

Piramal Finance makes a standout debut in International Bond Markets with USD 300 Mn Sustainability Bond

- First dollar bond issuance by company
- A significant milestone in the company's diversification of funding profile
- Healthy demand from high-quality marquee investors
- Strong debut trading of bonds in the secondary market

July 24, 2024: Piramal Capital & Housing Finance Limited (referred to as Piramal Finance), a leading diversified financial services company and wholly owned subsidiary of Piramal Enterprises Limited (PEL), has successfully issued its debut US dollar-denominated bonds in the international markets. This bond marks Piramal Finance's first issuance in the international capital markets, providing the company access to a deep, alternative pool of liquidity to complement funds available through banks and Indian domestic capital markets.

Piramal Finance raised \$300 million through this issuance. The bonds have been structured as Fixed Rate Senior Secured Sustainability Bonds at a yield of 7.95% for a tenor of 3.5 years. This transaction marks a major milestone in Piramal Finance's efforts to diversify its borrowing profile.

For this strategic fund-raising effort, Piramal Finance engaged with institutional debt investors across Asia, Europe, and the Middle East over the past few weeks. The company also recently received its debut international ratings, a BB- rating from S&P and a Ba3 from Moody's, both with a stable outlook. This Dollar Bond transaction follows the recently concluded \$100 million social impact loan by Piramal Finance with Standard Chartered Bank.

For the \$300 million issue, the company received a 4X level of demand, with the order book peaking at \$1.3 billion ahead of the release of final pricing guidance. A total of 113 investors participated in the final issuance, with 81% of the funds raised from Asia and 19% from the Middle East. The deal attracted high-quality demand, with 88% of funds raised from asset managers, 5% from sovereign wealth funds and insurance companies, 4% from private banks, and 3% from banks and others.

The Sustainability Bond issuance is guided by PEL's Sustainable Finance Framework, which is aligned to the ICMA Social Bond Principles. Proceeds are expected to fund impactful social projects, including affordable housing, MSME business loans, priority sector loans, microfinance, and other eligible products. Standard Chartered Bank, Barclays, and Deutsche Bank acted as Joint Global Coordinators and Joint Bookrunners, along with Axis Bank, Citi, and ENBD as Joint Bookrunners for this transaction.

On the first trading day (July 23rd), the bond performed strongly in the secondary markets, with yields tightening by approximately 15 basis points to 9.80%.

Mr. Jairam Sridharan, Managing Director, Piramal Capital & Housing Finance Ltd, said, “We are delighted to announce the successful \$300 million maiden fundraise from international bond markets. Over the last few months, RBI has been guiding NBFCs to explore other sources of debt beyond Indian banks. This issuance is our attempt to open a significant new liability pool in alignment with that guidance. The core business of Piramal Finance has been to serve the borrowing needs of the Budget Customer of Bharat. This Sustainability Bond issuance fits perfectly with our mission and our investors’ intent. The resounding success of this bond issuance marks a significant milestone for Piramal Finance and reaffirms our commitment to driving inclusive growth and sustainable development.”

About Piramal Capital & Housing Finance Limited:

Piramal Capital & Housing Finance Limited (referred as Piramal Finance), a wholly owned subsidiary of Piramal Enterprises Limited (flagship company of the Piramal Group), is a housing finance company engaged in retail and wholesale lending.

In retail lending, Piramal Finance is one of the leading players that addresses the diverse financing needs of the under-served and unserved people of ‘Bharat’ market. It has over 1.3 million active customers and a presence in 26 states with a network of 490 conventional branches and 194 microfinance branches, as on 31st March, 2024. It offers multiple products, including home loans, loan against property, used car loans, small business loans to Indian budget conscious customers at the periphery of metros and in Tier I, II and III cities. In wholesale lending, it caters to both real estate as well as non-real estate sector and offers multiple products including construction finance, structured debt and senior secured debt.

About Piramal Enterprises Ltd:

Piramal Enterprises Ltd. (“PEL”) is a leading diversified Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI), with presence across retail lending, wholesale lending, and fund-based platforms. The company has investments and assets worth ~\$10 billion. PEL has built a technology platform driven by artificial intelligence (AI), with innovative financial solutions that cater to the needs of varied industry verticals. PEL made its foray into the financial services sector with Piramal Capital & Housing Finance Ltd., a housing finance company registered with the Reserve Bank of India that is engaged in various financial services businesses.

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Within wholesale lending, the company provides financing to real estate developers, as well as corporate clients in select sectors. It has also formed strategic partnerships with leading financial institutions such as CPPIB, APG and Ivanhoe Cambridge (CDPQ) across various investment platforms. Piramal Alternatives, the fund management business, provides customised financing solutions to high-quality corporates through – 'Performing Credit Fund', a sector-agnostic Credit fund with capital commitment from CDPQ; and 'IndiaRF', a distressed asset investing platform with Bain Capital Credit, which invests in equity and/or debt across sectors. The Company also has a 50% stake in Pramerica Life Insurance – a joint venture with Prudential International Insurance Holdings.

For more information visit: [Piramalenterprises.com](https://piramalenterprises.com) | piramalfinance.com

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