



Piramal Enterprises Investor Presentation

November 2024



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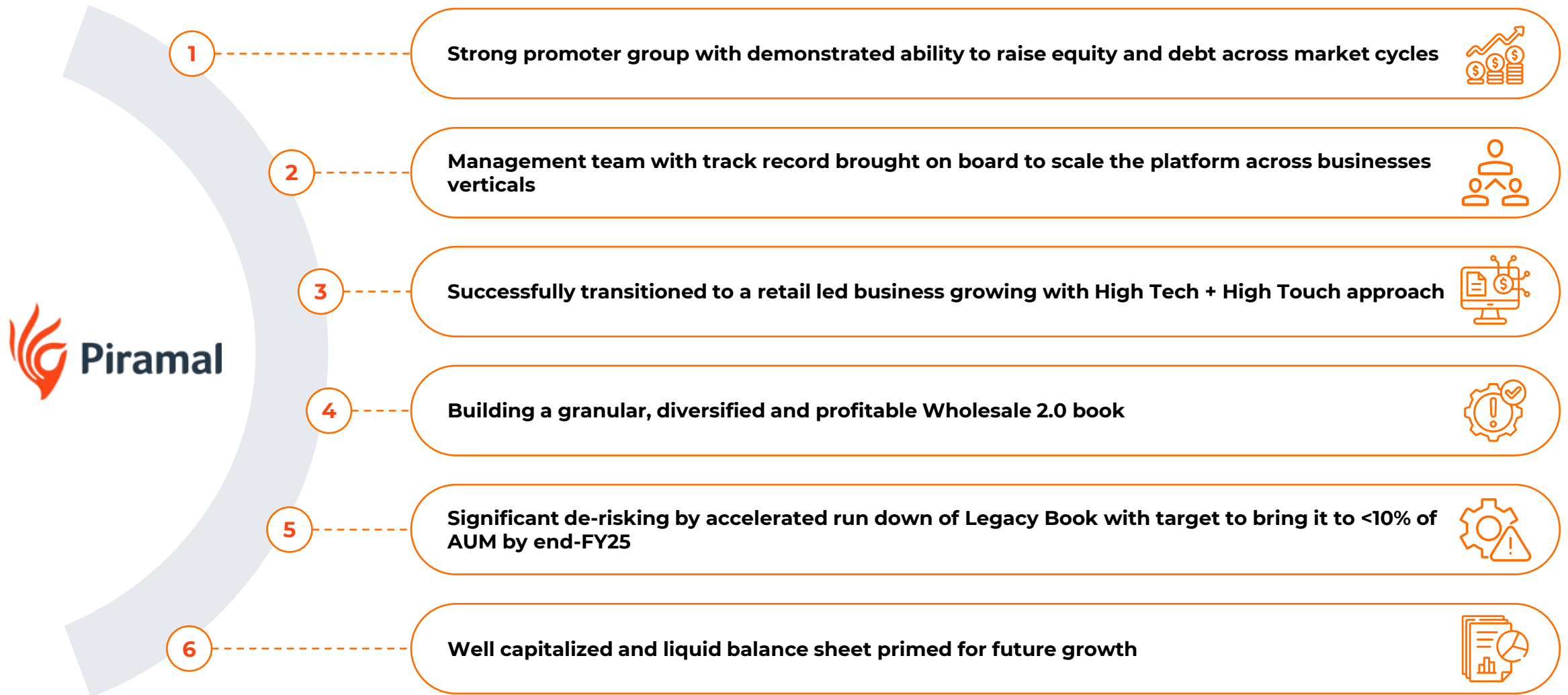
Overview



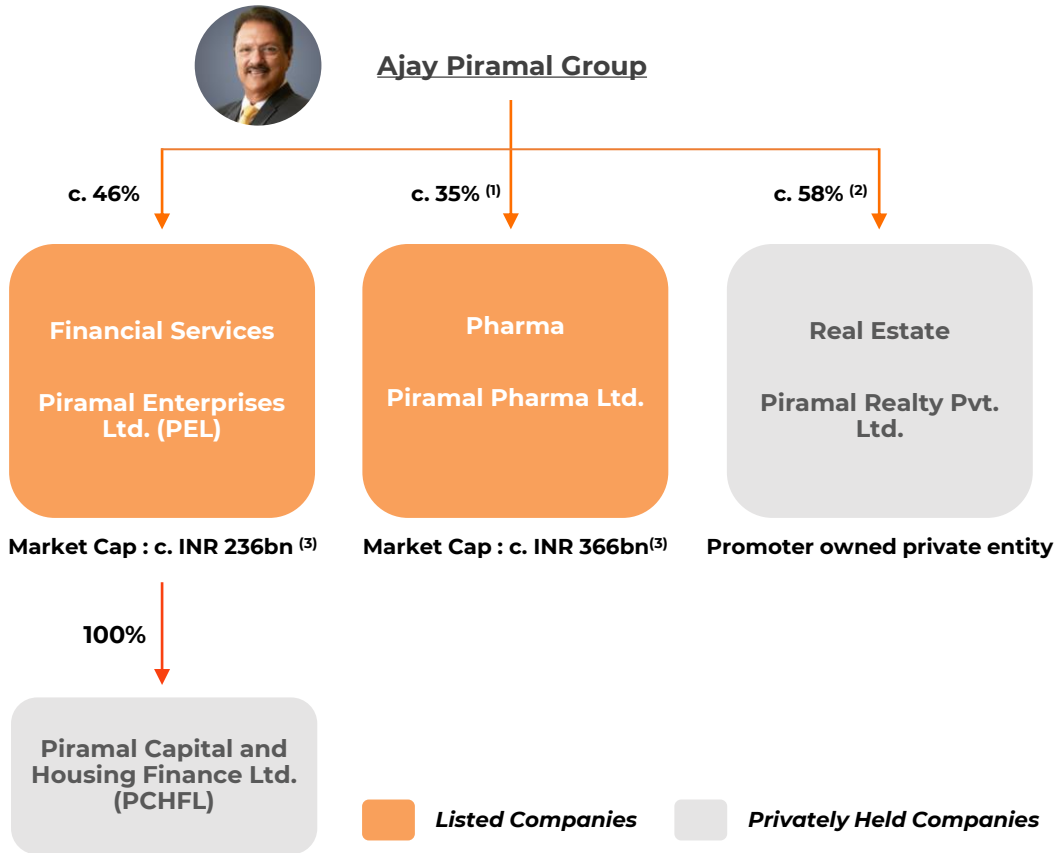
Summary – The Piramal Finance Story



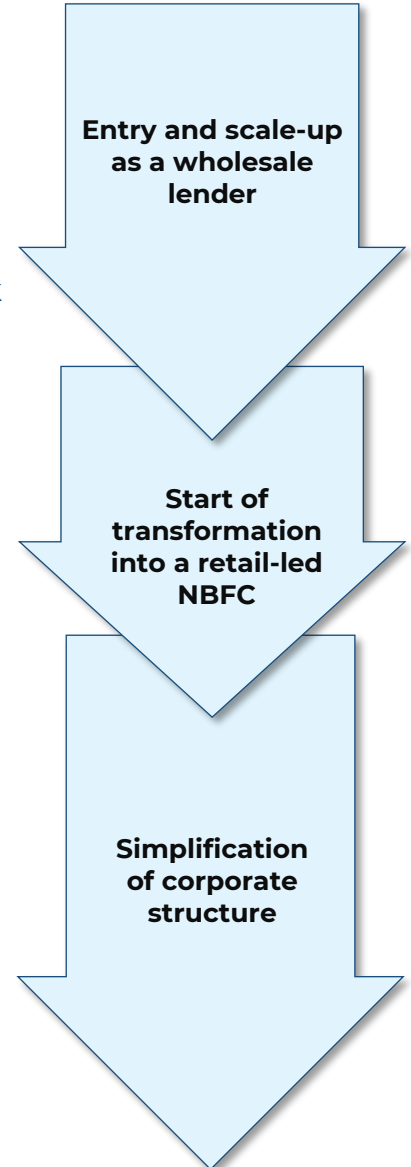
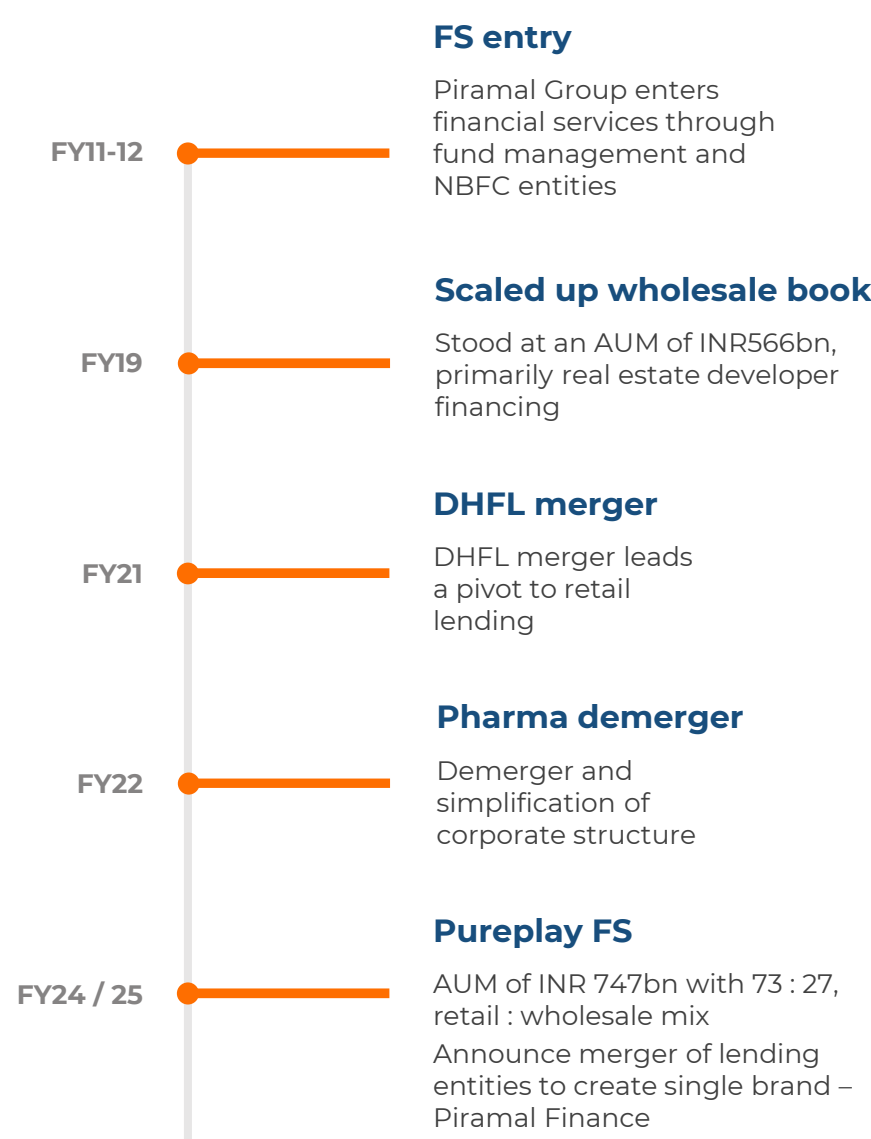
A growing diversified lending business being built by a credible management team and backed by a solid promoter group



Group structure and 14 years history timeline in financial Services



Established 40+ year legacy in India; All businesses operating independently with no cross holdings or intercompany transactions



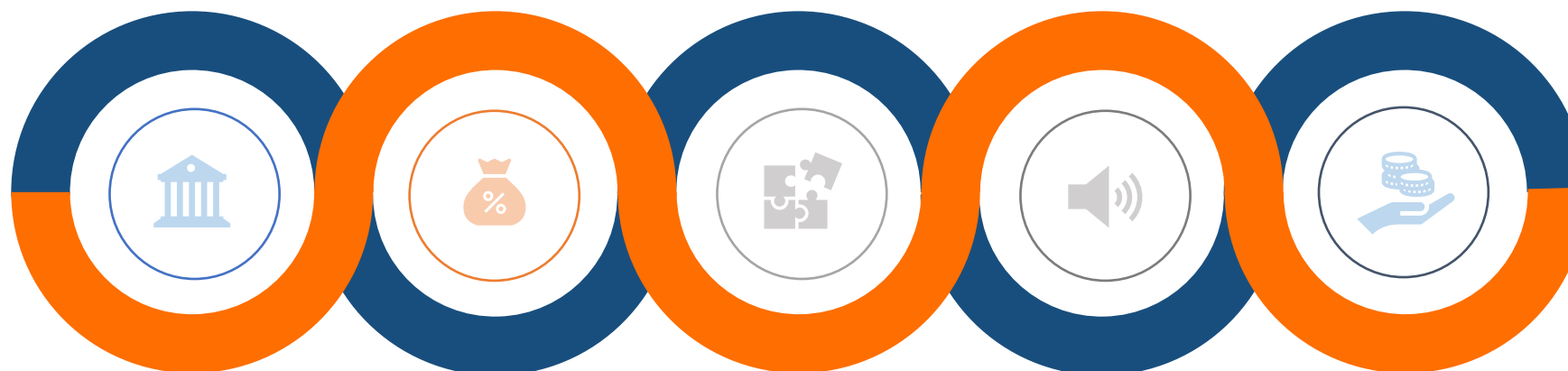
Notes: (1) Carlyle holds 18% stake
 (2) Balance held by Goldman Sachs and Warburg Pincus
 (3) Market Cap as of 4th Nov 2024

Shriram investments

- **2014**
Invested INR46bn in Shriram group of companies
- **2023 & 2024**
Bulk of Shriram stake divested with residual stake of INR17bn book value

Conversion into listed NBFC

- **2022**
Piramal pharma demerged
Piramal Enterprises converts from a corporate Holdco to an NBFC



PEL as corporate

- **2010**
Sold dom. formulation biz to Abbott for US\$3.8bn
- **2014**
Exited Vodafone investment at c.INR30bn gain
- **2020**
Exited DRG (Healthcare analytics business) at US\$300mn gain
- **2018 to 2020**
Raised INR180bn through equity raises and asset sale

DHFL acquisition

- **2021**
DHFL acquisition through IBC for INR343bn consideration

Return of capital

- **2023**
Share buyback of INR 17.5bn
- **2022 to 2024**
Total dividend payout of INR 17.5bn over three years

Strong **management team** on-board



Jairam Sridharan

CEO, Retail Lending

Former CFO at Axis bank
IIT Delhi, IIM Calcutta



Rupen Jhaveri

Group President

Former MD at KKR India
NYU Stern School of Business



Yesh Nadkarni

CEO, Wholesale Lending

Former MD & CEO at KKR – RE Lending business
London Business School



Upma Goel

CFO

Former CFO and KMP at Ujjivan Small Finance
Chartered Accountant



Kalpesh Kikani

CEO, Piramal Alternatives

Former MD at AION Capital (JV of Apollo & ICICI)
Bombay University and Member of CFA Institute

Board with industry leaders having deep expertise in FS and Tech



Vijay Shah
Non-Executive Director
Former MD,
Piramal Glass



Shikha Sharma
Non-Executive Director
Former MD & CEO,
Axis bank



Rajiv Mehrishi
Independent Director
Former Finance Secy.,
GoI¹



Gautam Doshi
Independent Director
Former Chairman,
WIRC of ICAI



Anjali Bansal
Independent Director
Founder,
Avaana Capital



Suhail Nathani
Independent Director
Managing Partner,
ELP²



Puneet Dalmia
Independent Director
MD,
Dalmia Bharat Group



Kunal Bahl
Independent Director
CEO & Co-Founder,
Snapdeal



Anita George
Independent Director
Former Sr. Director,
WBG³



Asheet Mehta
Independent Director
Senior Partner,
McKinsey & Company

Guided by Expert Counsel



Nitin Nohria
Senior Advisor
Former Dean,
Harvard Business School

Notes: (1) Government of India
(2) Economic Law Practice
(3) World Bank Group

Business snapshot



GROWTH BUSINESS



Retail
AUM

INR 54,737
Crore

Multi-product retail platform – Housing loans, LAP, Used car loans, Business loans, Salaried PL and Digital loans



Wholesale 2.0[^]
AUM

INR 7,889
Crore

Real estate and corporate mid market loans (CMML)

LEGACY (Discontinued) BUSINESS



Legacy (discontinued)
AUM

INR 12,066
Crore

**OTHER
ASSETS**



**Investments
in Shriram**

~INR 1,700
Crore*



Life Insurance
GWP

INR 1,919
Crore[^]



Alternatives
Committed Funds

~\$ 1.0
Billion

Strong capitalization levels and low leverage provide firepower to sustained AUM growth.

Total AUM: INR 74,692 Cr

Net Worth: INR 26,930 Cr

Capital Adequacy: 23.3%

Debt / Equity: 2.1x

GNPA 3.1% / NNPA 1.5%

Notes: (*) Book value as on the balance sheet
(^) FY24 Gross Written Premium



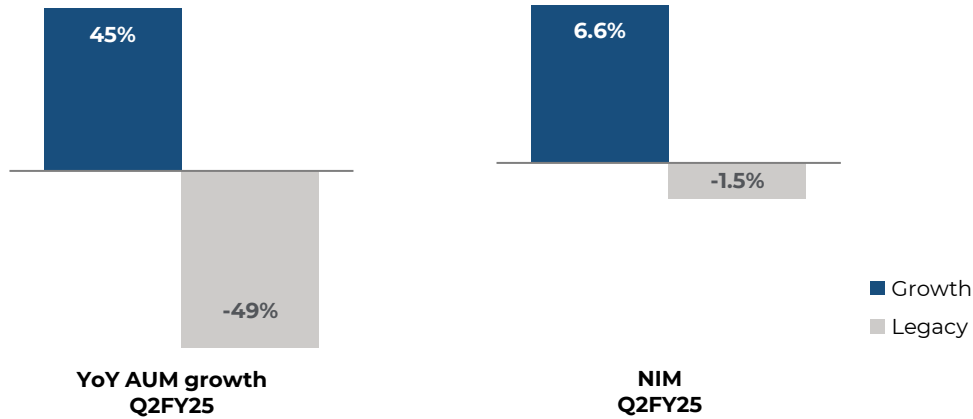
Lending

I. Growth business

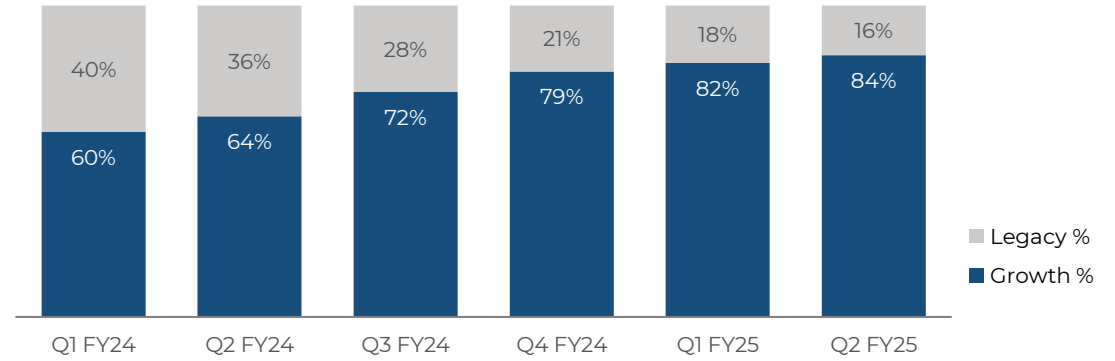


Consol. AUM growth & margins continue to improve due to mix shift

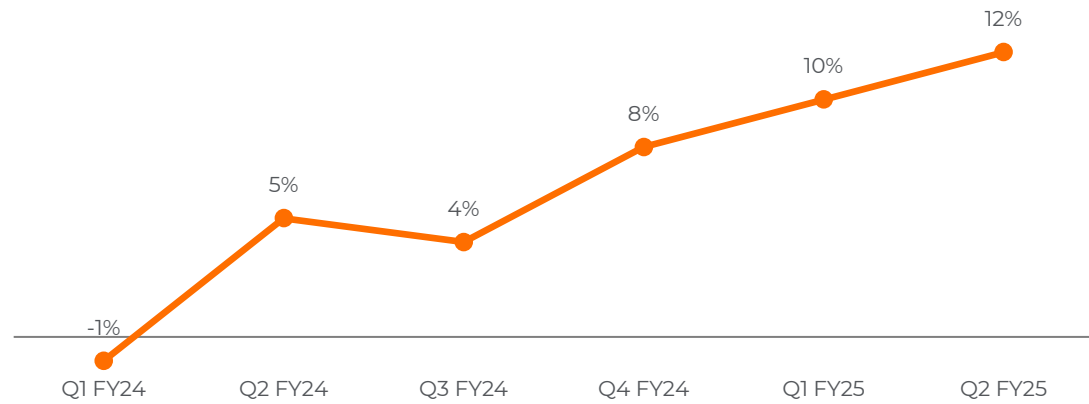
Growth business has higher AUM growth rate & higher NIM



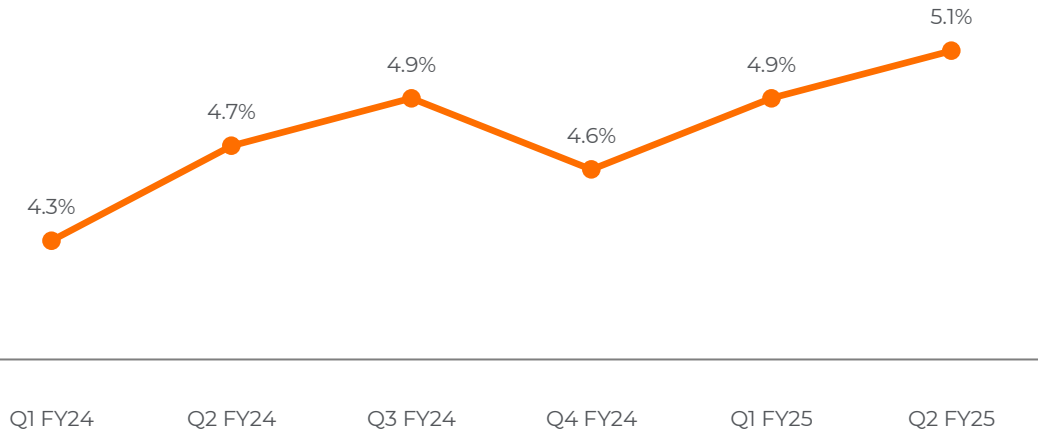
The portfolio has been shifting towards Growth business...



...resulting in higher consol. AUM growth...



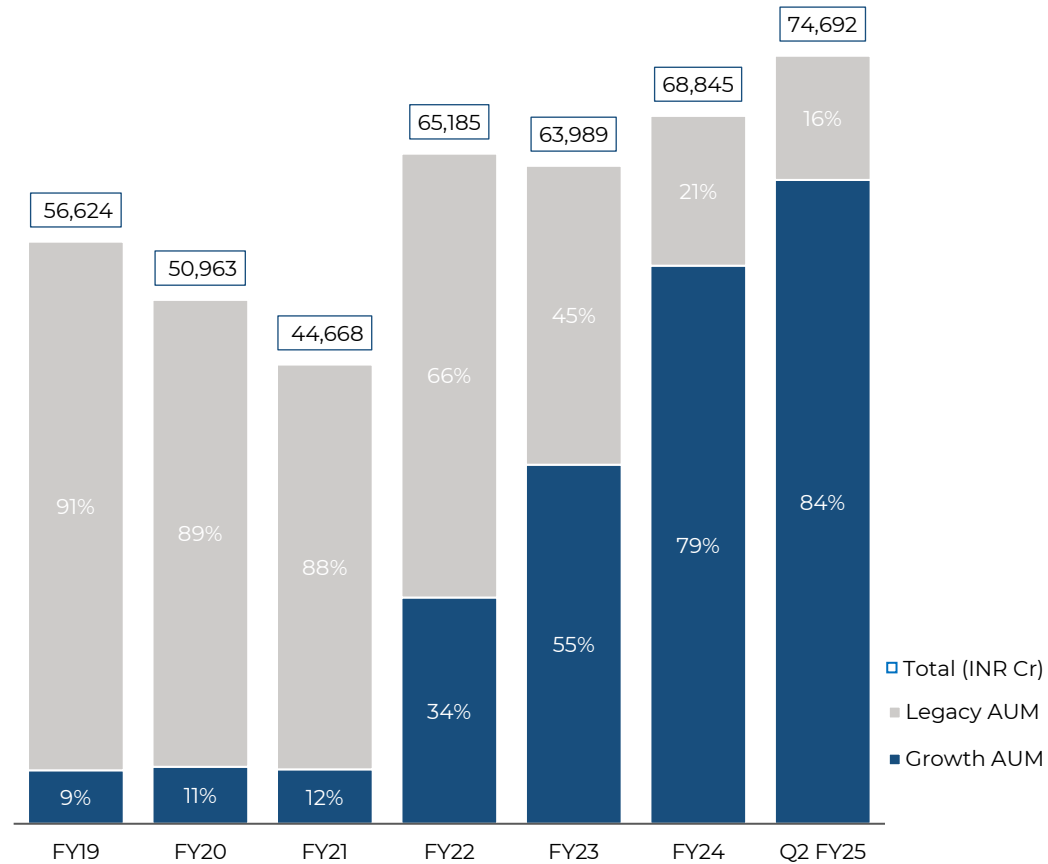
...and higher consol. NIM



Growth business now 84% of total AUM

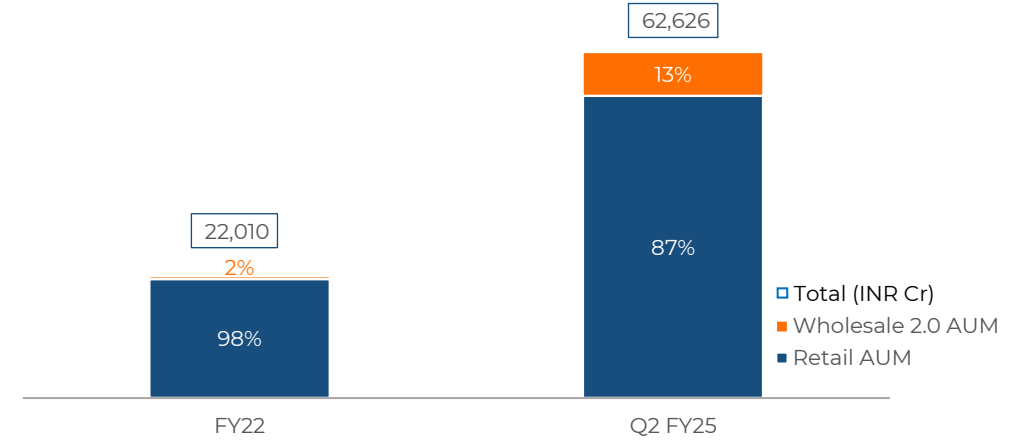


Total AUM up 12% YoY- Growth AUM dominate the AUM mix



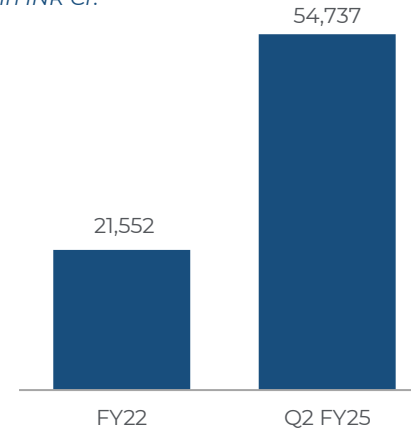
DHFL acquisition in FY22 kick-started the rapid scale up of the growth business

Growth AUM



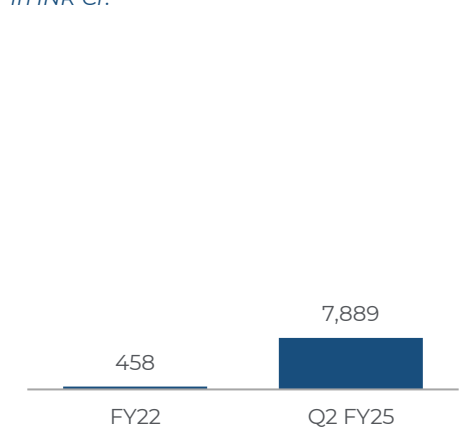
Retail – Rapid Scale Up

In INR Cr.



Revamped Wholesale 2.0

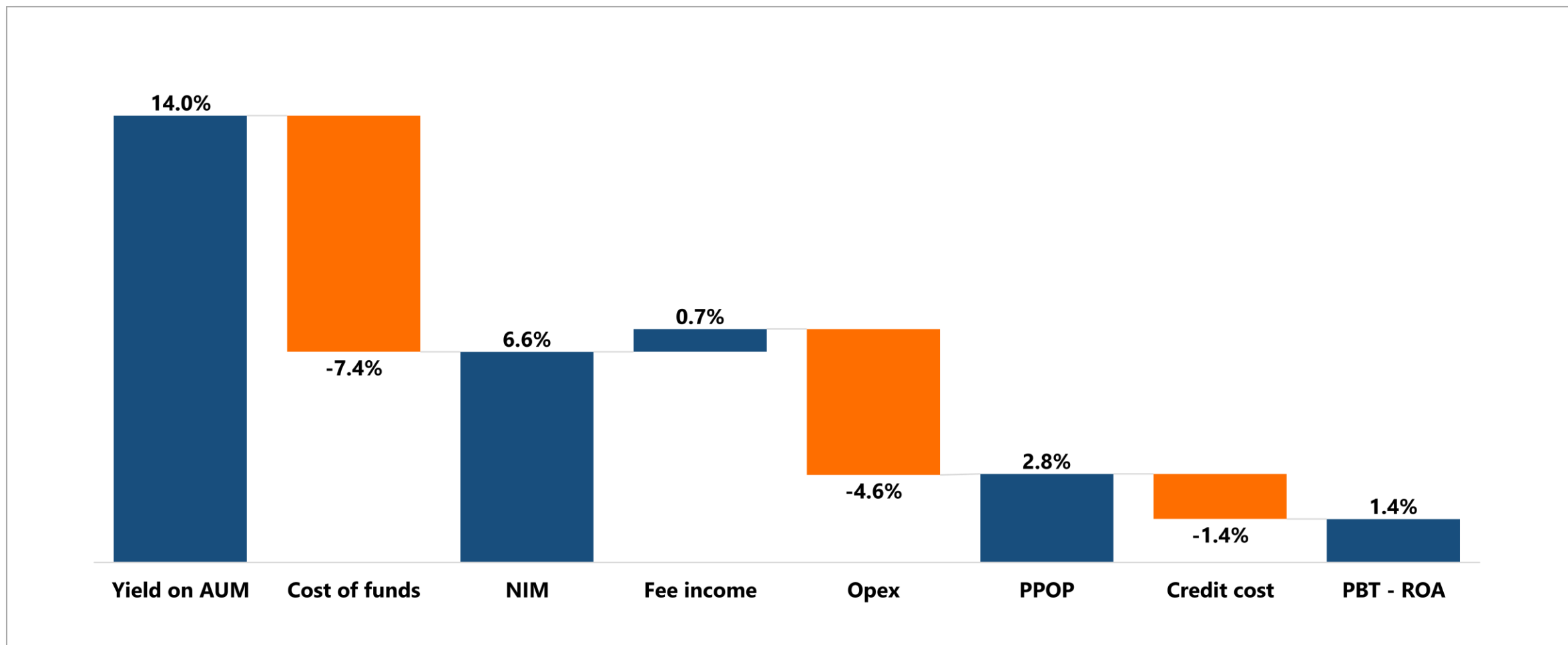
In INR Cr.



Growth business H1 FY25 ROA tree – on a path to steady state profitability



(All ratios as % of average AUM of growth business)



A steady reduction in opex ratio will be the primary driver of consistent improvement in PBT-ROA over the medium term



Growth business

Retail



Experienced and strong leadership team to drive retail business



Jairam Sridharan
CEO, Retail



Jagdeep Mallareddy

Chief Business Officer
25+ years



Sunit Madan

Chief Operating Officer
25+ years



Saurabh Mittal

Chief Technology Officer
20+ years



Markandey Upadhyay

Chief Data & Analytics Officer
20+ years



Vipul Agarwal

Business Head – Partnerships
20+ years

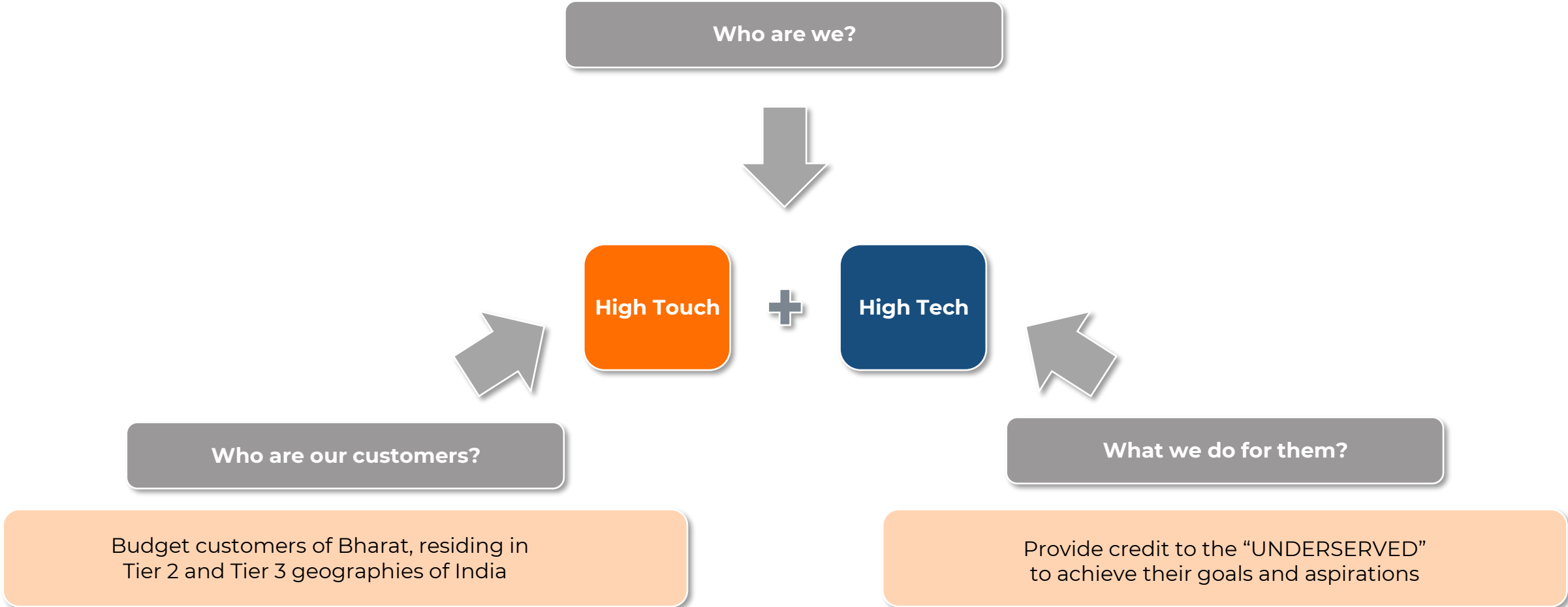


Arvind Iyer

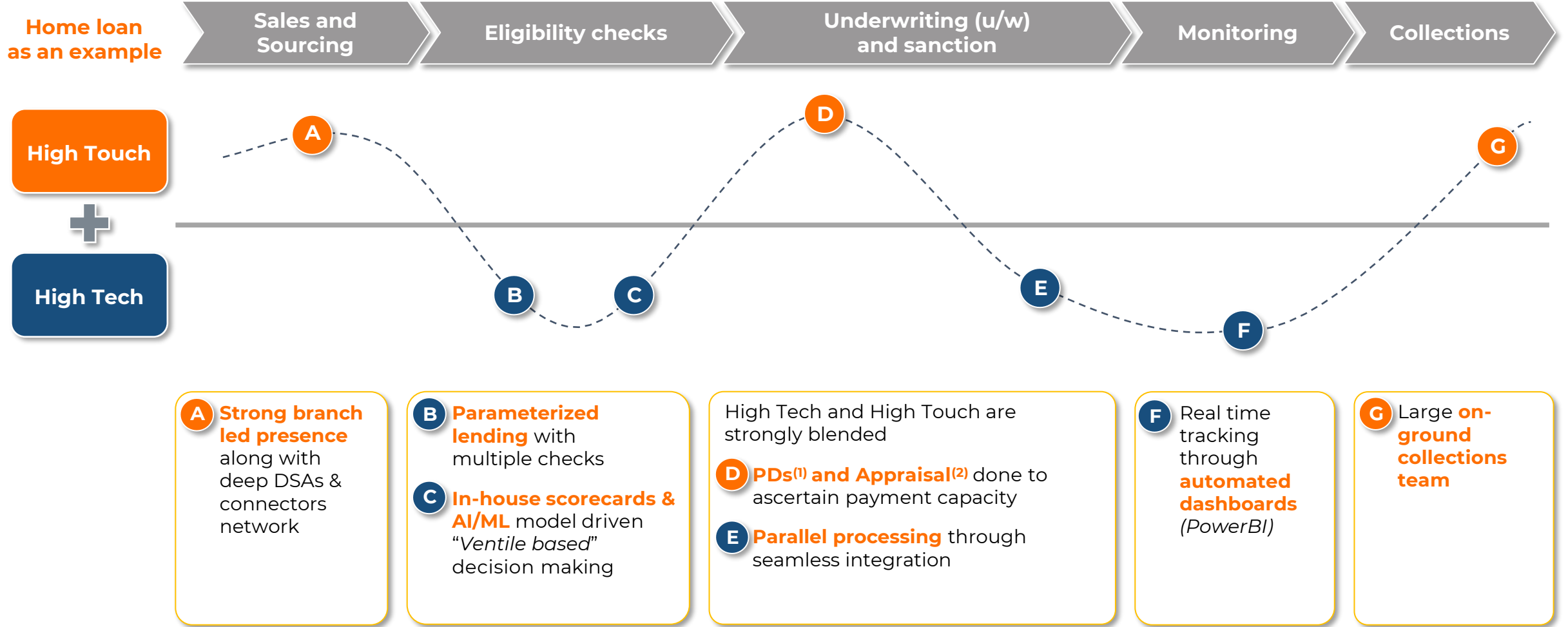
Head – Marketing
15+ years



A lender that goes beyond just PAPERS and sees the INTENT of the person



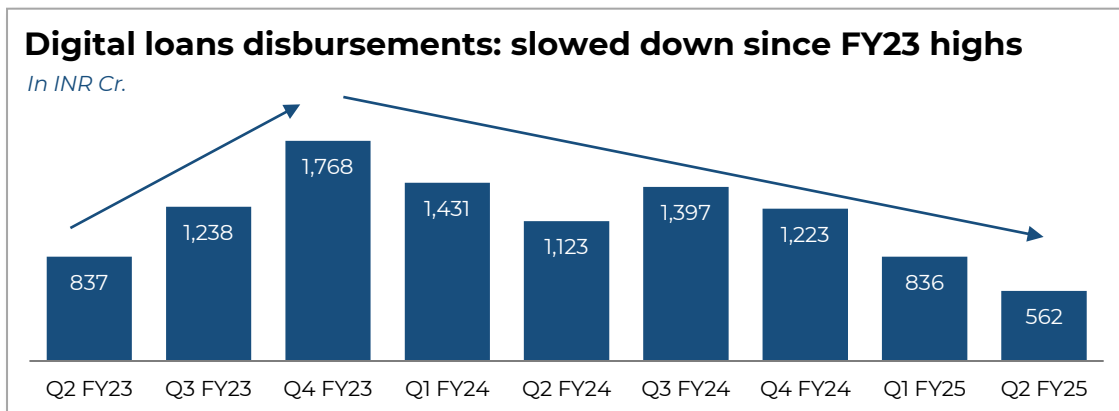
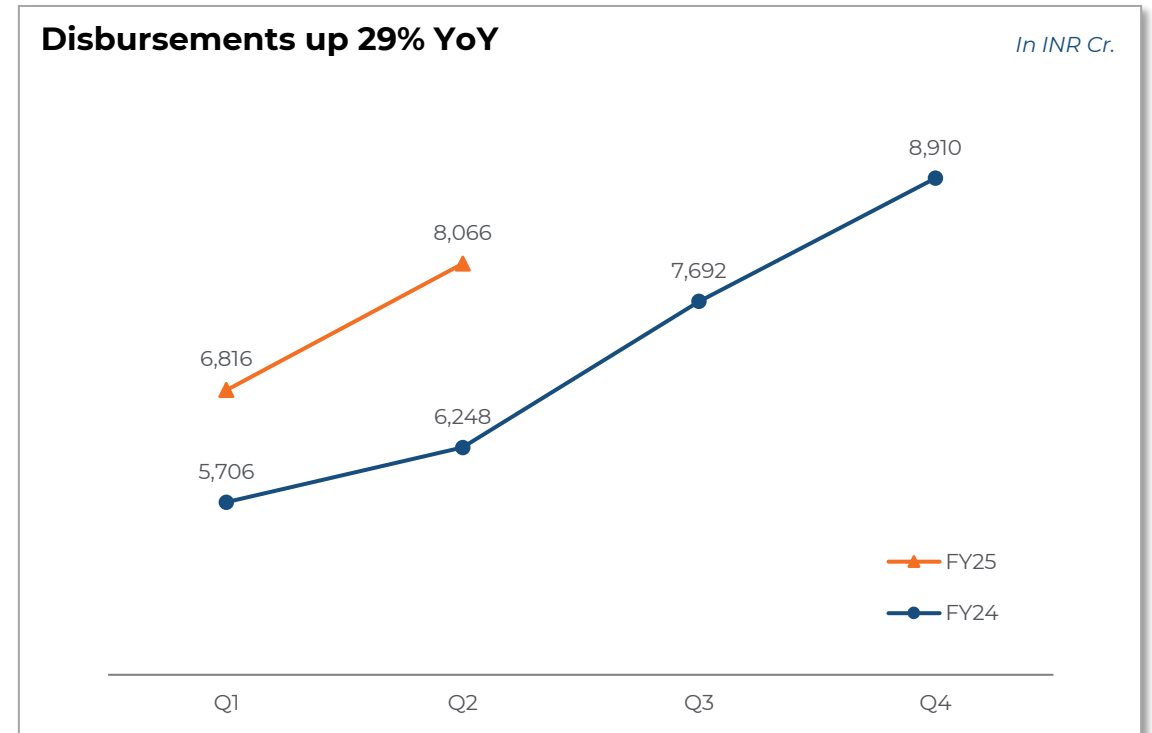
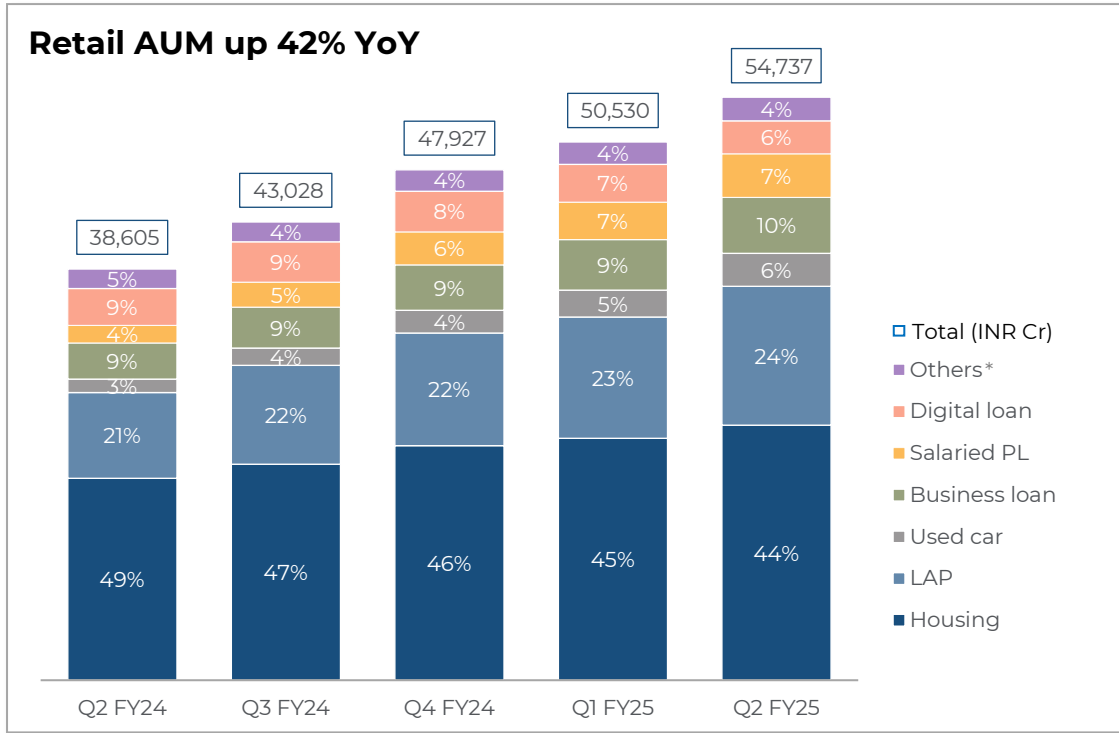
How does “High Touch + High Tech” work



Focused on building a sustainable lending franchise through use of technology and personal touch across customer journey

Notes: (1) Personal discussions
(2) Involves process of valuing and appraising the property on-site

Retail – growth across product verticals



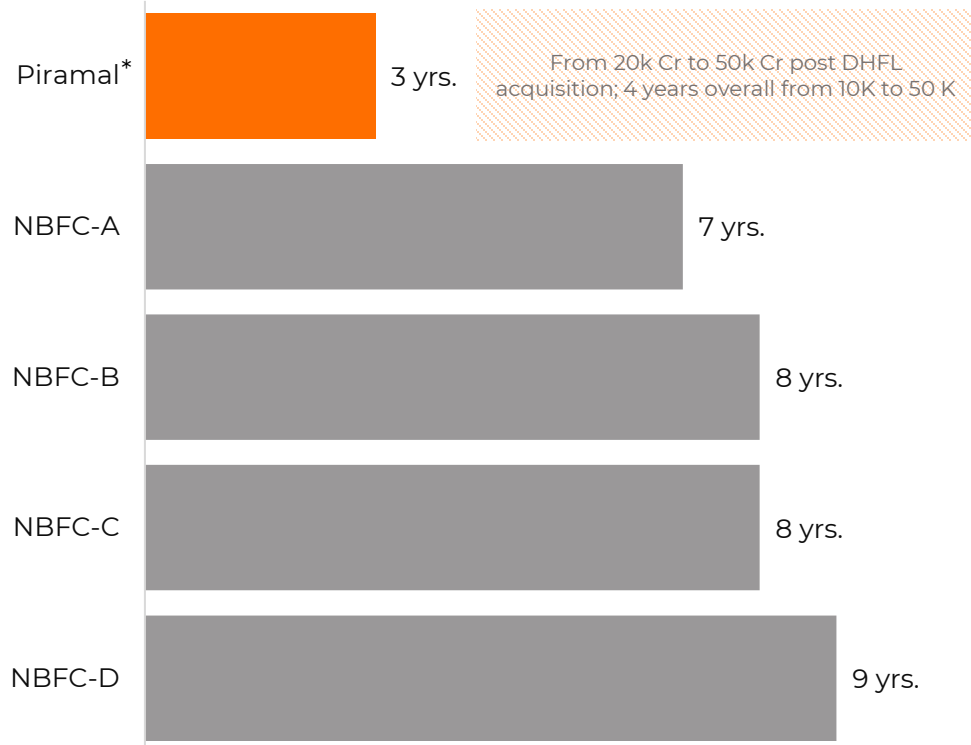
- **Digital Loans** disbursements reduced by ~70% from peak 6 quarters ago
- 85% of digital loan disbursement is **credit protected** primarily through FLDG
- **Securitization** picking up, with total 27 DA and 2 co-lending live programs

Note: (*) Others includes loan against mutual fund (LAMF) (INR 501 Cr as of Q2 FY25), SRs (INR 1,590 Cr as of Q2 FY25) & pass-through certificates (PTC) (INR 133 Cr as of Q2 FY25)

Strong growth led by core business drivers

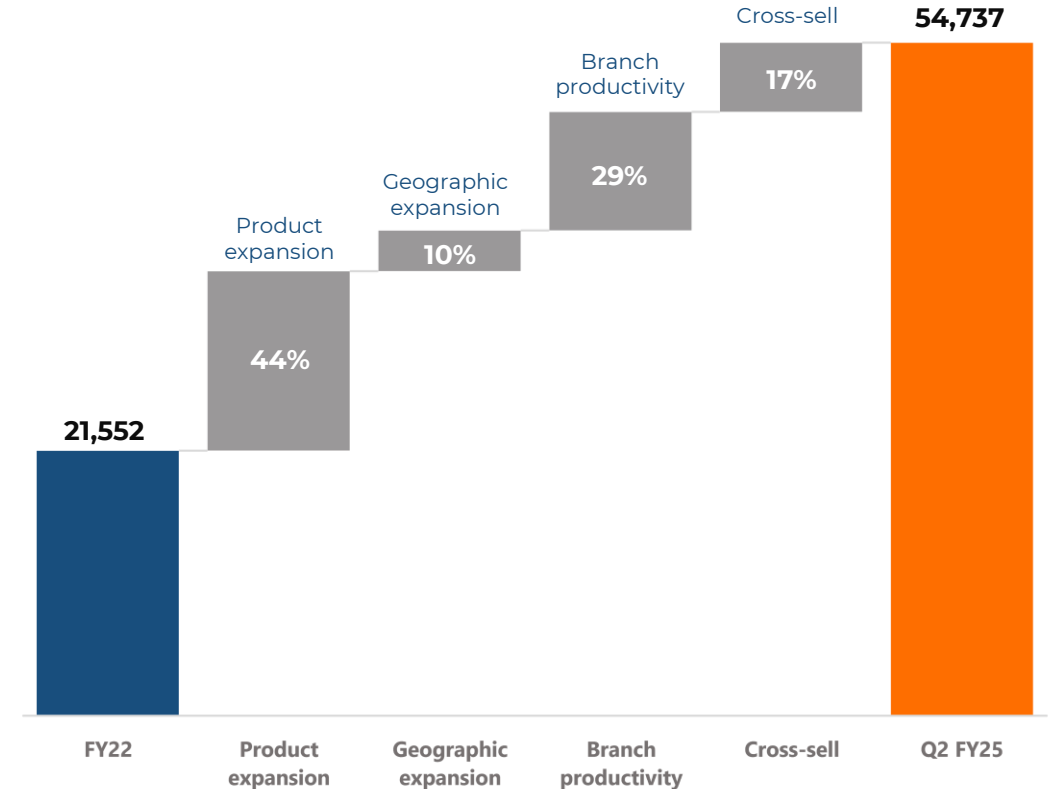


Years taken to go from INR 10K Cr to INR 50K Cr retail AUM



AUM growth led by product expansion

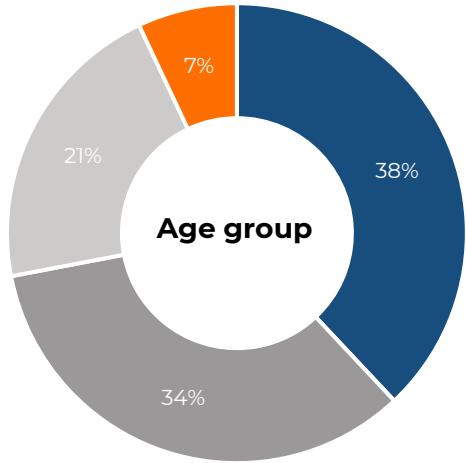
In INR Cr



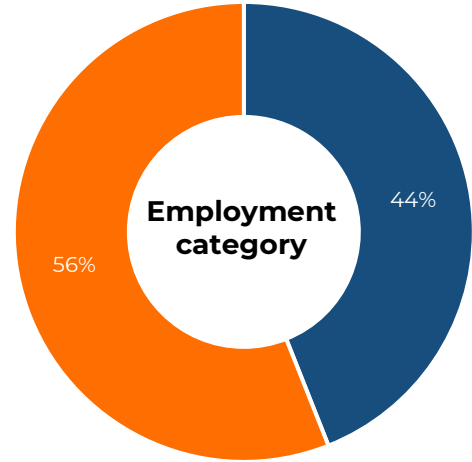
Going from INR 10k Cr to INR 50k Cr has typically been a 5–10 years journey for retail NBFCs

Note: (*) For Piramal, retail lending AUM increased from INR ~21k Cr post acquisition to INR 50k Cr in ~3 years

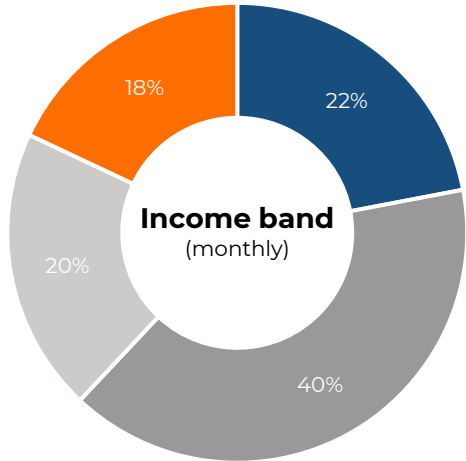
Retail - customer profile for branch-based acquisition



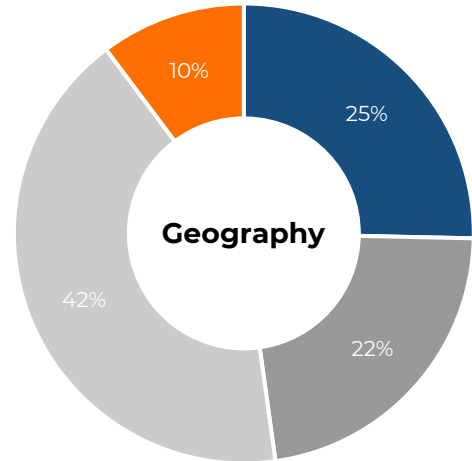
- 18 - 34 yrs.
- 35 - 44 yrs.
- 45 - 54 yrs.
- >=55 yrs.



- Salaried
- Self employed



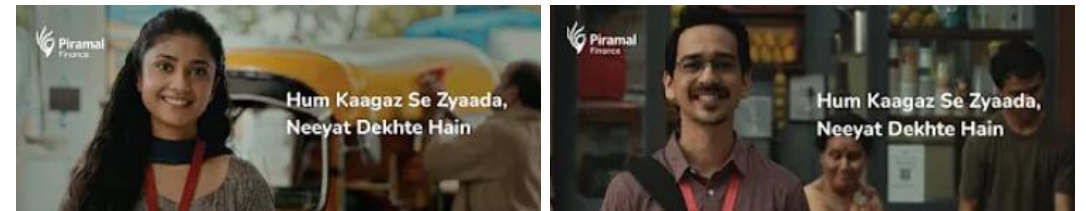
- <INR 30k
- INR 30k - 59k
- INR 60k - 99k
- >=INR 1 lakh



- Metro adjacent
- Tier-1
- Tier-2
- Tier-3



Our recent brand campaigns (click on the images to view)



Customers acquired through branch network represents 92% of total retail AUM

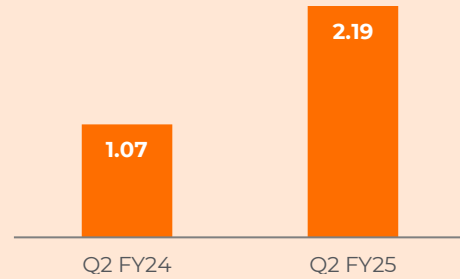
We serve self-employed, modest-income type of customer base

A transformative year in digital engagement, service and collections

Mobile App

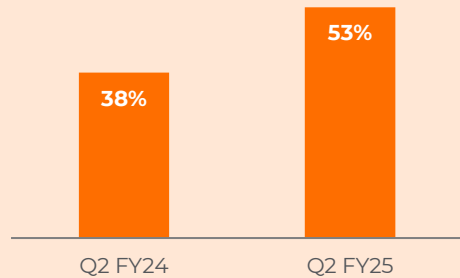
MAU up 105% YoY

In Lakh



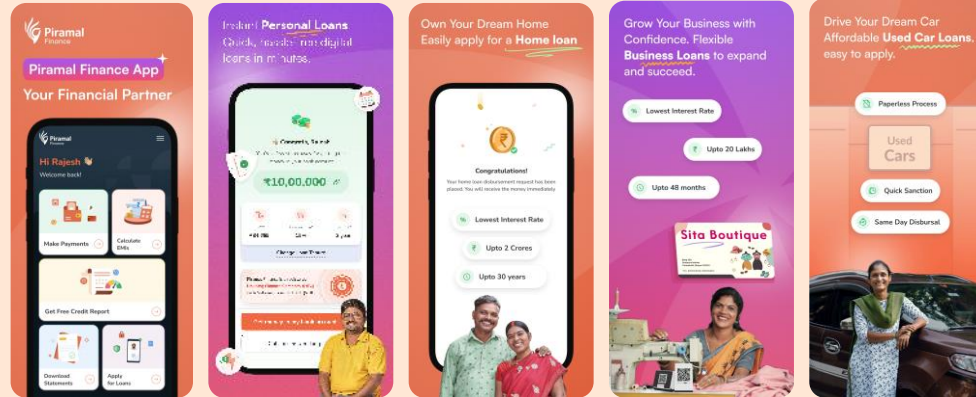
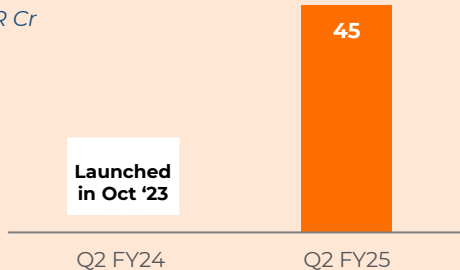
Service requests fulfilled digitally

% of overall service requests

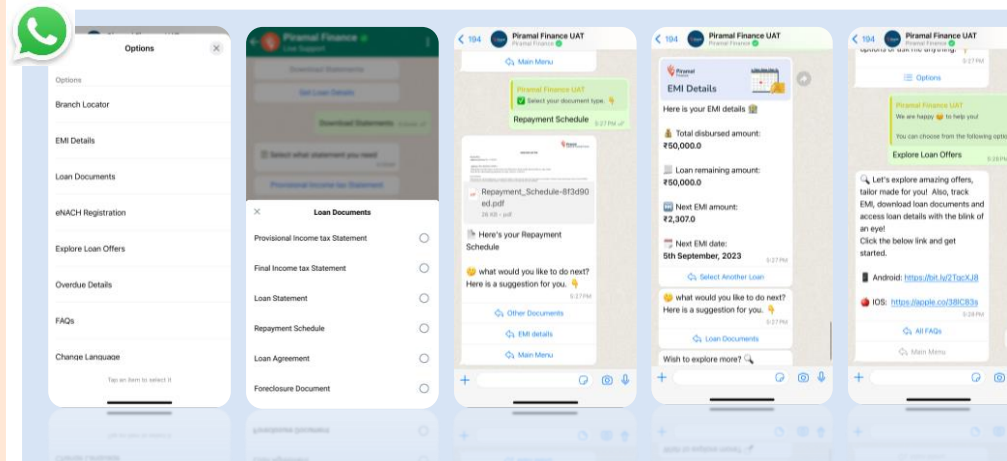


Overdue & fees collection on Mobile App up 55% since Q3 FY24

In INR Cr



In FY25, Piramal Finance's mobile app received a major upgrade, adding features like last-mile PL disbursement (organic & partnership), advance EMI payments, and third-party products like health insurance

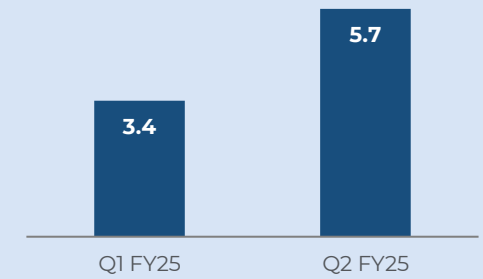


Launched in April '24, the WhatsApp service bot supports 8 languages and uses conversational AI, moving beyond traditional menu-driven interactions

WhatsApp

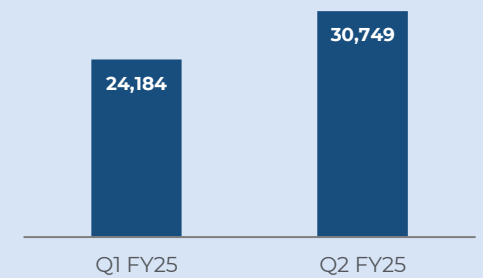
MAU up 67% QoQ

In Lakh



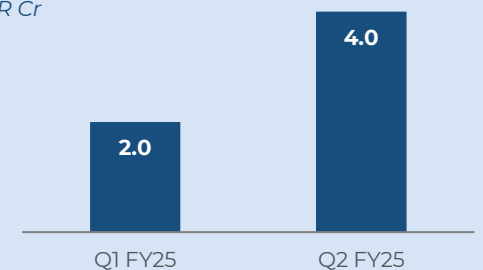
Service requests concluded up 35% QoQ

(#)



Overdue collection on WhatsApp Bot up 100% QoQ

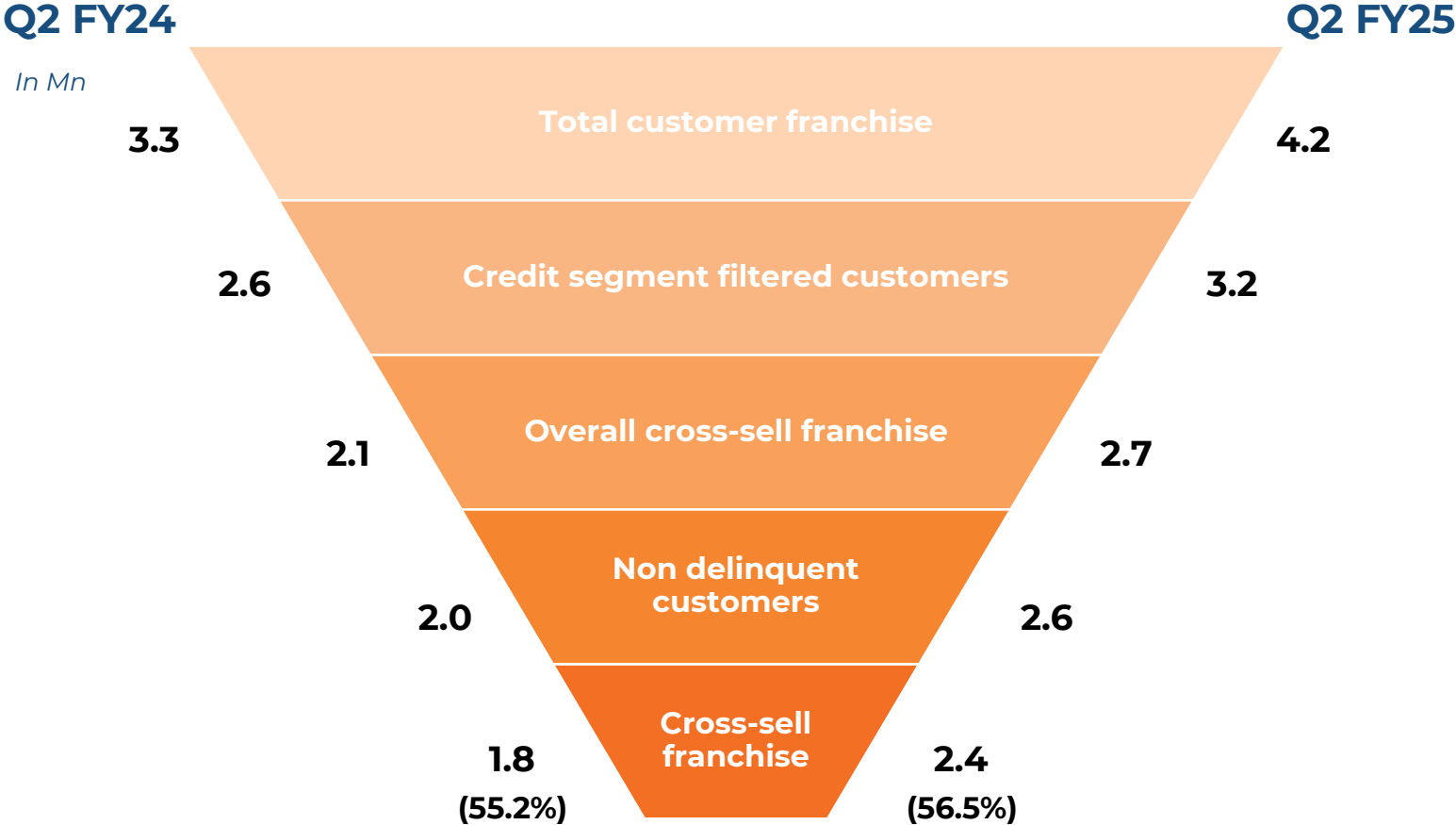
In INR Cr



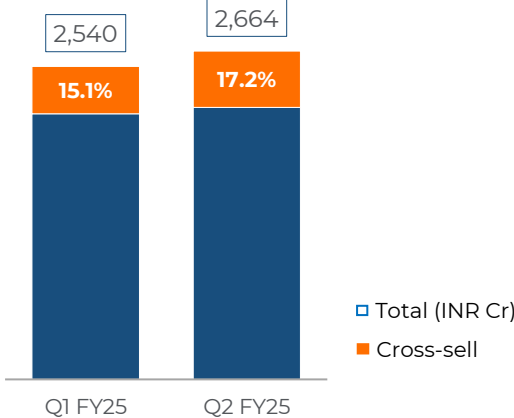
Cross-sell franchise funnel



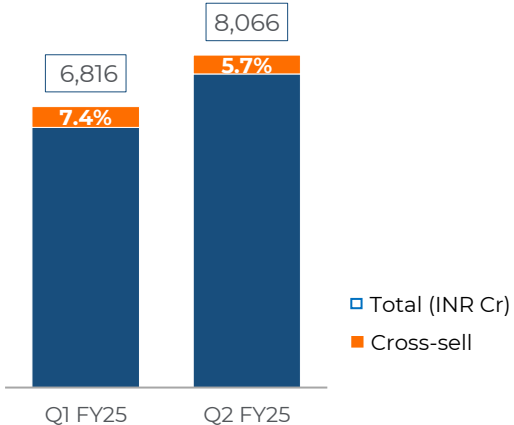
Total customer franchise **up 27% YoY** to 4.2 Mn



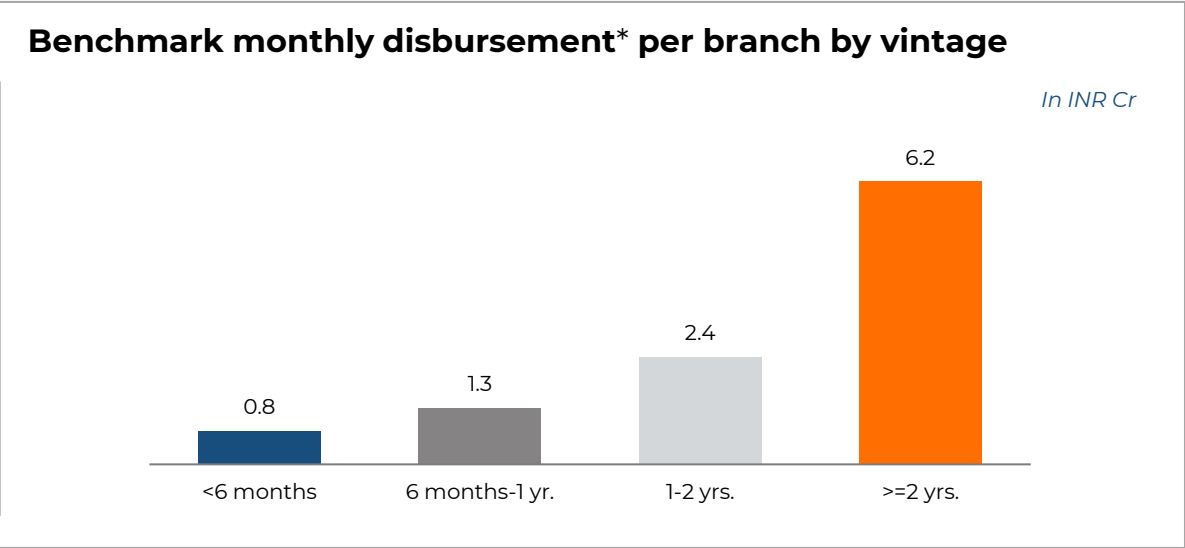
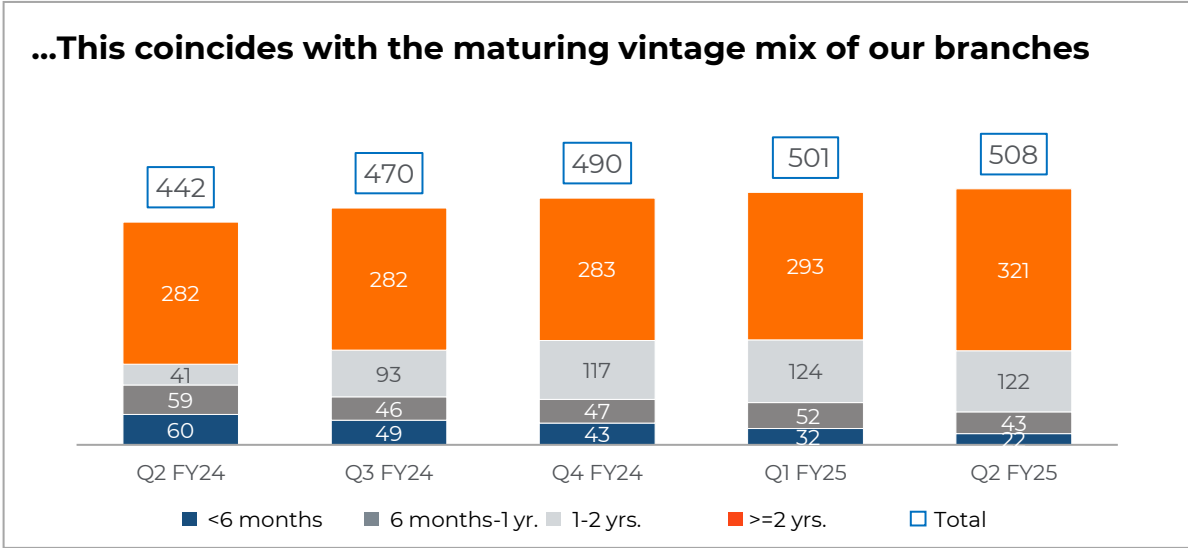
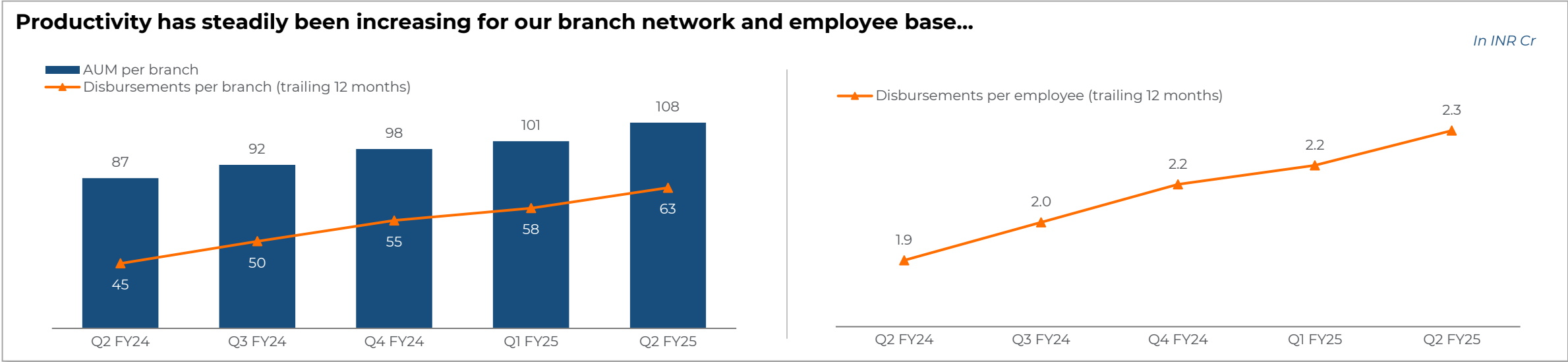
Cross-sell% in unsecured disbursements



Cross-sell% in total retail disbursements



Productivity improvement to continue, driven by increasing Branch maturity

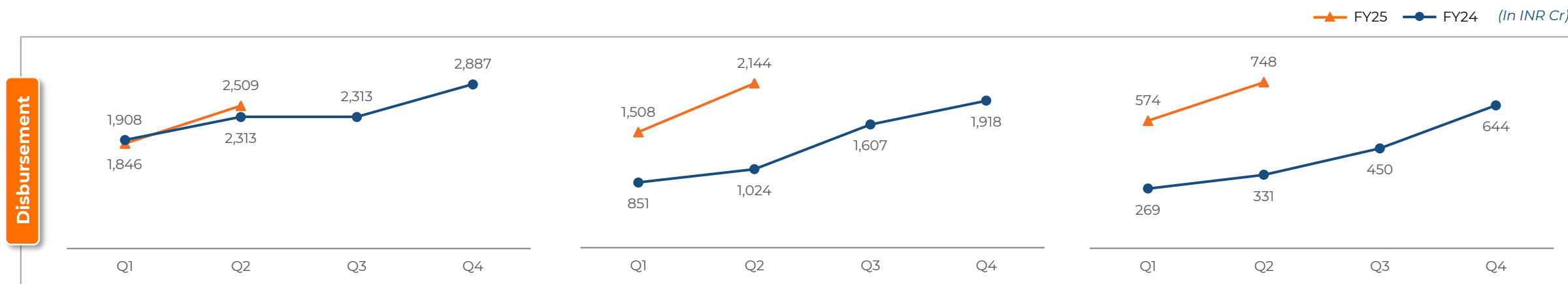
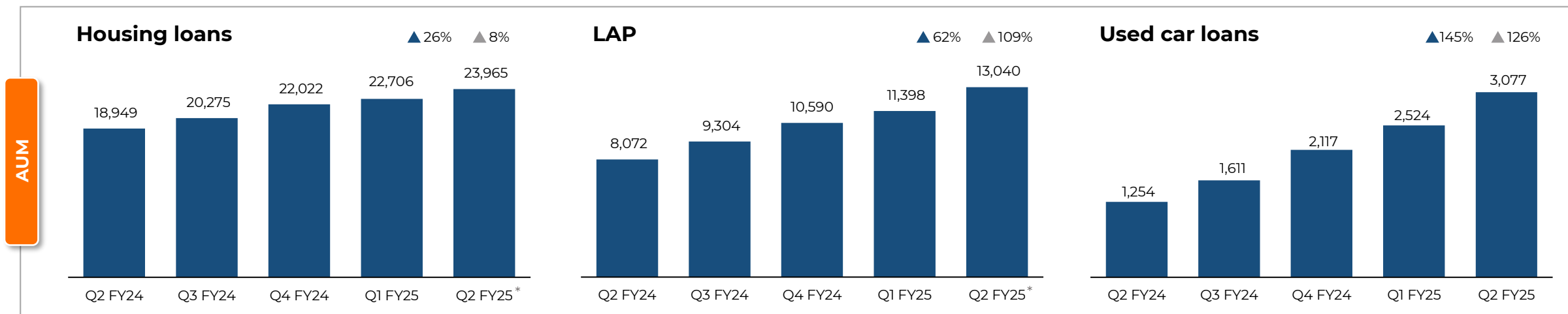


Note: (*) Only for branch led products

Growth momentum sustaining in mortgages and used car loans



■ AUM (INR Cr) ▲ YoY AUM growth ▲ YoY disbursement growth



22 Lac	66%	751	11.6%
Average ticket size	Average LTV	Average CIBIL score	Disbursement yield

23 Lac	49%	748	12.9%
Average ticket size	Average LTV	Average CIBIL score	Disbursement yield

6.8 Lac	73%	748	15.1%
Average ticket size	Average LTV	Average CIBIL score	Disbursement yield

Note: (*) In Q2FY25, concluded DA sale transactions of INR 612 Cr in Housing, INR 695 Cr in LAP and co-lending transaction of INR 47 Cr in Housing loans, INR 65 Cr in LAP

Branch originated business **outpacing digital loans**

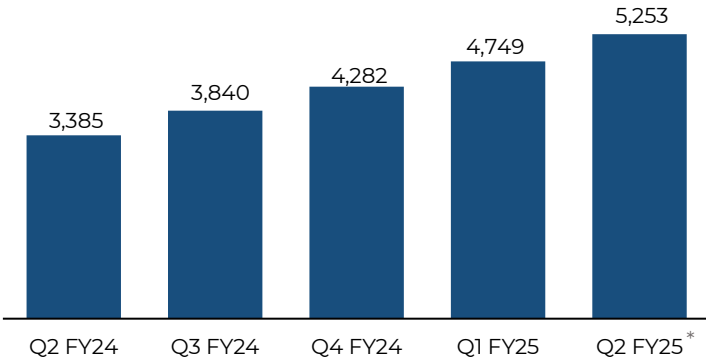


■ AUM (INR Cr) ▲ YoY AUM growth ▲ YoY disbursement growth

AUM

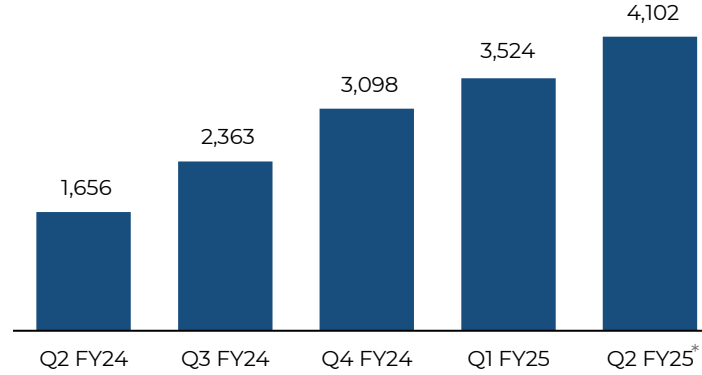
Business loans

▲ 55% ▲ 39%



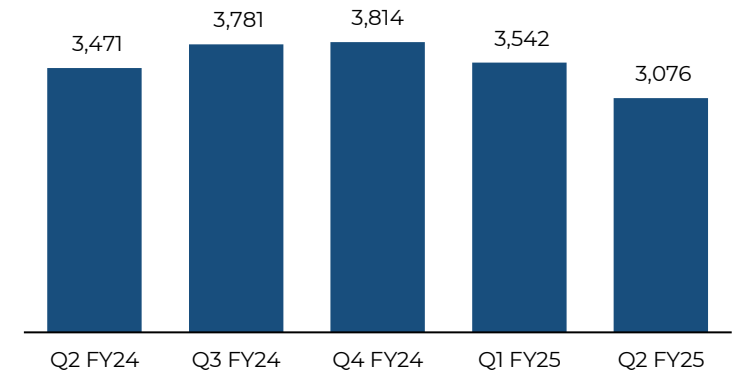
Salaried PL

▲ 148% ▲ 68%



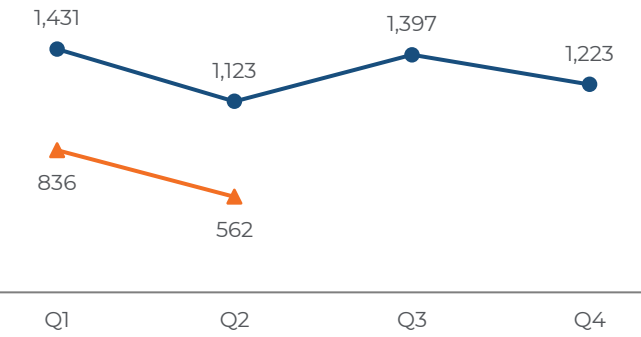
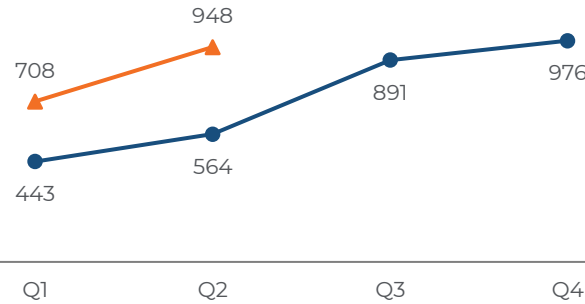
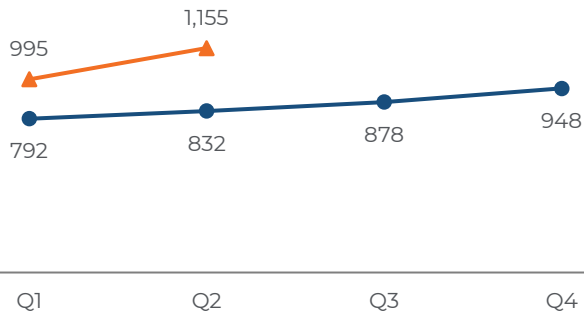
Digital loans

▲ -11% ▲ -50%



Disbursement

▲ FY25 ● FY24 (In INR Cr)



5.5 Lac Average ticket size	750 Average CIBIL score	19.8% Disbursement yield
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4.4 Lac Average ticket size	754 Average CIBIL score	17.5% Disbursement yield
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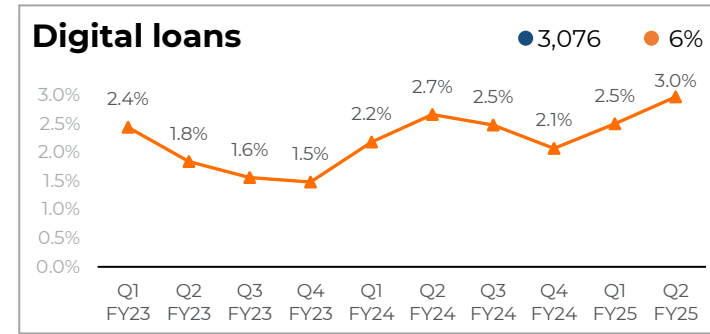
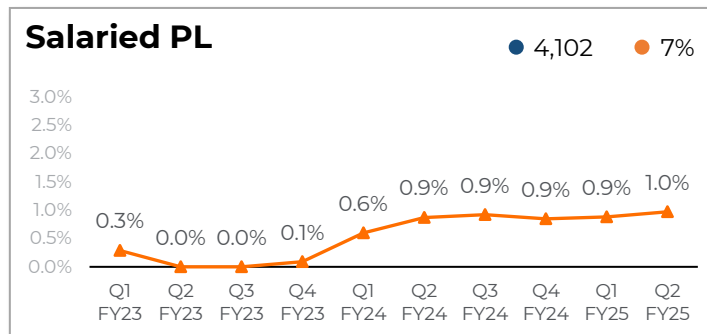
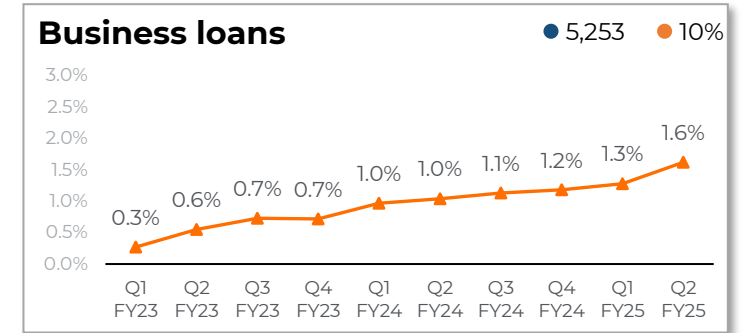
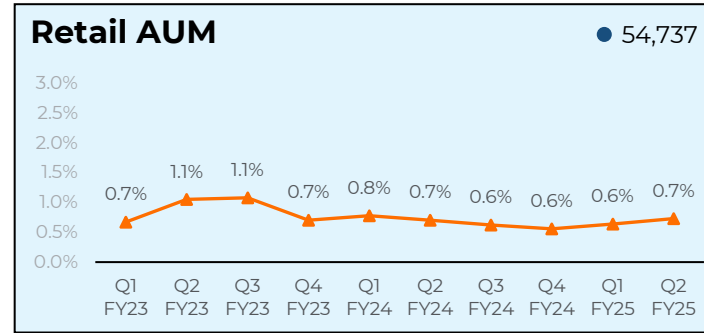
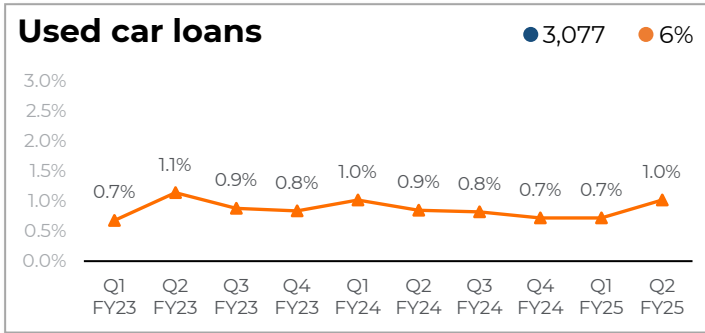
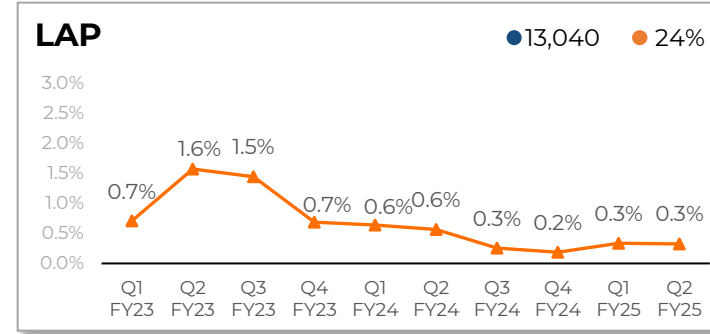
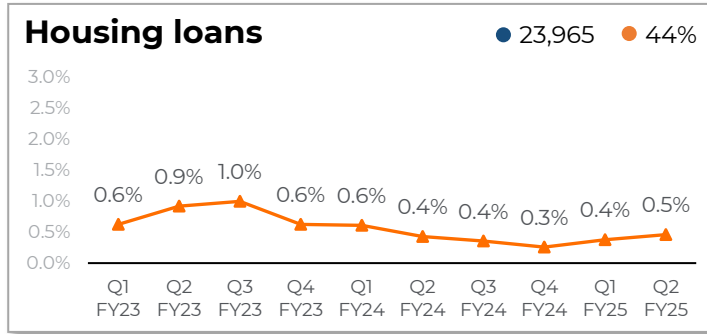
0.5 Lac Average ticket size	756 Average CIBIL score	16.4% Disbursement yield
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Note: (*) In Q2FY25, concluded DA sale transactions of INR 81 Cr in Business loans, INR 223 Cr in Salaried PL and co-lending transaction of INR 109 Cr in Business loans

Retail risk (1/2) – Overall stable 90+ DPD reflecting diversified AUM mix



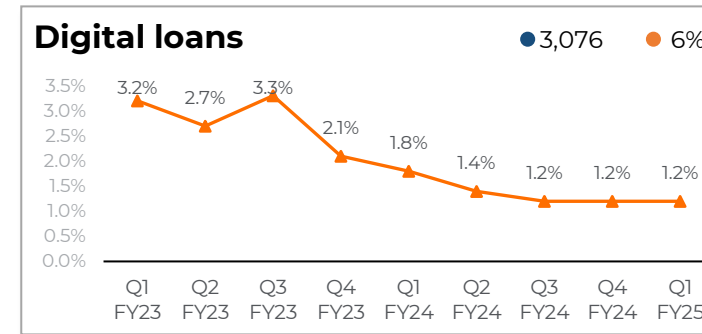
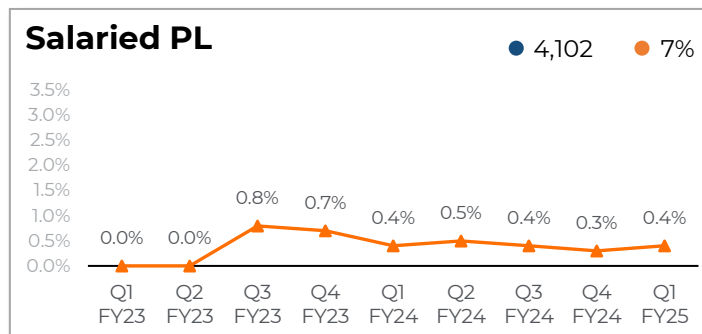
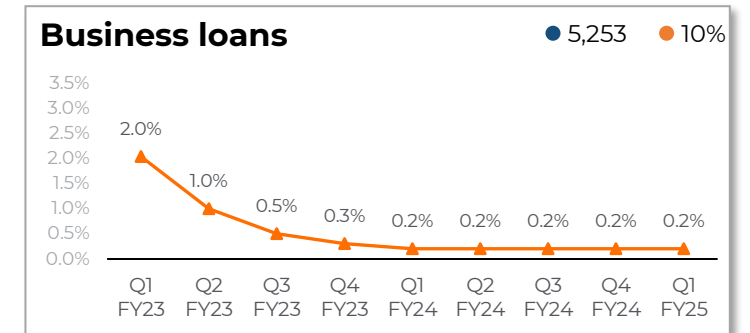
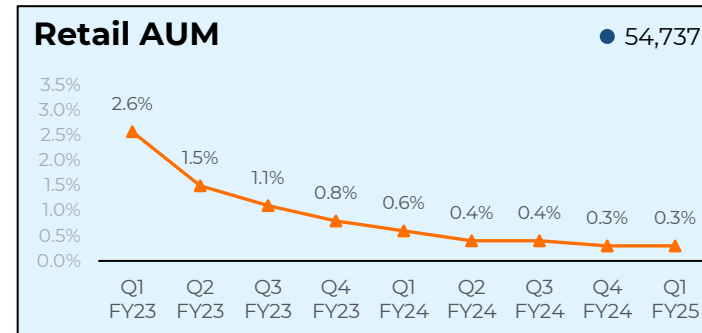
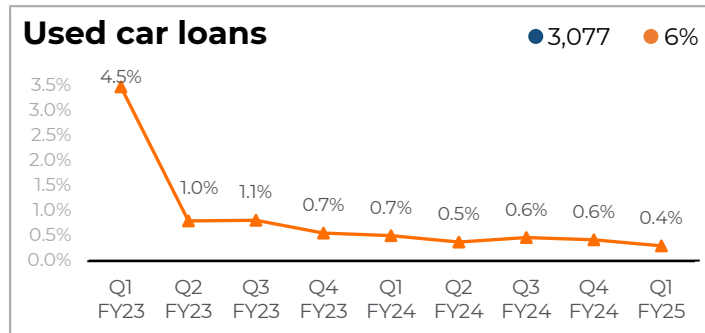
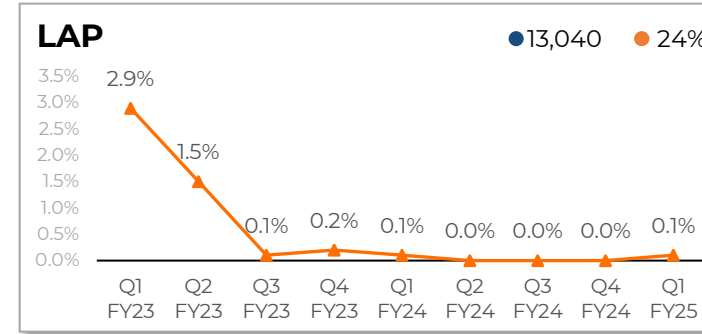
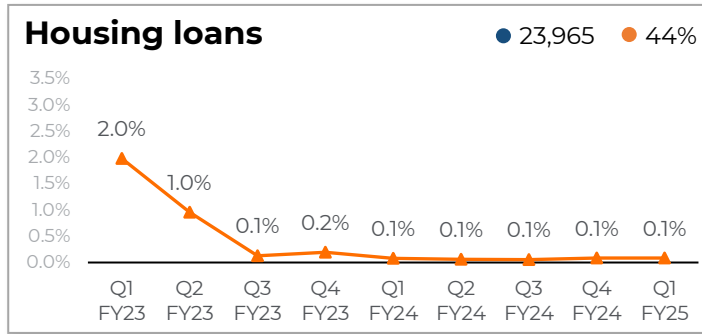
- AUM as of Q2 FY25 (INR Cr)
- % of retail AUM as of Q2 FY25
- ▲ 90+ DPD



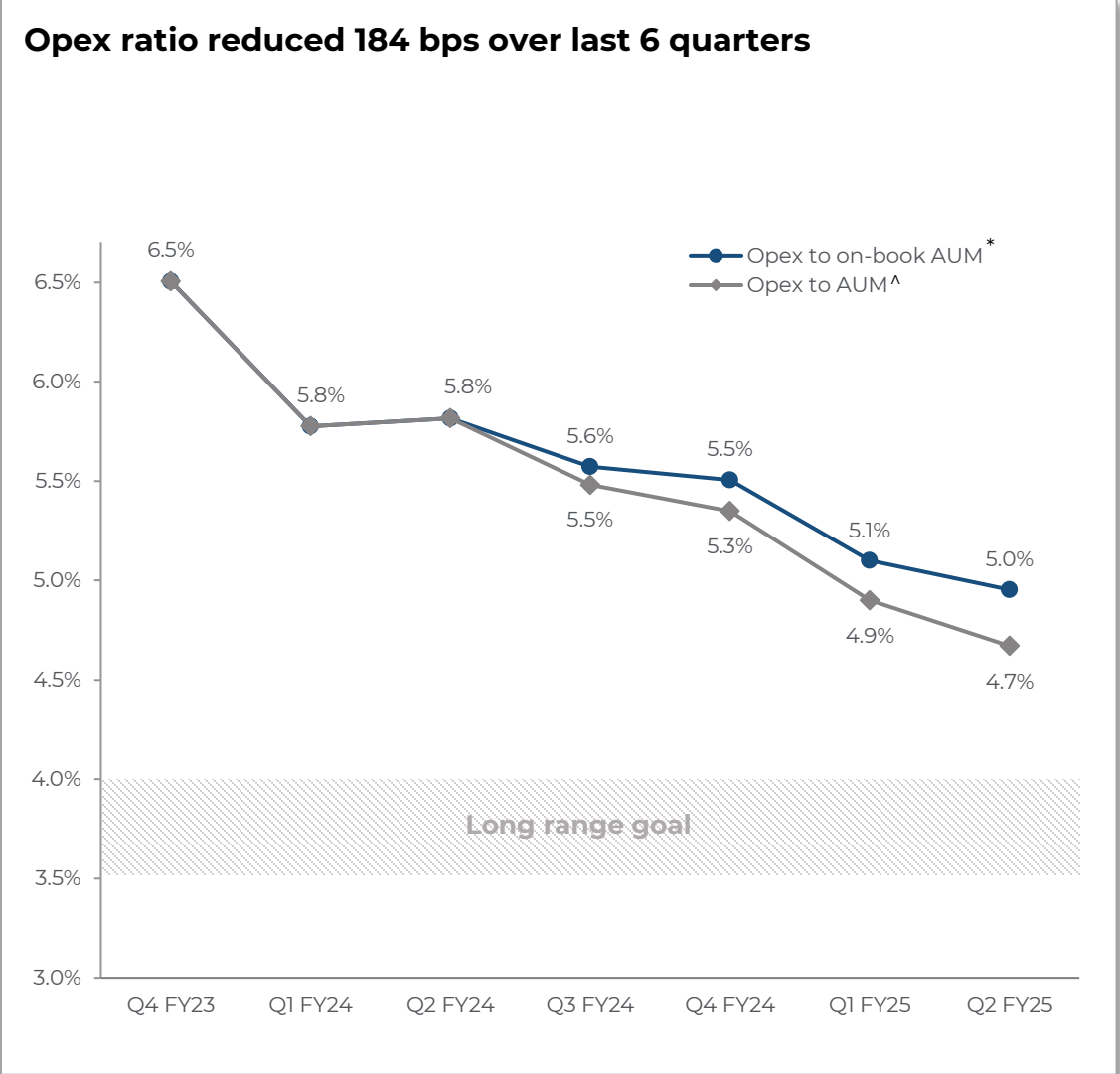
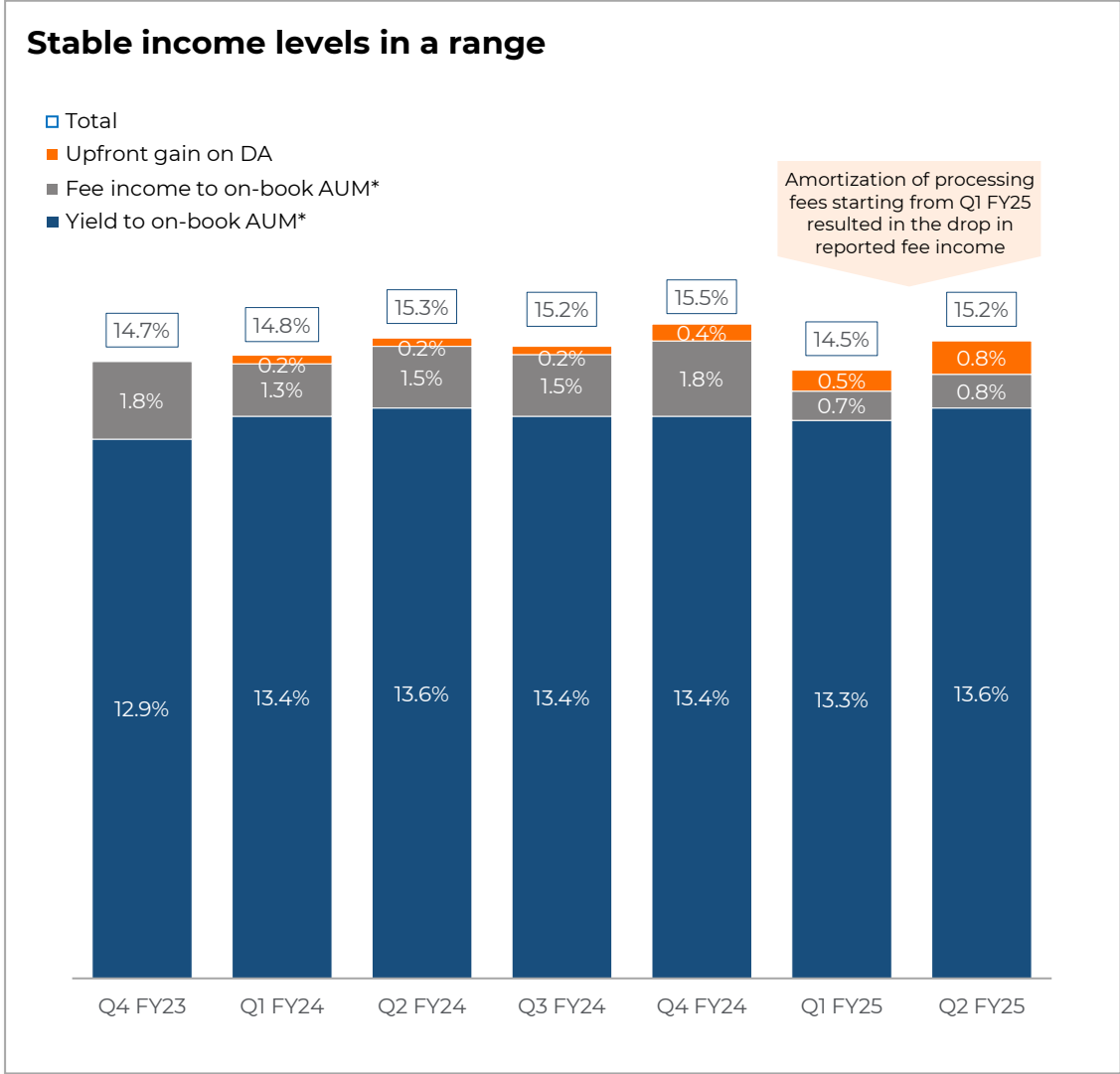
Retail risk (2/2) – vintage risk: steady improvement in quality of new originations



- AUM as of Q2 FY25 (INR Cr)
- % of retail AUM as of Q2 FY25
- ▲ 30+ DPD at 3 months on book quarters mentioned on x-axis represent the quarters of origination



Retail: Stable income profile - opex ratios moderating



Notes: (*) On-book AUM excludes DA and co-lending
 (^) Includes POCI, SRs, PTC, DA and co-lending

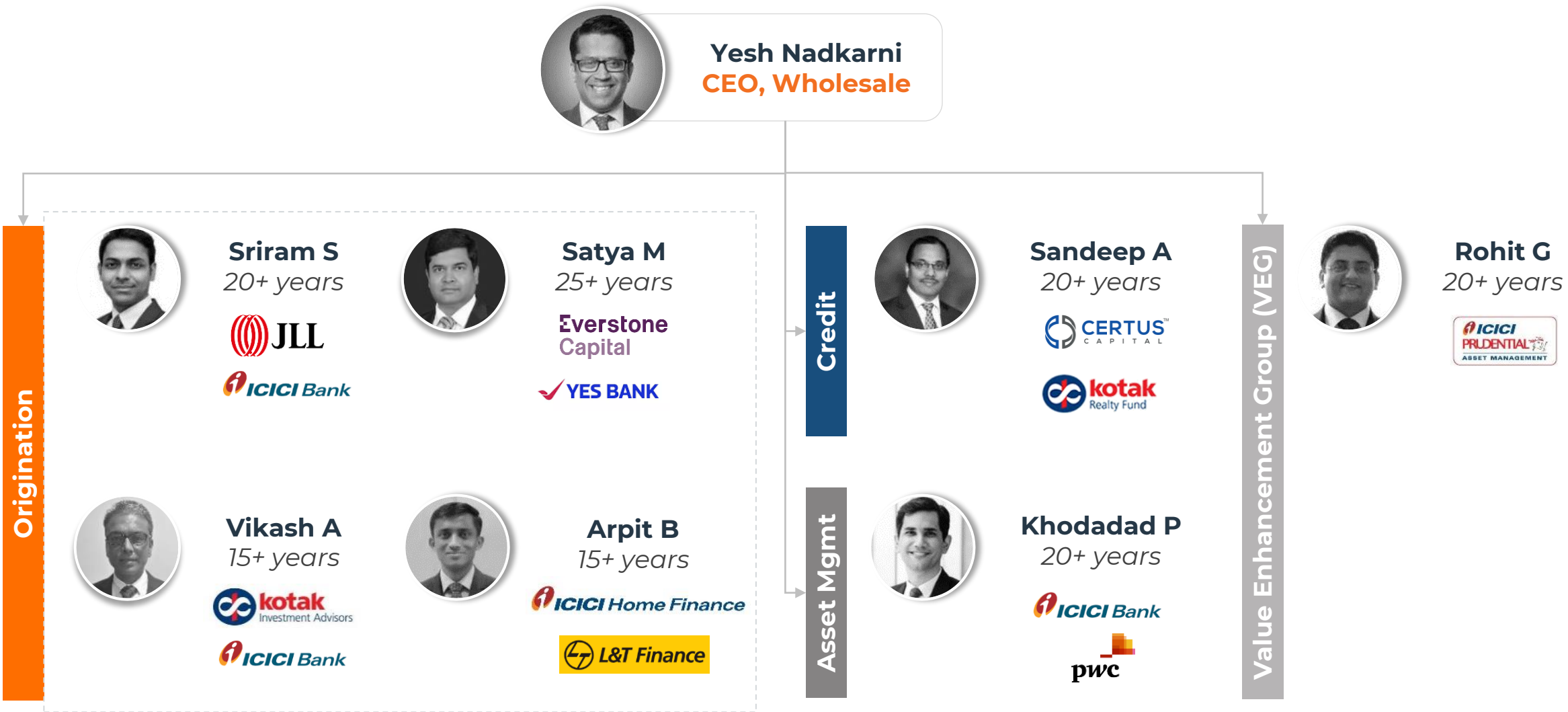


Growth business

Wholesale 2.0



Experienced and strong leadership team to drive wholesale business



Wholesale 2.0 – Tapping opportunity in underpenetrated real estate and corporate mid-market lending

Why Real Estate Financing Market?



OPPORTUNE TIMING

Beginning of growth cycle as affordability at all time high



DEVELOPER CONSOLIDATION

Resulting in better quality ecosystem



GAP IN HFC / NBFC SPACE

Sector getting vacated resulting in major market gap



TIER 2/3 MARKETS

Underpenetrated and less competition

Creation of developer ecosystem to provide end to end solution through Retail & Wholesale partnership; Building a specialized team within wholesale to cater to this segment

Corporate Mid-market Lending: A Large Untapped Market in India



Predominantly OpCo loans



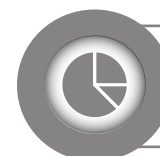
Backed by cashflow / assets



Mid-sized companies with revenues of up to USD 300mn

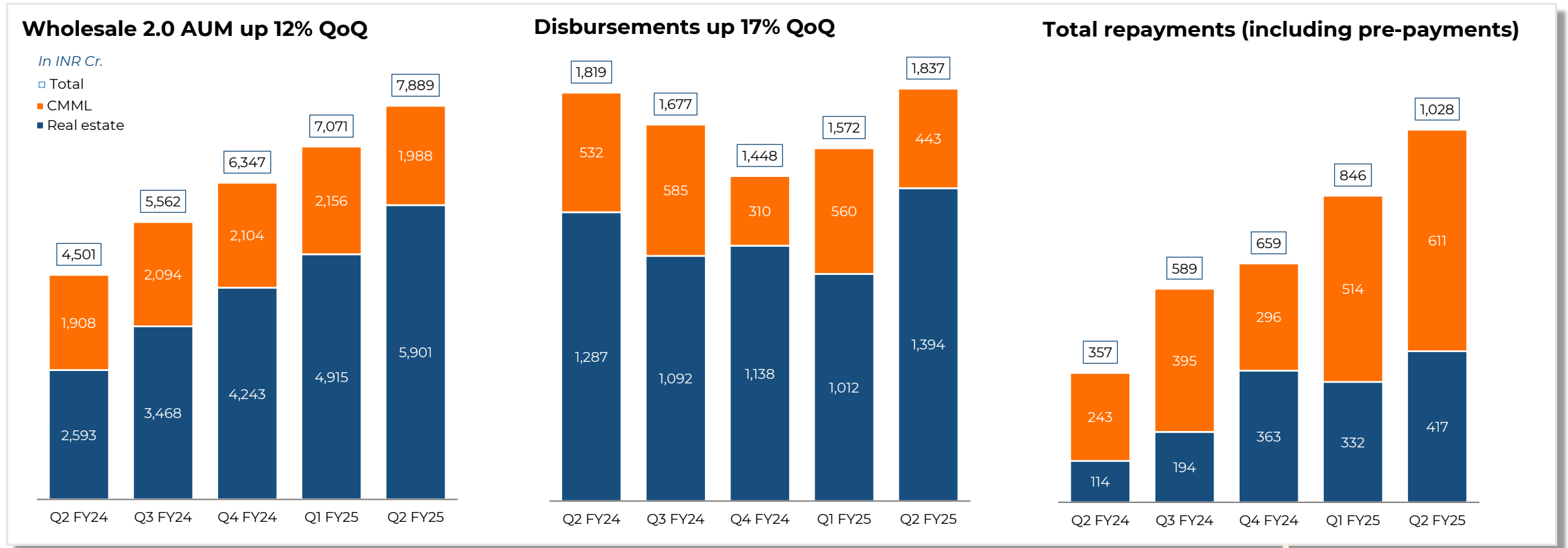


Investment grade and above (externally rated A to BBB-)



Diversified sectors manufacturing, services & NBFC

Wholesale 2.0: Building a diversified and granular book backed by cash flows and assets



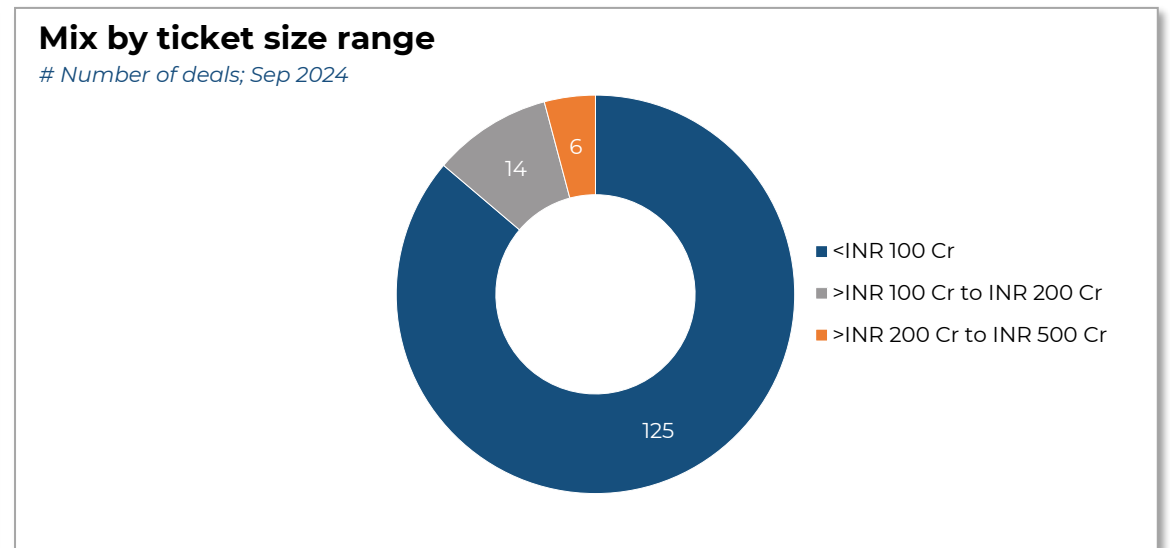
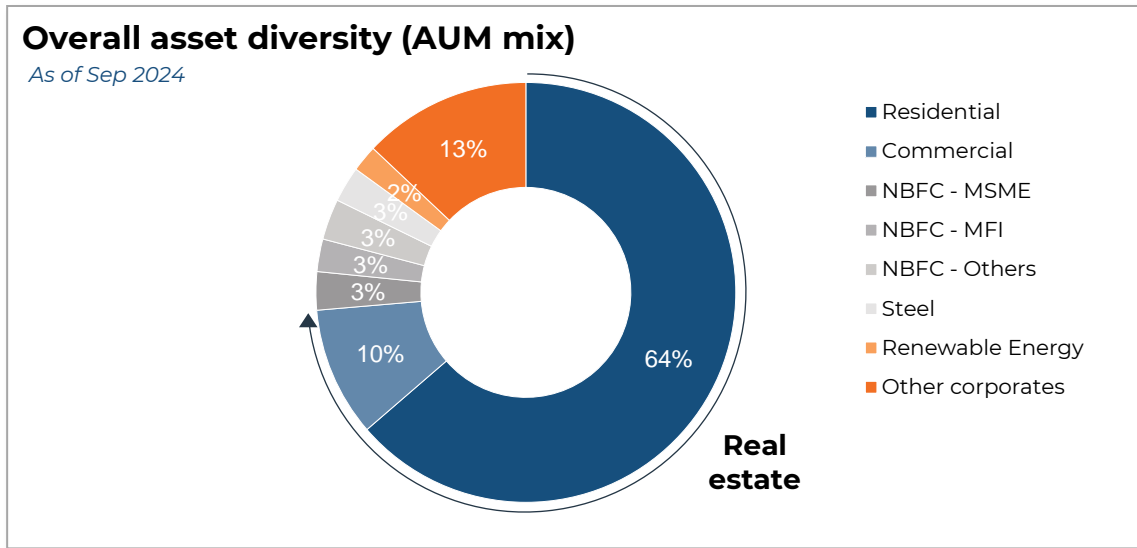
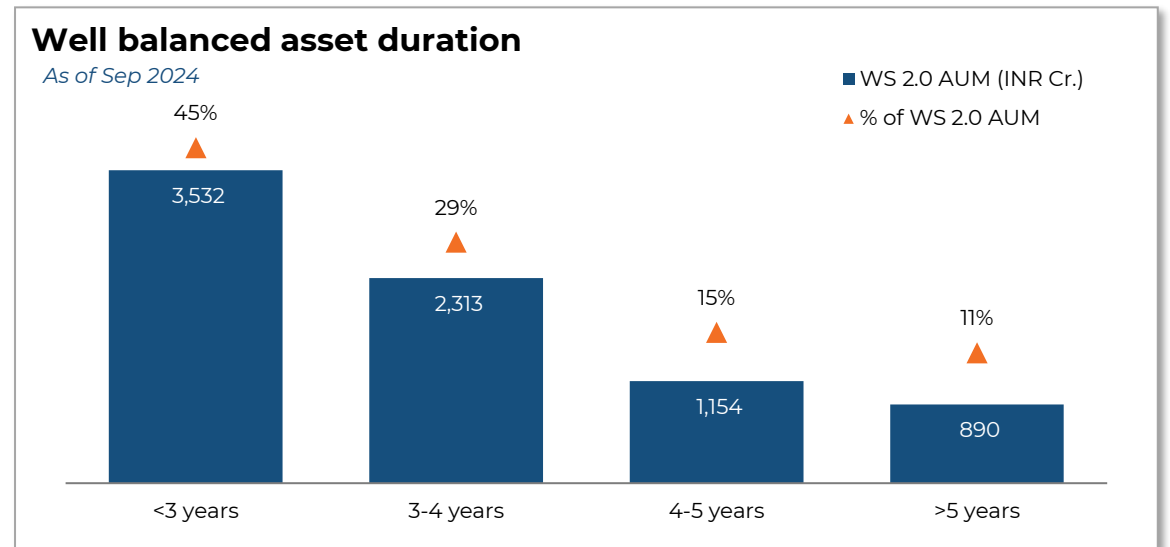
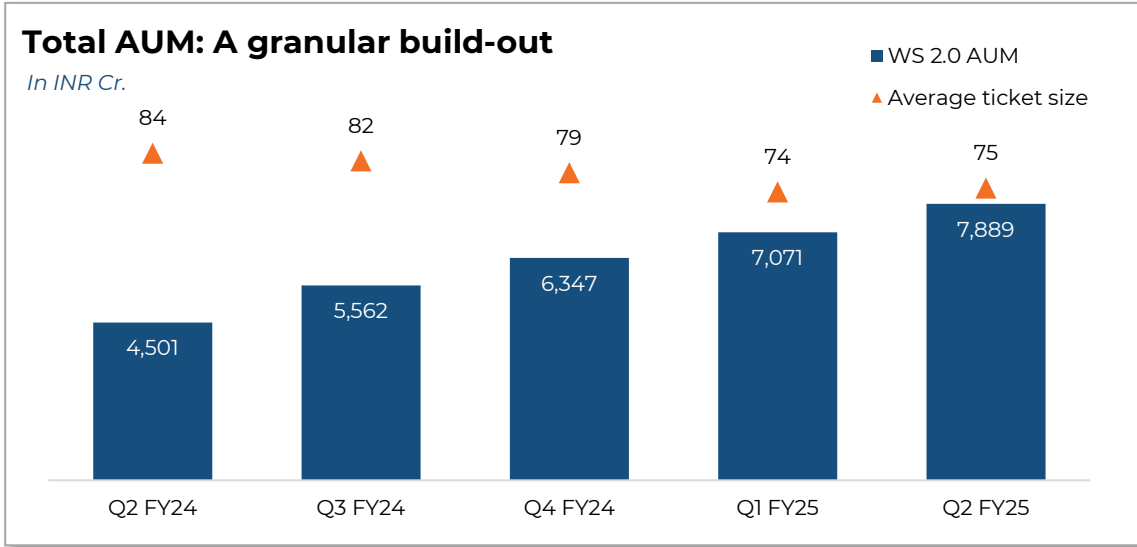
- **Disbursements** of INR 1,837 Cr in Q2 FY25
- **Performing well**, in line with or ahead of underwriting, as reflected in prepayments
- **Pre-payments** worth INR 769 Cr received in Q2 FY25
- **Exited deals** worth INR 2,649 Cr in total so far

- **Repayments** particularly high in CMML book
- Corporate India continues to de-lever, with debt repaid much faster than contracted

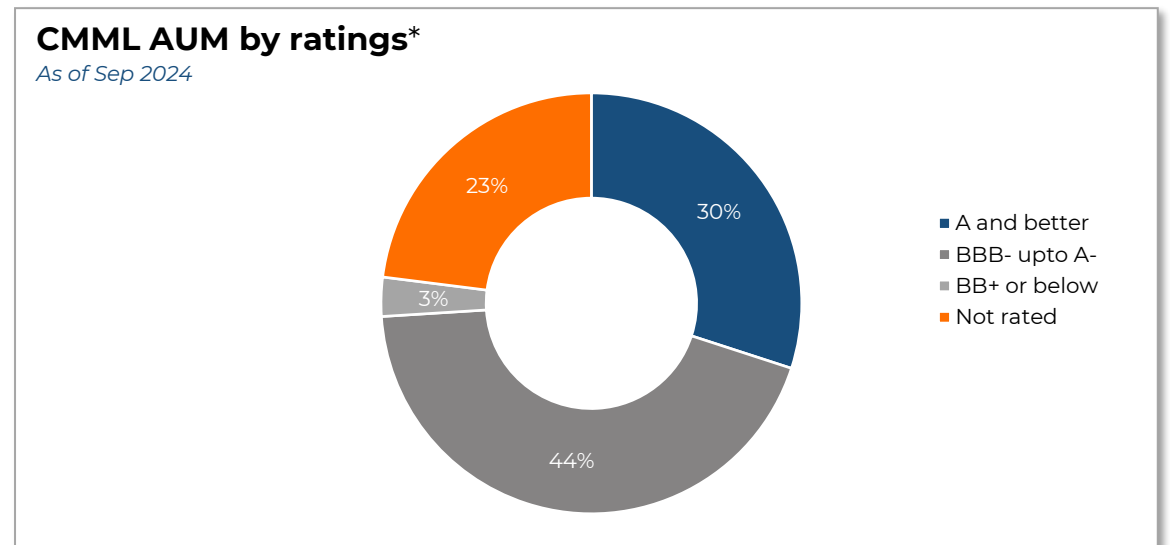
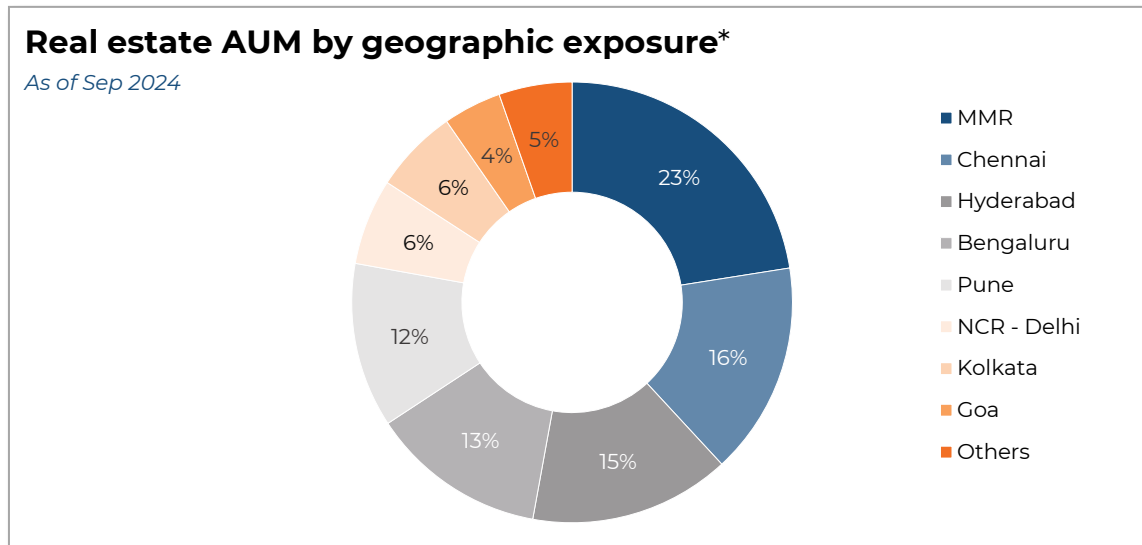
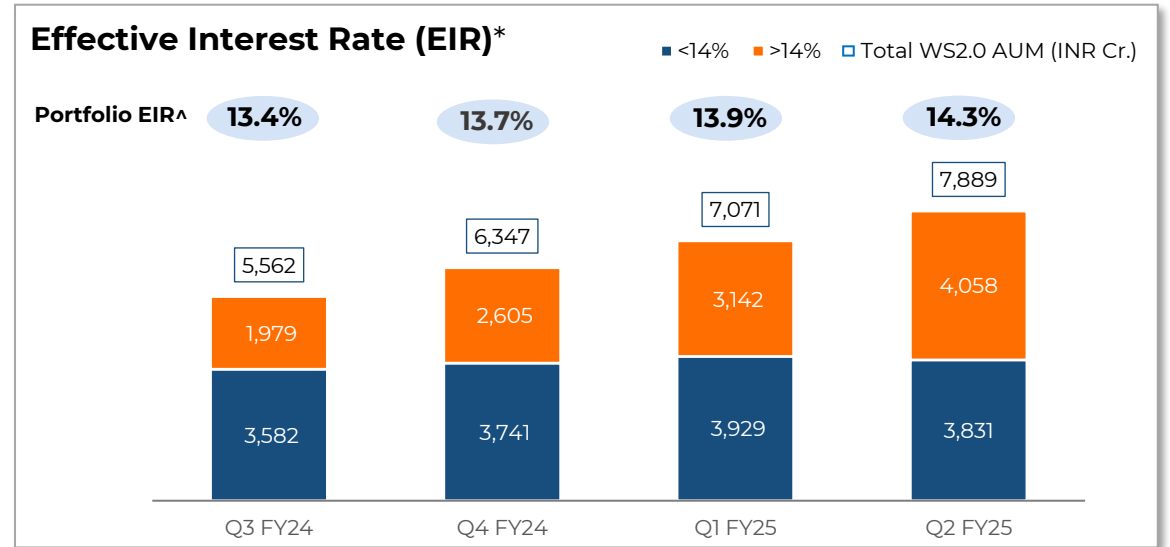
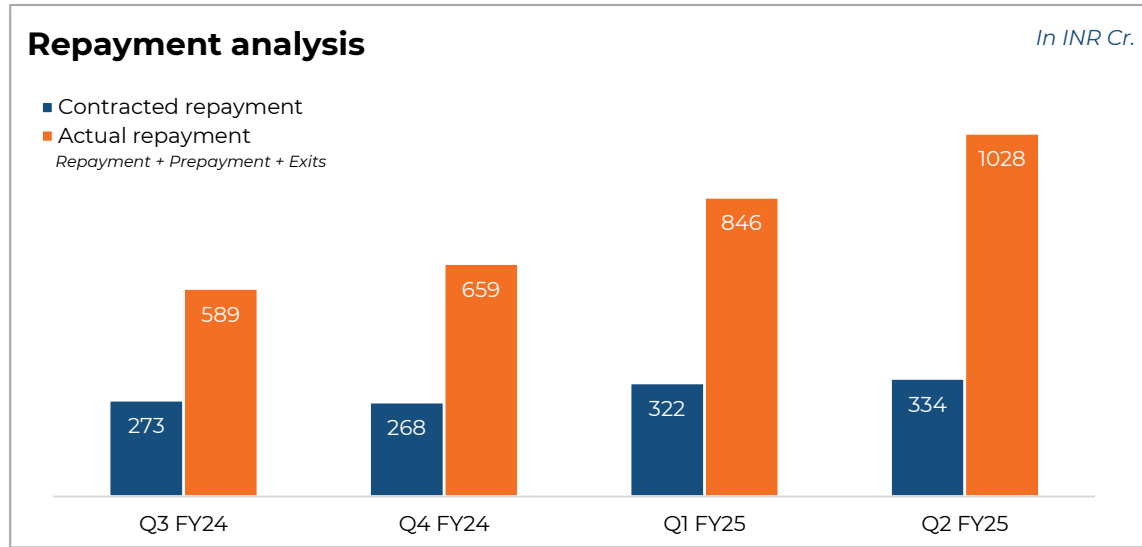
Wholesale 2.0: Granular and diversified build-out



(Charts represents data for outstanding AUM)



Wholesale 2.0: Portfolio analysis



Notes: (*) Represents data for outstanding AUM
(^) Portfolio EIR % includes fee income



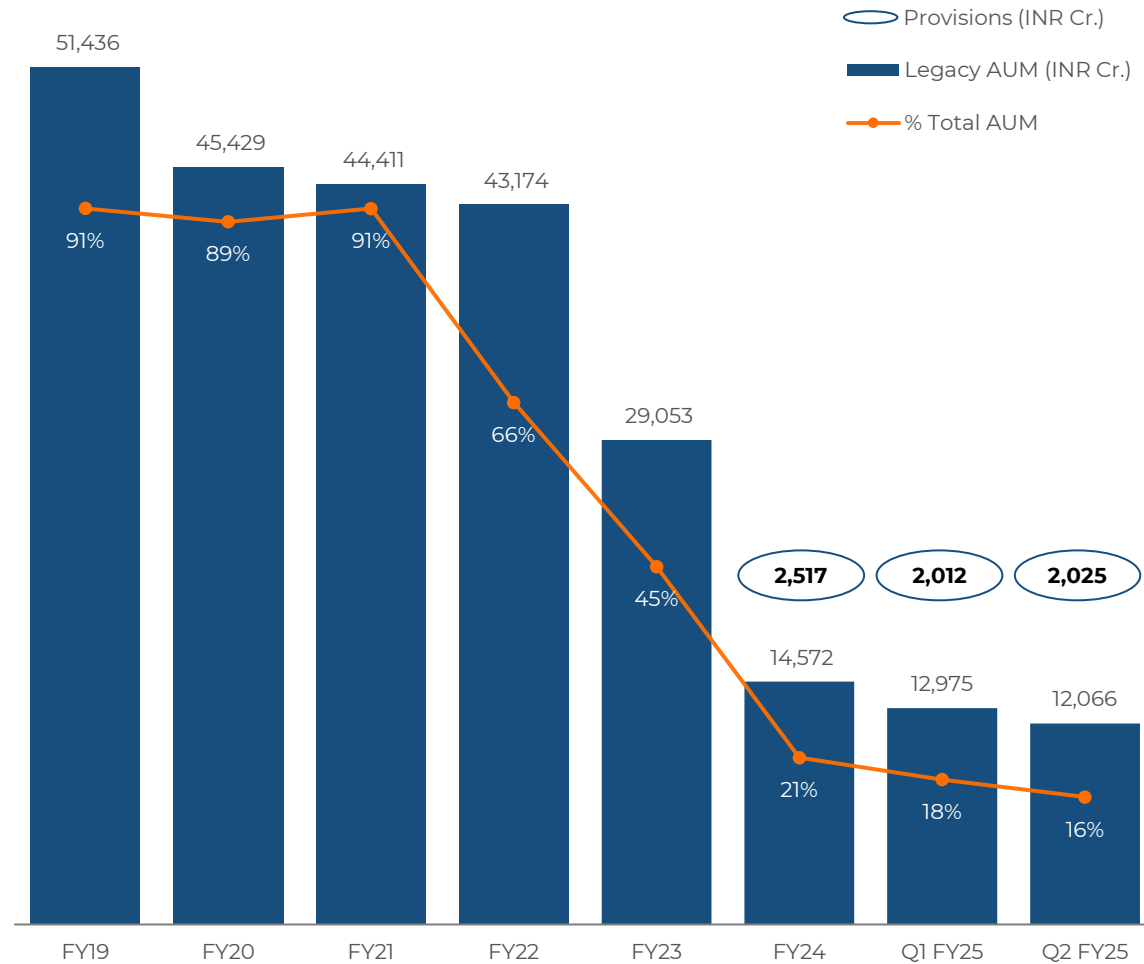
Lending

II. Legacy (discontinued) business



Rapidly reducing legacy AUM

Legacy AUM down 7% QoQ & 49% YoY to INR 12,066 Cr

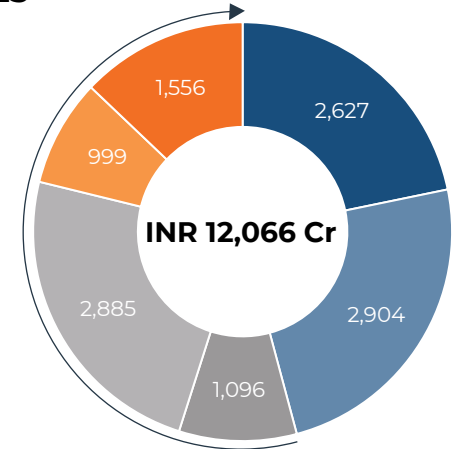


Composition legacy AUM-Q2FY25

In INR Cr.

- Stage 1 loans
- Stage 2 loans
- Stage 3 loans
- SRs
- AIF
- Lands & receivables

INR 6,535 Cr



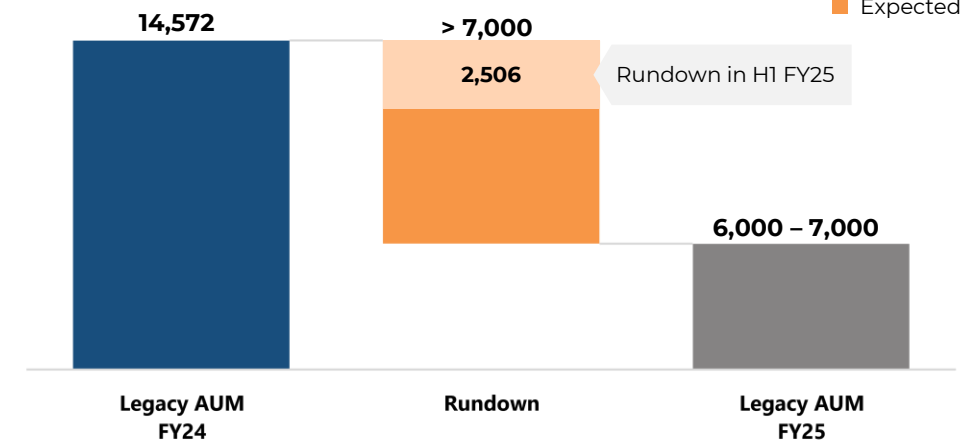
Average yields*

4.7% Total legacy | **10.2%** Stage 1 and stage 2 loans

Reiterate bringing legacy to <10% of AUM in FY25 & <5% in FY26

In INR Cr.

- Achieved
- Expected

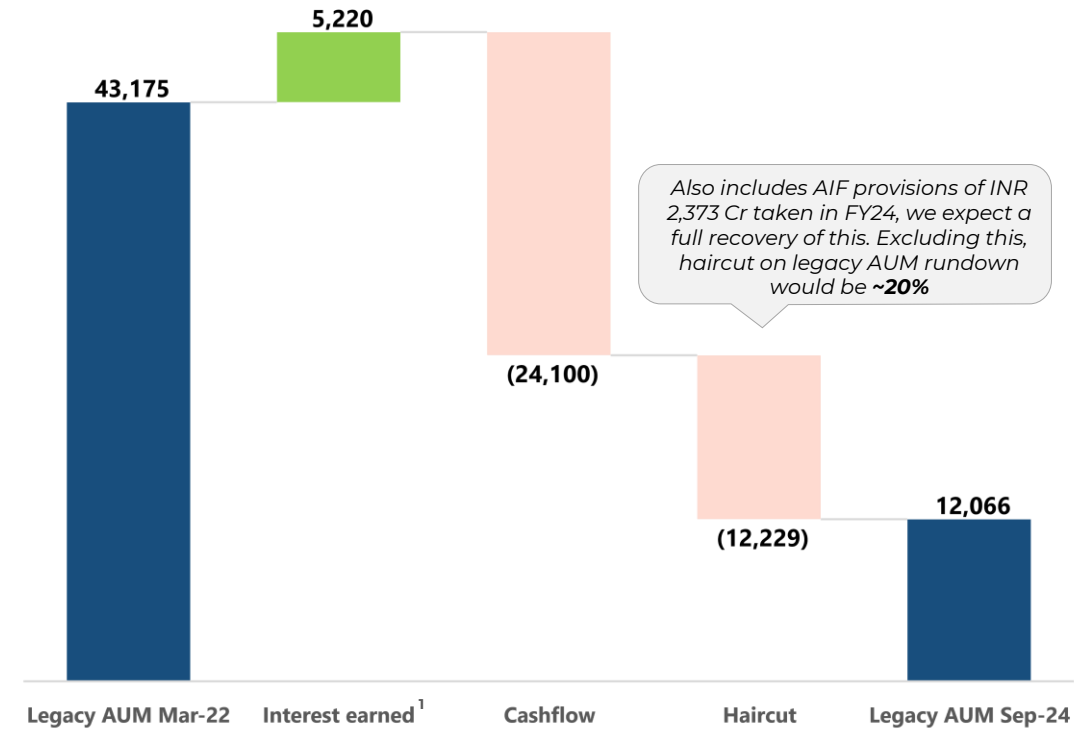


Note: (*) Average yield % includes fee income

Some details on the legacy AUM rundown

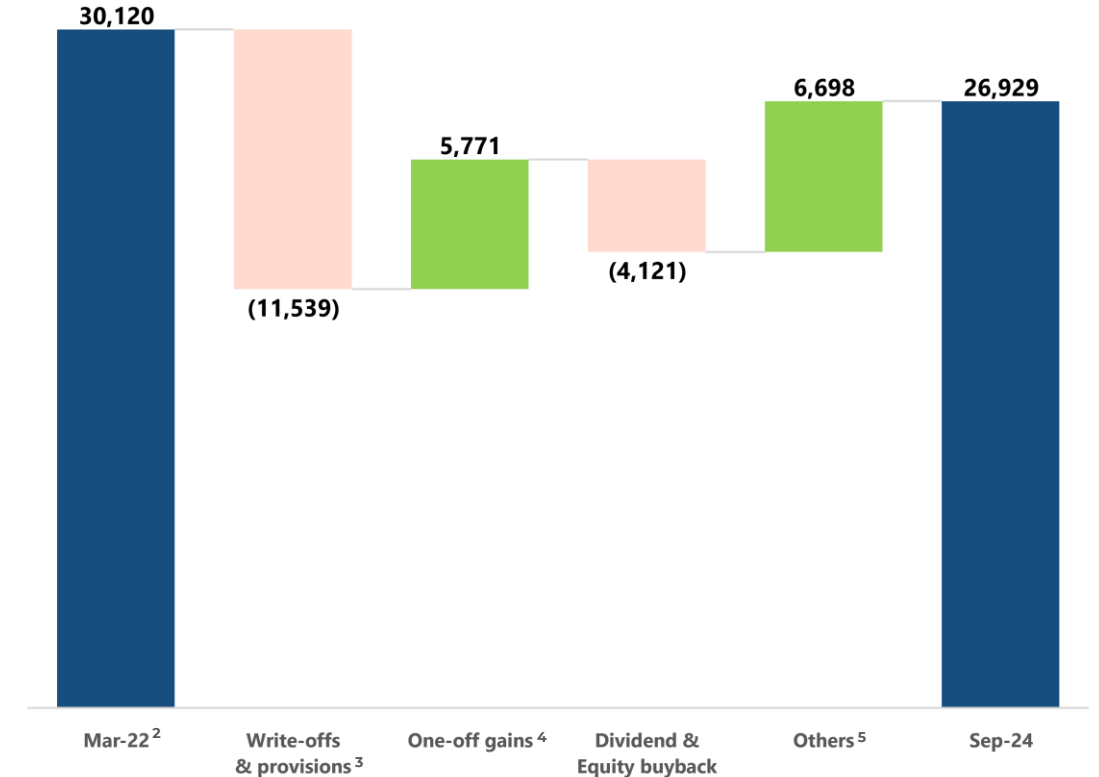
Overall haircut of ~25% during the rundown since FY22

In INR Cr.



Net-worth movement since end-FY22

In INR Cr.



Notes: (1) Includes other miscellaneous adjustments

(2) Opening net worth (INR 30,120 Cr) in FY23 excludes pharma business

(3) Write-offs & provisions include P&L credit costs (INR 9,620 Cr) and total net exceptional AIF provisions (INR 1,919 Cr)

(4) One-off gains include reversal of income tax provisions from DHFL merger (INR 3,327 Cr), gain of on Shriram restructuring (INR 717 Cr), Shriram Finance Limited (SFL) gain (INR 855 Cr) and income from Shriram investments stake sale (INR 871 Cr) 37

(5) Others include operating profit, other provisions, taxes and other miscellaneous movements



Financials



Profit and loss statement – consolidated entity



In INR Cr.

Consolidated income statement	Q2 FY25	Q2 FY24	YoY %	Q1 FY25	QoQ %	H1 FY25	H1 FY24	YoY %
Interest income ¹	2,198	1,800	22%	2,011	9%	4,209	3,525	19%
Less: Interest expense	1,317	1,050	25%	1,205	9%	2,522	2,094	20%
Net interest income (A)	881	750	17%	807	9%	1,687	1,431	18%
Fee & commission	102	125	(19%)	109	-6%	211	215	(2%)
Dividend	32	13	142%	-		32	90	(64%)
Others	123	26	378%	58	112%	181	69	161%
Other income (B)	257	164	56%	167	54%	424	374	13%
Total income (A+B)	1,137	914	24%	973	17%	2,111	1,806	17%
Less: Operating expenses (Opex)	741	664	12%	703	5%	1,444	1,292	12%
Pre-provision operating profit (PPOP)	396	250	58%	270	47%	666	513	30%
Less: Loan loss provisions & FV loss / (gain)	317	198	60%	133	138%	451	377	20%
Less: Shriram FV loss / (gain)	-	-		-		-	(855)	
Less: Goodwill write-off	-	-		-		-	278	
Profit before tax	79	53	50%	137	(42%)	216	713	(70%)
Add: Exceptional gain / (loss)	77 ²	(64) ³		104 ²	(26%)	181	(64)	
Less: Current & deferred tax	27	11	154%	66	(59%)	94	184	(49%)
Add: Associate income	34	71	(52%)	8	351%	42	92	(54%)
Reported net profit / loss after tax	163	48	238%	181	(10%)	344	557	(38%)

Notes: (1) Interest Income includes DA Upfront income of INNR 99 Cr in Q2 FY25 and INR 57 Cr in Q1 FY25

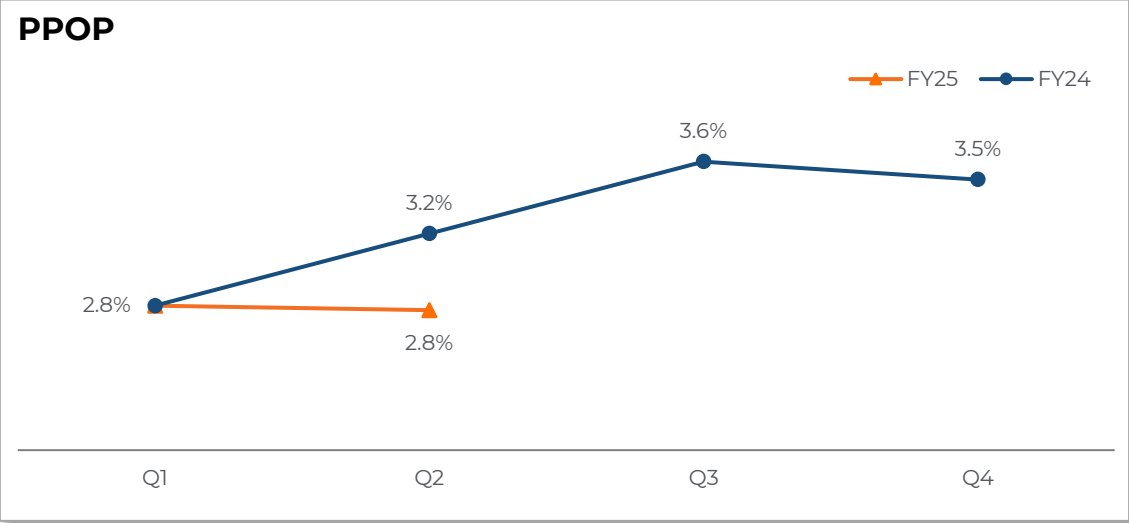
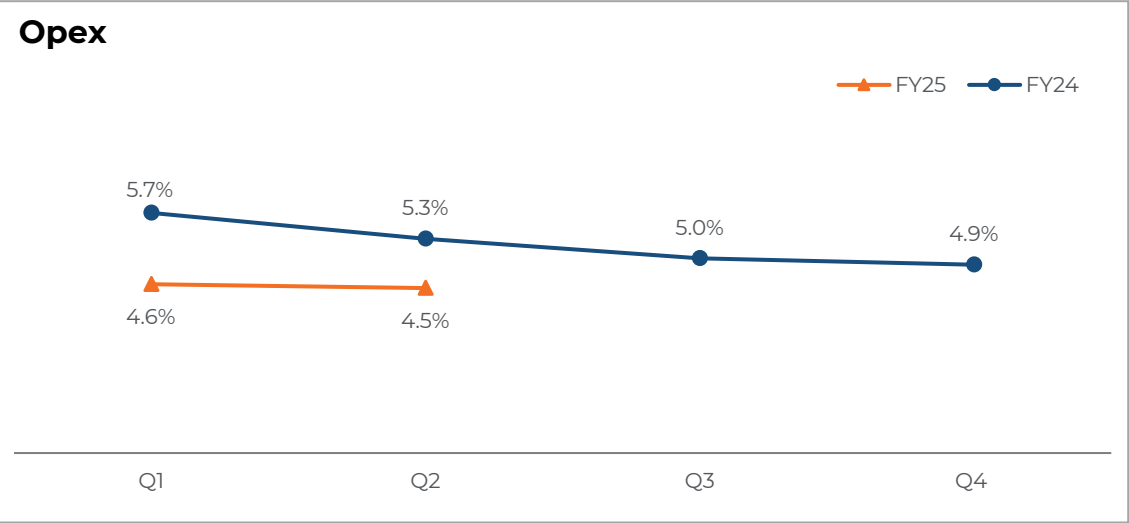
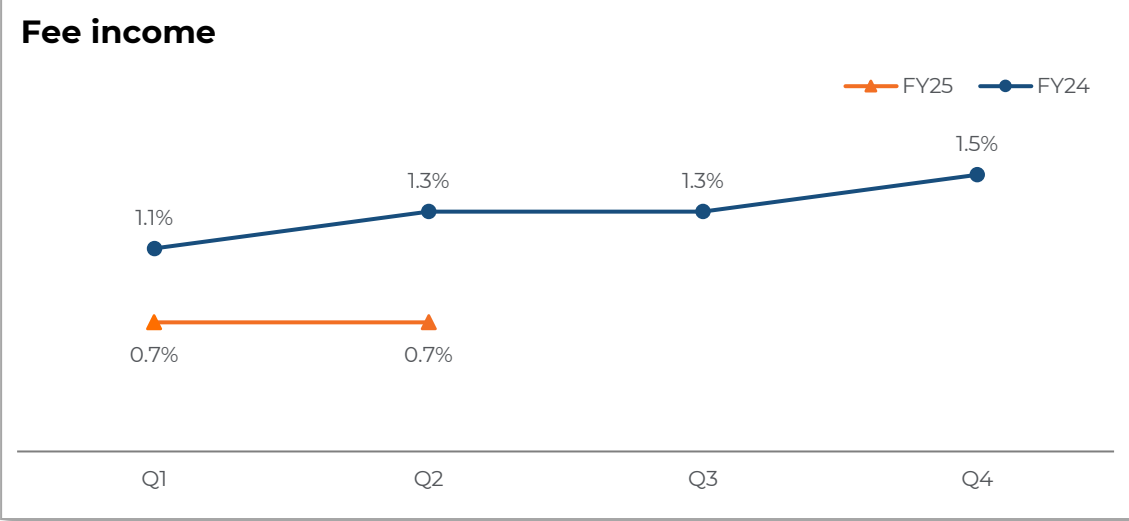
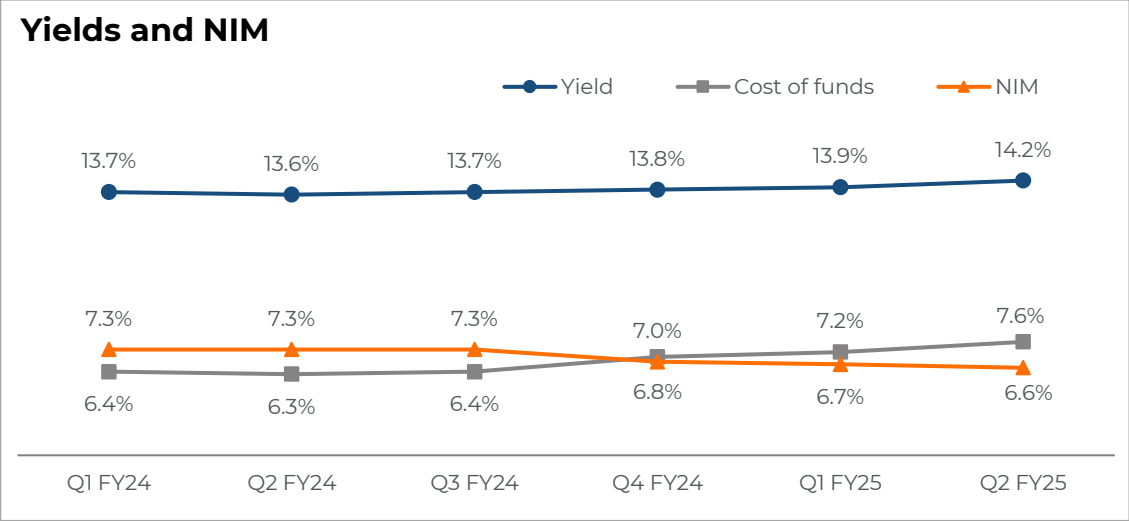
(2) Exceptional gains include gross AIF recovery of INR 77 Cr in Q2 FY25 and INR 104 Cr in Q1 FY25

(3) In furtherance to the order dated 5th September 2023 and 20th September 2023 of the Hon'ble Delhi High Court in W.P.(CRL) 2555/2023, Piramal Fund Management Private Limited, has agreed to refund / return the principal amounts to all investors of Indiareit PMS as a one-time payment without admission of any liability and without prejudice basis

Growth business P&L ratios



(All ratios as % of average AUM of Growth business)



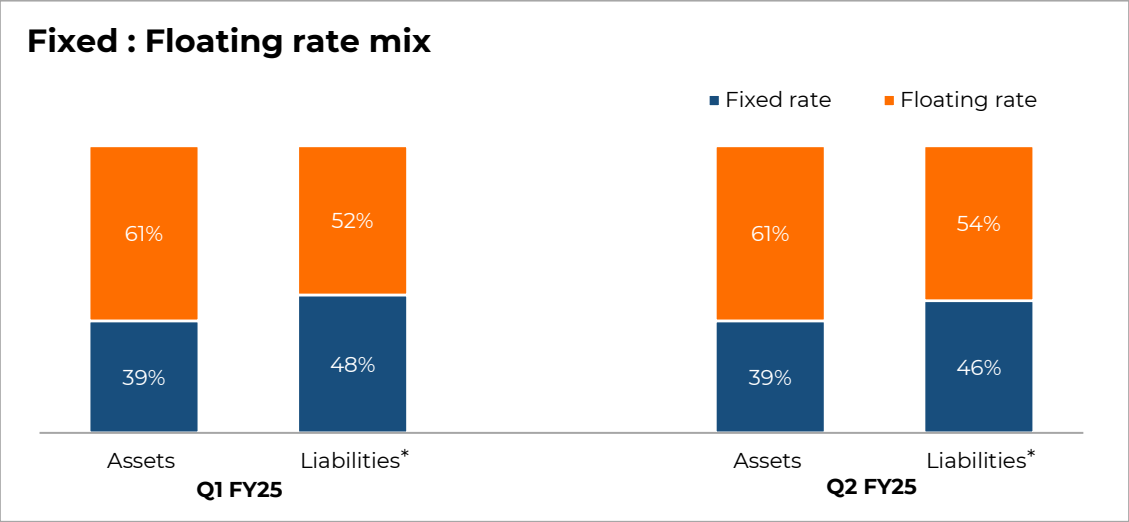
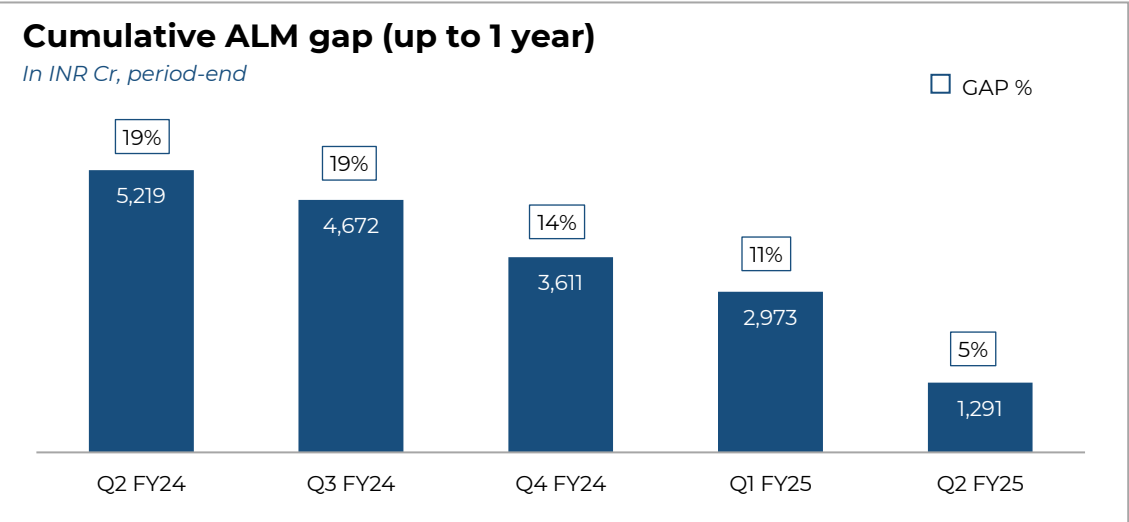
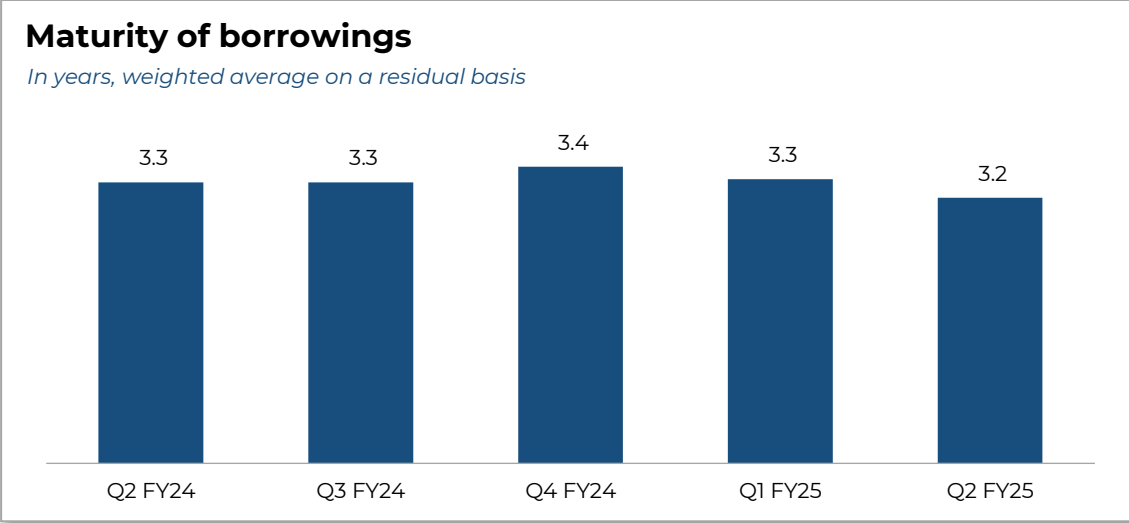
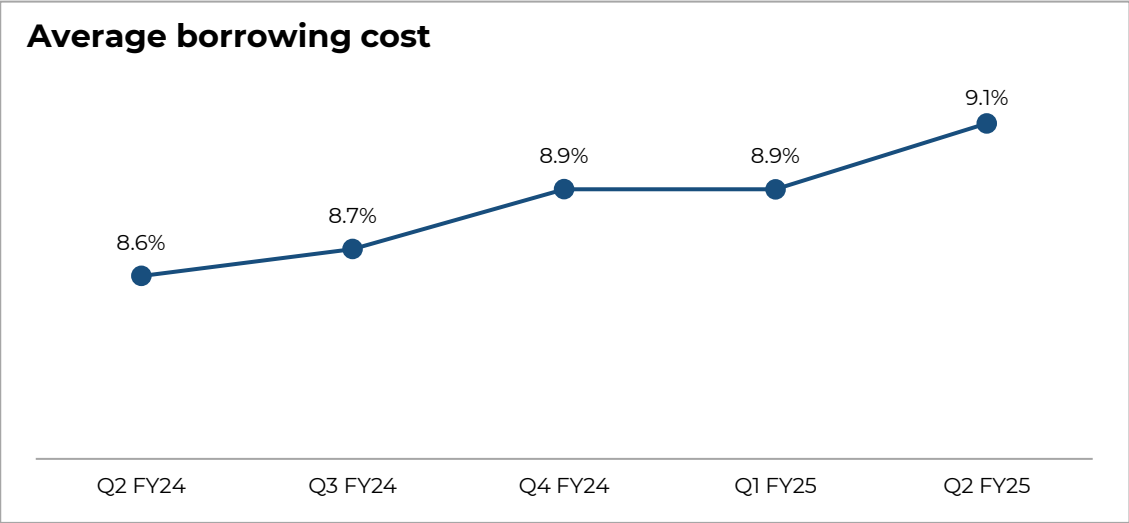
Balance sheet and key ratios

Consolidated balance sheet (INR Cr.)			
Particulars	Q2 FY25	Q1 FY25	Q2 FY24
Assets			
Cash & liquid investments	6,039	5,803	6,588
Gross asset under management	70,720	68,053	66,321
ECL provision	3,118	2,997	2,666
Net assets under management	67,601	65,056	63,654
Investments in Shriram group	1,708	1,708	2,278
Investments in alternatives and others	3,264	3,141	2,398
Fixed assets	2,673	2,750	1,703
Net assets / (liability)	3,192	3,230	1,346
Total assets	84,478	81,688	77,966
Liabilities			
Net worth	26,930	26,863	28,710
Gross debt	57,548	54,825	49,256
Total liabilities	84,478	81,688	77,966
Leverage ratios			
Gross debt to equity (x)	2.1	2.0	1.7
Net debt to equity (x)	1.9	1.8	1.5



- Total capital adequacy at 23.3% with net worth of INR 26,930 Cr

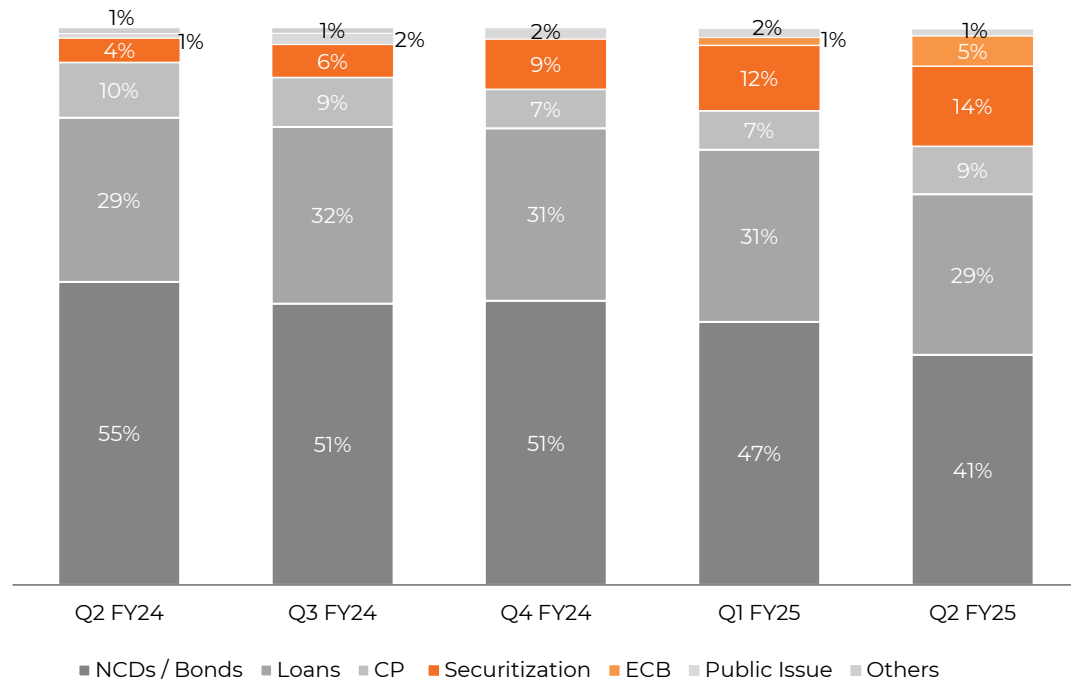
Liabilities management



Note: (*) Liabilities includes fixed rate borrowings of INR 16,172 Cr for Q1 FY25 & INR 15,710 Cr for Q2 FY25

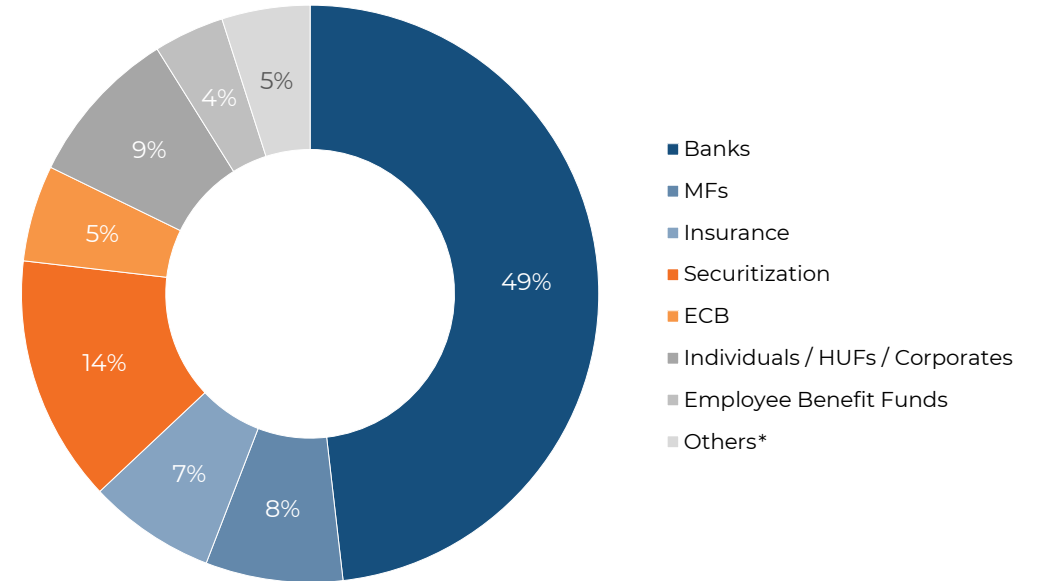
Diversifying the borrowing mix

Rising role of Securitization and International Borrowings



Borrowing mix by type of lender

As of Sep '24



Domestic ratings

Long term ratings
ICRA & CARE: AA
Outlook Stable

Short term ratings

CRISIL, ICRA, CARE: A1+

International ratings

S&P: BB-
Moody's: Ba3

\$100mn social impact loan | Raised USD sustainability bond of \$300mn in Jul '24 and \$150mn in Oct '24

Notes: Borrowings include direct assignment (DA) of INR 3,686 Cr as of Q2 FY25, INR 2,408 Cr as of Q1 FY25, INR 1,598 Cr as of Q4 FY24, INR 875 Cr as of Q3 FY24 and INR 612 Cr as of Q2 FY24
(*) Includes NHB, & other financial institutions which contribute 3% and 2% respectively to overall borrowings;

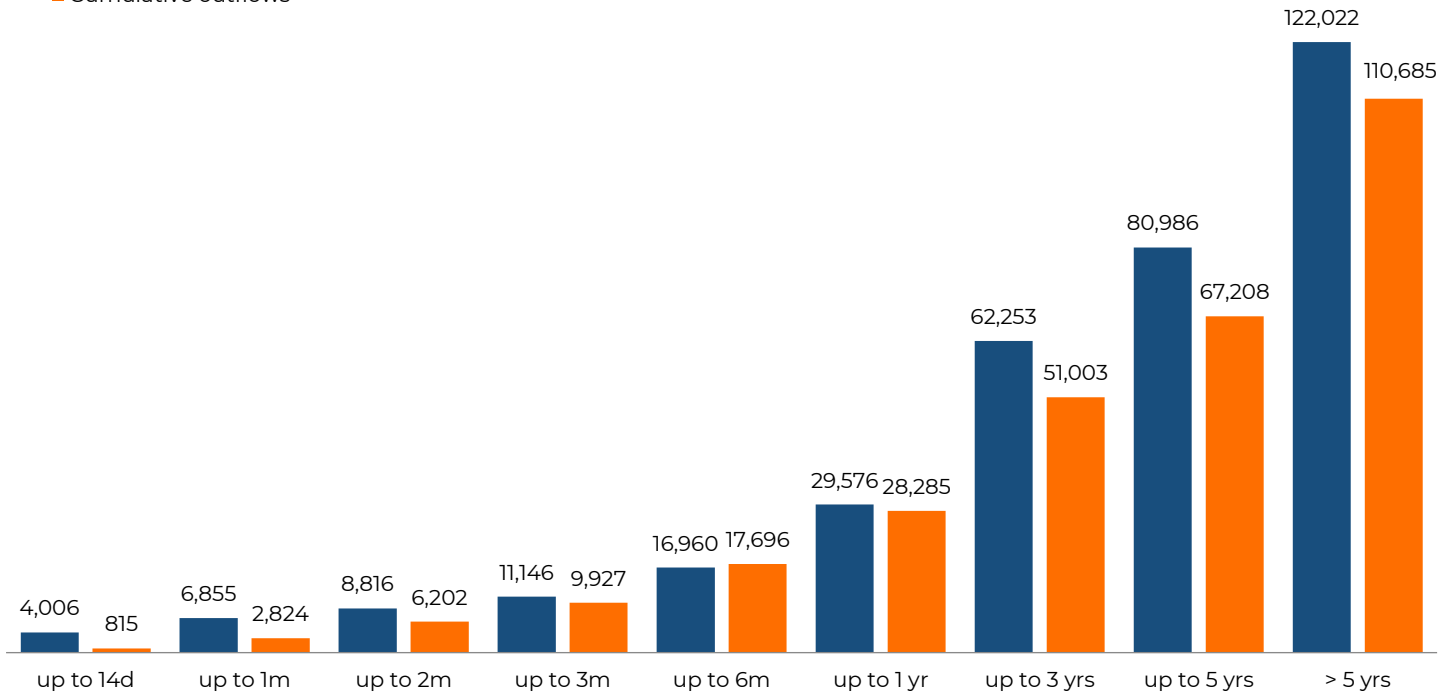
Asset-liability profile



As on Sep 30, 2024

In INR Cr.

■ Cumulative inflows
■ Cumulative outflows

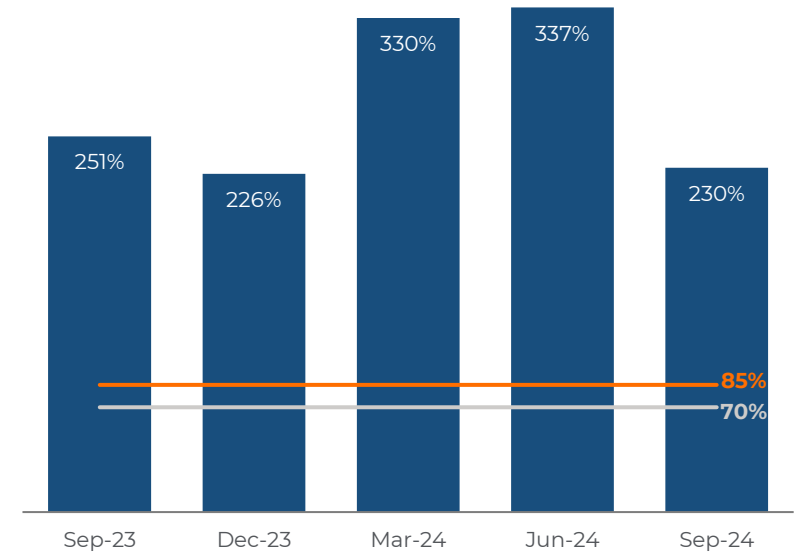


Cumulative GAP (%)



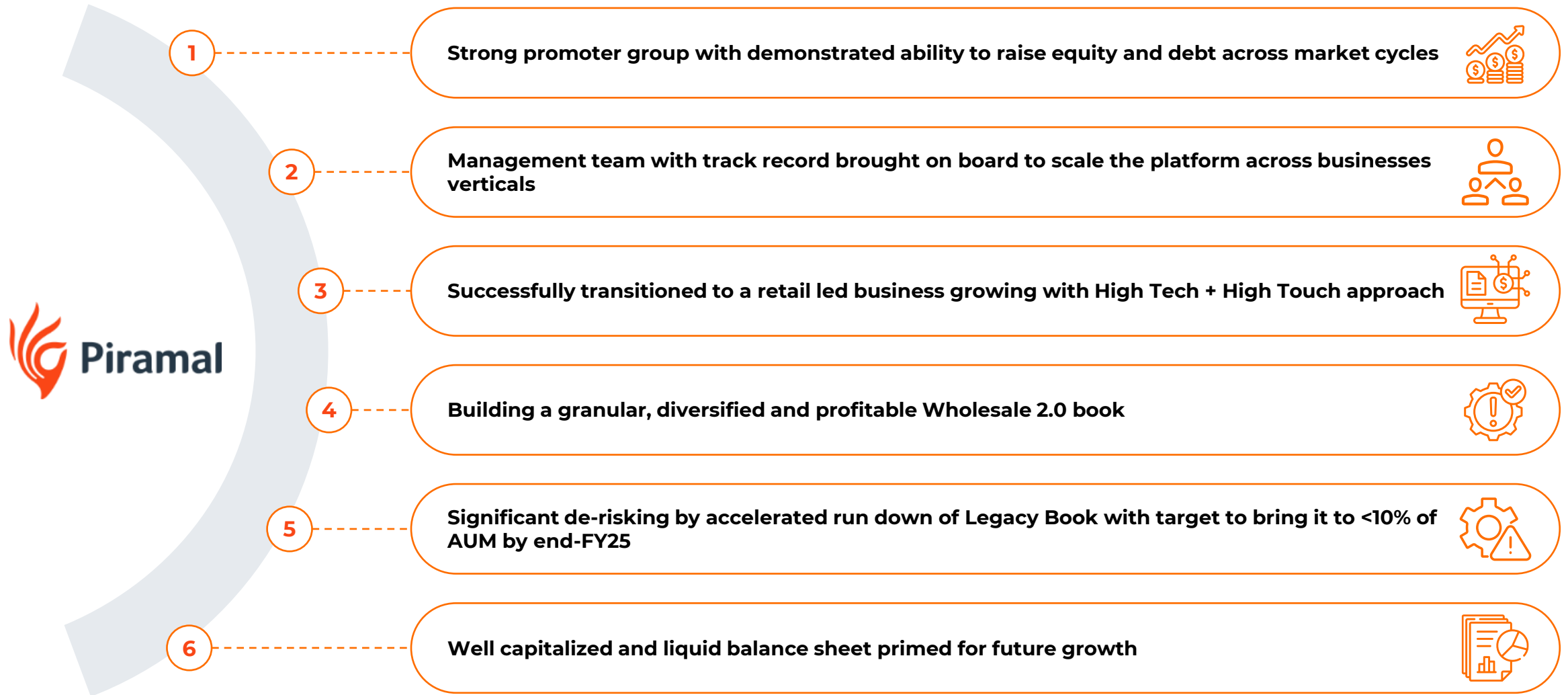
Very strong position on liquidity

■ PEL's Consol. LCR %
— Regulatory LCR% requirement (NBFCs)
— Regulatory LCR% requirement (HFCs)



Summary – The Piramal Finance Story

A growing diversified lending business being built by a credible management team and backed by a solid promoter group





Appendix



Asset classification: Total assets



Total assets (INR Cr.)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	64,041	61,594	59,419
Stage 2	4,085	3,940	4,146
Stage 3	1,973	1,641	1,529
Sub-Total	70,100	67,175	65,094
POCI	620	877	1,227
Total AUM*	70,720	68,053	66,321
Total provisions (INR Cr.)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	1,183	1,174	1,111
Stage 2	880	839	843
Stage 3	1,055	984	712
Total	3,118	2,997	2,666
Provision coverage ratio (%)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	1.8%	1.9%	1.9%
Stage 2	21.6%	21.3%	20.3%
Stage 3	53.5%	60.0%	46.6%
Total provisions as a % of total AUM	4.4%	4.4%	4.0%
GNPA ratio (%)	3.1%	2.7%	2.7%
NNPA ratio (%)	1.5%	1.1%	1.5%

Note: (*) Excludes direct assignment (DA) (INR 3,686 Cr as of Q2 FY25, INR 2,408 Cr as of Q1 FY25 and INR 612 Cr as of Q2 FY24), Co-lending (INR 286 Cr as of Q2 FY25 and INR 115 Cr as of Q1 FY25)

Asset classification: Growth assets



Total assets (INR Cr.)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	55,975	52,395	39,595
Stage 2	1,181	1,050	1,010
Stage 3	878	756	661
Sub-Total	58,034	54,201	41,267
POCI	620	877	1,227
Total AUM*	58,654	55,078	42,494
Total provisions (INR Cr.)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	622	583	587
Stage 2	136	123	57
Stage 3	336	279	225
Total	1,094	985	869
Provision coverage ratio (%)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	1.1%	1.1%	1.5%
Stage 2	11.5%	11.8%	5.6%
Stage 3	38.3%	36.9%	34.0%
Total provisions as a % of total AUM	1.9%	1.8%	2.0%

Note: (*) Excludes direct assignment (DA) (INR 3,686 Cr as of Q2 FY25, INR 2,408 Cr as of Q1 FY25 and INR 612 Cr as of Q2 FY24), Co-lending (INR 286 Cr as of Q2 FY25 and INR 115 Cr as of Q1 FY25)

Asset classification: Legacy assets



Total assets (INR Cr.)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	8,067	9,199	19,823
Stage 2	2,904	2,890	3,136
Stage 3	1,096	885	868
Total AUM	12,066	12,975	23,827
Total provisions (INR Cr.)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	561	591	524
Stage 2	744	716	787
Stage 3	719	706	488
Total	2,025	2,012	1,798
Provision coverage ratio (%)	Q2 FY25	Q1 FY25	Q2 FY24
Stage 1	7.0%	6.4%	2.6%
Stage 2	25.6%	24.8%	25.1%
Stage 3	65.6%	79.7%	56.2%
Total provisions as a % of total AUM	16.8%	15.5%	7.5%

Multi-product retail lending platform across the risk-reward spectrum – Q2 FY25



Product Segments	Products	Average disbursement ticket size (INR lakh)	Disbursement yield	Share in disbursements	AUM yield*	Share in AUM^
Housing	Affordable housing	22.2	11.6%	31.1%	11.8%	43.8%
	Mass affluent housing					
	Budget housing					
Secured MSME (LAP)	Secured business loan	23.3	12.9%	26.6%	13.0%	23.8%
	Loan against property (LAP)					
	LAP plus					
Used car loans	Pre-owned car loans	6.8	15.1%	9.3%	15.0%	5.6%
Business loan	Microfinance loans	0.6	18.9%	5.8%	17.7%	2.7%
	Business loans	8.8	20.3%	8.5%	20.3%	6.9%
	Merchant BNPL					
Salaried PL	Salaried personal loans	4.4	17.5%	11.8%	17.5%	7.5%
Digital loan	Digital purchase finance	0.5	16.4%	7.0%	18.0%	5.6%
	Digital personal loans					
Total / weighted average		15.1	14.1%		13.7%	

Note: (*) Weightage average yield excludes POCI and pertains to all customers outstanding as of 30th Sep 2024

(^) The balance 4.1% (to make the total 100%) consists of LAMF (INR 501 Cr as of Q2FY25), SRs (INR 1,590 Cr as of Q2 FY25) & pass-through certificates (PTC) (INR 133 Cr as of Q2 FY25)

We expect ~15% AUM growth in FY25



Key metrics	Q4 FY24	Q2 FY25	Q4 FY25E
Total AUM (INR '000 Cr)	~69 (+8% YoY)	~74.7 (+12% YoY)	~80 (~15% YoY)
Legacy (discontinued) AUM (as % Total AUM)	21%	16%	<10%
Retail : Wholesale mix	70 : 30	73 : 27	75 : 25
Exit quarter opex to AUM - Growth business	4.9%	4.5%	4.6%

FY28E targets

Key metrics	FY24	FY28E
Retail growth	49% YoY	26% CAGR (from FY24)
Retail : Wholesale mix	70 : 30	75 : 25
Total AUM (INR '000 Cr)	~69 (+8% YoY)	~150 (21% CAGR from FY24)

- Profitability targets - **ROA of 3.0-3.3% by FY28E**
- In addition, assessed carry forward losses of ~INR 10,600 Cr, provide an **upside potential** to ROA & PAT targets

Term	Description
90+ DPD delinquency	90 to 179 days DPD (% of average AUM)
ALM Profile	Based on contractual ALM for wholesale and behavioral ALM for the retail portfolio
Average AUM	Average of periodic average on-book AUM
Blackout period	Blackout period pertains to all listed securities of PEL
Borrowing cost	Borrowing cost = interest expense / average interest - bearing liabilities
CMML	Corporate mid market loans
Cost of funds (CoF)	COF = Interest expense / on book average AUM
Credit segment filtered customers	Customer base after removing industry level delinquent behavior
Cross-sell franchise	Customer base after removing low score customers
Cumulative GAP	Cumulative GAP = Cumulative inflows up to 1-year – cumulative outflows up to 1-year
Cumulative GAP (%)	Cumulative GAP (%) = net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows
GAP%	GAP% = Net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows
Geography	Population considered Tier 1: 40+ lacs, Tier2: 10-40 lacs, Tier3: <10 lacs; metro adjacent locations carved out from tier 1/2/3 for centers in peripheries of metros.
Gross credit cost	Aggregate of stage-wise credit cost for stage 1/2/3 loans & write-off
Growth AUM	It includes Retail AUM and Wholesale 2.0 AUM
LCR %	Liquidity coverage ratio %
MAU	Monthly active users
Net credit cost	Gross credit cost less recoveries from POCI book and other gains
Net interest income (NII)	NII = interest income - interest expense
Net interest margin (NIM)	NIM = net interest income / on book average AUM
Non delinquent customers	Customer base after removing internal defaults
On book AUM	On book AUM excludes DA and co-lending
Overall cross-sell franchise	Customer base after removing minimum seasoning norm with us
POCI	POCI (purchased or originated credit impaired) represents the stressed retail book acquired from DHFL at discounted value.
Retail AUM	It includes POCI, SRs, PTC, DA, co-lending & excludes acquired off-book assets (INR 8,002 Cr as of Q2 FY25) in the nature of DA & PTC as part of the DHFL acquisition
Total customer franchise	It includes existing / past borrowers as well as co-borrowers
Vintage risk	30+ DPD at 3 months on book (MoB) mark
Wholesale 2.0	It refers to loans sanctioned under new real estate (RE) and corporate mid market loans (CMML) from FY22 onwards

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.

Piramal Enterprises Limited does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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 Companies Act, 2013 rules thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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.

Thank You

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