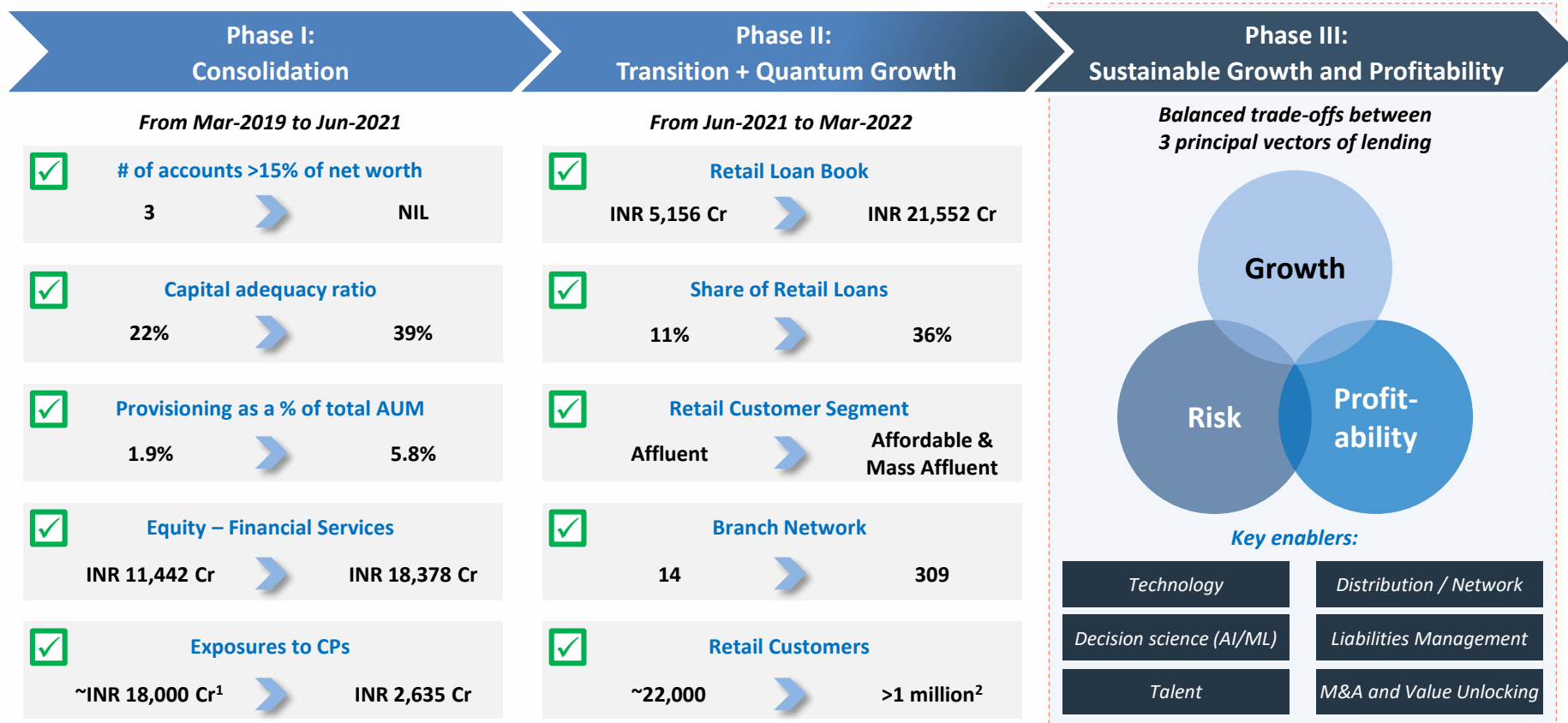
Financial Services: Business overview

As of Jun-2022



Note: (1) In addition to the loan book, the business manages INR 17,419 Crores of securitized, fee-earning assets acquired with DHFL

Progress on transformation agenda



Note: (1) Exposure to Commercial Papers (CPs) as of Sep-2018

(2) Life-to-date customers

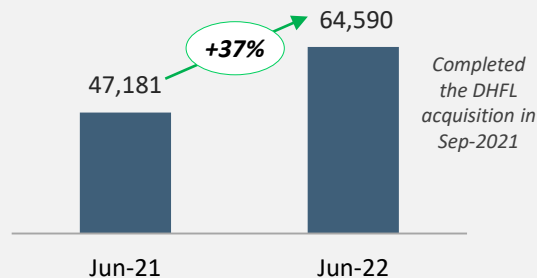
*Transforming into a diversified business,
with the DHFL acquisition*

Near-to-medium term focus

Progress Update: Balance Sheet and P&L Performance (FS Lending)

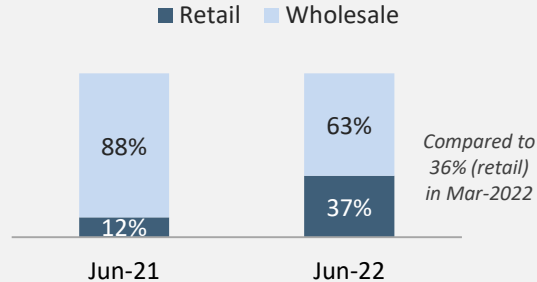
AUM

In INR Cr.



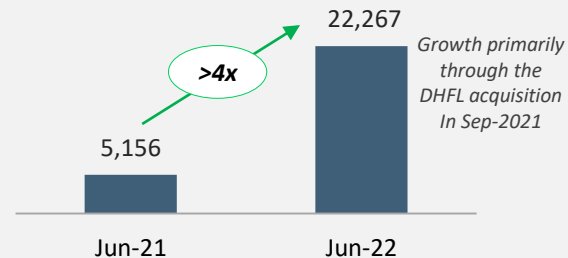
Loan Book Mix

In %



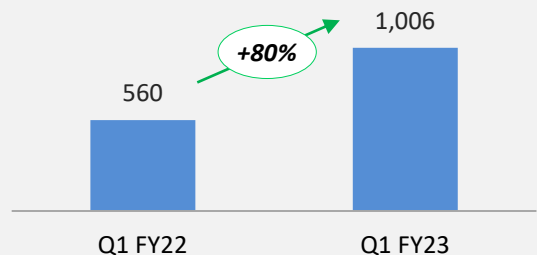
Retail Loans

INR Cr.



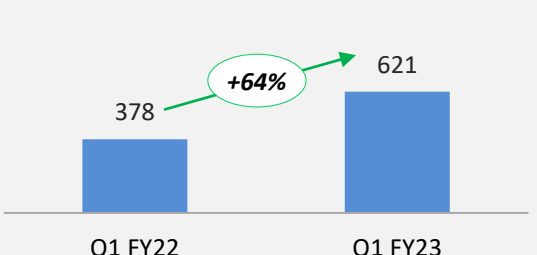
Total Income, net of interest expenses

In INR Cr.



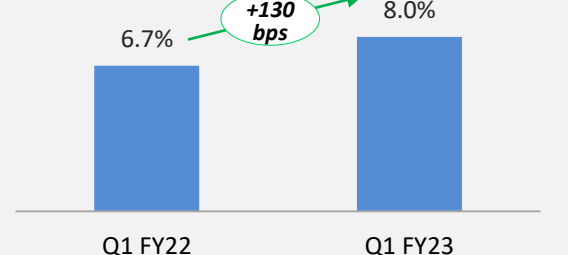
Pre-provision Operating Profit (PPOP)

In INR Cr.



Return on Equity (profit after tax)

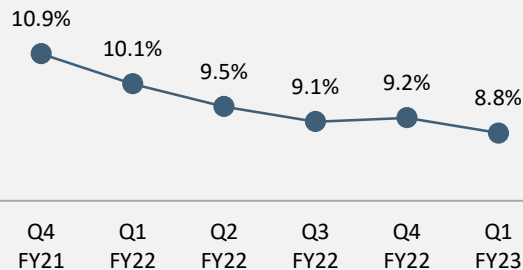
In %



Progress Update: Liability Management

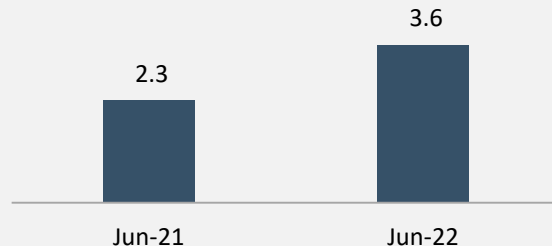
Average cost of borrowings

In %, for PEL Financial Services



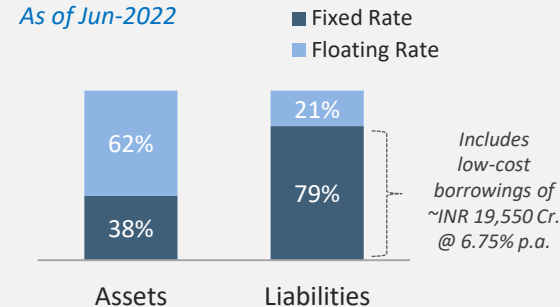
Average maturity of borrowings

In years, weighted average on a residual basis



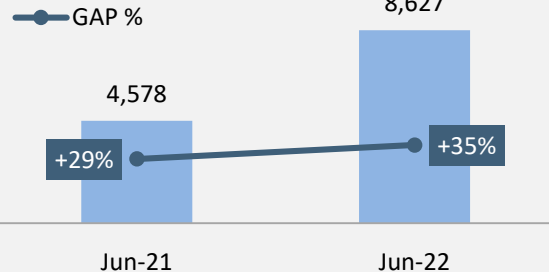
Fixed : Floating rate mix

As of Jun-2022

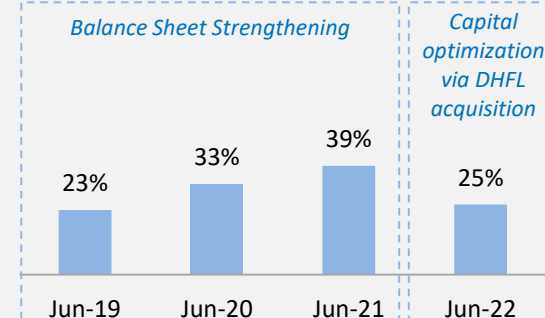


Cumulative ALM GAP¹ (up to 1-year)

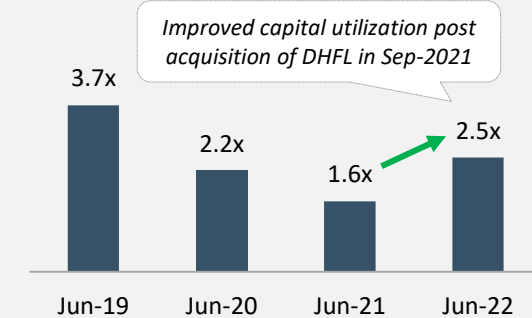
In INR Cr., period-end



Capital Adequacy Ratio



Net debt-to-equity

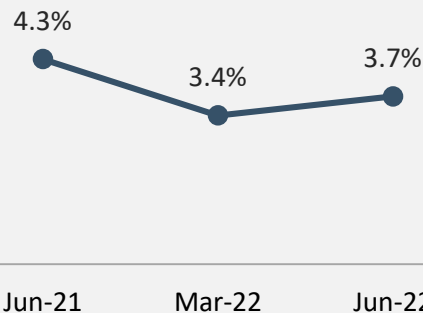


Notes: (1) Cumulative GAP = Cumulative inflows up to 1-year – Cumulative outflows up to 1-year (2) GAP (%) = Net flows (i.e. cumulative inflows – cumulative outflows) as a % of cumulative outflows

Progress Update: Asset Quality and Provisioning

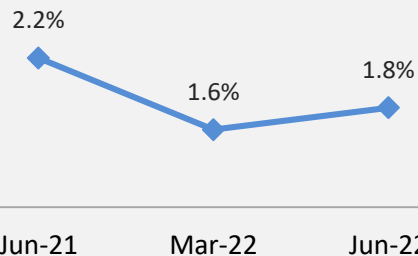
GNPA ratio

In %



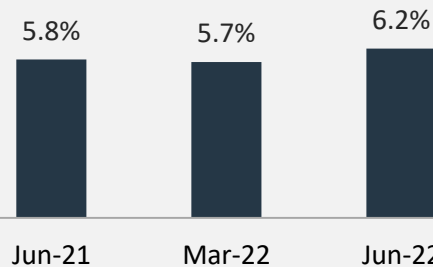
NNPA ratio

In %



Provisioning as a % of AUM

In %



- Marginal QoQ increase in GNPA and NNPA ratios vs. Mar-2022, primarily due to movement of one wholesale account from Stage-2 to Stage-3
- Total provisions increased to 6.2% of overall AUM from 5.7% as of Mar-2022, on account of:
 - Progressing towards monetization of few wholesale exposures, in line with our strategy to make our book more retail-oriented
 - Increase in regular ECL provisioning in line with retail loan book growth

Phase III Aspirations

Key Parameters

By end-FY2027 (5-year horizon)



Retail : Wholesale Mix



60-70% Retail and 30-40% Wholesale



AUM



~2x
(vs. Mar-2022)



Retail Disbursement Growth



40-50%
(5-year CAGR)



Leverage (Net Debt-to-Equity)



3.5-4.5x

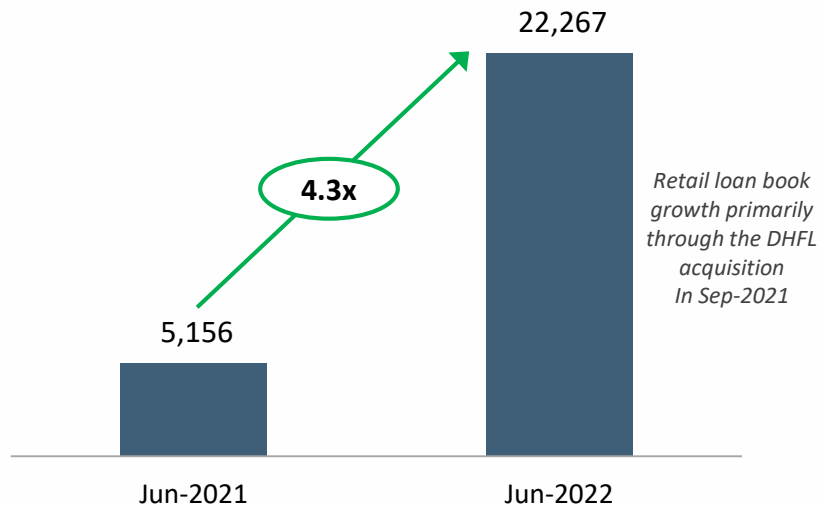


Retail Lending

Total Retail AUM: An at-scale lender in the affordable segment

Retail loan book growth

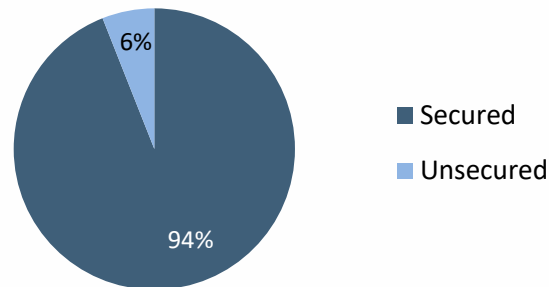
INR Cr.



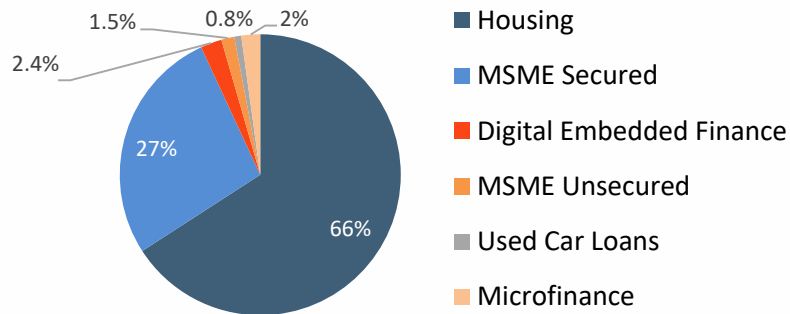
Note: In addition to the loan book, the business manages INR 17,419 Crores of securitized, fee-earning assets¹

Note: (1) Includes Direct Assignment deals and Pass-Through Certificates / Security Receipts

Breakdown of loan book by category



Breakdown of loan book by product segment



Launched the Microfinance business in Q1 FY23

Disbursements: Strong disbursement growth of 66% QoQ and 12x YoY in Q1 FY23

Retail loans – Quarterly disbursements

In INR Cr.

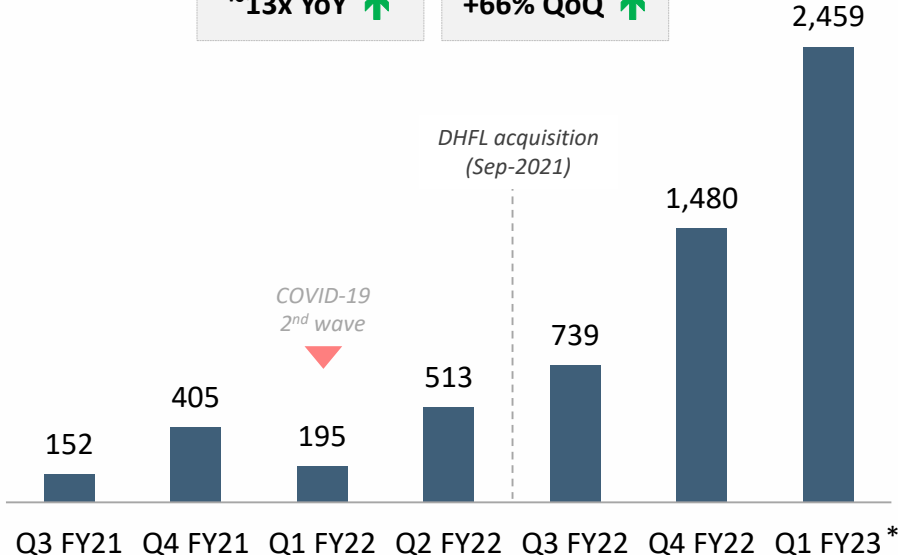
Q1 FY23 Performance:

~13x YoY ↑

+66% QoQ ↑

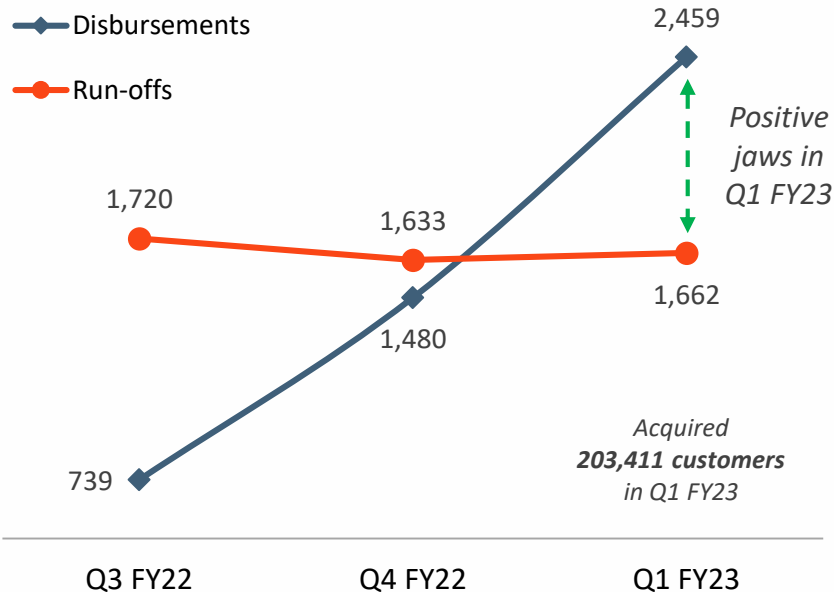
DHFL acquisition
(Sep-2021)

COVID-19
2nd wave



Retail disbursements vs. run-offs**

In INR Cr.



Marginally ahead of our guidance to achieve disbursements of INR 2,500-3,500 Cr. in Q3 FY23 (i.e. 5-7x of pre-merger levels)

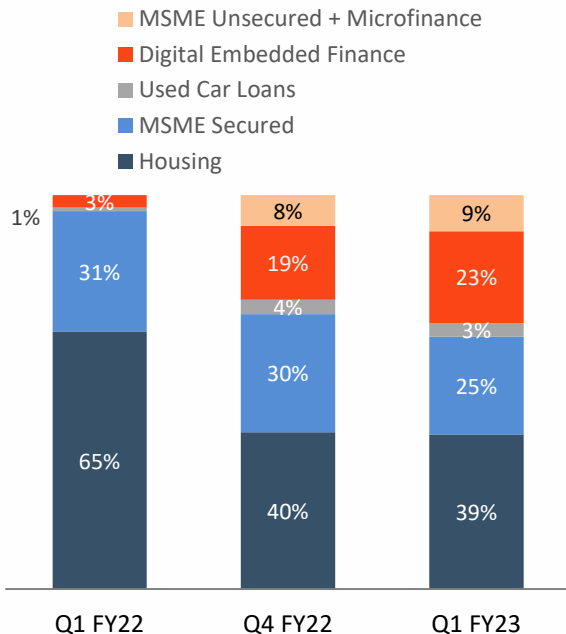
* Includes pool purchases

** Including scheduled payments

Yields: Disbursement yields continue to improve QoQ

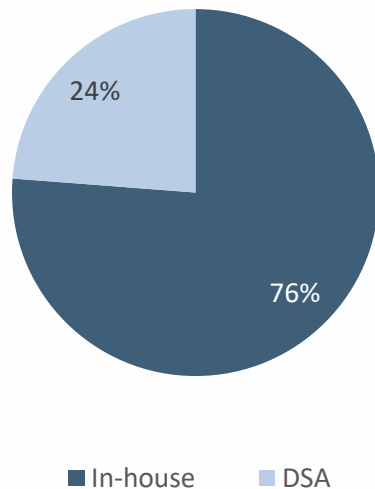
Disbursements across product segments

%, based on value for retail loans



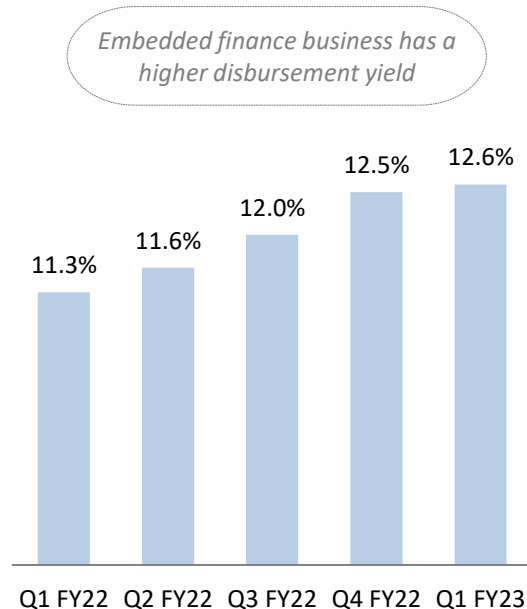
Disbursement origination

%, based on value for retail loans



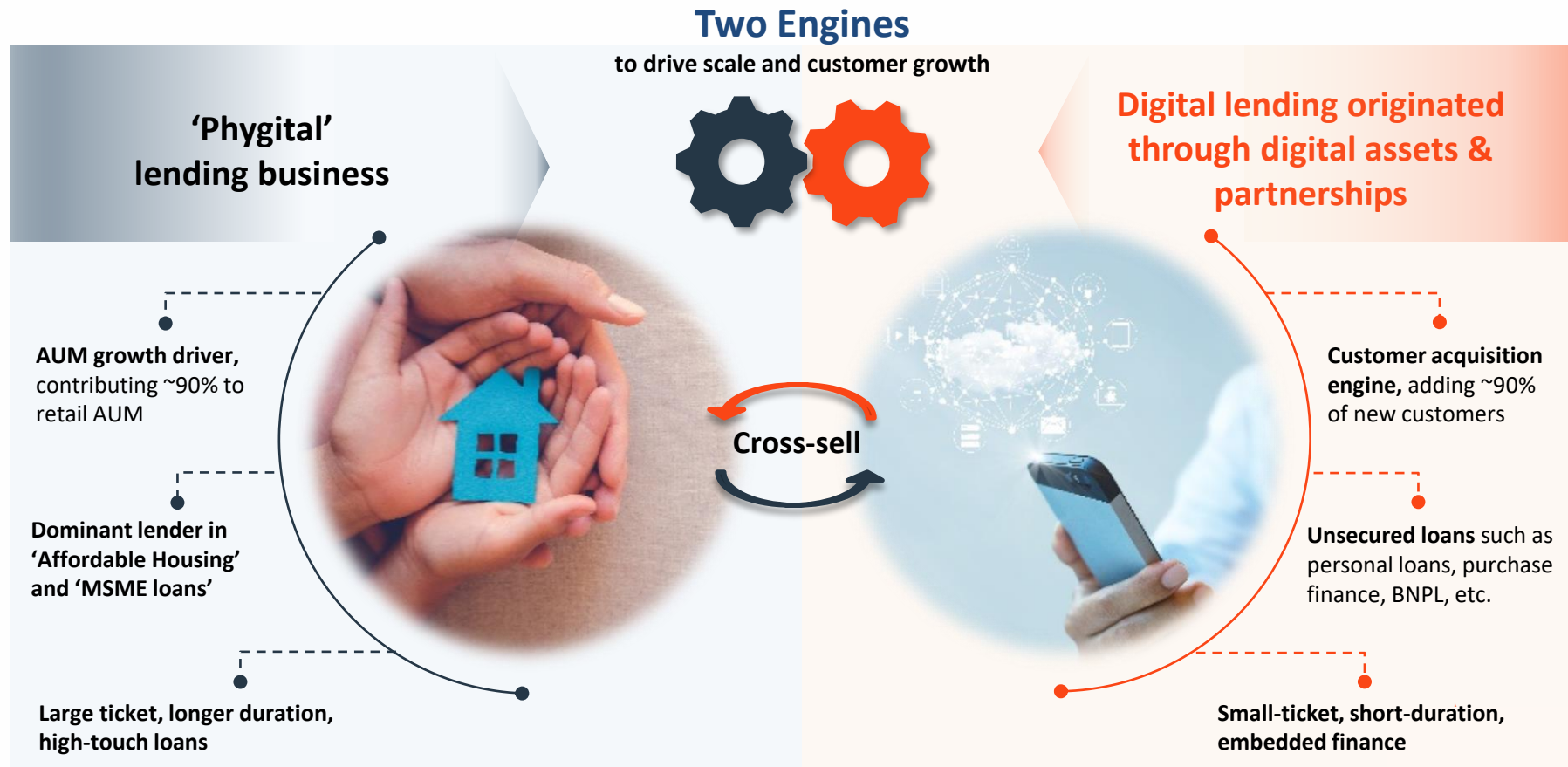
Rising disbursement yields

%, for retail loans (excl. embedded finance)



Healthy disbursement mix across product segments resulting in improved yields

Strategy: Adopting a ‘twin engine’ strategy to build the retail lending business





Products: A multi-product retail lending platform across the risk-reward spectrum

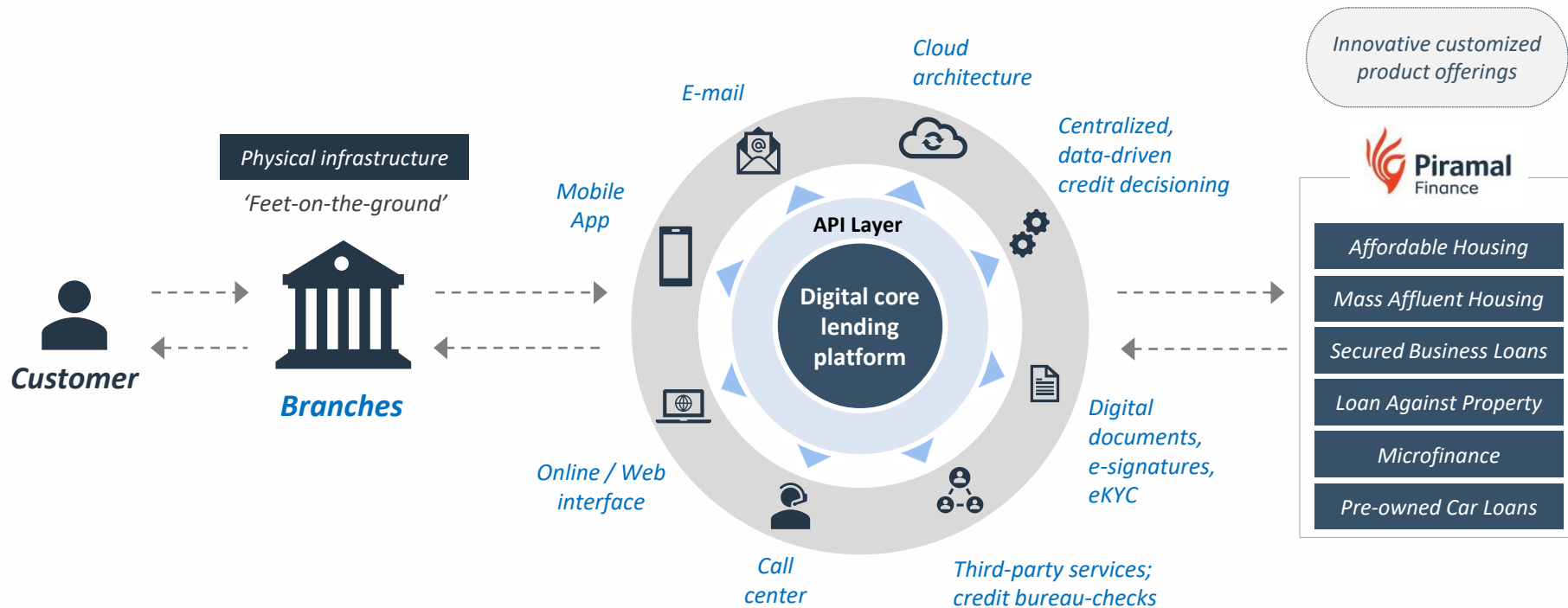
	Product Segments (Retail Lending)	Products	Avg. disbursement ticket size (INR lacs)	Disbursement yield (%)	Share in disbursements (%)
 	Housing	Affordable Housing Mass Affluent Housing	17	11.3%	39%
	MSME Secured	Secured Business Loans Loan Against Property	21	12.0%	25%
	Microfinance NEW	Microfinance Loans	0.3	25%	0.1%
	Used Car Loans	Pre-owned Car Loans	4	14.3%	3%
	MSME Unsecured	Unsecured Business Loans Merchant BNPL	6	19.6%	9%
	Digital Embedded Finance	Digital Purchase Finance Digital Personal Loans	1.4	14.3%	23%
	Weighted Avg. / Total		12.5	13.1%	100%

Expanded our product offering in Q1 FY23 with the addition of microfinance loans

Note: Data pertaining to organic disbursements / growth

‘Phygital’ Lending

‘Phygital’ Lending: Physically-distributed, digitally-enabled lending



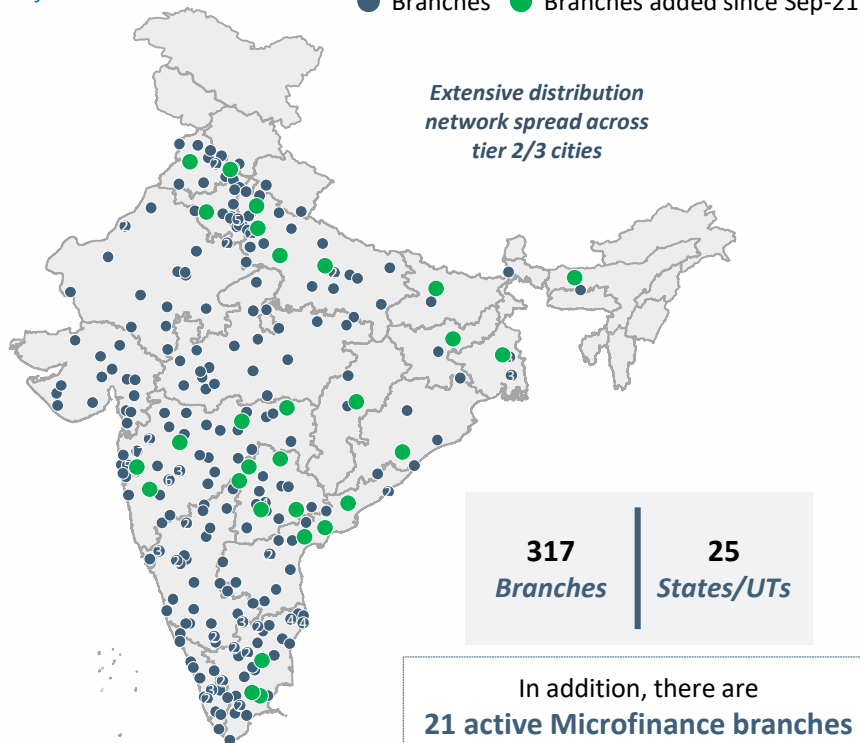
Catering to the financing needs of the under-served ‘Bharat’ market

Distribution: Further expanded our branch network and presence in Q1 FY2023

India-wide distribution network (excl. Microfinance-BC branches)

As of Jun-2022

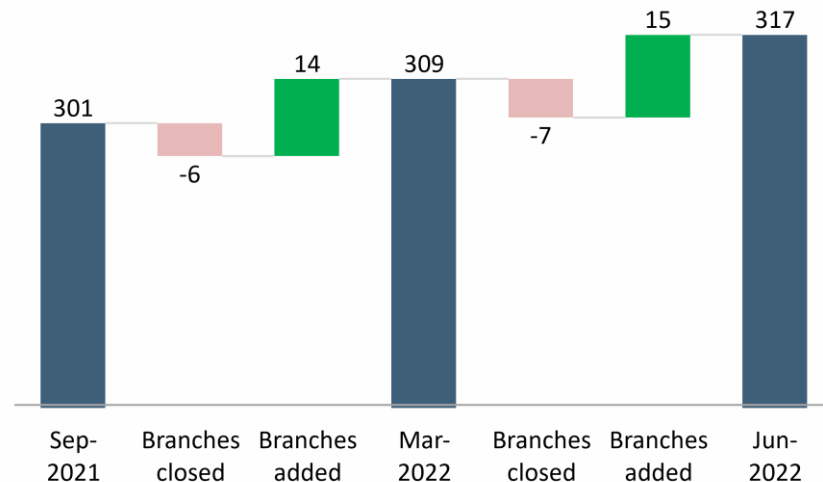
● Branches ● Branches added since Sep-21



Note: Map not to scale

Branch additions since the DHFL acquisition in Sep-2021

No. of branches, excl. Microfinance-BC branches

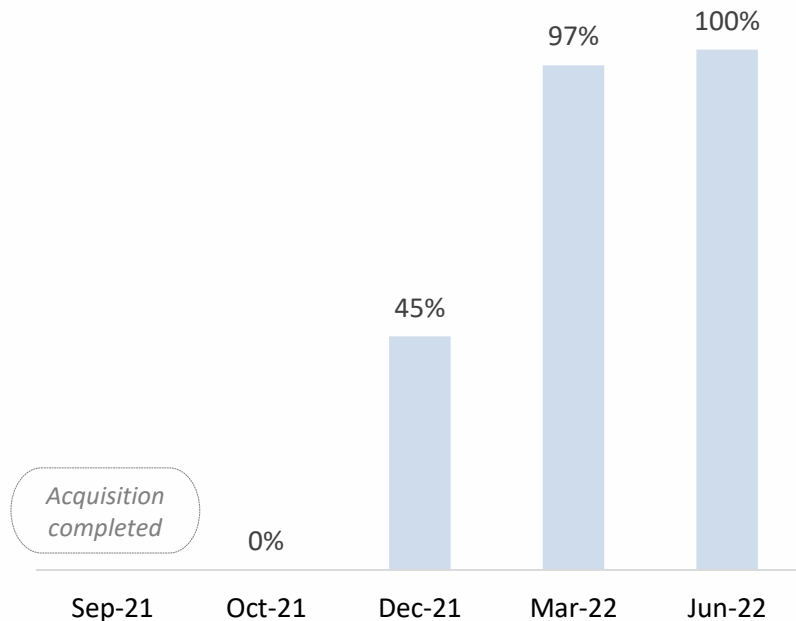


- **Branches:** Add 100 branches in FY2023; expand to 500-600 branches with presence in ~1,000 locations in 5 years
- **Microfinance-BC branches:** Activate nearly 100 Microfinance branches across 4-5 states in the near-to-medium term

Branch activation: All DHFL branches activated; focusing on optimization and productivity

Branch activation at DHFL

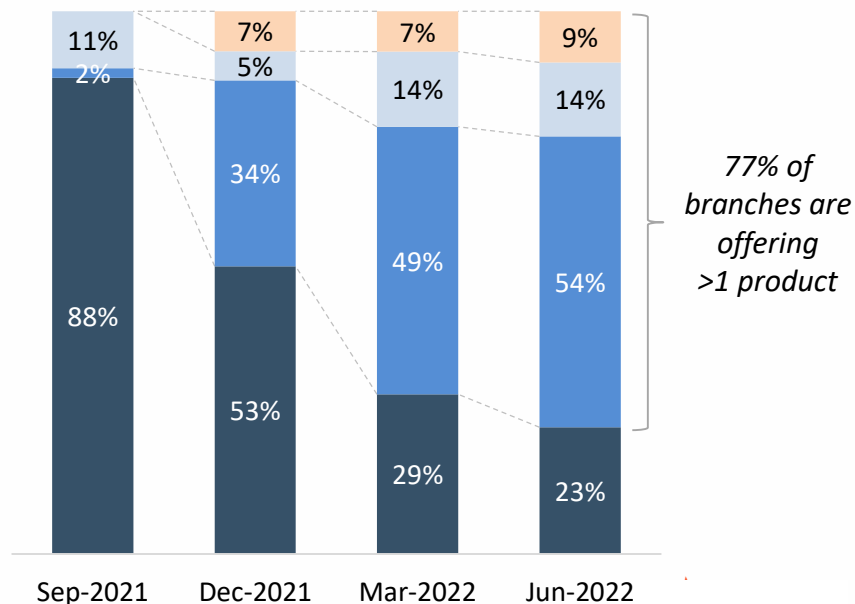
% of 'disbursement-active' branches



Breakdown of branches by no. of products sold

% of branches

Product count by branches: 1 (Dark Blue), 2 (Blue), 3 (Light Blue), 4 (Orange)



Microfinance: Launched in Q1 FY2023 through the Business Correspondent (BC) model

Launched Microfinance lending during the quarter



Started in May-2022 from Jhunjhunu, Rajasthan



'Phygital' model with video + AI-driven underwriting through BC partner



Part of our strategy to **address the financing needs** of the under-served **'Bharat' market**

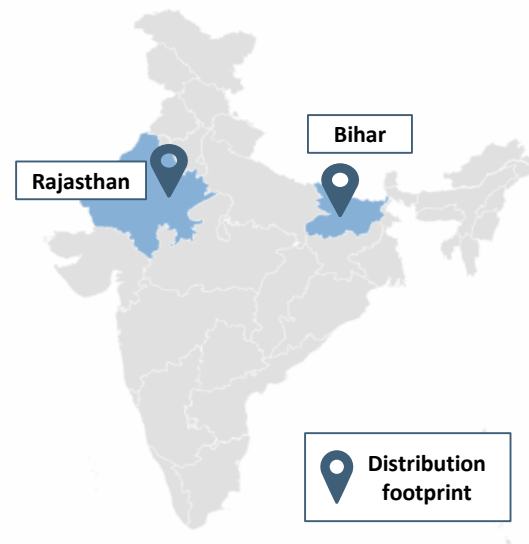


Compliant with the latest RBI regulations

Note: Data pertaining to organic disbursements / growth

Microfinance-BC: Key Highlights

As of Jun-2022



21

Active Microfinance
branches

INR 2 Crores

Q1 FY23 disbursements
(since launch in May-22)

Customer Segment (FS Retail): Financing the needs of the under-served ‘Bharat’ market; dominant lender in ‘Affordable Housing’ and ‘MSME loans’



Small business owner
‘Kirana store’ owner
in Bahadurgarh, Haryana

- Required working capital for wholesale trading in nearby localities



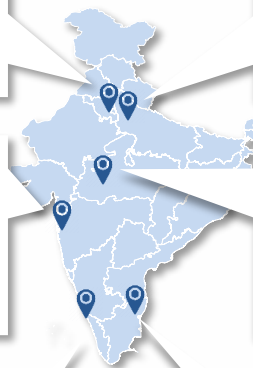
Cash salaried
Runs a coaching center
in Ulhasnagar, Maharashtra

- To purchase a 1BHK in Thane



Self-employed
Electrical contractor
in Kannur, Kerala

- To buy a house for self-occupation



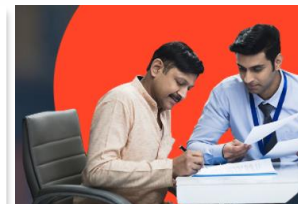
Small business owner
Tailoring business
in Meerut, Uttar Pradesh

- Required loans for renovation of shop



Self-employed
Trader of plywood
in Dewas, Madhya Pradesh

- To buy a plot and construct a house



Small business owner
Pharmacy owner
in Kanchipuram, Tamil Nadu

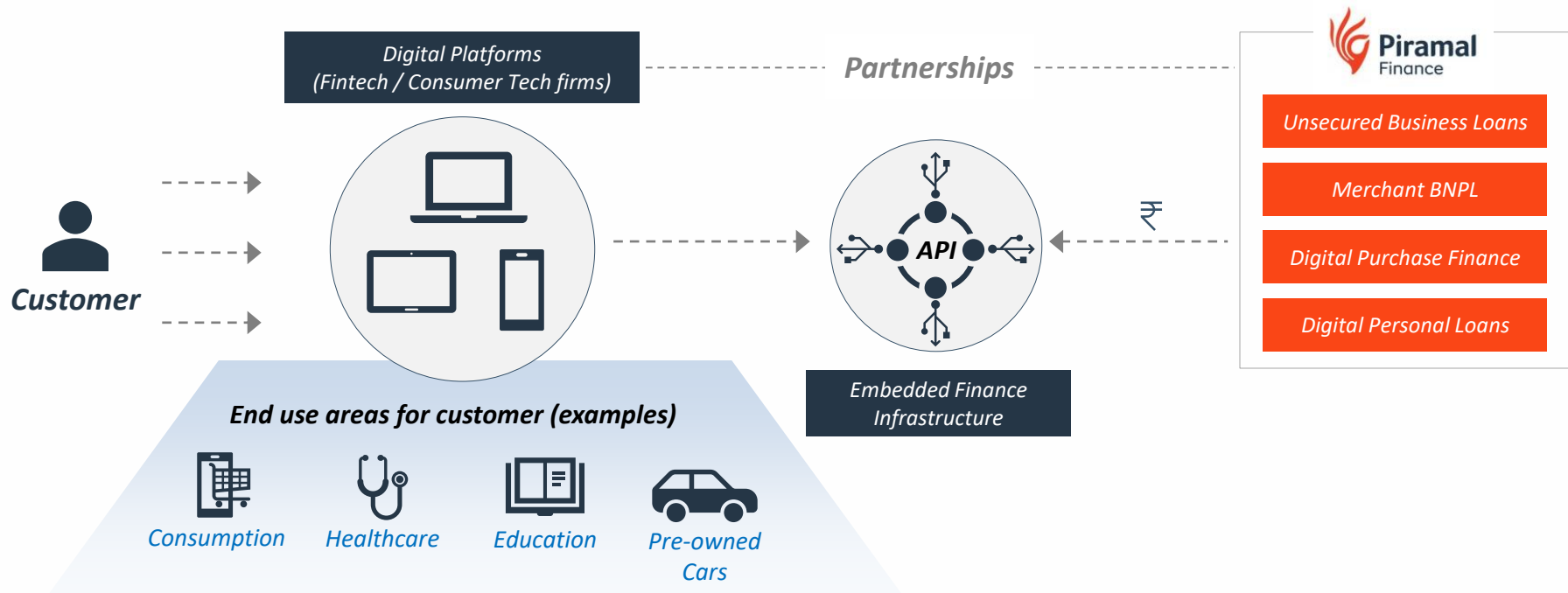
- Small business loan



Healthy customer mix, with self-employed-to-salaried customers at 58%:42% as of Dec-2021

Digital Lending

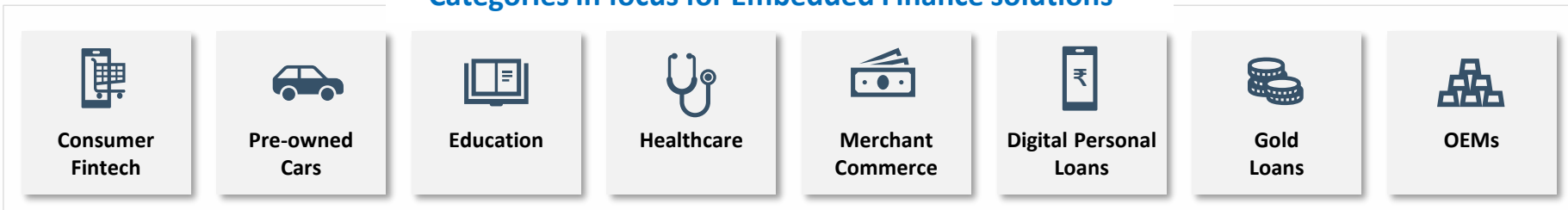
Digital Lending: A preferred lending partner for the consumer tech ecosystem, offering personalized financing solutions to customers



Embedding credit as a microservice into customer journeys

Digital Embedded Finance: Diversifying across product categories, business models and partners

Categories in focus for Embedded Finance solutions



12 diverse partnerships launched



Business Models / Partnership Arrangements



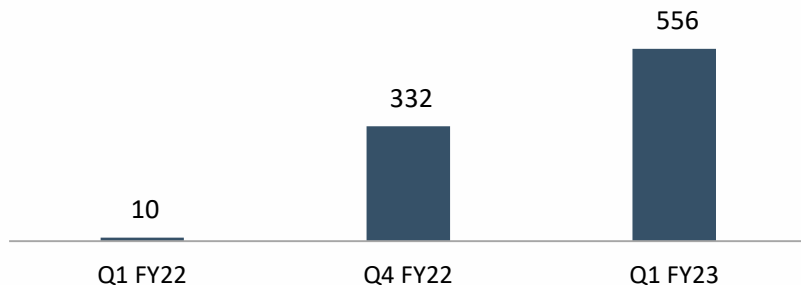
* From NBFC partners

[#] In pipeline

Digital Embedded Finance: Scaling-up partnerships with Fintech and Consumer Tech firms

Quarterly disbursements

In INR Cr.



Key highlights:

16

Programs launched

10,353

Pin-codes Serviced

93%

share of customers acquired (Q1 FY23)

23%

contribution to disbursements (Q1 FY23)

36 seconds

least time taken for disbursed loan

98%

loans with zero-manual intervention

Categories in focus for Embedded Finance solutions



Consumer
Fintech



Pre-owned
Cars



Education



Healthcare



Merchant
Commerce



Digital Personal
Loans



Gold
Loans



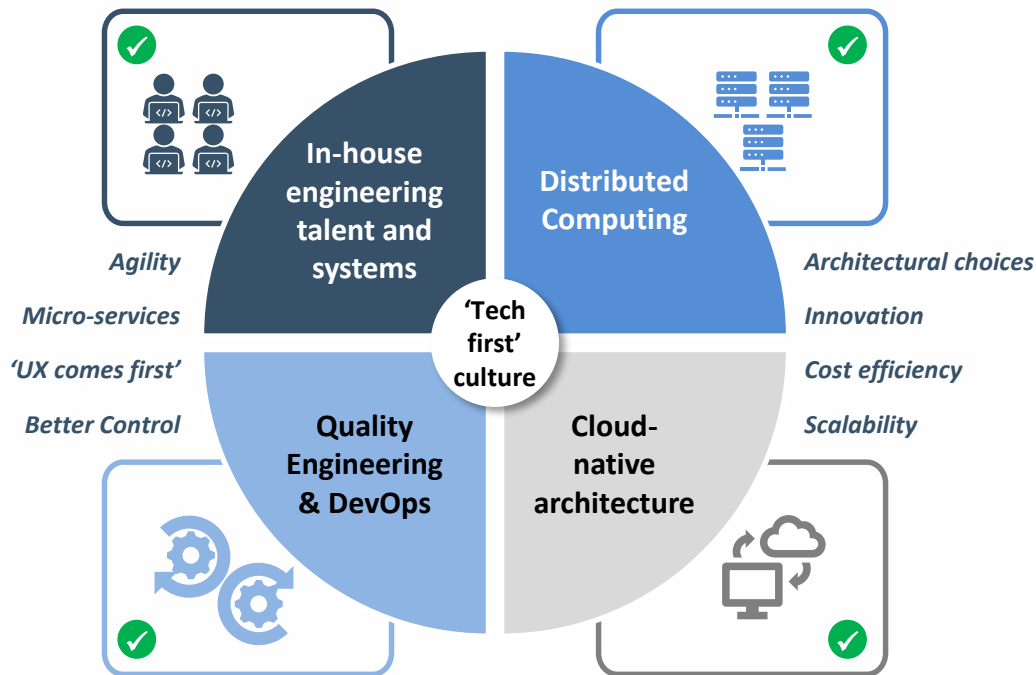
OEMs

Key Capabilities






- ✓ **Highly modular, in-house developed** loan origination & rule engine
- ✓ **Generic API stack** for easy integration
- ✓ **Agile squads** for rapid go-to-market and scale up
- ✓ **Proprietary fraud and underwriting models**
- ✓ **Deep in-house collections capabilities**

Technology Infrastructure: We have built in-house software development capabilities, which are being utilized to build all our digital assets

Our Tech Strategy and Choices

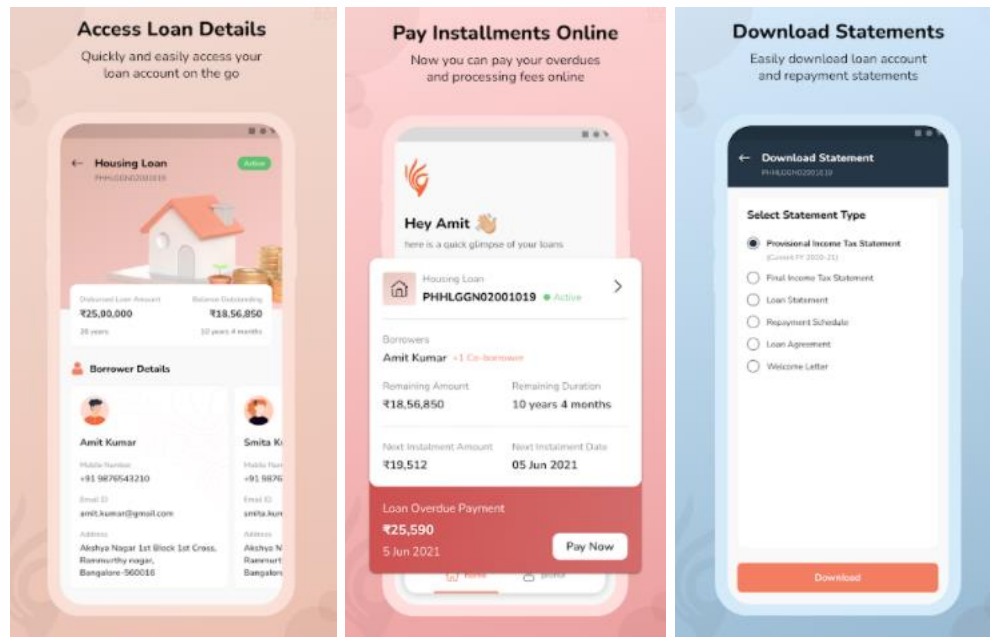


Digital assets created / launched during FY2022

-  **Launched mobile apps** on Android and iOS
-  **Generic API stack** for Embedded Finance partners
-  **Platform for sales partners/DSAs** to reduce TAT
-  **KYC platform** to enhance single customer journey
-  **Credit Policy Engine** to integrate new data sources

Mobile App: One-stop shop for customers for accessing their loan account and avail cross-sell offers

Launched Mobile App (Android and iOS)



App Downloads
127,000+



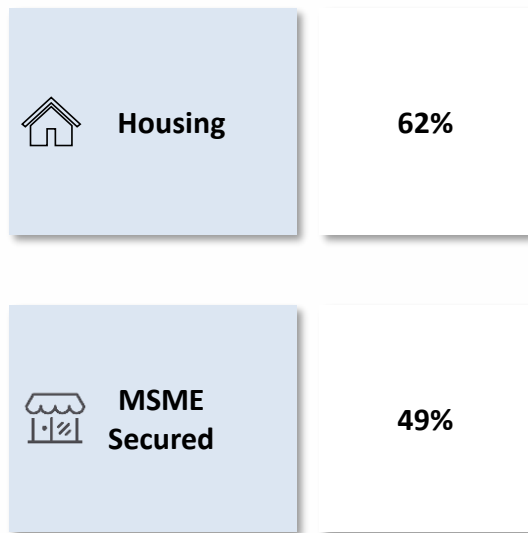
App Rating
4.6 (iOS)
4.3 (Android)

Asset Quality: Retail Portfolio

As of Jun-2022

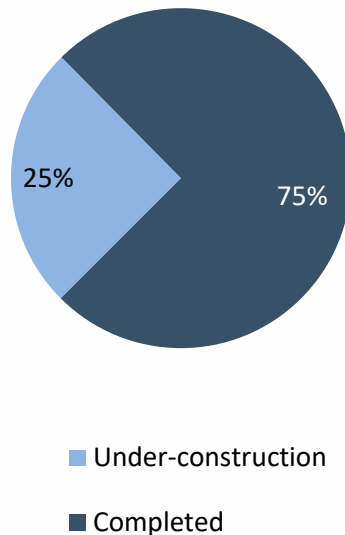
Average loan-to-value

For Secured Lending Segments, %



By stage of construction

For Housing segment only



Other highlights:

- Asset quality of the acquired DHFL book is in line with expectations
- Continue to make recoveries from the POCI¹ book
- Median CIBIL score of customers stood at 748 as of Jun-2022

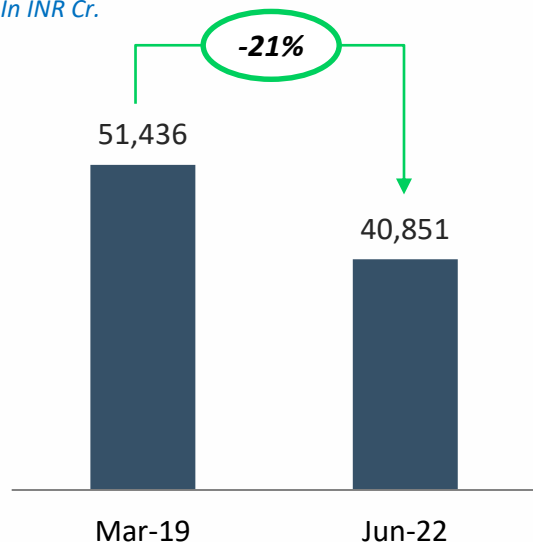


Wholesale Lending

Progressing in line with our strategy to make the loan book more granular

Wholesale AUM (excl. DHFL)¹

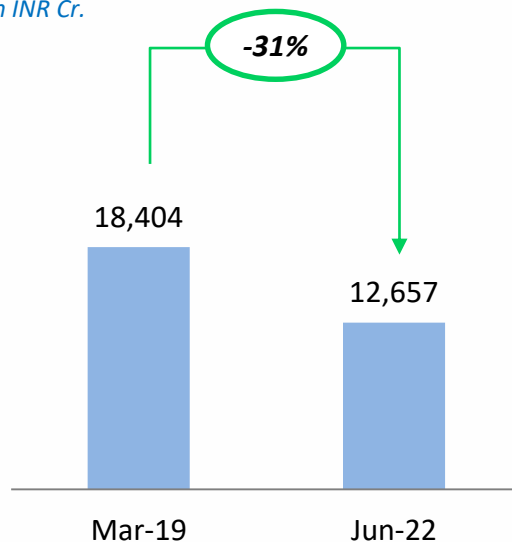
In INR Cr.



- 21% reduction since Mar-2019, which includes real estate and corporate loans

Top-10 exposures

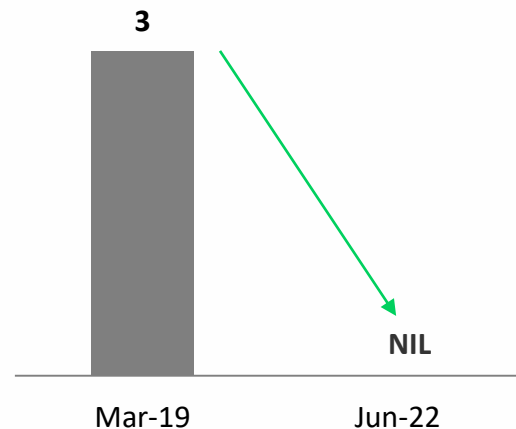
In INR Cr.



- Exposure to top-10 accounts reduced 31% since Mar-2019 (by INR 5,747 Cr.)

Single-borrower exposures

■ No. of accounts >15% of net worth



- No account² exceeds 10% of Financial Services net worth, as of Jun-2022

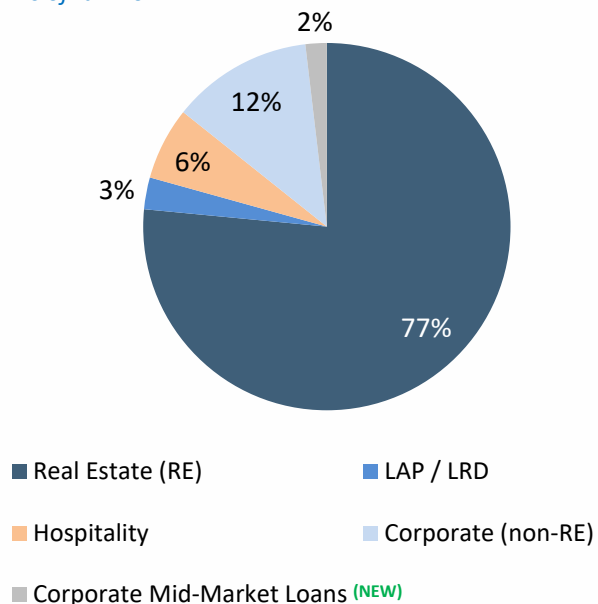
Note: (1) Excludes wholesale loans acquired from DHFL acquisition (INR 1,472 Cr. as of Jun-2022); includes PEL's share in AIFs & investments (INR 5,141 Cr. as of Jun-2022)

(2) Net of provisioning

Breakdown of the Wholesale portfolio

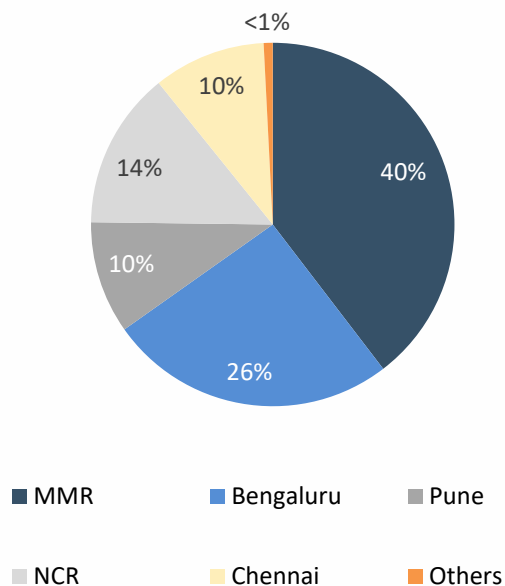
Wholesale loans by product segment ^{1,2,3}

As of Jun-2022



Wholesale RE exposure by cities ^{1,2,3}

As of Jun-2022



Breakdown of exposures by share in AUM

As of Jun-2022

Borrower's share in AUM	No. of borrowers
>5% of AUM	Nil
>4% to 5% of AUM	1
>3% to 4% of AUM	3
>2% to 3% of AUM	6
<2% of AUM	110
Total no. of borrowers⁴	120

Notes: (1) Based on value of loans

(2) Excludes DHFL's wholesale loan book worth INR 1,472 Cr. (valued at INR 1,943 Cr. at the time of acquisition)

(3) Excludes PEL's share in AIFs & investments worth INR 5,141 Cr. as of Jun-2022

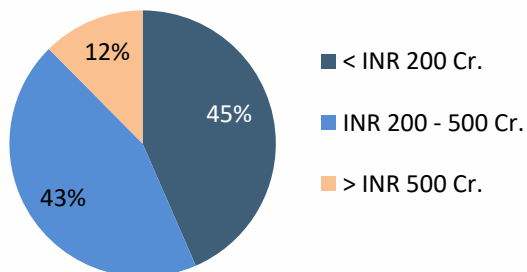
(4) Represents total number of individual borrowers; multiple loan facilities extended to a single borrower are combined to determine the share of an individual borrower in the overall AUM



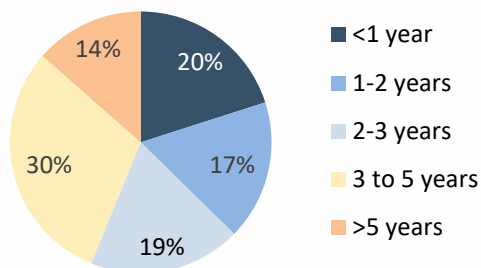
Breakdown of the Wholesale portfolio¹ (Cont'd)

As of Jun-2022

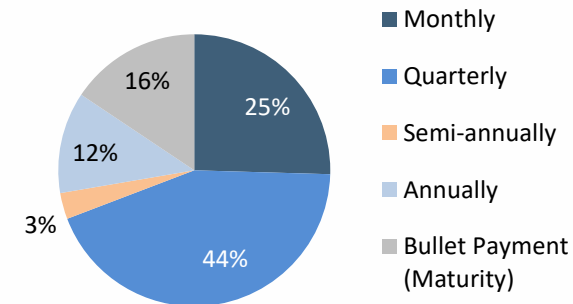
By ticket size (based on outstanding)



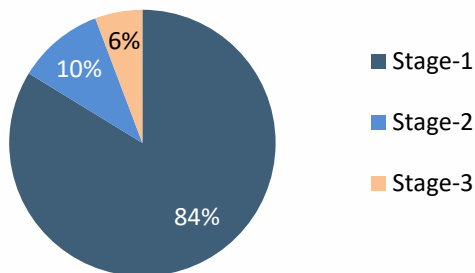
By tenure²



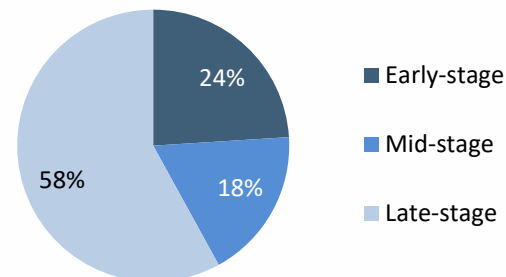
By coupon payment frequency



By staging



By stage of construction (for RE exposures)



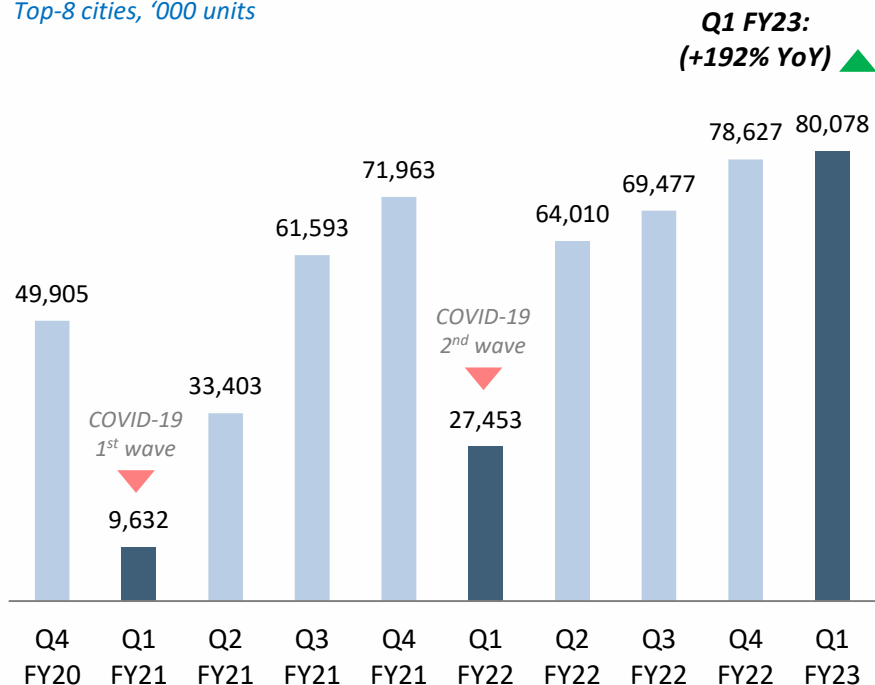
Note: (1) Based on value of loans; excludes wholesale loans acquired from DHFL and PEL's share in AIFs & investments

(2) Excluding NPA accounts

Performance of Developer Clients: In line with overall residential real estate sector

Residential RE Industry – Housing Units Sold

Top-8 cities, '000 units



Sources: Knight Frank Research

Performance of our developer clients in FY 2022



Developer Sales
(by value)

~2x YoY



Developer collections
from homebuyers

~1.6x YoY

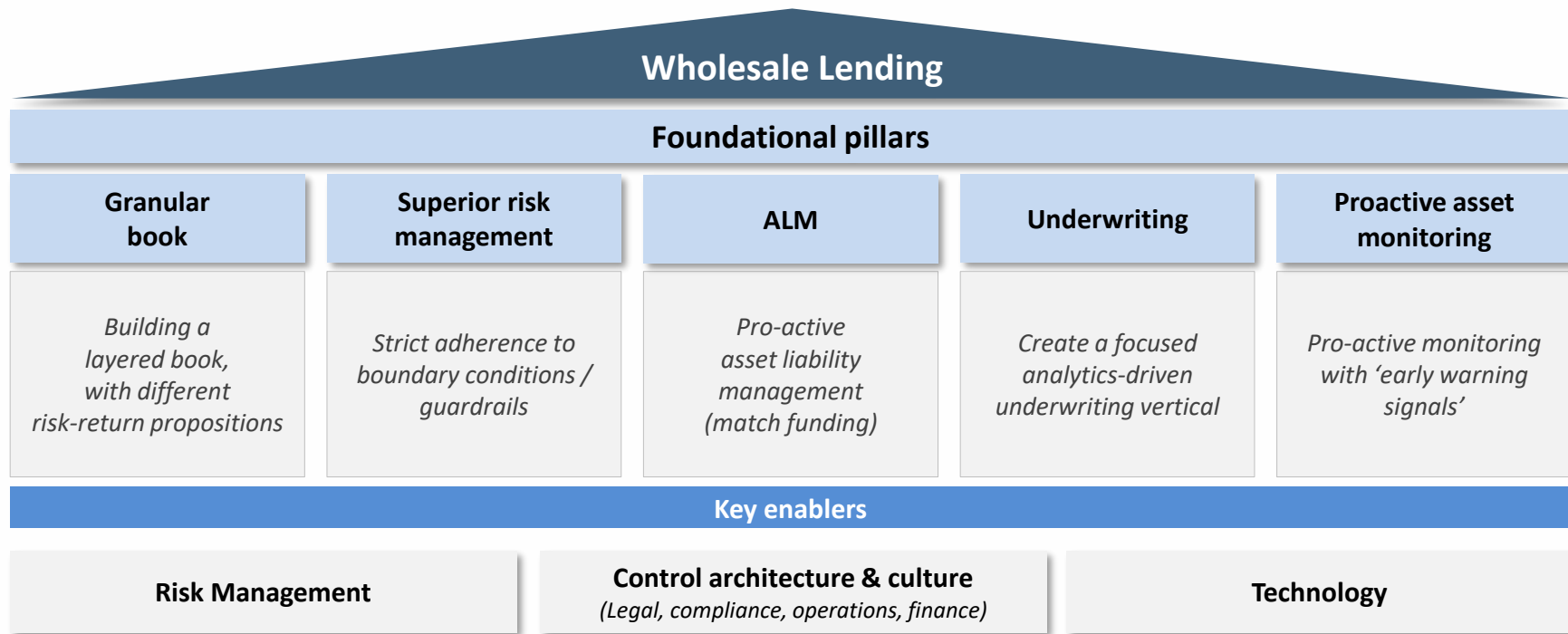
Developer Sales:

- ✓ Developer sales have been steady for the last 4 quarters, reflecting industry-wide trends
- ✓ Affordable & Mid-market segment contributed to ~80% of sales of our developer clients

Developer collections from homebuyers:

- ✓ Advancement in project stage, resulted in improved collections
- ✓ Collections from sales in the prior year, driven by healthy demand

Wholesale Lending 2.0: Established the foundational pillars for Wholesale 2.0



**Catering to a large addressable market (having few credit providers),
by adopting a calibrated approach, with focus on cash flow-backed lending**

Wholesale Lending 2.0: Recent developments and areas of focus to scale-up the business

Real Estate Lending



Primarily focus on **mid-market residential projects in tier-1 cities**



Focus on top 15-20 tier 2/3 markets, backed by strong local developers of our choice; **exposure of INR 20-50 Cr. per developer**



2-3 deals under execution worth INR 575 Cr.

Corporate Mid-Market Lending (CMML)



Smaller ticket corporate non-real estate loans at the OpCo-level



Built a book of INR 669 Cr. as of Jun-2022, with ticket sizes of up to INR 100 Cr.

Team

- Appointed CEO and hired Head of Credit
- Strengthening Mumbai, Delhi, Bangalore, Pune coverage and credit teams

Technology/ Analytics

- Transitioned to a fully-integrated proprietary developed digital platform
- Leveraging analytics to analyze past deals to further strengthen underwriting

Risk / Governance

- Strengthen asset monitoring and management
- Dedicated / separate Investment Committees for Real Estate and CMML deals
- Determined boundary conditions for growing the book

Healthy deal pipeline

Build an eco-system to provide comprehensive capital solutions to customer needs through a one-firm approach



Non-lending businesses

Alternatives: Fund management business with long-standing partnerships with marquee investors

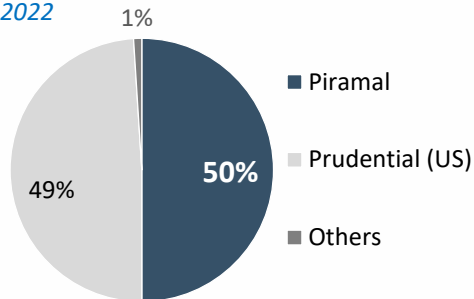
Fund	Partner / Co-sponsor	Committed / Deployed Capital	Investment Strategy
Piramal 'Performing Credit' Fund	 Caisse de dépôt et placement du Québec	USD 300m committed; 50% deployed	<i>Performing credit mandate across mid sized corporates</i>
IndiaRF (Stressed Asset Fund)	 BainCapital CREDIT	USD 629m committed; 60% deployed	<i>Leverage the opportunity to invest in distressed assets</i>

Return on sponsor commitments as well as income (in the form of both fee and carry) are likely to further improve, as we scale up existing funds and expand the product suite

Life Insurance: JV with Prudential¹; industry leader in the Defense segment

Piramal's stake in Pramerica Life Insurance (PLI)

As of Mar-2022



Customer Base

2.5 million

Embedded Value

INR 1,802 Cr.
(FY22-end)

Solvency Ratio

404%
(as of Mar-2022)

Agent Network

15,000+

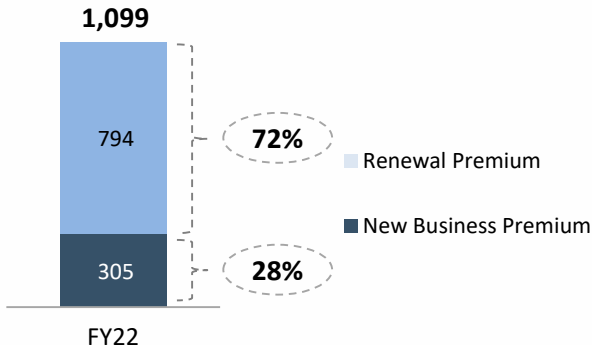
Branches

134 branches

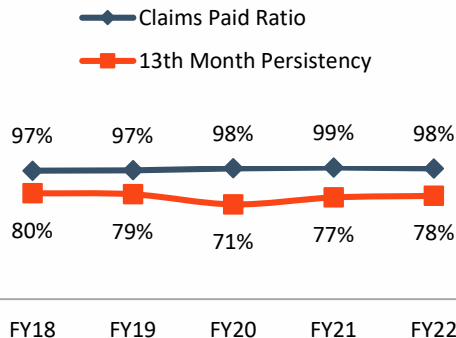
Presence

28 States / 2 UTs

Gross Written Premium (INR Cr.)

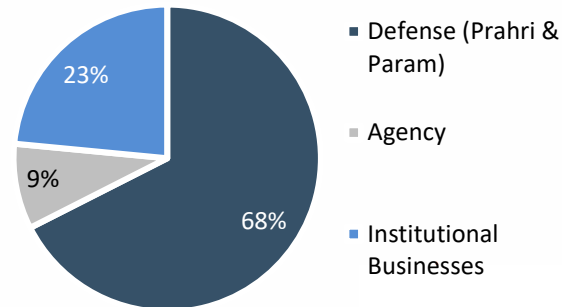


Claims Paid and Persistency ratios (%)



Channel Contribution to APE²

In %, during FY 2022



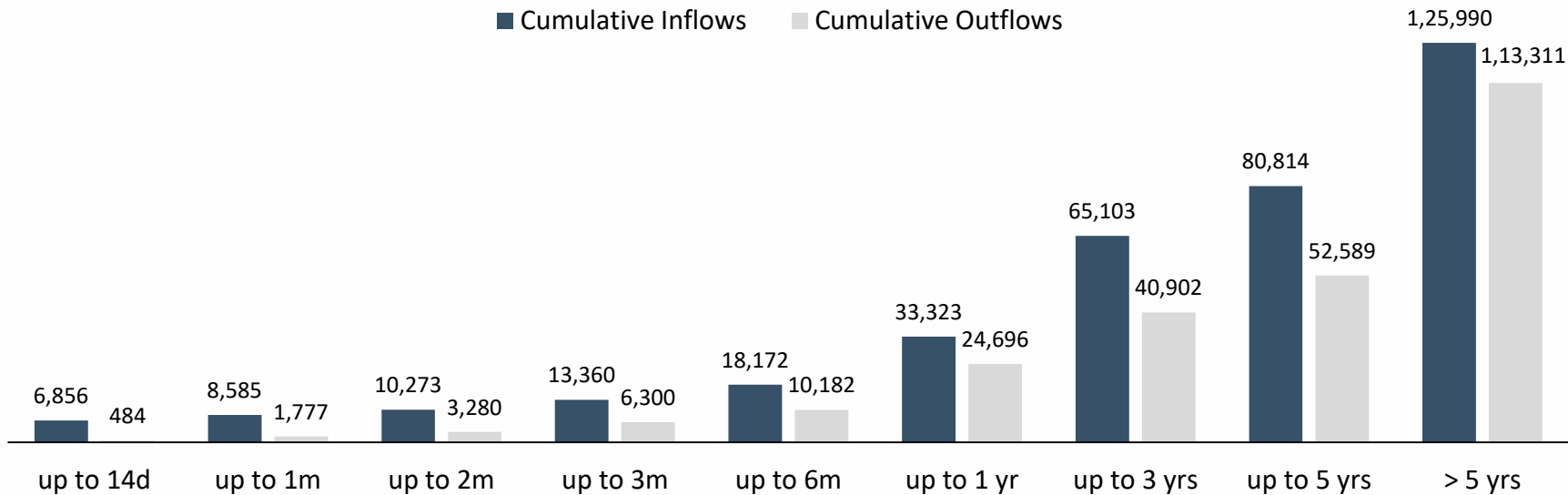
Liabilities

Asset-liability profile

(in INR crores)

As on June 30th, 2022 ⁽¹⁾

■ Cumulative Inflows ■ Cumulative Outflows


Cumulative GAP² (%)

+1,318%

+383%

+213%

+112%

+78%

+35%

+59%

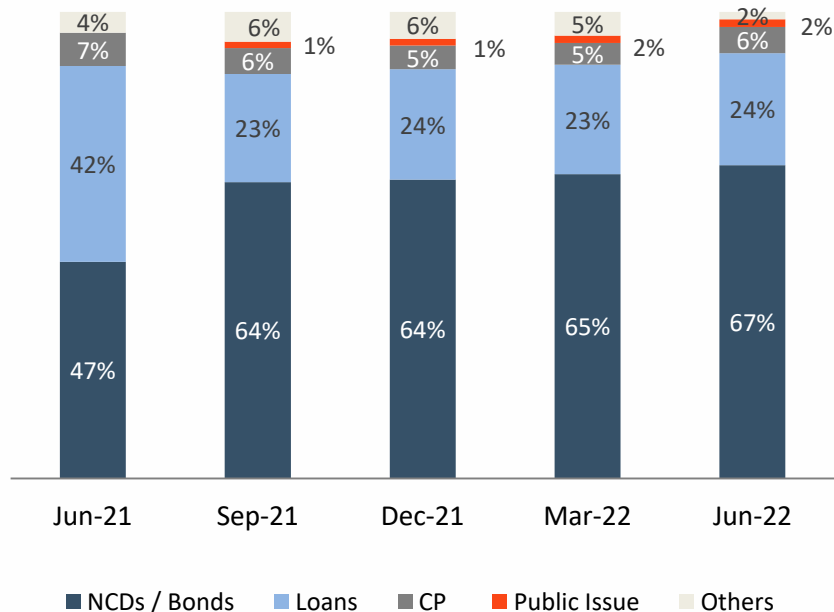
+54%

+11%

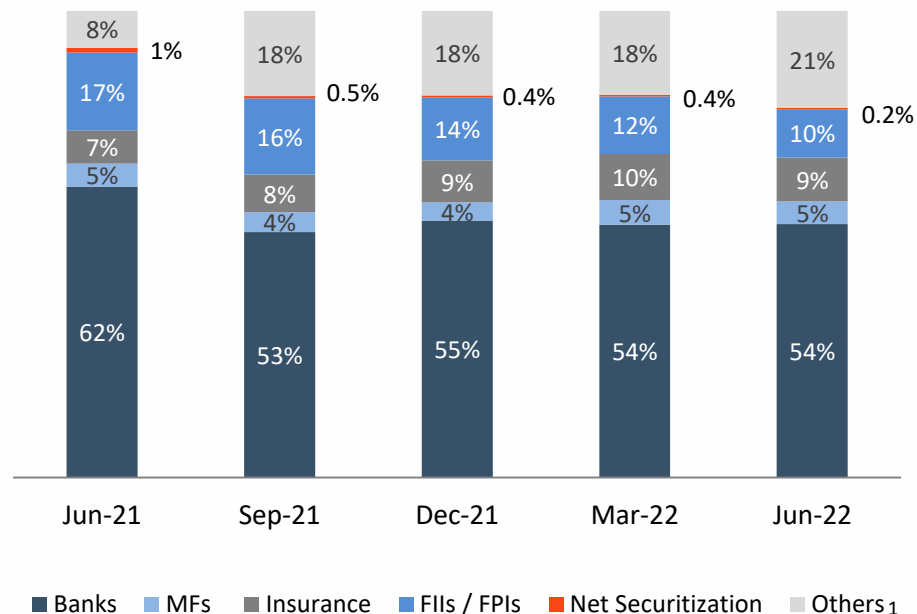
Notes: (1) ALM excluding Pharma Business and Shriram Investments. Based on static ALM for wholesale and behavioral ALM for the retail portfolio.
(2) Cumulative GAP (%) = Net flows (i.e. cumulative inflows – cumulative outflows) as a % of cumulative outflows

Diversifying the borrowing mix

Breakdown of borrowing mix by type of instruments¹



Breakdown of borrowing mix by type of lender^{1,2}



Borrowing mix is further diversified through 10-year NCDs worth ~INR 19,550 Cr. at 6.75% p.a. for DHFL acquisition

Notes:

(1) Data for PEL (excl. Pharma Business)

(2) 'Others' include employee benefit funds, financial institutions (incl. NHB) and Individuals/HUFs/Corporates, etc., which contribute ~5%, ~5% and ~11%, respectively, to overall borrowings as of Jun-2022



Financial Statements and ROA Tree – Financial Services

P&L Summary – Financial Services (Lending Business)

(in INR crores)

P&L Metrics	Q1 FY23	Q4 FY22	Q1 FY22
Interest Income	2,042	1,982	1,485
Less: Interest Expense	1,149	1,283	998
Net Interest Income	893	699	487
Fee & Other Income	113	105	73
Total Income, net of interest expenses	1,006	804	560
Less: Operating Expenses	360	410	174
Less: Depreciation	25	15	9
Pre-provision Operating Profit (PPOP)	621	379	378
Less: Provisions, net of recoveries	161	817	-49
<i>Provisions during the period</i>	333	1,078	-49
<i>Recoveries from the POCI¹ book</i>	-172	-261	-
Profit Before Tax	460	-438	427
Less: Tax Expenses	117	-117	121
Profit After Tax	343	-321	306

Notes: (1) POCI: Purchased or Originated Credit Impaired

ROA Tree – Financial Services (Lending Business)

KPIs (as a % of assets)	Q1 FY23	Q4 FY22	Q1 FY22
Interest Income	11.7%	11.2%	12.5%
Interest Expenses	7.1%	8.0%	8.4%
Net Interest Income	4.6%	3.2%	4.1%
Fees & Other Income	0.7%	0.6%	0.6%
Total Income	5.3%	3.8%	4.7%
Operating Costs	2.4%	2.6%	1.5%
Pre-Provision Operating Profit	2.9%	1.2%	3.2%
Credit cost, net of recoveries (annualized)	1.0%	5.1%	-0.4%
<i>Credit cost (annualized)</i>	<i>2.1%</i>	<i>6.7%</i>	<i>-0.4%</i>
<i>Recoveries from the POCI¹ book (annualized)</i>	<i>-1.1%</i>	<i>-1.6%</i>	<i>-</i>
Profit Before Tax	1.9%	-3.9%	3.6%
ROA (Profit After Tax)	2.1%	-2.0%	2.6%
Assets-to-equity	3.8x	3.7x	2.6x
ROE (Profit After Tax)	8.0%	-7.4%	6.7%

Notes: (1) POCI: Purchased or Originated Credit Impaired

Stage-wise breakdown of assets and provisioning

	Total Assets (INR Cr.)		
Stage-wise breakdown	Jun-2022	Mar-2022	Dec-2021
Stage-1	54,438	55,420	56,575
Stage-2	4,446	4,072	3,439
Stage-3	2,362	2,227	2,159
Sub-total	61,247	61,720	62,173
POCI ¹	3,344	3,465	3,619
Total	64,590	65,185	65,792

	Total Provisions (INR Cr.)		
Stage-wise breakdown	Jun-2022	Mar-2022	Dec-2021
Stage-1	1,059	1,126	1,074
Stage-2	1,667	1,380	545
Stage-3	1,282	1,229	1,036
Sub-total	4,008	3,735	2,655
POCI ¹	0	0	0
Total	4,008	3,735	2,655

	Asset Quality Ratios (%)		
Key parameters	Jun-2022	Mar-2022	Dec-2021
GNPA Ratio (% of total AUM in Stage-3)	3.7%	3.4%	3.3%
<i>Provision Coverage Ratio – Stage 1</i>	<i>1.9%</i>	<i>2.0%</i>	<i>1.9%</i>
<i>Provision Coverage Ratio – Stage 2</i>	<i>37%</i>	<i>34%</i>	<i>16%</i>
<i>Provision Coverage Ratio - Stage 3</i>	<i>54%</i>	<i>55%</i>	<i>48%</i>
NNPA Ratio	1.8%	1.6%	1.8%
Total Provisions as a % of Total AUM	6.2%	5.7%	4.0%
Total Provision as a % of GNPA's	170%	168%	123%

Note: (1) 100% of DHFL's Stage-3 book and of Stage-2 book as on merger date (together amounting to face value of INR 9,488 Cr.) has been classified as Purchased or Originated Credit Impaired (POCI). This book had been fair valued at INR 3,465 Cr. (fair value adjustment of 63%) as of Mar-2022, and this fair value is represented in PEL's FY22 Financial Statements.

As of Jun-2022, this book is valued at INR 3,344 Cr. Under IndAS 103, accounts classified as POCI will remain in POCI until closure. These accounts will not get reclassified as Stage-1 / 2 / 3 assets in their lifecycle.

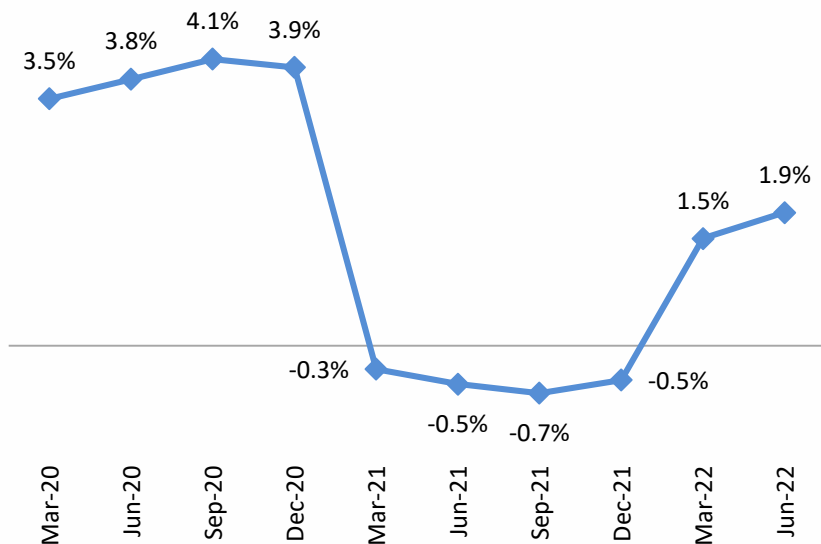
Any differences in cashflow in the POCI book (i.e. higher or lower than fair value adjustment) would be accounted through P&L.

The overall POCI book will shrink as cashflows are recovered from the book.

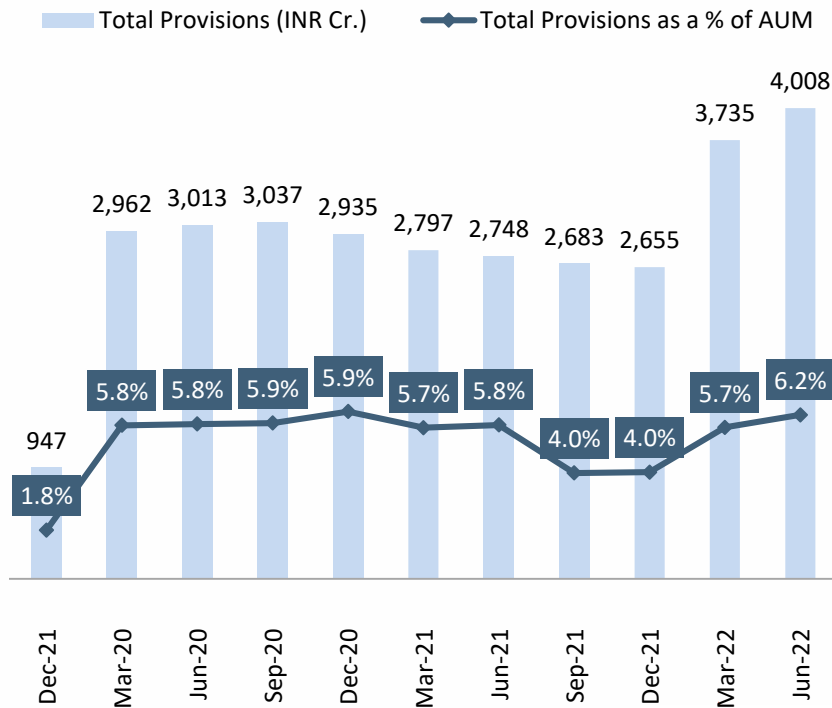
Credit costs and Provisioning

TTM credit costs¹ (Overall FS – Lending)

In % p.a.



Total Provisions (on Balance Sheet)



Note: (1) Trailing 12-month (TTM) credit cost = Cumulative incremental provisions for trailing 12 months / Average AUM for trailing 12 months



Financial Services – Key Strategic Priorities

Key Strategic Priorities

1

Aim to achieve a loan book mix of 2/3rd retail and 1/3rd wholesale in 5 years

2

Lower cost of borrowings, driven by diversification of loan book and funding sources

3

Further optimize capital utilization through loan book growth and inorganic initiatives

4

Maintaining adequate provision to manage future contingencies

5

Improve profitability through growth, lower borrowing costs, change in retail product mix and capital optimization



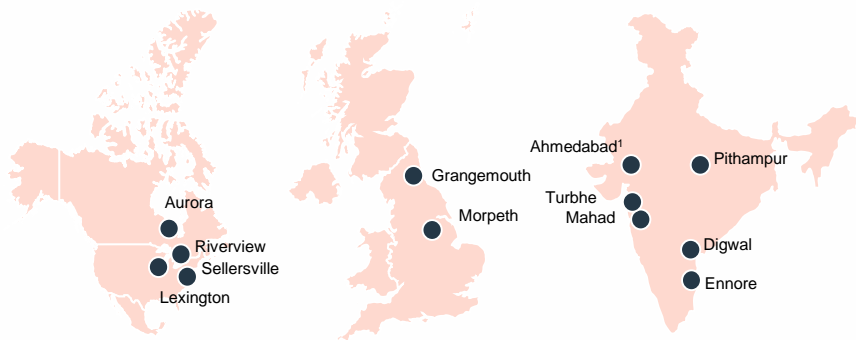
Pharma



Three-Pronged Business Model with Market Leading Positions...

Contract Development and Manufacturing Organization (CDMO)

13 CDMO sites across North America, Europe and India



Capabilities across **drug substance** and **drug product**

Top 3 in India²

13th Largest Globally²

Complex Hospital Generics (CHG)



Inhalation Anesthesia



Anesthesia and pain management



Intrathecal Therapy



Other Injectables

4th Largest Inhaled Anesthesia Player Globally²

India Consumer Healthcare (ICH)

LACTO[®] CALAMINE
Daily Face Care Lotion



TETMOSOL



Ranked 10th in OTC segment in India²

Strong combination of well-diversified healthcare businesses provides greater stability from a long-term investment perspective

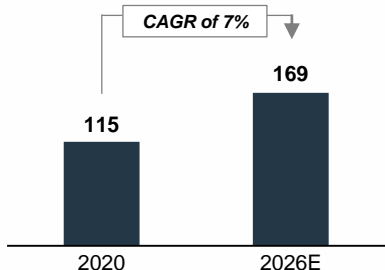


...in Attractive and Large Industry Segments

Contract Development and Manufacturing Organization (CDMO)

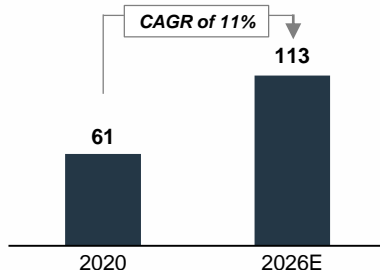
CDMO Market Growing at a Healthy Pace...

(In USD Bn)



...With Robust Growth in Small Molecule CDMOs

(In USD Bn)¹



Market is Driven by Sustainable Tailwinds

✓ **Biotech and Mid Pharma** emerging as an important customer category

✓ **US and Asia Pacific** witnessing higher growth of 7.7–8.5% p.a. over 2021–26 aided by **new drug development**

✓ Pharma companies increasing outsourcing to **“integrated service providers”**

Complex Hospital Generics (CHG)

Addressable market size of CHG

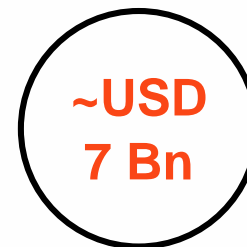


Structural Growth Drivers

- ✓ Market is characterized by **high barriers to entry**
- ✓ **Better pricing environment** due to supply challenges
- ✓ Possibilities of entering into **long term contracts** with customers and GPOs

India Consumer Healthcare (ICH)

Addressable market size of ICH



Structural Growth Drivers

- ✓ Fast growing base of **young, urban consumers** with **increasing health consciousness**
- ✓ **Highly underpenetrated** consumer healthcare market in India
- ✓ Evolving retail landscape and emergence of **e-commerce** channel



Levers for Sustainable Value Creation



1

Global Footprint with a **Diversified Revenue Base**

2

Balanced Manufacturing Footprint with **Best-in-Class Quality** Track Record

3

Track Record of **Inorganic** and **Organic Expansion**

4

Strong Financial Performance Across Segments over a **Sustained Period of Time**

5

Institutional Focus on **ESG**

6

Focus on **Patient and Customer Centricity: Source of Differentiation**

7

Highly Experienced Management Team Demonstrating **Execution** Against Key Strategic Priorities



Global Footprint with a Diversified Revenue Base

15

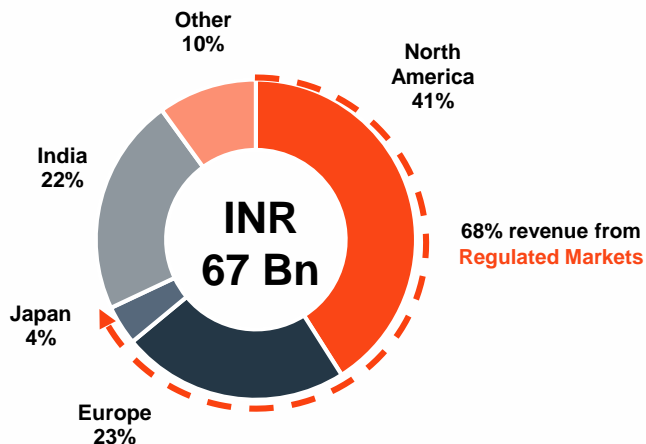
Manufacturing Sites

100+Countries with
Commercial Presence**~500**

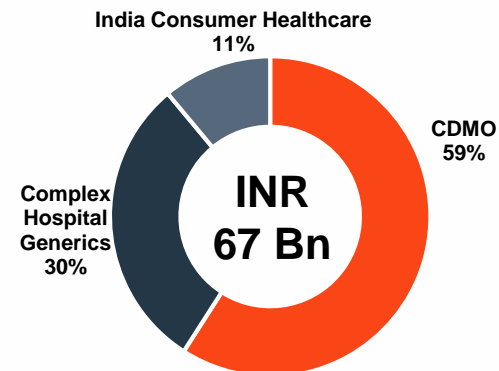
CDMO Customers

6,000+CHG Customers
(Hospitals)

Total FY22 Revenue by Geography



Total FY22 Revenue by Segments

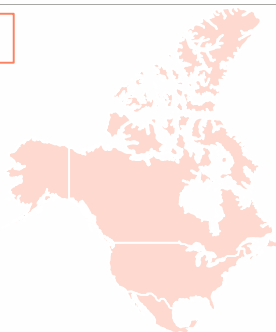




Balanced Manufacturing Footprint with Capability to meet a Wide-range of Customer Geographic Requirements...

15 Manufacturing & Development facilities across North America, United Kingdom and India

5



North America

API, Highly Potent API (HPAPI),
Sterile Injectables

Inhalation Anesthesia

FDA

MHRA

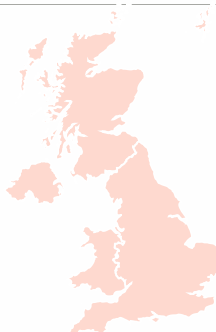
TGA

SGS

Pmda

KFDA

2



United Kingdom

API, ADC (Antibody Drug Conjugates),
Formulations (including hormones)

FDA

MHRA

TGA

ANVISA

Pmda

8



India¹

API, Formulations, Drug discovery and
development, Nutrition solutions

Inhalation anesthesia, Specialty
Fluorochemicals

FDA

MHRA

TGA



KFDA

Pmda

ANVISA

fimea

mcc
INDIAN MEDICAL COUNCIL

of Facilities CDMO delivery capabilities Complex Hospital Generics commercial capabilities

Notes: (1) 2 facilities at Ahmedabad



...with Best-in-Class Quality Track Record

285

total regulatory
inspections¹

36

USFDA inspections
successfully cleared¹

Zero

OAs^{1,2}

1,432

total customer audits¹



Strong quality function with **1,000 people across sites** and **reporting directly to the Chairperson**



Advancement journey from 'Quality for Compliance' to '**Quality as a Culture**', with a focus on systems, processes, technology and people



Track Record of Organic and Inorganic Expansion



Healthy ROI on Organic Investments



Growth capex across Discovery, Development and Commercial Manufacturing within CDMO



Investments to **bolster capacity** across key Inhalation Anesthesia products in Complex Hospital Generics



Sales Promotion to drive **consumer acquisition and loyalty** on several brands in India Consumer Healthcare



Track record of value creation from acquisitions



Select Case studies	Investment	Revenue Multiplier (Acquisition to FY22)
Oxygen Bio-research (CDMO) (PDS Ahmedabad)	US\$ 13 Mn in Feb 2011	~4x from US\$ 5 Mn to US\$ 20 Mn
Ash Stevens (CDMO) (Riverview facility)	US\$ 43 Mn in Sep 2016	~2x from US\$ 20 Mn to US\$ 43 Mn
Little's Baby care brand (ICH)	INR 75 Cr ¹ in Nov 2015	~5x from INR 21 Cr ² to INR 105 Cr ³



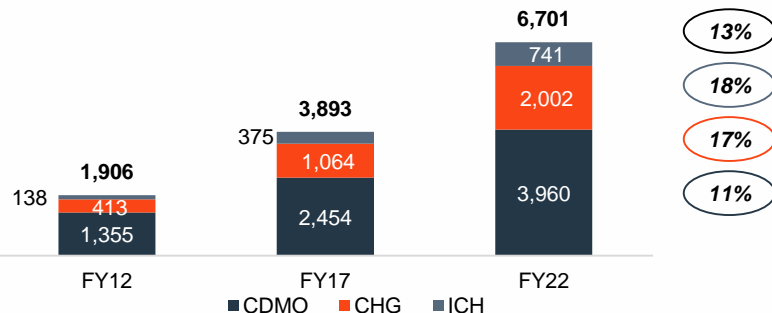
Successfully completed **multiple organic growth initiatives** and closed and integrated **15 M&A transactions** in the last 10 years

Financial Performance Across Segments over a Sustained Period of Time

Healthy Growth Across Segments with Increasing Profitability

(Revenue In INR Crore)

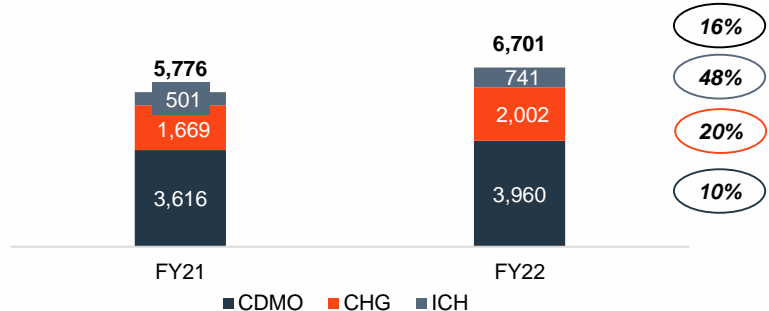
FY12-22 CAGR



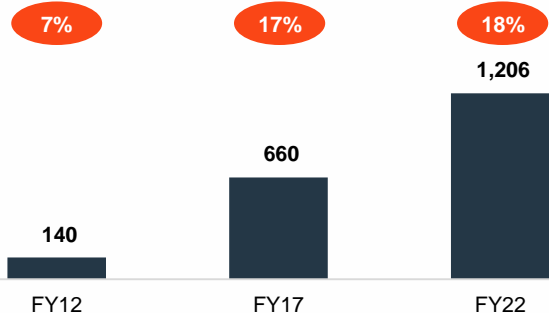
Healthy Growth in FY22 in a Challenging Macro Environment

(Revenue In INR Crore)

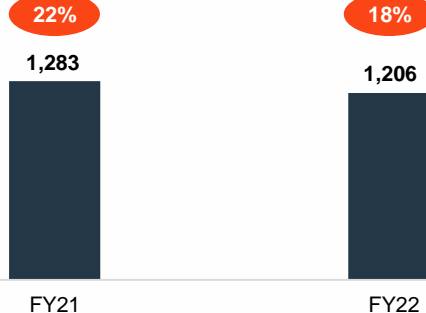
FY21-22 yoy



(EBITDA in INR Crore)
% margin



(EBITDA in INR Crore)
% margin



Institutional Focus on ESG

Established ESG Framework...



Operating Responsibly, Growing Sustainably

4

Strategic Pillars

12

Focus Areas

...with Significant Impact

Environment

~83K

Trees planted during FY22

574K

Tons of CO₂e offset during FY22

~123K

KLs of treated wastewater recycled during FY22

~147K

MWh of energy drawn from indirect sources

Human Capital

15%

of the workforce represented by women

40%

Corporate roles filled by women

37%

of the 'High Potential' talent are women

100%

Compliance with PoSH guidelines

CSR Initiatives

2.7m

People impacted by Covid-19 awareness and vaccination campaigns

113 Mn

Lives touched over the years

112

Aspirational districts across India



Focus on Patient and Customer Centricity: source of differentiation



Focusing on **Patient-centricity** and **Customer-centricity** drives our organization to provide **flexible high-quality service** while aligning us with our customer partners on our shared goal of serving patients

CDMO

- Customer focused integrated business development function
- Single point of contact for customer's needs
- 1-on-1 mapping to leadership team for top clients
- Periodic surveys and workshops for customers
- Dedicated Patient Awareness Councils

Complex Hospital Generics

- Hearing voice of Patients and Customers and aligning operations with their needs
- Cultural and mindset shift to put patients at the center of everything
- Regular customer communication including patient self awareness surveys
- Patient centricity council

India Consumer Healthcare

- Expanding access of self-care, to the masses, through traditional as well as alternate channels
- Ensuring awareness among consumers and retailers through media and direct communication
- Using first-hand research, custom studies and data analytics in decision making

Evolved from being a 'Product-Centric' business to a 'Customer-Centric' and a 'Patient-Centric' business



Highly Experienced Management Team Across Business Segments...

Strategic Group Leadership



Nandini Piramal
Chairperson,
Piramal Pharma



Peter DeYoung
CEO, Global Pharma

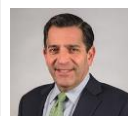
Business Leadership team



Herve Berdou
COO – CDMO



Stuart Needleman
CCO – CDMO



Michael Logerfo
President & COO –
Complex Hospital Generics



Nitish Bajaj
CEO – India Consumer
Healthcare

Corporate functions at parent level



Vivek Valsaraj
President & CFO



S.K. Honnesh
Group General Counsel



Vikram Bector
President and Group CHRO



Viral Gandhi
President & Group CIO



Jatin Lal
President – M&A



Rashida Najmi
SVP - Global Quality

More than 200 years of experience cumulatively, including over 90 years with the Group



...Demonstrating Execution Against Key Strategic Priorities

	Strategic Priorities	PPL's Execution
✓	Continued Organic Investments for Growth	<ul style="list-style-type: none"> ▪ \$157m of Growth-oriented capex committed across multiple sites for the CDMO business ▪ 129cr. (19% of revenue) spent on Media and Trade spends (1.8x FY20 spend), resulting in ~48% yoy revenue growth in FY22 for the ICH business
✓	New Product Launch	<ul style="list-style-type: none"> ▪ 40 SKUs in pipeline with addressable market of US\$7.0bn in CHG ▪ 40 new products launched in FY22 in the ICH business
✓	Focus on Differentiated Offerings	<ul style="list-style-type: none"> ▪ Increased revenue contribution from differentiated offerings to 22% of FY22 CDMO revenues ▪ Achieved market leadership in a differentiated portfolio of inhalation anesthesia and intrathecal therapies in the CHG business
✓	Leveraging Strong Distribution Network	<ul style="list-style-type: none"> ▪ Built commercial presence in over 100 countries in the CHG business ▪ Strengthened presence in alternate channels with over 8,700 modern trade stores, our own website and 24 Ecommerce platforms (up from 2 in FY18) in the ICH business
✓	Synergistic M&A	<ul style="list-style-type: none"> ▪ Acquired Hemmo Pharma and 33% stake in Yapan Bio, thereby expanding capabilities for the CDMO business ▪ Acquired 49% remaining stake in Speciality Fluorochemicals plant (Dahej), thereby enhancing vertical integration capabilities for the CHG business



CDMO



CDMO Business at a Glance



1

Service Offerings **Across the Lifecycle of the Molecule**

2

High Proportion of Commercial Revenues and a **Deep Pipeline of Development Projects** across Multiple Phases

3

Diversified Blue Chip Customer Base

4

Increasing Revenue Share and Attracting Customers with our **Differentiated Offerings**

5

Global Manufacturing Footprint with **Expansion** of Major Sites through Customer-led Brownfield Expansions

6

Leveraging our **End-to-end Model** to offer **Integrated Services**

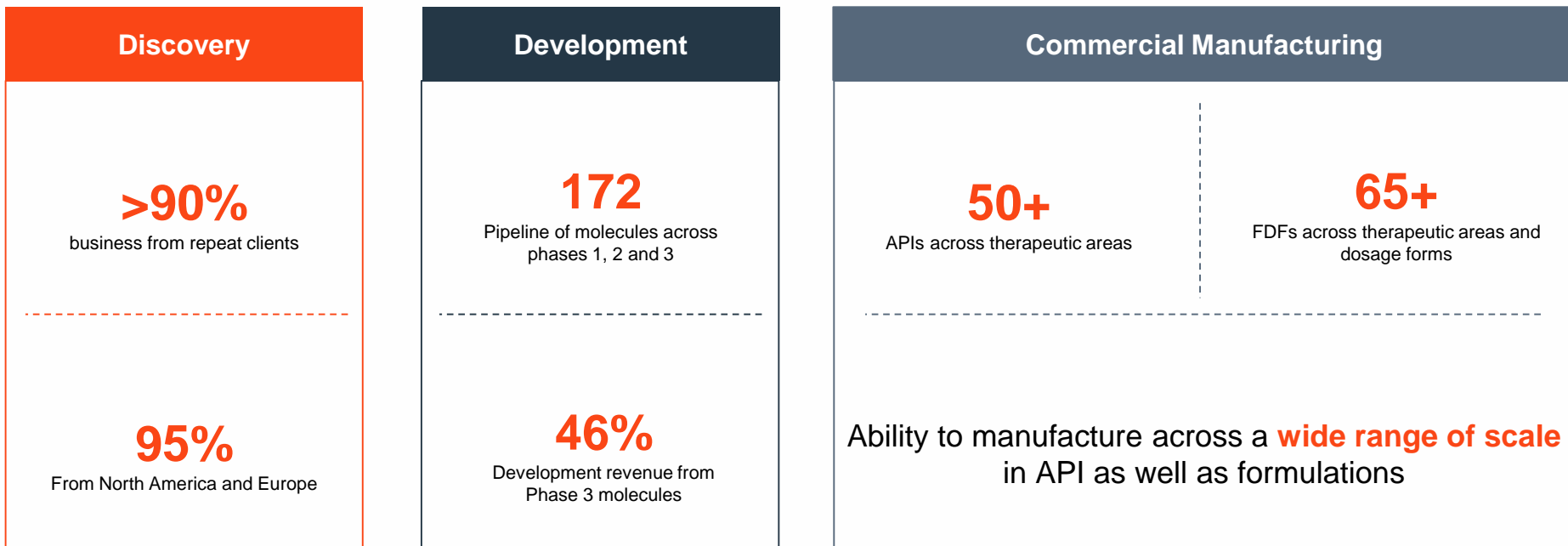
7

Track Record of **Consistent Above-Market Growth**

8

Clearly Identified **Levers of Growth**

Service Offerings Across the Lifecycle of the Molecule...

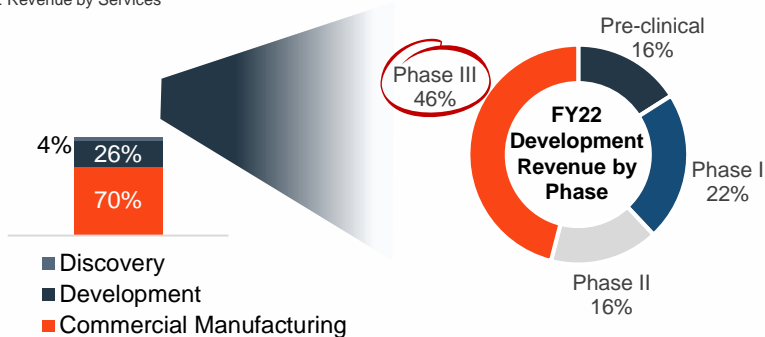


Presence across the value chain allows PPL **multiple entry points** with clients, resulting in a **consistently high win-rate**

...with a High Proportion of Commercial Revenues and a Deep Pipeline of Development Projects across Multiple Phases

High Proportion of Commercial and Phase 3 Development Revenue

FY22 Revenue by Services



Strong Growth in Commercial Products Under Patent

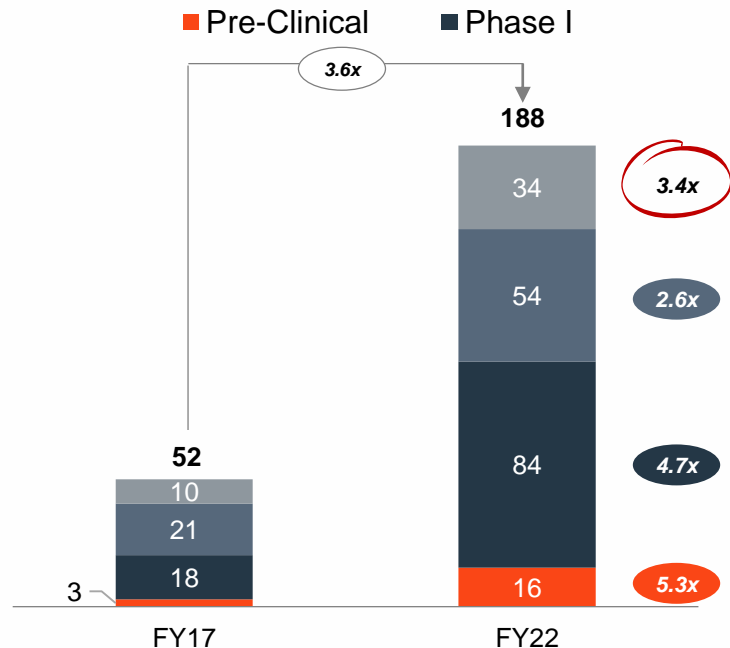
1.8x

growth in number of commercial products under patent (from 10 to 18) in 2 years

\$56mn

revenue from commercial products under patent in FY22, up from \$19mn in FY19

Strengthened Molecule Pipeline across Clinical Phases with 3.4x Growth in Phase-III Molecules since FY17

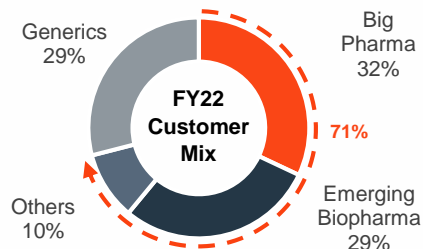




Diversified Blue Chip Customer Base

We have an Attractive Customer Mix...

% of Revenue

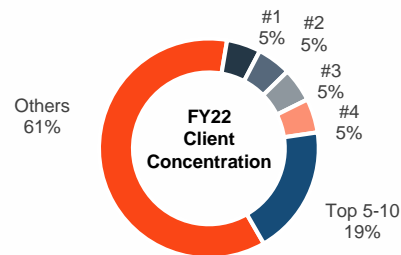


71% of revenue from **Big Pharma, Emerging Biopharma, etc.**

75% of Revenue from **Regulated Markets**

... with Low Revenue Concentration

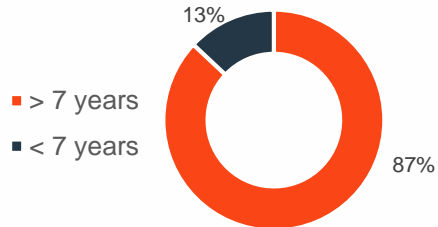
FY22 Revenue



Over 500 customer segments across segments

Long Standing Relationships with Top 20 Clients...

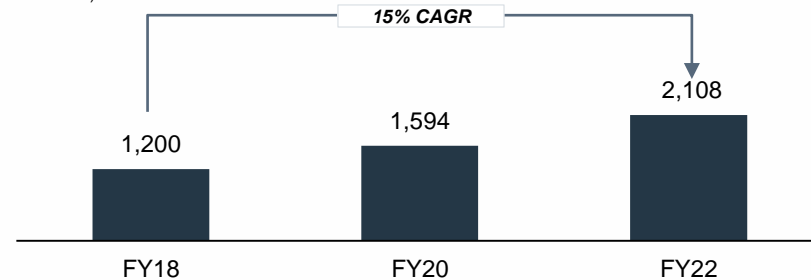
Share of Revenue from Top 20 clients based on Tenure



Average relationship tenure of 12 years, among top 20 clients

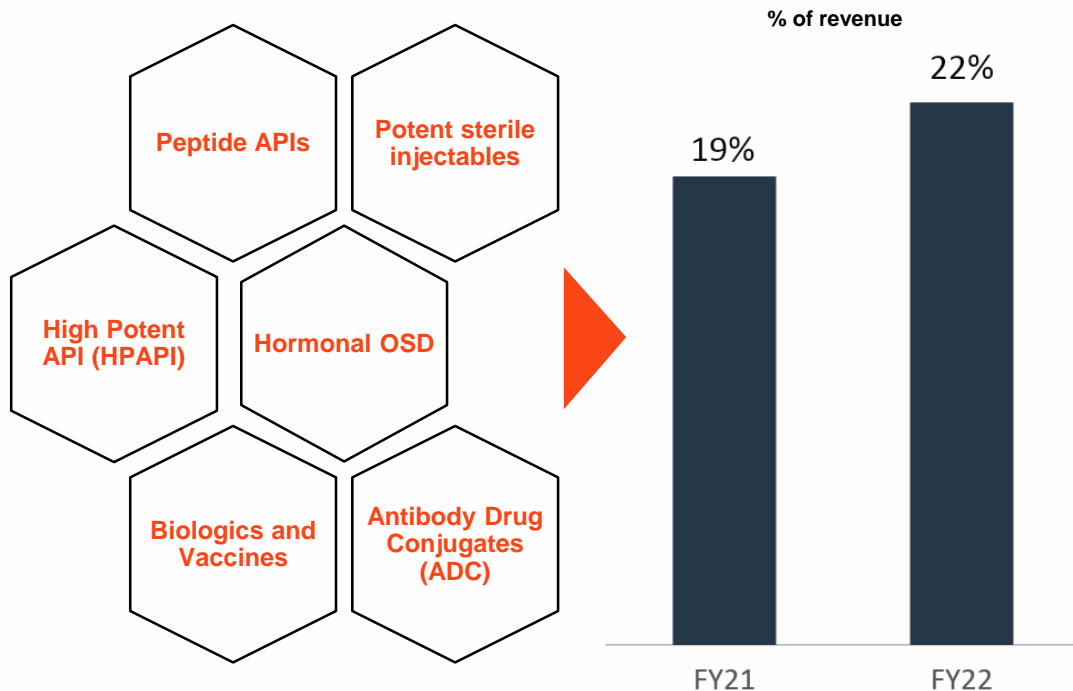
... Have enabled us to increase revenues from our Top 20 Clients

(In INR Crore)

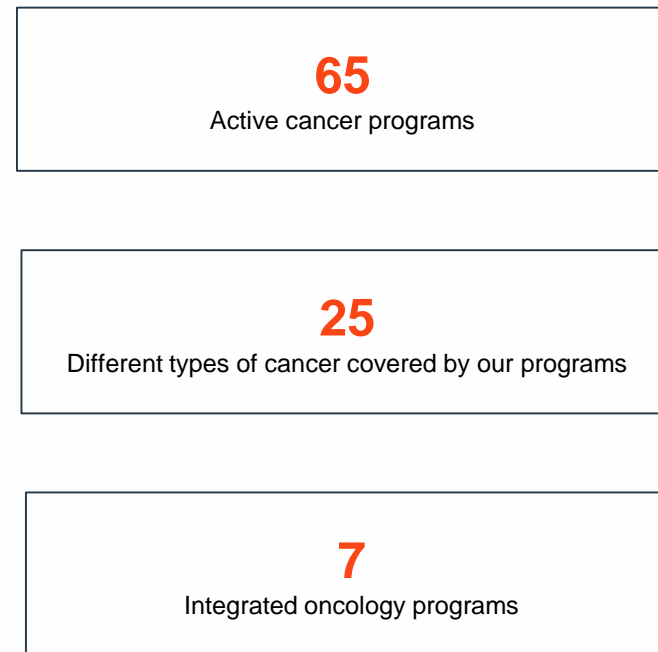


Increasing Revenue Share and Attracting Customers with our Differentiated Offerings

Increasing revenue contribution from differentiated offerings



While we serve most therapeutic areas, our focus has helped build presence in high growth areas such as **oncology**





Adding capabilities through successful acquisitions



Acquired 100% stake in Hemmo Pharmaceuticals, enabling expansion into Peptide API

- ✓ One of the few pure-play Peptide API players globally
- ✓ Upfront consideration of INR 775 Crores and earn-outs linked to achievement of milestones
- ✓ Access to peptide API development and manufacturing capabilities

Acquired 33% stake in Yapan Bio, enabling further expansion in large molecules






















- ✓ CDMO providing expertise in biologics and vaccines
- ✓ New technologies and capabilities in large molecules, including vaccines and gene therapy
- ✓ Synergies for monoclonal antibody (mAb) with Grangemouth and Lexington facilities





Global Manufacturing Footprint with Expansion of Major Sites through Customer-led Brownfield Expansions

Balanced Manufacturing Footprint with Capability to meet a **Wide-range of Customer Geographic Requirements**

	North America 	United Kingdom 	India 
13 Global Facilities	4 	2 	7 
Project Segment	<ul style="list-style-type: none"> HPAPI, Sterile injectables, API 	<ul style="list-style-type: none"> API, ADC, Formulations (including hormones) 	<ul style="list-style-type: none"> API, Formulations Drug discovery and development Nutrition solutions
Key Regulatory Accreditations	   	    	     

x # of Facilities

\$157 Mn of growth-oriented Capex investments committed across multiple sites²

Aurora	Pithampur	Digwal	Riverview	Grangemouth and Morpeth
				
Operations commenced post the API expansion	Launched production block for Oral Solid Dosage	Expanded API capabilities and improved operational efficiencies	Announced expansion for drug substance	Announced expansion for ADCs and APIs

Notes: (1) 2 facilities at Ahmedabad (2) Aurora, Pithampur, Digwal, Riverview, Grangemouth and Morpeth are select cases of upcoming and completed capex investments across our global sites



Leveraging our End-to-end Model to offer Integrated Services

Implementation of Integrated Services in Oncology

Facility

Offering

Ahmedabad

Discovery Services

Riverview
Aurora

API Development
Commercial Manufacturing

Lexington

Formulation Development
Commercial Manufacturing

Morpeth

Clinical Trial Packaging Material

Grangemouth

ADC (Antibody Drug Conjugates)

Clear Benefits of the Integrated¹ Platform

170+

Integrated projects
executed till date

1.5x

Increase in number of
integrated projects from
30 (FY19) to 46 (FY22)

1.5x

Increase in order book
of integrated projects
from US\$ 62 Mn (FY19)
to US\$ 91.5 Mn (FY22)

36%

of the development
order book in FY22 is
from integrated projects



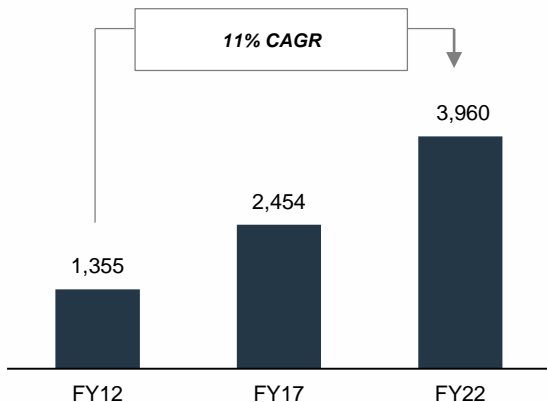
Compelling value proposition with reduced time-to-market, reduced operational complexity and lower supply chain costs



Track Record of Consistent Above-Market Growth

Revenue Growth

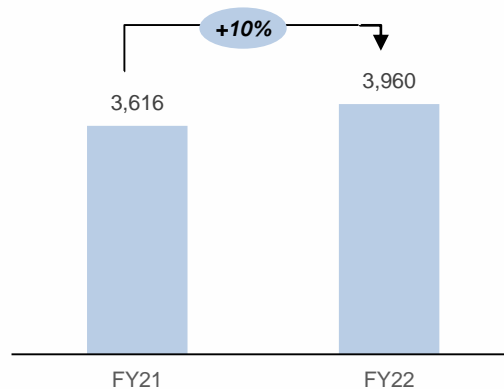
(In INR Crore)



- ✓ Shift from functioning as distinct sites to an **integrated network**
- ✓ Building scale in **niche and complex capabilities** with high barriers to entry
- ✓ Focused BD efforts across **emerging biopharma** and **Big Pharma**

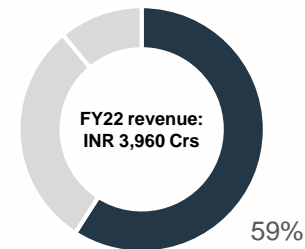
FY22 Revenue Performance

(In INR Crore)



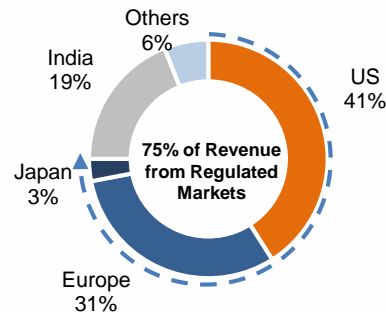
- ✓ Strong demand for **API services** across geographies
- ✓ Healthy growth in **Development Order Book**
- ✓ Growth rate marginally impacted by **execution** and **supply chain related challenges** due to Covid

Revenue Contribution to PPL



Regional Share of Revenue

FY22 CDMO Revenue





Clearly Identified Levers of Growth

Capacity expansion through continued investments and operational excellence



Strong visibility on commercial revenues with deep pipeline of development projects across clinical phases



Increase revenue share and attract customers with **differentiated offerings**



Adding capabilities through **successful acquisitions**





Complex Hospital Generics



CHG Business at a Glance



1

Differentiated Portfolio for Gaining Market Share and Driving Growth

2

Strong Pipeline in Niche Areas with Unique Characteristics

3

Vertically Integrated Manufacturing Capabilities and **Well Built Out Commercial Infrastructure**

4

Track Record of **High Growth**

5

Clearly Identified **Levers of Growth**



Leveraging our Differentiated Portfolio for Gaining Market Share and Driving Growth

Differentiated portfolio of 40 products spanning inhalation anesthesia and injectable

Inhalation Anaesthesia (58%¹)



Injectable pain (17%¹)



Intrathecal Therapy (16%¹)



Others (9%¹)



Characterized by **high barriers to entry** and **low competition**



Branded nature for bulk of the portfolio



Commercial presence in **over 100 countries**

#1

in Intrathecal
portfolio in the US

#4

in Inhalation
Anesthesia globally

#1

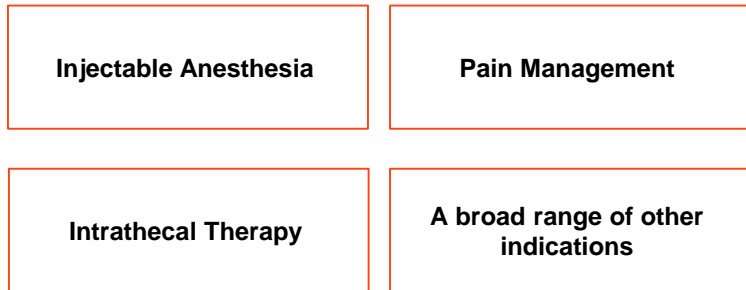
in Sevoflurane in the
US, UK, Mexico,
South Africa and
Brazil

#1

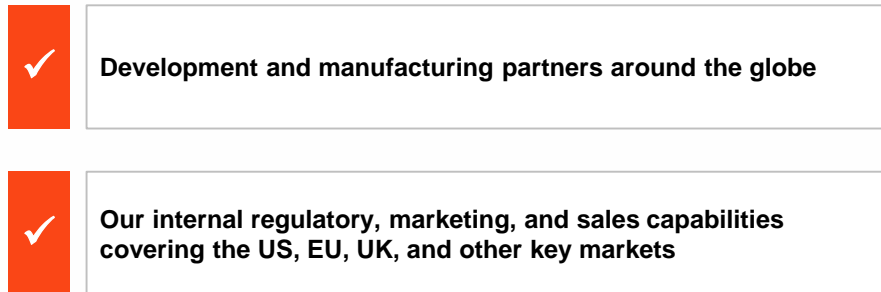
in Fentanyl Injection
in Japan

Strong Pipeline in Niche Areas with Unique Characteristics

Building pipeline in niche areas...



...by leveraging internal capabilities and key partnerships



Addressable Market Size of Pipeline is ~US\$7.0bn¹

Vertically Integrated Manufacturing Capabilities and Well Built Out Commercial Infrastructure

Key Starting Material



Finished Products



Distribution



Direct Sales



Vertically Integrated Manufacturing Capabilities¹ with Global Regulatory Accreditations



Inhalation anesthesia facility (Bethlehem, USA)

- ✓ In-house manufacturing of **Sevoflurane**
- ✓ Supplies API and finished product to **over 90 countries**



Inhalation anesthesia facility (Digwal, India)

- ✓ In-house manufacturing of **Isoflurane and Halothane**
- ✓ Supplies API and finished product to **over 90 countries**



Specialty Fluorochemicals facility (Dahej, India)

- ✓ **Vertically integrated** in-house manufacturing to make KSM
- ✓ **2 alternative sources** provide **strong cost position & stable supply**

Commercial Presence through a Combination of Own Sales Force and Local Partners



Direct sales force in the US with strong GPO relationships



Strong **GPO track record**



6,000+ CHG customers (Hospitals)



Direct to market access in **key European countries**



Strong **local marketing partnership** in **Japan** and **South Africa**

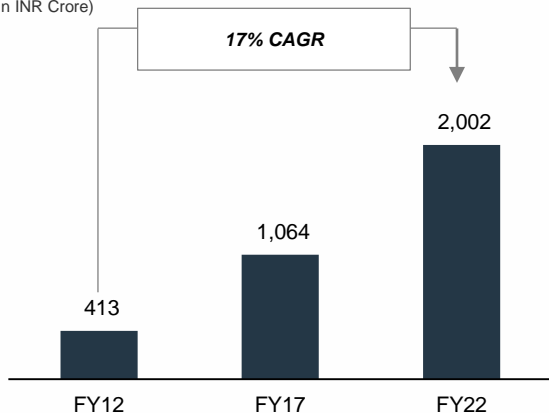


Distribution reach to over **100 countries** across the globe

Track Record of High Growth

Revenue Growth

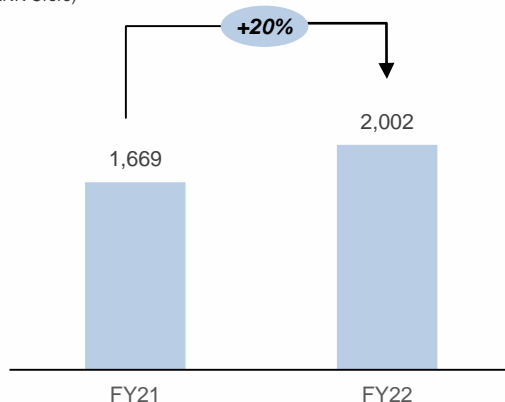
(In INR Crore)



- ✓ Expansion from a sole focus on inhalation anesthesia to a deep presence in the **highly attractive injectables segment**
- ✓ Established a **direct sales presence in key regulated markets**
- ✓ **Robust execution** resulting in deep client relationships

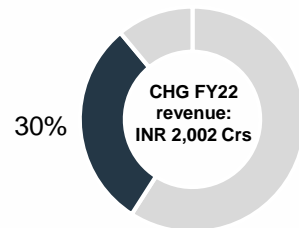
FY22 Revenue Performance

(In INR Crore)

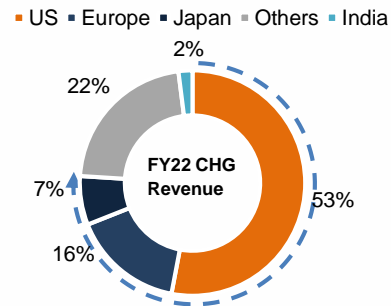


- ✓ Delivered strong sales of **Sevoflurane and Isoflurane** in US
- ✓ Maintained market share in the US for **intrathecal portfolio**
- ✓ **Executed multiple contract** extensions with major GPOs in the US

Revenue Contribution to PPL



Revenue by Geography



76% revenue from **Regulated Markets**



Clearly Identified Levers of Growth

Developing and commercializing a **strong pipeline** of products in niche areas with unique characteristics



Leveraging our **differentiated portfolio** for gaining market share and driving growth



Continuing **vertical integration** for revenue growth and margin expansion



Carrying out synergistic product and **business acquisitions**





India Consumer Healthcare



ICH Business at a Glance



ICH

1

Focus on **Power Brands** with Continuous Investments in Brand Promotion and Marketing

2

Launching **Multiple New Products** and **Brand Extensions**

3

Well Established Commercial Infrastructure with **Multi-channel Distribution Strategy**

4

Track Record of **High Growth**

5

Clearly Identified **Levers of Growth**

Focus on Power Brands with Continuous Investments in Brand Promotion and Marketing

Investments in Brand Promotion and Marketing...



Kareena Kapoor
Little's



Priyanka Mohan
Lacto - South India



Sourav Ganguly
Polycrol



Amyra Dastur
Lacto - HSM
belt



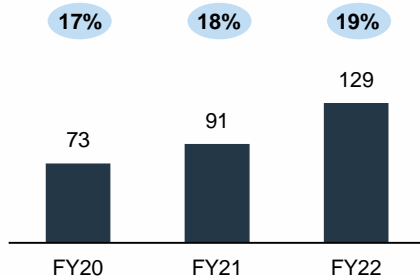
Ajay Devgan
Tetmosol



Subodh Bhawe
Naturolax

...Reflected in Increasing Media and Trade Spends...

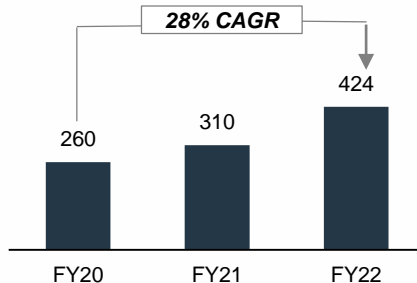
(In INR Crore)



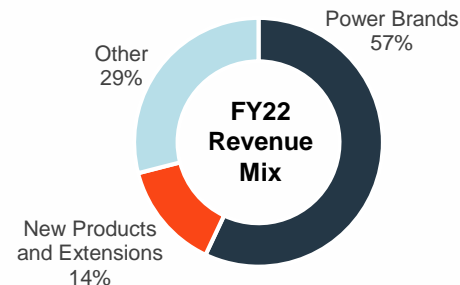
% of sales

...has led to revenue growth for Power Brands...

(In INR Crore)



...which now constitute 57% of revenues



Launching Multiple New Products and Brand Extensions

40

New Products during FY22

18

New SKUs during FY22

15%

Share of revenue from new products launched since Apr'20



#x

(Best ever Ranks as per Amazon)

Well Established Commercial Infrastructure with Multi-channel Distribution Strategy

Well-entrenched in Traditional Channels



Presence in ~200K chemists and cosmetics stores and 10K+ kids, toys and gift shops



Dedicated teams for 'chemist only' and 'cosmetics and chemist channel'



100% Tech enabled sales coverage to enhance productivity of field force



Visibility at Point of Sales to drive consumer demand



Direct coverage of toy stores to enhance depth and visibility



Strengthening Presence in Alternate Channels

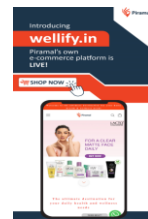
Revenue share of alternate channels¹

10%
(FY20)



22%
(FY22)

wellify.in Launched

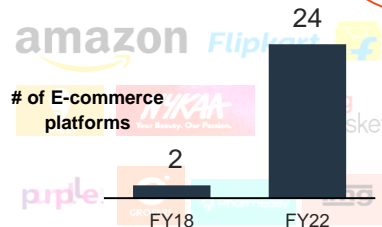


Presence in over 8,700 Modern Trade Stores



Alternate Channels

E-commerce crosses INR 100Cr.



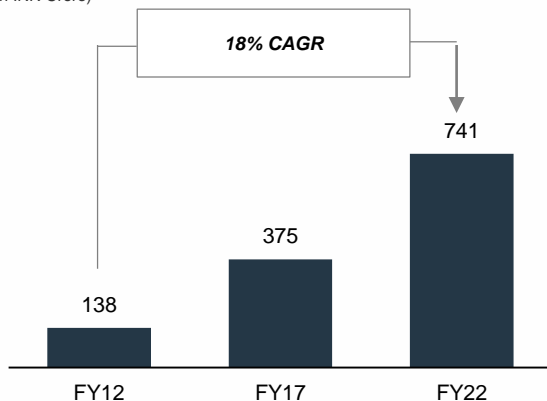
Success rate of New Product Developments (NPDs) is ~70%



Track Record of High Growth

Revenue Growth

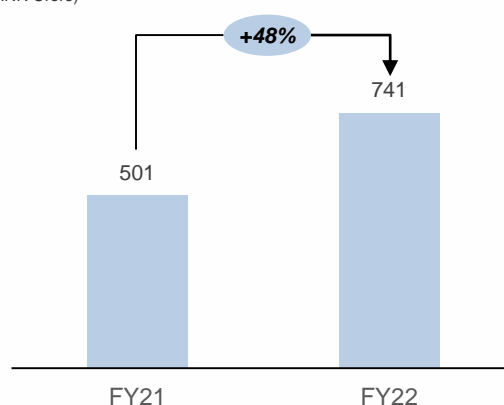
(In INR Crore)



- ✓ Built **reach and size** of the portfolio
- ✓ **Transformed business** post external impacts of Demonetisation, GST and FDC regulation
- ✓ Focus on **alternate distribution channels** and **tech-enablement** driving growth

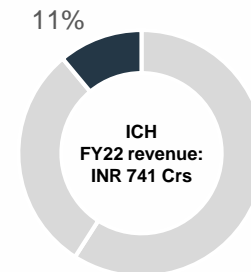
FY22 Revenue Performance

(In INR Crore)

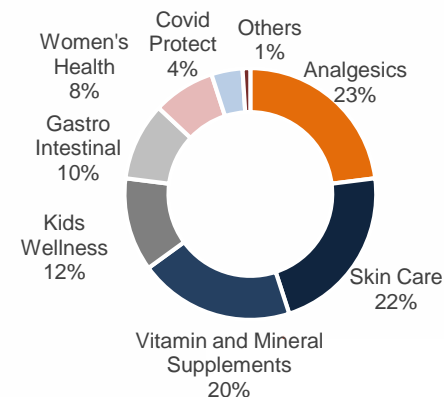


- ✓ Strong performance driven by **key brands**
- ✓ **Launched 40 new products in FY22**; New products since Apr'20 contribute to 15% of sales
- ✓ **Strong focus on E-commerce**, contributed 15% revenues in FY22
- ✓ Launch of direct to customer website, **Wellify.in**

Revenue Contribution to PPL



Revenue by Category in ICH





Clearly Identified Levers of Growth

Focusing on **Power Brands**
through focused efforts on
brand promotion and
marketing



Launching multiple **New Products** and
Brand Extensions



Strengthening presence at
alternate channels of
distribution



Strengthen Sales through
Tech enablement





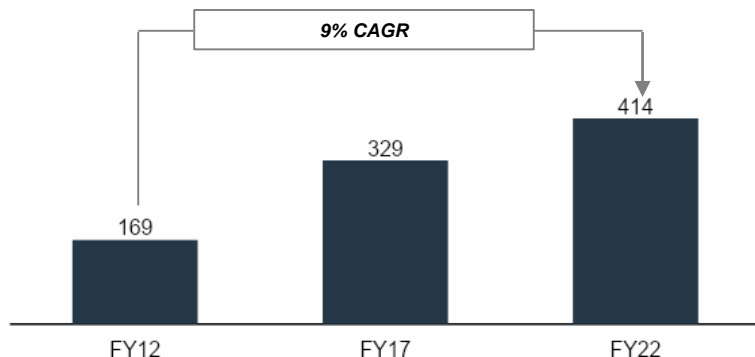
Ophthalmology Branded Products

Strategic Ophthalmology JV with a #1 Position in the Domestic Market

JV Arrangement



Revenue¹ (INR Cr.)



Notes: (1) Financials of Allergan India JV (i.e., 100% of JV financials)

#1
in Indian
Ophthalmology Market

425
employees including
sales force

**Strong
presence**
in major disease
segments

30%
FY22 PAT Margin



To Summarize



To Summarise

Three Pillars of the Business ¹	Top 3 CDMO in India (Top 13th Globally)	Top 4 in Inhalation Anesthesia Globally	Top 10 in OTC in India
Diversified Manufacturing Footprint with Best-in-class Quality Track Record	15 Manufacturing Sites Globally	36 Successful USFDA Inspections ²	Nil Official Action Indicated issued ²
Growth and Profitability	3.5x Revenue Growth in last 10 yrs. ³	8.6x EBITDA Growth in last 10 yrs. ³	1100 bps EBITDA Margin Expansion ³



Key Strategic Priorities

Track record of building scalable differentiated pharma businesses with world class talent in attractive markets through profitable organic and inorganic growth

1

Delivering consistent revenue growth and improving profitability

2

Pursuing organic and inorganic growth opportunities leveraging fresh capital

- ✓ **Capacity expansion** across multiple sites
- ✓ Acquisitions of **niche manufacturing capabilities** for CDMO
- ✓ Add new complex hospital generics through **in-licensing, acquisitions and capital investments**
- ✓ Organically and inorganically add **Consumer Healthcare products** to further leverage India-wide distribution platform

3

Maintaining robust quality culture across manufacturing/development facilities globally

4

Continued focus on patient needs, customer experience, and ESG initiatives



Financials

Diversified Revenue Mix

(In INR Crores or as stated)

Net Sales break-up	Quarter ended					% Sales for Q1 FY2023
	30-Jun-22	31-Mar-2022	QoQ % Change	30-Jun-21	YoY % Change	
Financial Services	2,063	2,024	2%	1,547	33%	58%
Pharma	1,485	2,139	-31%	1,362	9%	42%
<i>Pharma CDMO</i>	773	1,394	-45%	719	8%	22%
<i>Complex Hospital Generics</i>	508	548	-7%	462	10%	14%
<i>India Consumer Healthcare</i>	211	196	8%	181	17%	6%
Total	3,548	4,163	-15%	2,909	22%	100%

Note: Pharma revenue includes foreign exchange gains/losses

Consolidated Profit & Loss

(In INR Crores or as stated)

Particulars	Quarter ended				
	30-Jun-22	31-Mar-22	QoQ % Change	30-Jun-21	YoY % Change
Net Sales	3,548	4,163	-15%	2,909	22%
Non-operating other income	178	238	-25%	103	73%
Total income	3,726	4,401	-15%	3,012	24%
Other Operating Expenses	1,792	2,169	-17%	1,408	27%
Impairment on financial assets	161	817	-80%	-49	<i>n.m.</i>
OPBIDTA	1,774	1,414	25%	1,653	7%
Interest Expenses	1,114	1,237	-10%	985	13%
Depreciation	185	190	-3%	149	24%
Profit before tax & exceptional items	474	-14	<i>n.m.</i>	519	-9%
Exceptional items (Expenses)/Income	-	-	-	-15	<i>n.m.</i>
Income tax – Current tax	158	24	<i>n.m.</i>	135	17%
DTA reversal / other one-time tax adjustments	-	-	-	-	-
Profit / (Loss) after tax (before Prior Period items)	317	-37	<i>n.m.</i>	368	-14%
Share of Associates ¹	169	188	-10%	165	2%
Net Profit / (Loss) after Tax from continuing operations	486	151	223%	534	-9%
Profit / (Loss) from Discontinued operations	-	-	-	-	-
Net Profit after Tax	486	151	223%	534	-9%

Note: (1) Income under share of associates primarily includes our share of profits at Shriram Capital and profit under JV with Allergan, as per the accounting standards.

PEL – Consolidated Balance Sheet

(In INR Crores)

Particulars	As on March 31 st , 2022	As on March 31 st , 2021
Equity Share Capital	48	45
Other Equity	35,441	33,973
Non Controlling Interests	1,348	1,121
Borrowings (Current & Non Current)	52,953	39,369
Deferred Tax Liabilities (Net)	192	223
Other Liabilities	7,200	2,192
Provisions	213	196
Total	97,395	77,119
PPE, Intangibles (Under Development), CWIP	7,691	6,084
Goodwill on Consolidation	1,295	1,114
Financial Assets		
Investment	24,857	22,029
Others	39,466	29,205
Other Non Current Assets	1,295	1,444
Deferred Tax Asset (Net)	1,397	937
Current Assets		
Inventories	1,533	1,299
Trade receivable	1,621	1,545
Cash & Cash Equivalents & Other Bank balances	7,185	7,025
Other Financial & Non Financial Assets	11,055	6,437
Total	97,395	77,119

Note : (1) The above numbers have been regrouped from IND AS Financial Statements for Presentation purposes only



Appendix



Financial Services: Execution Update in FY 2022

Overall Financial Services		FY2021	FY2022	Remarks / FY 2023 Initiatives
	Wholesale: Retail Loan Mix (%)	88: 12	64 : 36	Share of retail to further increase in FY23; aim to achieve 2/3 rd retail and 1/3 rd wholesale in 5 years
	Overall AUM (INR Cr.)	48,891	65,185	Grow the overall loan book, driven by retail lending
	GNPA / NNPA Ratio	4.1% / 2.1%	3.4% / 1.6%	Taking proactive risk mitigation measures; limited impact of RBI's NPA harmonization norms
	Provisions as a % of AUM	5.7%	5.7%	Maintaining adequate provision to manage future contingencies
	Average cost of borrowings ¹ (%)	10.9%	9.2%	Further decline expected, driven by diversification of loan book growth and funding sources
	Net Debt-to-Equity / Capital Adequacy Ratio	1.8x / 36%	2.7x / 21%	Further optimize capital utilization through loan book growth
	ROA / ROE	3.3% / 9.9%	1.3% / 4.1%	Improve profitability through growth, lower borrowing costs, change in retail product mix and capital optimization

Note: (1) Q4 data for the respective financial year



Financial Services: Execution Update in FY 2022 (cont'd)

		FY2021	FY2022	Remarks / FY 2023 Initiatives
Retail Lending	Retail Loans (INR Cr.)	5,303	21,552	On-track for strong Retail AUM growth
	Retail Disbursements (INR Cr.)	556	2,925	On-track to achieve guidance of INR 2,500-3,500 Cr. of disbursements in Q3 FY23 (i.e. 5-7x of pre-merger levels)
	No. of products	6	9	Expanding the product portfolio, with new launches in pipeline
	Retail Customers Acquired (#)	2,938	257,148	Rapid customer additions, especially in the embedded financing business
	No. of branches	14	309	Add 100 branches in FY2023; expand to 500-600 branches with presence in ~1,000 locations in 5 years
Wholesale	Wholesale AUM (excl. DHFL, INR Cr.)	43,588	41,928	Decline in the loan book in the short-term; churn the wholesale book with focus on smaller, cash-flow backed loans
	No. of single-borrower exposures >15% of net worth	NIL	NIL	No exposure ¹ is >10% of net worth, as of Mar-2022

Note: (1) Net of provisioning

P&L Summary (full-year) – Financial Services (Lending Business)

(in INR crores)

P&L Metrics	FY 2022	FY 2021
Interest Income	7,016	6,926
Less: Interest Expense	4,610	4,158
Net Interest Income	2,406	2,768
Fee & Other Income	362	115
Total Income, net of interest expenses	2,768	2,882
Less: Operating Expenses	1,020	604
Less: Depreciation	55	32
Pre-provision Operating Profit (PPOP)	1,694	2,247
Less: Loan Loss Provisions	696	1
<i>Expected Credit Losses</i>	135	1
<i>Additional provisions against stage-2 accounts</i>	822	-
<i>Recoveries from the POCI¹ book</i>	-261	-
Profit Before Tax	998	2,246
Less: Tax Expenses	255	579
Profit After Tax	743	1,668

A Impacted by negative carry of due to excess cash held on the balance sheet

Additional provisioning and interest reversal totaling to INR 1,037 Cr., corresponding to select wholesale non-RE accounts that moved to Stage-2:

B Interest reversal of INR 215 Cr. impacted interest income in Q4 FY22

C Additional provisions of INR 822 Cr. were created in Q4 FY22

These were high-yield, structured mezzanine loans done under the 'Holdco' structure.

The Company has discontinued doing such kind of deals.

ROA Tree (full-year) – Financial Services (Lending Business)

KPIs (as a % of assets)	FY 2022	FY 2021
Interest Income	11.7%	13.7%
Interest Expenses	8.1%	8.2%
Net Interest Income	3.6%	5.5%
Fees & Other Income	0.6%	0.2%
Total Income	4.2%	5.7%
Operating Costs	1.9%	1.3%
Pre-Provision Operating Profit	2.4%	4.4%
Credit Costs (annualized)	1.2%	0.0%
Profit Before Tax	1.1%	4.4%
ROA (Profit After Tax)	1.3%	3.3%
Assets-to-equity	3.1	3.0
ROE (Profit After Tax)	4.1%	9.9%

Note: Figures in previous periods might have been regrouped or restated, wherever necessary to make them comparable to current period. For Q3 FY22, adjusted yield of 11.4% and NIM of 3.5% excluded fee-income from securitized assets and recoveries from DHFL's legacy retail NPA pool.

A

B

C

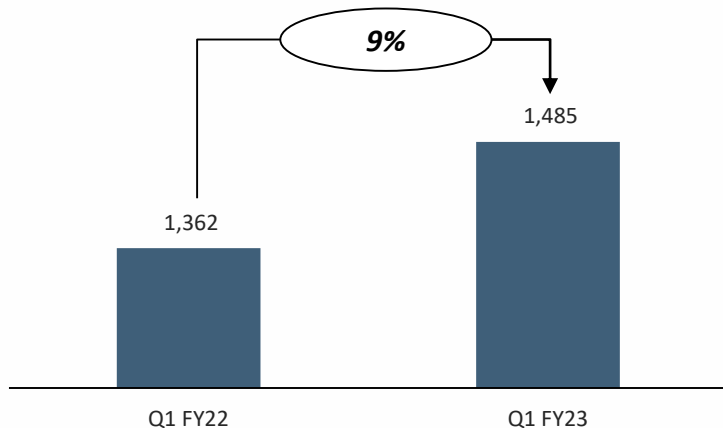
Refer to the previous slide for details



PPL Revenue and EBITDA performance – Q1 FY23

Q1 FY23 Revenue performance

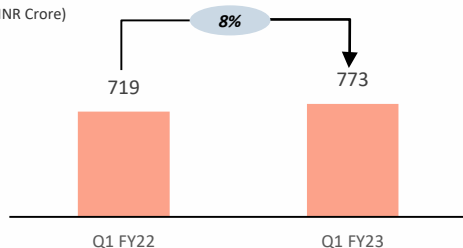
(In INR Crore)



- Revenue at INR 1,485 Cr, up 9% YoY; contributing 42% to PEL's overall revenue
 - **CDMO**: INR 773 Cr. (8% YoY growth)
 - **Complex Hospital Generics**: INR 508 Cr. (10% YoY growth)
 - **India Consumer Healthcare**: INR 211 Cr. (17% YoY growth)
- EBITDA margin in Q1 FY23 at 11% compared to 12% in Q1 FY22, impacted by:
 - Lower growth in CDMO business
 - Reinvestment of profits in the ICH business to grow focus brands
 - Increase in packaging / raw material prices and operating costs
- 16 regulatory inspections and 55 customer audits carried out during Q1 FY23. There were no critical observations in any of the regulatory inspections

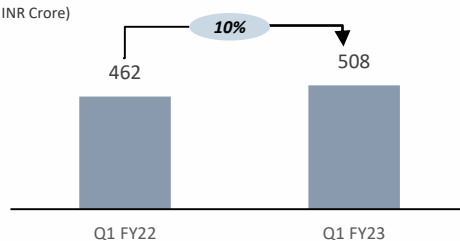
CDMO Revenue performance

(In INR Crore)



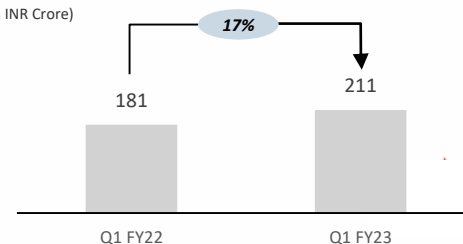
CHG Revenue performance

(In INR Crore)



ICH Revenue performance

(In INR Crore)



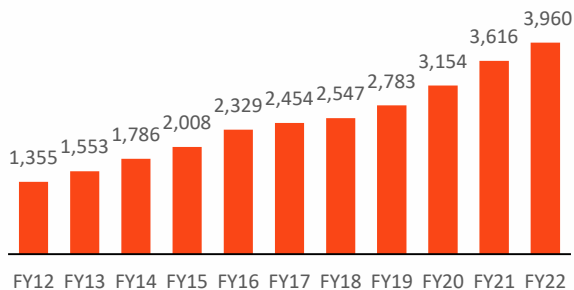
CDMO business – Q1 FY23 - Moderate growth during the quarter; investing for the future

Long-term revenue performance

(In INR Crore)

10-year Revenue CAGR of 11%

Market position: Among **top 3 in India** and **13th largest CDMO globally**

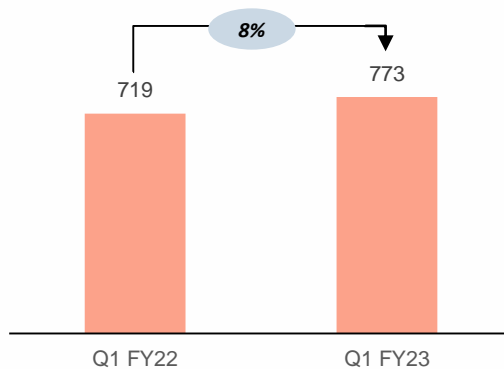


Created a global integrated CDMO platform

- ✓ Large end-to-end global CDMO service provider with integrated capabilities
- ✓ Blue-chip customer base served from global manufacturing platform
- ✓ Expertise in differentiated and complex technologies
- ✓ Investing in brownfield expansions at existing sites
- ✓ Targeting value accretive M&A

Q1 FY23 performance

(In INR Crore)



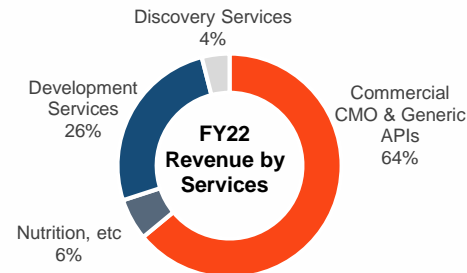
Q1 FY23 Revenue grew 8% YoY

- Q1 FY23 sales impacted by execution challenges and changes in customer requirements/phasing of deliveries
- ✓ Despite the global challenges in biotech funding, witnessing high RFP activity from existing and new clients

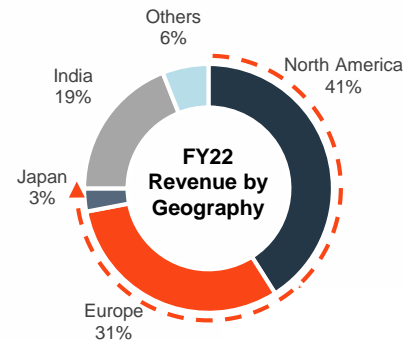
Capacity expansion in niche capabilities (US\$157mn growth capex underway):

- ✓ Inaugurated new API plant in Aurora, Canada; initial production runs successfully completed
- ✓ Upgraded Oral Solid Dose capabilities with new production block at Pithampur site
- ✓ Digwal - Unlocked API manufacturing capacities through various operational excellence tools

Revenue mix in CDMO



75% Revenue from Regulated Markets

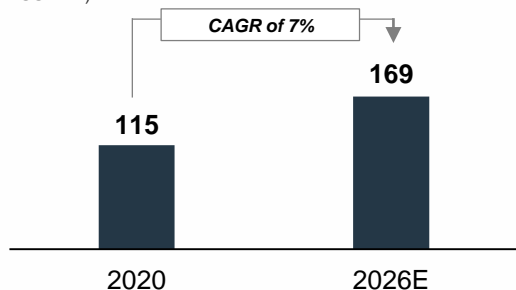




CDMO Market – Large and Growing Addressable Market

CDMO Market Growing at a Healthy Pace...

(In USD Bn)



...Driven by Sustainable Tailwinds



New Businesses will emerge within Biotech and Mid Pharma



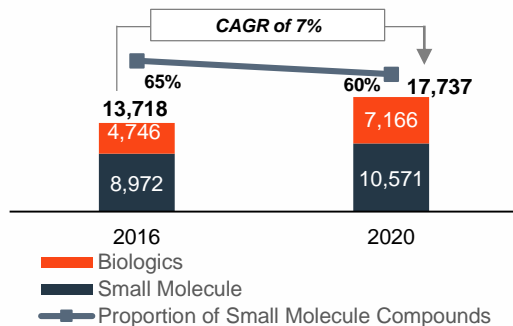
US and Asia Pacific witnessing higher growth of 7.7–8.5% p.a. over 2021–26 aided by **new drug development**



Pharma companies increasing outsourcing to **“integrated service providers”**

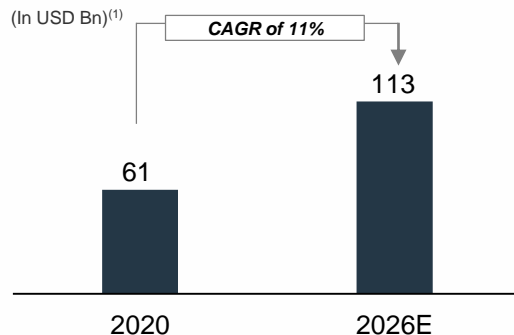
Small Molecules are the Dominant Modality...

(# of Global Pipeline Molecules)



...with Robust Growth in Small Molecule CDMOs

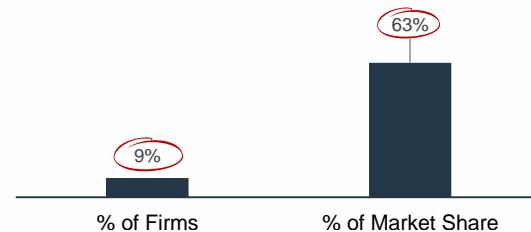
(In USD Bn)⁽¹⁾



Scale Matters in the CDMO Market

(Share of Firms >\$100m in size)

CDMO Firms >\$100m in Size have a disproportionate share of the market



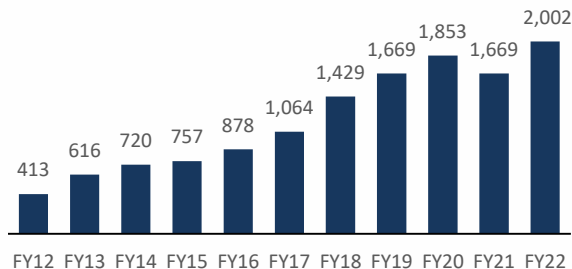
Steady growth during Q1 FY23 in Complex Hospital Generics

Long-term revenue performance

(In INR Crore)

10-year Revenue CAGR of 17%

Market position: **4th largest inhaled anesthesia player globally**

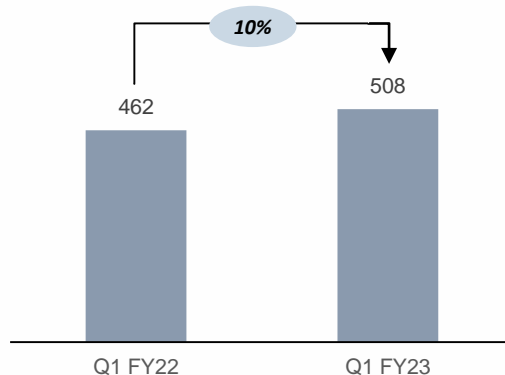


Differentiated product portfolio with high entry barriers

- ✓ Large market with limited competition
- ✓ Differentiated product portfolio
- ✓ Flexible blend of direct commercialization capabilities and local partners
- ✓ Vertically integrated manufacturing capabilities and network of CMO partners
- ✓ Strategic acquisitions to enhance product basket

Q1 FY23 performance

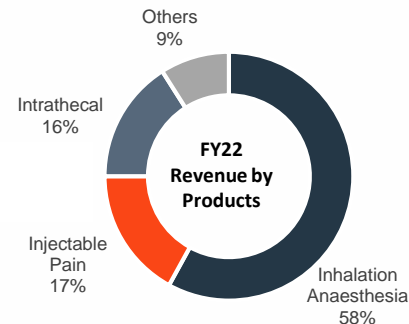
(In INR Crore)



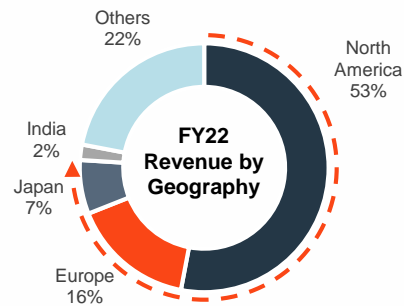
Q1 FY23 Revenue grew 10% YoY, driven by

- ✓ Strong Inhaled Anesthesia sales in the US
- ✓ Executed Sevoflurane contract extensions with major IDNs and won multiple tenders in EU and across other geographies
- ✓ We are facing some supply constraints from our third party CMOs which we are in the process of remediating
- ✓ Intrathecal Portfolio in the US continued to command leading market share despite increased competition from generics
- ✓ Launched 2 SKUs of first to market generic opportunity in the US
- ✓ Launched Prefilled Syringe (PFS) in Italy

Revenue mix in CHG



76% Revenue from Regulated Markets

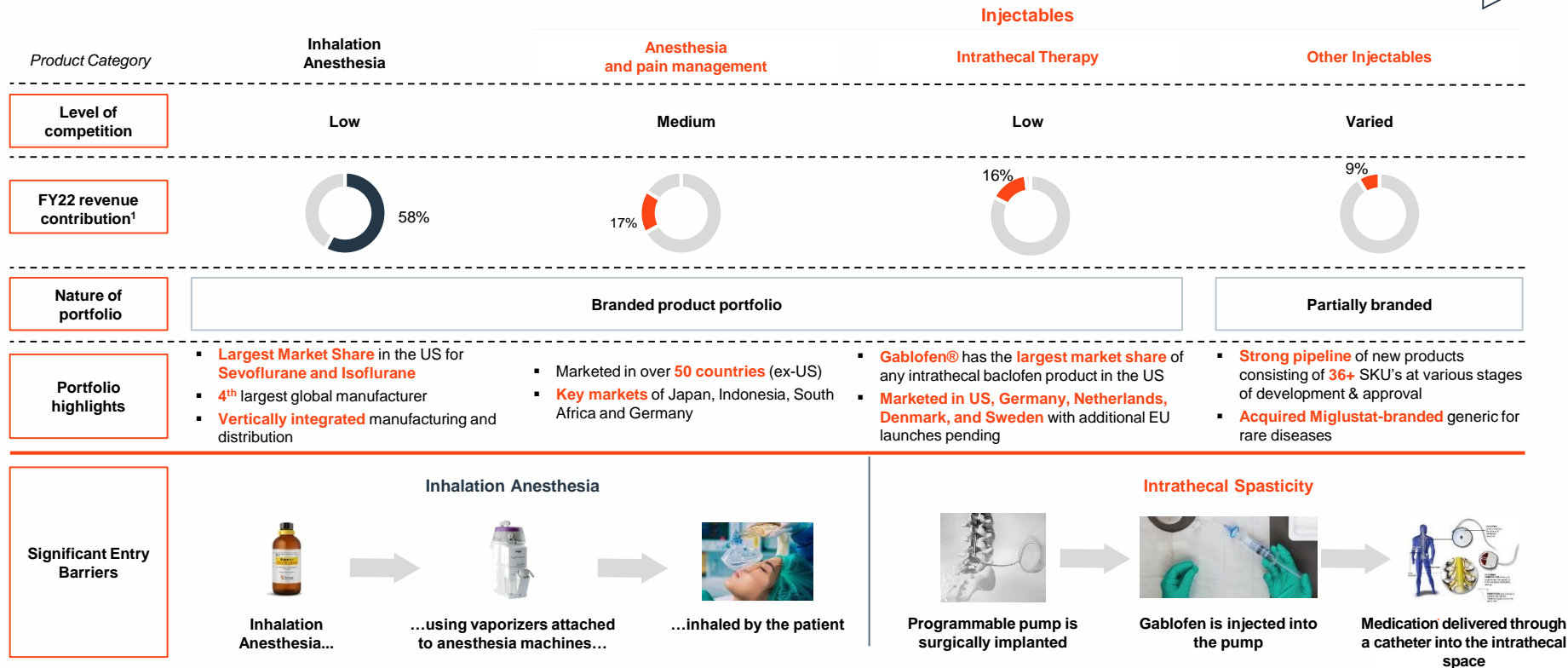


Distribution reach to over 100 countries across the globe

Broad Portfolio Spanning Inhalation Anesthesia, Pain Management, Intrathecal Therapy, Generic Injectables and Specialty Products

Pre-2016

2016-2022



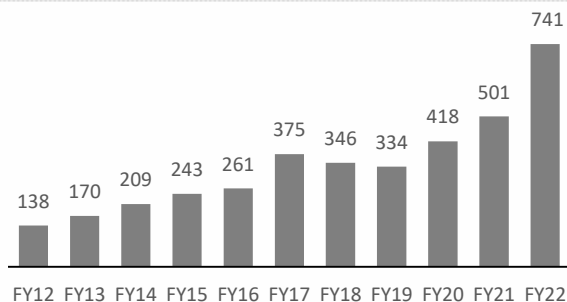
Note: (1) CHG revenue includes 4% contribution from other products which is not captured in the split shown on the slide

Q1 FY23 - Continued robust performance in the India Consumer Healthcare Business

Long-term revenue performance

(In INR Crore)

10-year Revenue CAGR of 18%

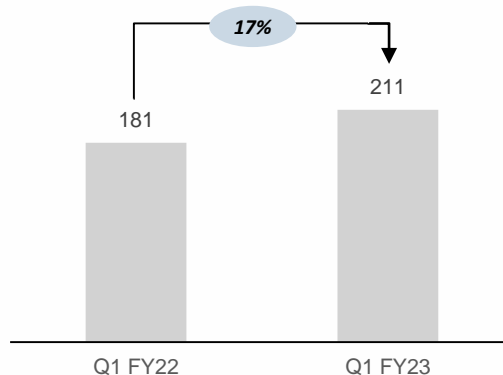
Market position: **Among top-10 companies in OTC segment in India**


Evolution of the business to a diversified portfolio of attractive brands

- ✓ *Expansive portfolio of well recognized brands*
- ✓ *Asset-light model with a wide distribution network*
- ✓ *Multi-channel distribution strategy, leveraging e-commerce*
- ✓ *Use of Technology and Analytics to drive growth*
- ✓ *Expanding product portfolio through acquisitions & new launches*

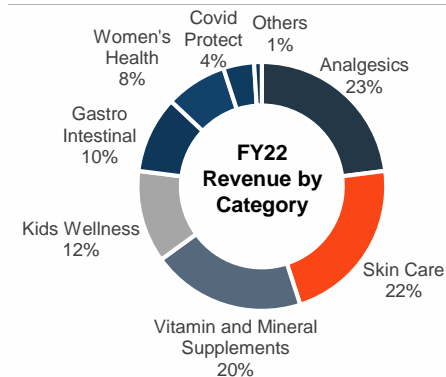
Q1 FY23 performance

(In INR Crore)

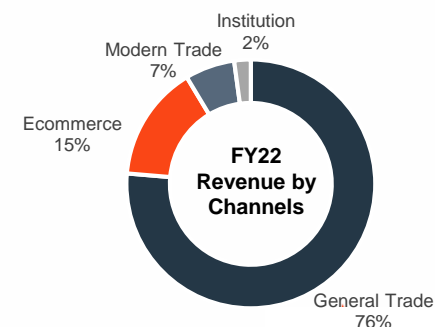


- ✓ ICH business continued its growth momentum with **Q1FY23 revenue growth of 17% YoY**
- ✓ Strong performance in **power brands**, contributing 57% to the FY22 revenues
- ✓ **Launched 7 new products** in Q1 FY23; new products launched since Apr'20 contribute to 15% of sales in FY22
- ✓ Strong focus on **E-commerce**; contributed 15% revenues in FY22

Revenue by Category



Revenue by Channels



Credit Ratings – PEL

Instrument	Credit Rating	
Non-Convertible Debentures (NCD)	Long Term	ICRA AA (Stable)/ CARE AA (CWD)
	Short Term	CARE A1+
Commercial Paper (CP)	Short Term	CARE A1+/ CRISIL A1+
Market Linked Debentures (MLD)	Long Term	ICRA AA (Stable)/ CARE AA (CWD)
Bank Facilities	Long Term	ICRA AA (Stable)/ CARE AA (CWD)
	Short Term	CARE A1+

Disclaimer

Except for the historical information contained herein, statements in this presentation and any subsequent discussions, which include words or phrases such as 'will', 'aim', 'will likely result', 'would', 'believe', 'may', 'expect', 'will continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'likely', 'project', 'on-course', 'should', 'potential', 'pipeline', 'guidance', 'will pursue' 'trend line' and similar expressions or variations of such expressions may constitute 'forward-looking statements'.

These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include, but are not limited to Piramal Enterprise Limited's ability to successfully implement its strategy, the Company's growth and expansion plans, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, cash flow projections, exposure to market risks as well as other risks.

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These materials are not a prospectus, a statement in lieu of a prospectus, an offering circular, an invitation or an advertisement or an offer document under the Indian Companies Act, 2013 together with the rules and regulations made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or any other applicable law in India. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States or in any other jurisdiction.

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



For Investors :

Hitesh Dhaddha

Chief Investor Relations Officer

Email : hitesh.dhaddha@piramal.com

Phone : +91 22 3046 6306

Aditya Sharma

Chief Manager – IR (Financial Services)

Email : investor.relations@piramal.com

Phone : +91 22 3046 6305

Gagan Borana

General manager – IR (Pharma)

Email : gagan.borana@piramal.com

Phone : +91 22 3802 3090