

23rd October, 2024

BSE Limited

1st Floor, New Trading Wing,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai - 400 001
BSE Scrip Code: 500302

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051
NSE Symbol: PEL

Sub: Press Release and Investor Presentation – Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and half year ended 30th September, 2024

Dear Sir / Madam,

Further to our intimation made earlier with regard to Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter and half year ended 30th September, 2024 ('Financial Results'), please find enclosed herewith the Press Release and the Investor Presentation on the Financial Results.

The above information is also available on the website of the Company at www.piramalenterprises.com.

Request you to please take the above on record and oblige.

Thanking you.

Yours truly,

For **Piramal Enterprises Limited**

Bipin Singh
Company Secretary

Encl.: a/a

Piramal Enterprises Limited

CIN: L24110MH1947PLC005719

Registered Office: Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Mag, Kurla (West), Mumbai 400 070 India
Secretarial Dept : Ground Floor, B Block, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai, Maharashtra 400070, India
Email Id: complianceofficer.pel@piramal.com | T +91 22 3802 3084/3083/3103 F +91 22 3802 3084

piramalenterprises.com



Piramal Enterprises
Q2 & H1 FY25 results
presentation

23 October 2024



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Summary of Q2 FY25 performance



Summary (1/3): Q2 FY25 performance



Headline AUM up 12% YoY

Total AUM up 12% YoY to INR 74,692 Cr
Growth AUM at INR 62,626 Cr, up 45% YoY and 84% of total AUM

Retail now 73% of total AUM

Retail AUM up 42% YoY to INR 54,737 Cr | **73% of total AUM**

Wholesale 2.0 – diversified, granular & profitable

Wholesale 2.0 AUM at INR 7,889 Cr, up 75% YoY% and 12% QoQ | Avg. **ticket size** – INR 75 Cr

Legacy (discontinued) book rundown

Legacy (discontinued) AUM (INR 12,066 Cr) at 16% of total AUM | **Down 72%** since end-March 2022
Reiterate taking legacy AUM to **<10% of total AUM** by March 2025

Asset quality

Retail 90+ DPD at 0.7% | **Wholesale 2.0 asset quality** strong
Overall, **GNPA ratio** at 3.1% and **NNPA ratio** at 1.5%

Diversifying borrowing profile

Securitization and **dollar borrowings** now form 14% and 5% of borrowings, respectively
Further **raised US\$150mn** in USD bonds in October

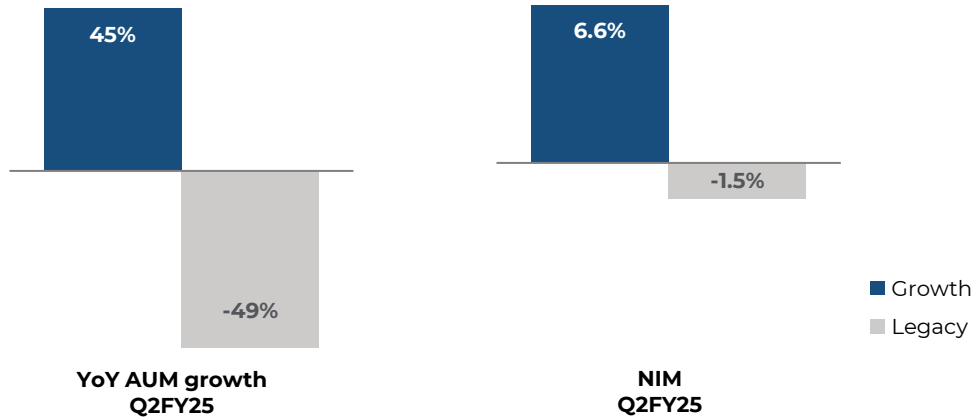
Consol. PAT

Consolidated Q2 FY25 PAT at INR 163 Cr (vs INR 181 Cr in Q1 FY25)

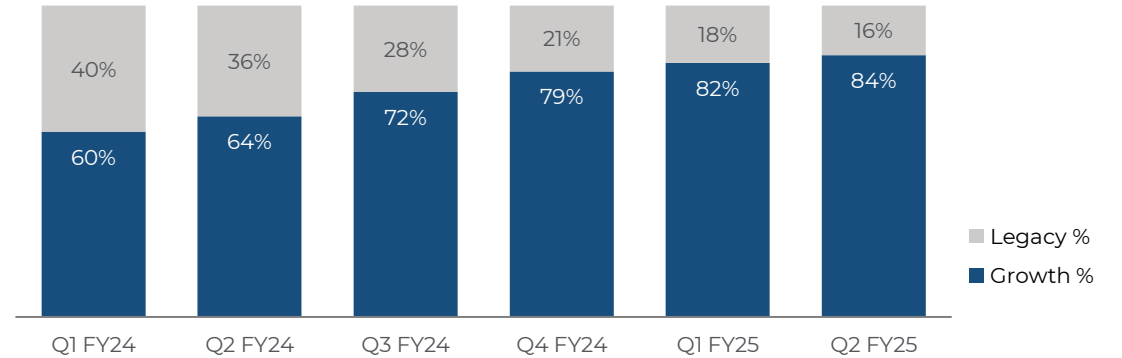
Summary (2/3): Consol. AUM growth & margins continue to improve due to mix shift



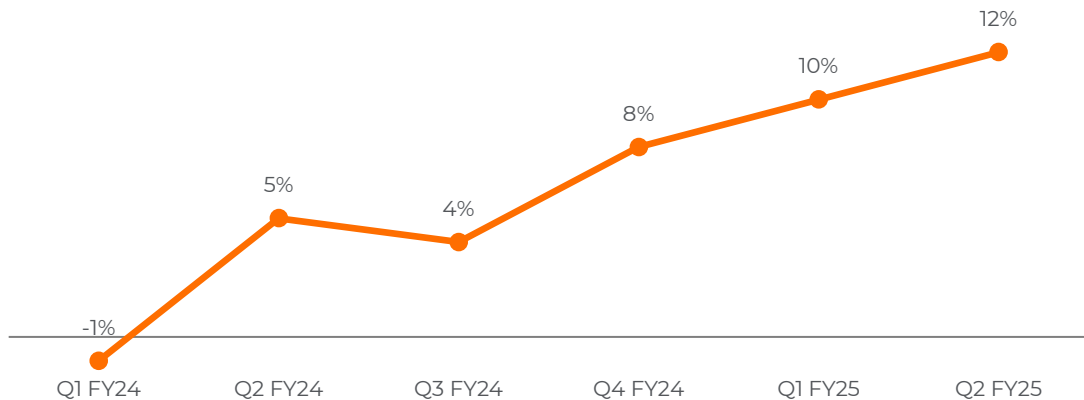
Growth business has higher AUM growth rate & higher NIM



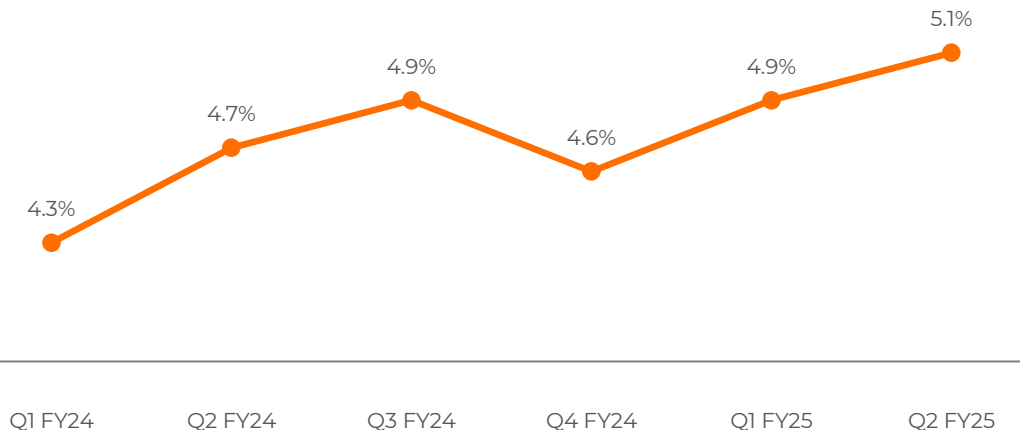
The portfolio has been shifting towards Growth business...



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



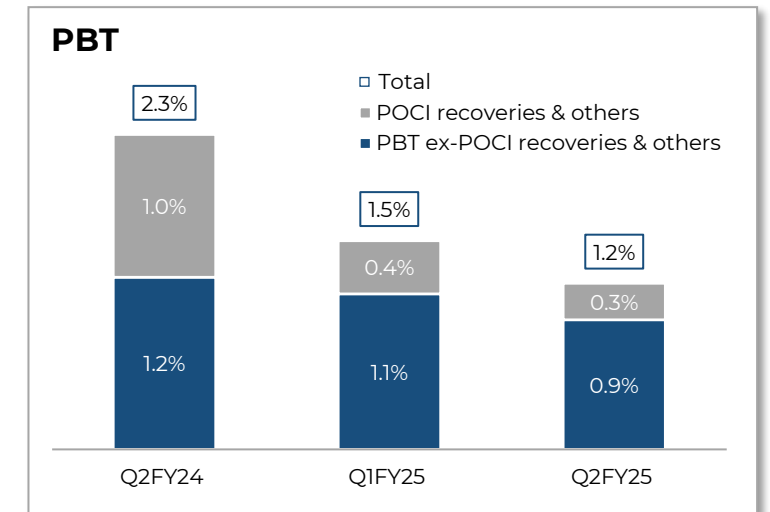
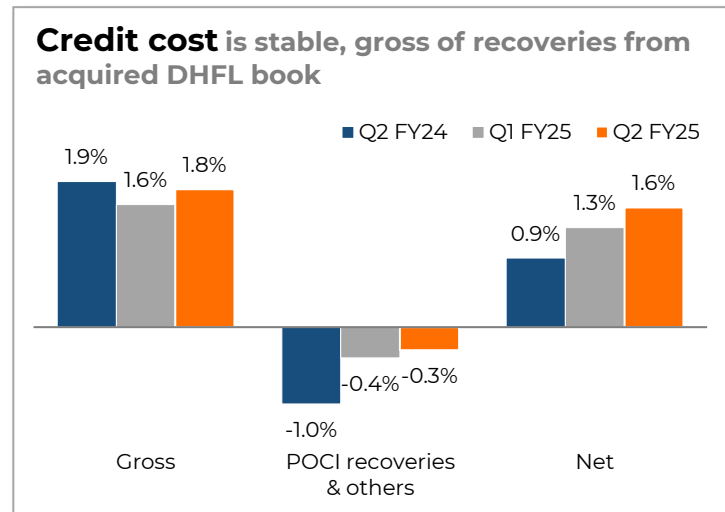
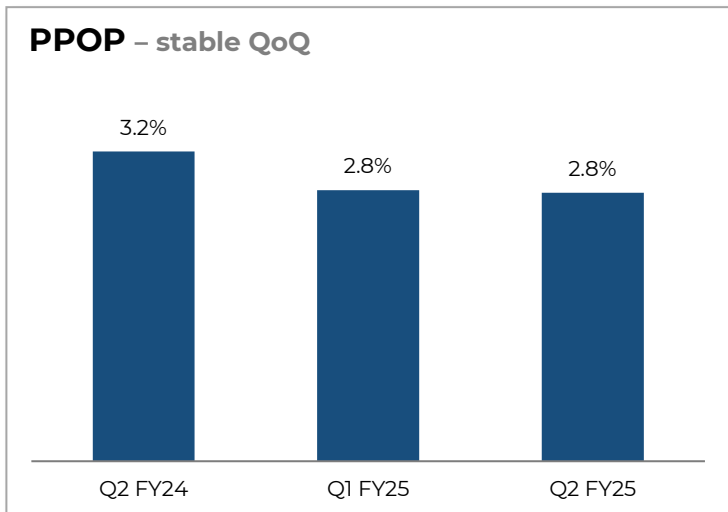
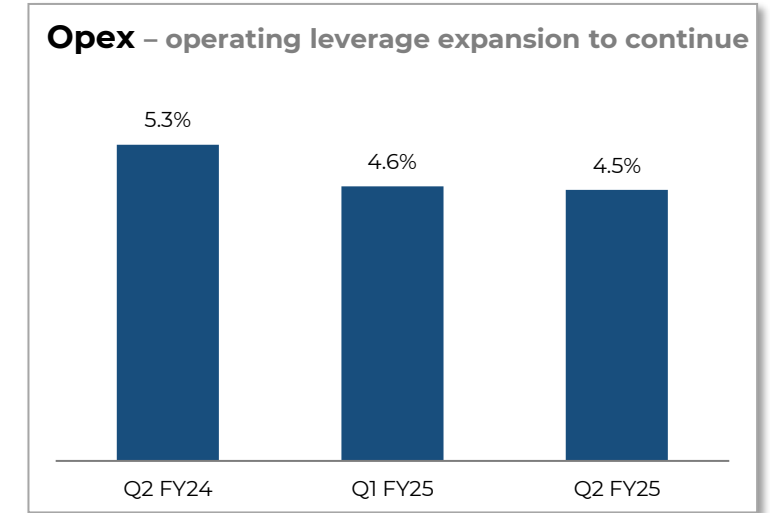
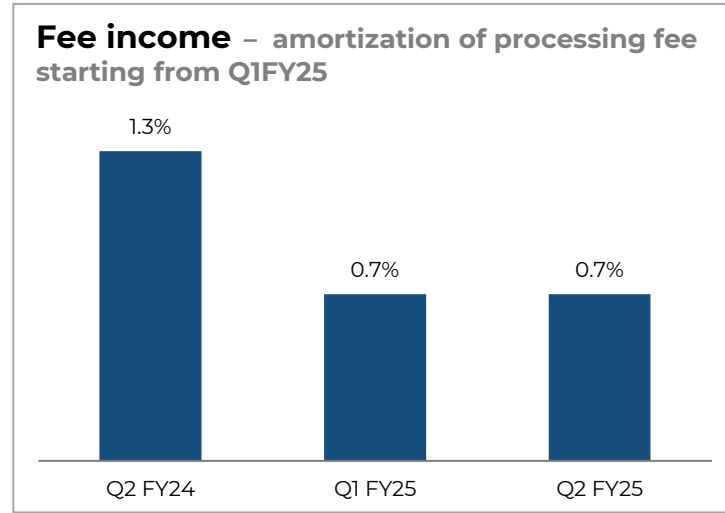
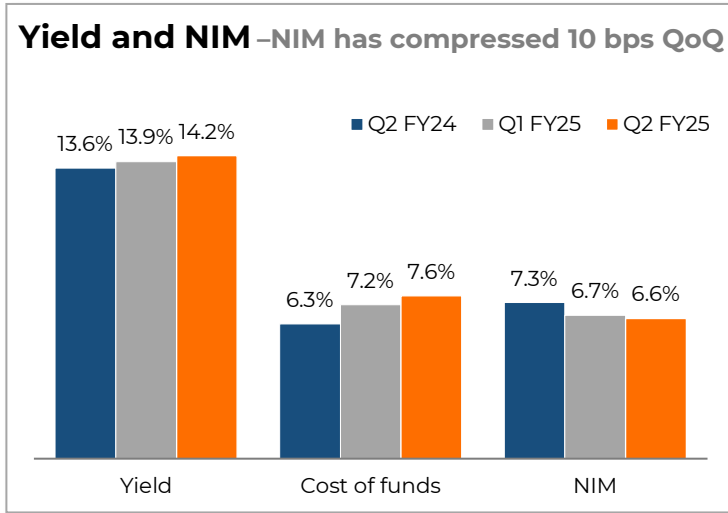
...and higher consol. NIM



Summary (3/3): Growth business profitability* – opex ratio is the key driver



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



Notes: (*) Based upon pro forma P&L of the Growth business

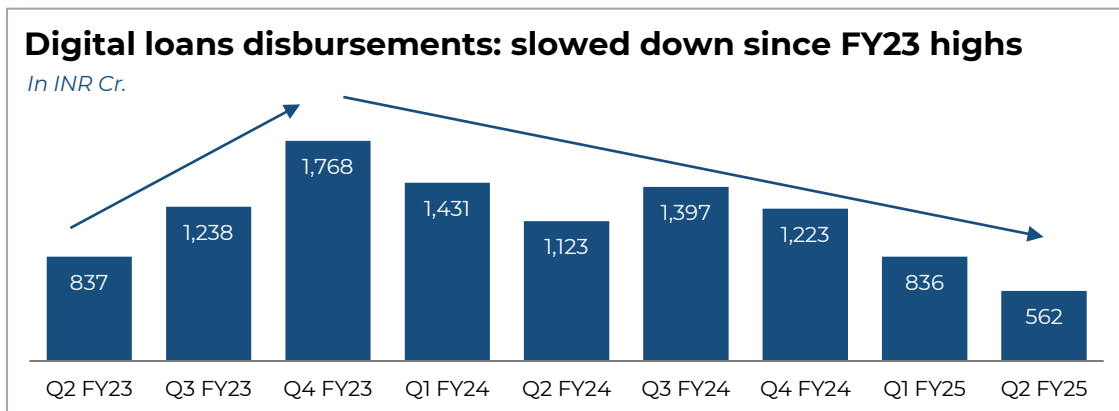
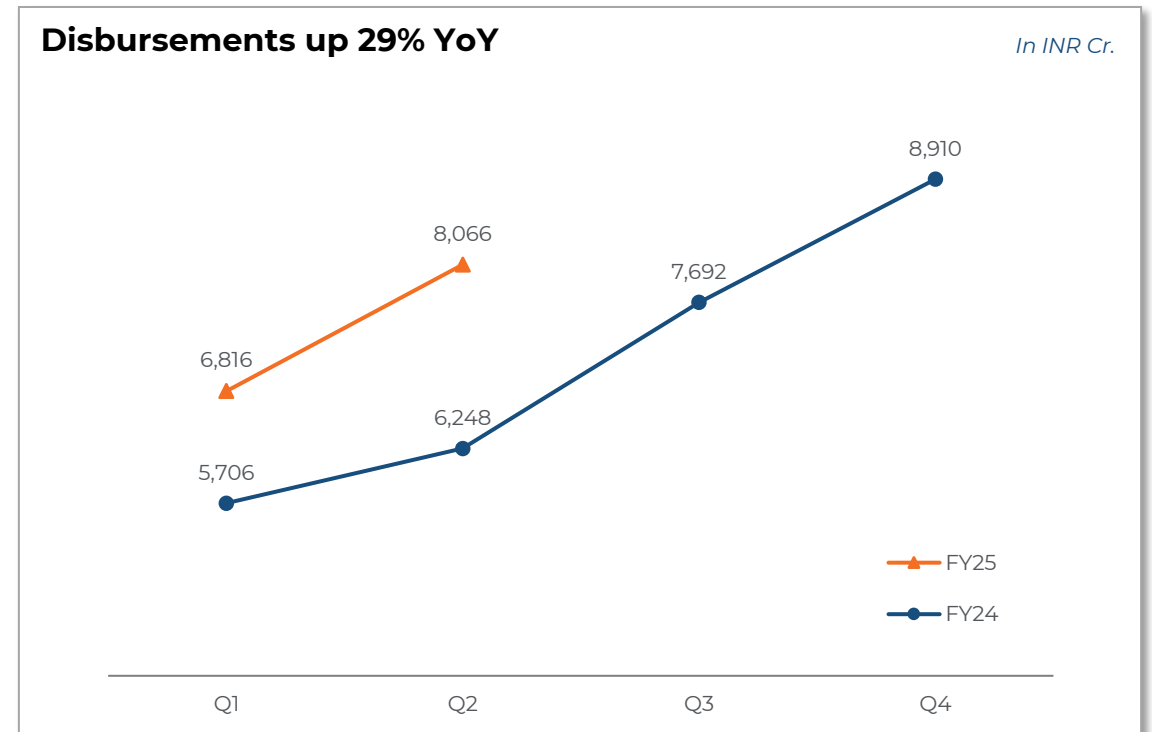
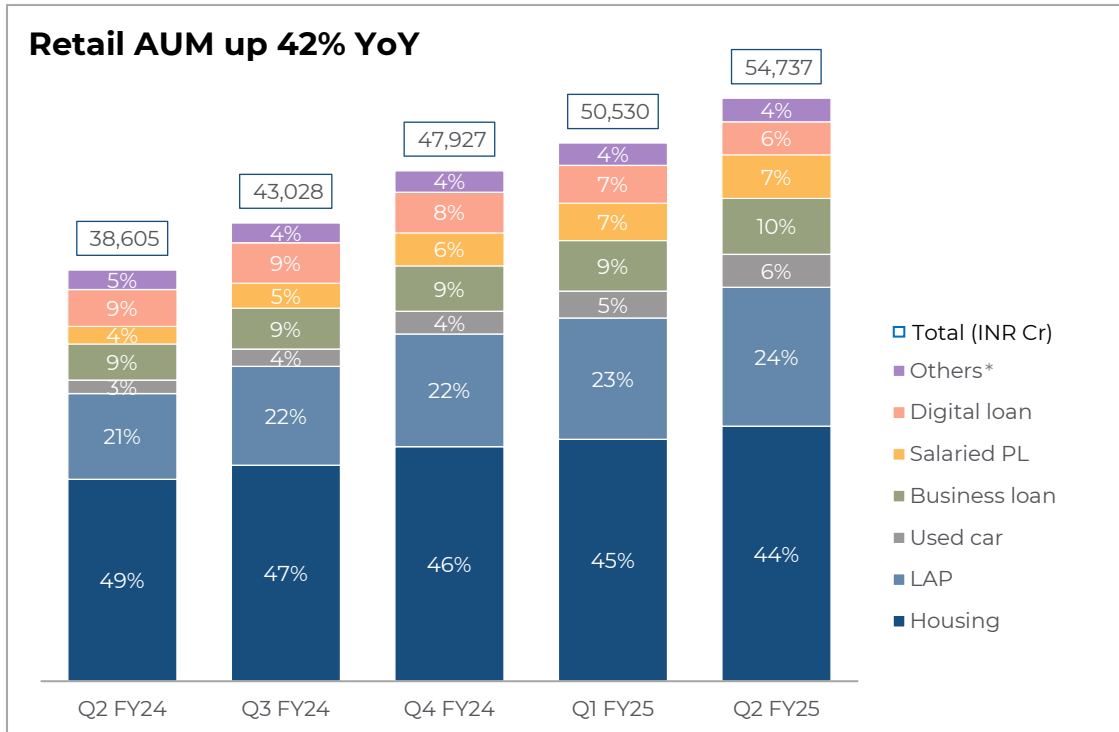


Growth business

Retail



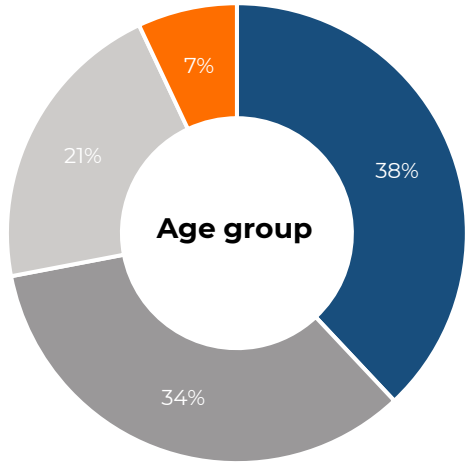
Retail – growth across product verticals



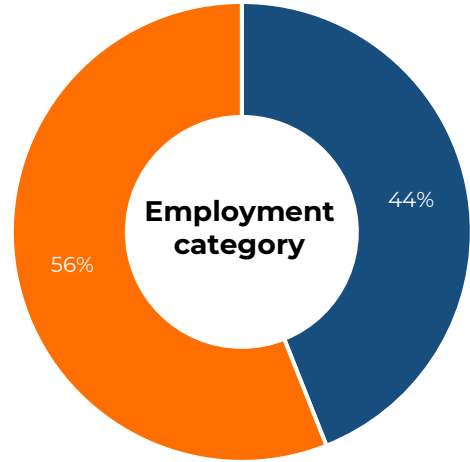
- **Digital Loans** disbursements reduced by ~70% from peak 6 quarters ago
- 85% of digital loan disbursement is **credit protected** primarily through FLDG
- **Securitization** picking up, with total 27 DA and 2 co-lending live programs

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)

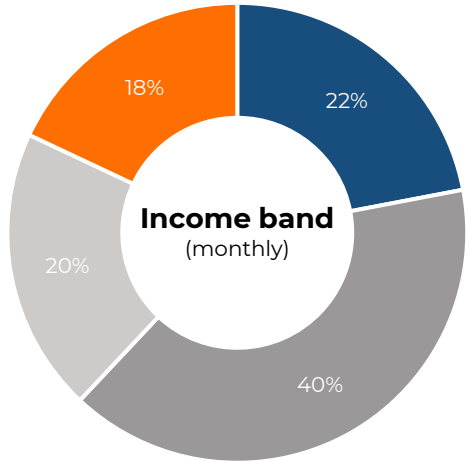
Retail - customer profile for branch-based acquisition



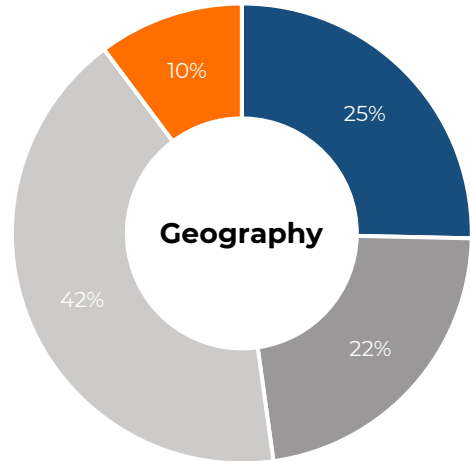
- 18 - 34 yrs.
- 35 - 44 yrs.
- 45 - 54 yrs.
- >=55 yrs.



- Salaried
- Self employed



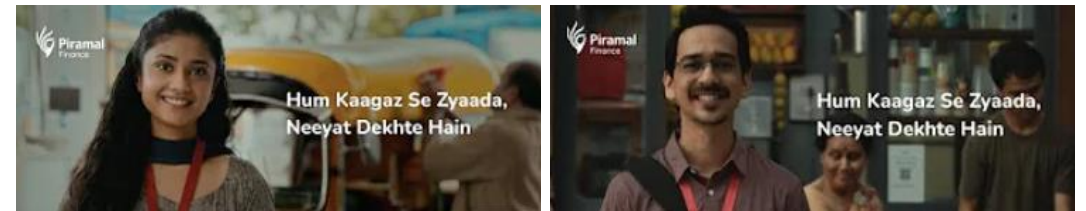
- <INR 30k
- INR 30k - 59k
- INR 60k - 99k
- >=INR 1 lakh



- 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

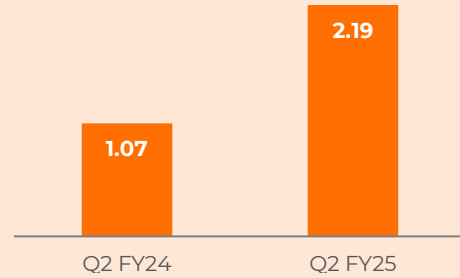
We serve self-employed, modest-income type of customer base

A transformative year in digital engagement, service and collections

Mobile App

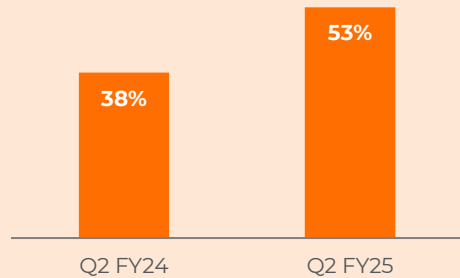
MAU up 105% YoY

In Lakh



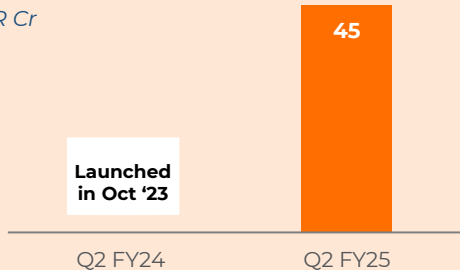
Service requests fulfilled digitally

% of overall service requests

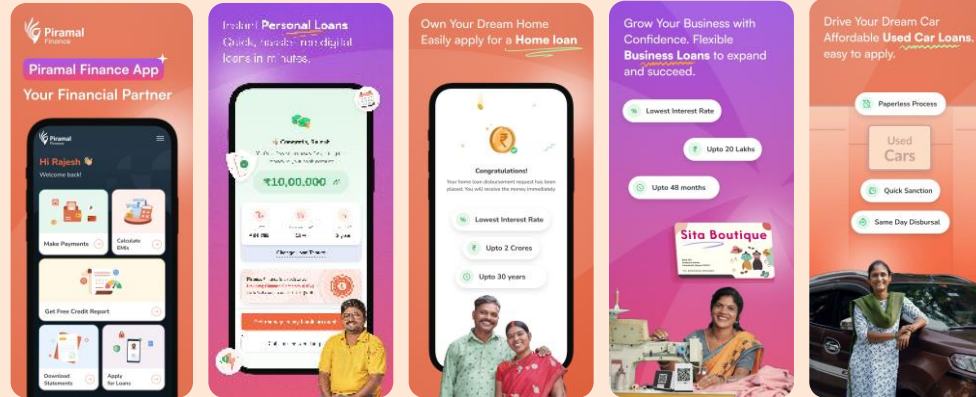


Overdue & fees collection on Mobile App up 55% since Q3 FY24

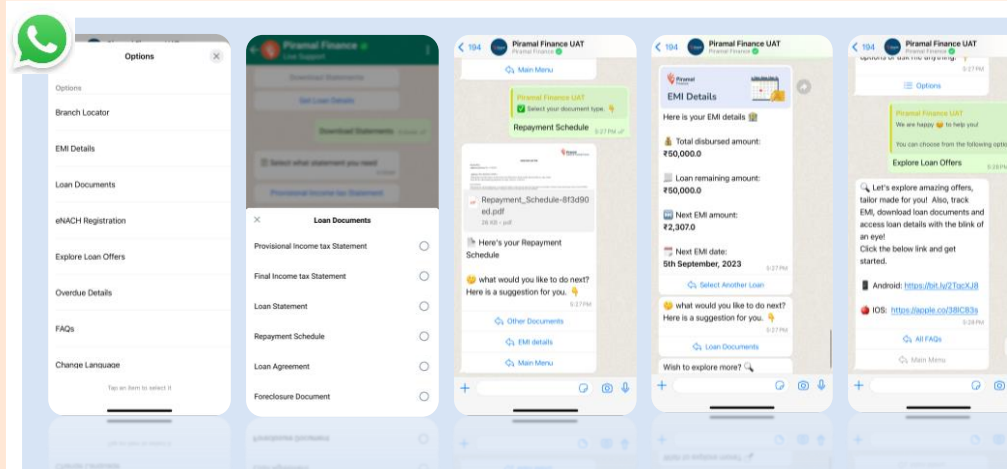
In INR Cr



Launched in Oct '23



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

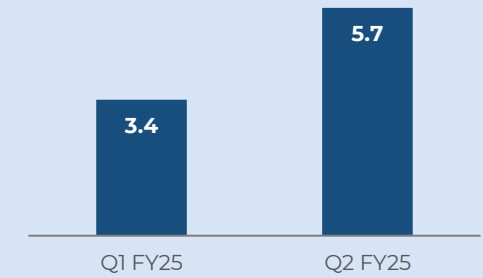


Launched in April '24, the WhatsApp service bot supports 8 languages and uses conversational AI, moving beyond traditional menu-driven interactions

WhatsApp

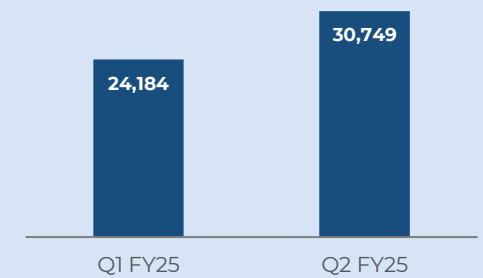
MAU up 67% QoQ

In Lakh



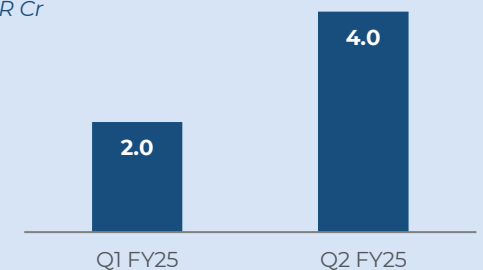
Service requests concluded up 35% QoQ

(#)



Overdue collection on WhatsApp Bot up 100% QoQ

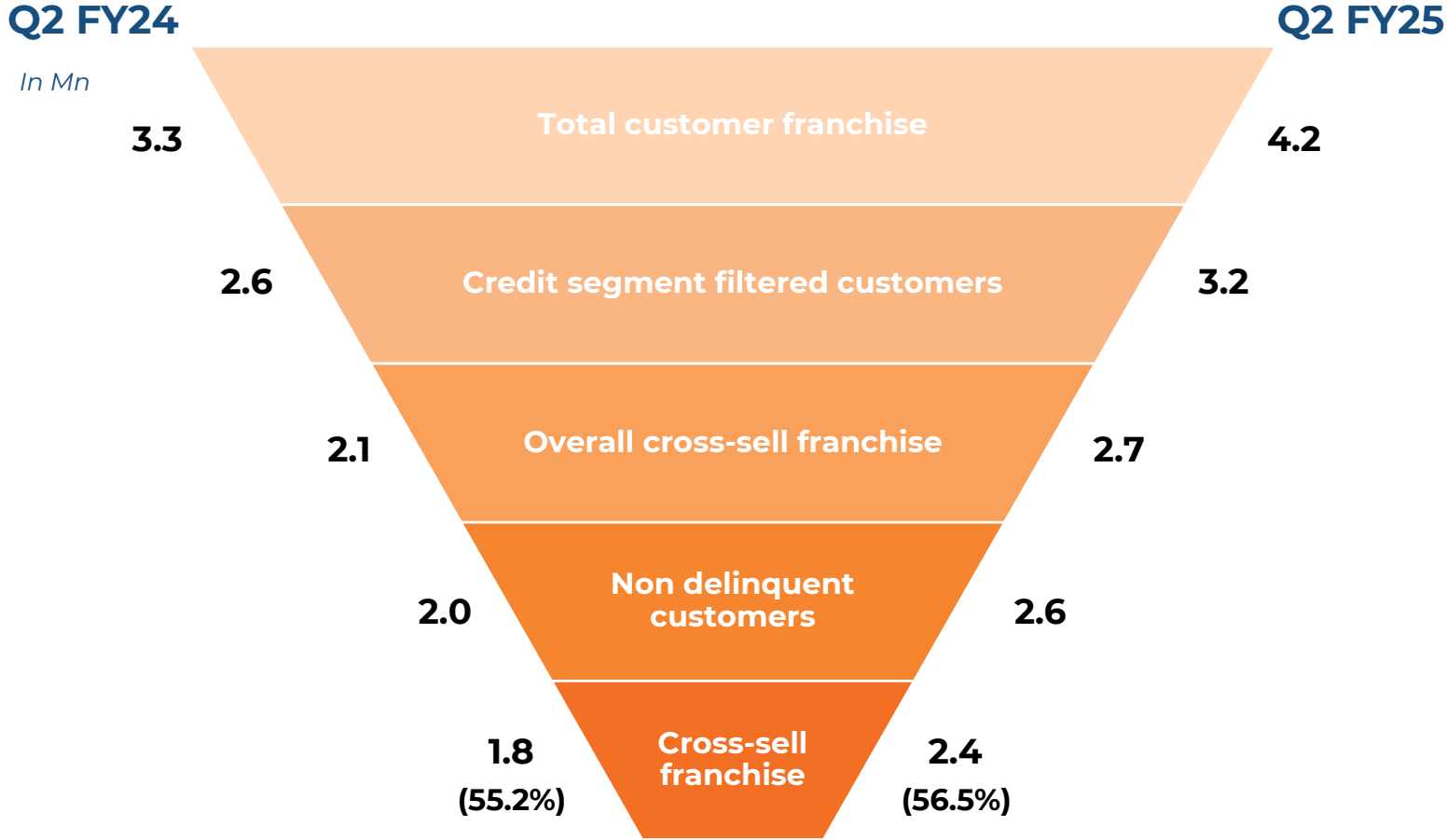
In INR Cr



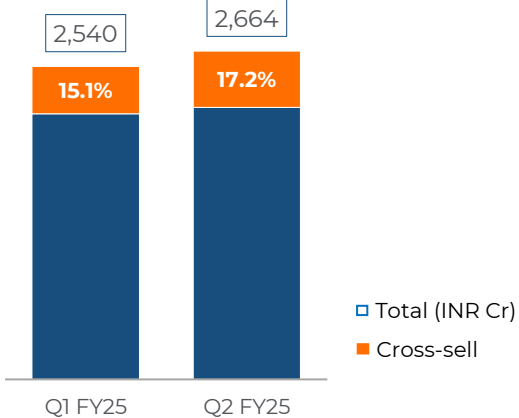
Cross-sell franchise funnel



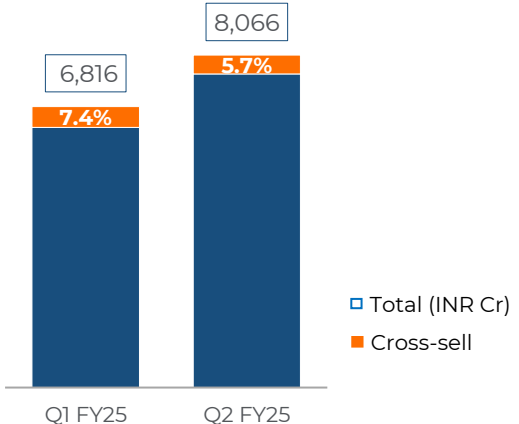
Total customer franchise up 27% YoY to 4.2 Mn



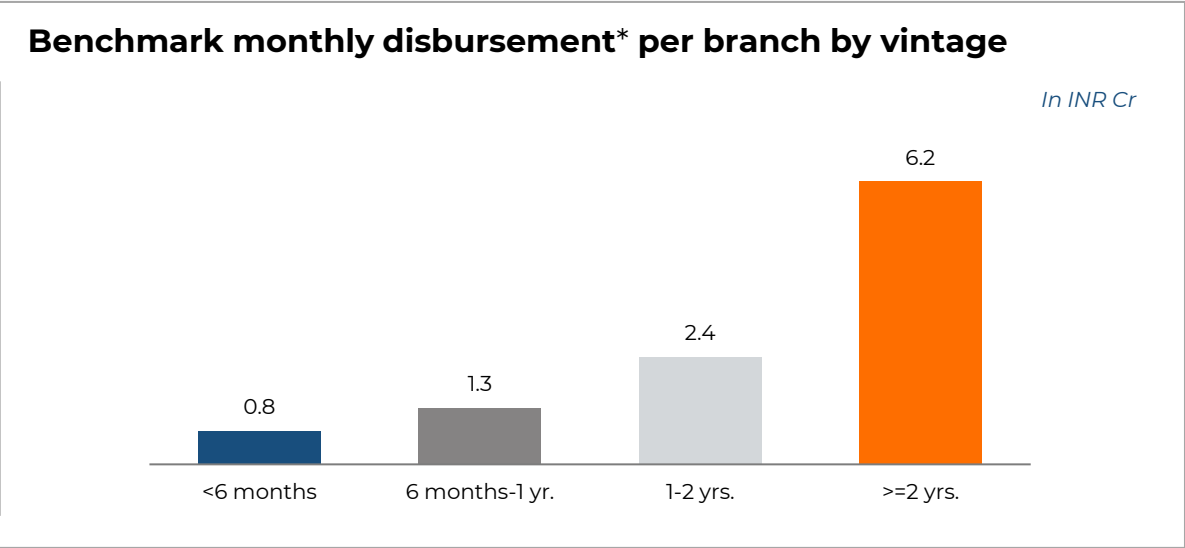
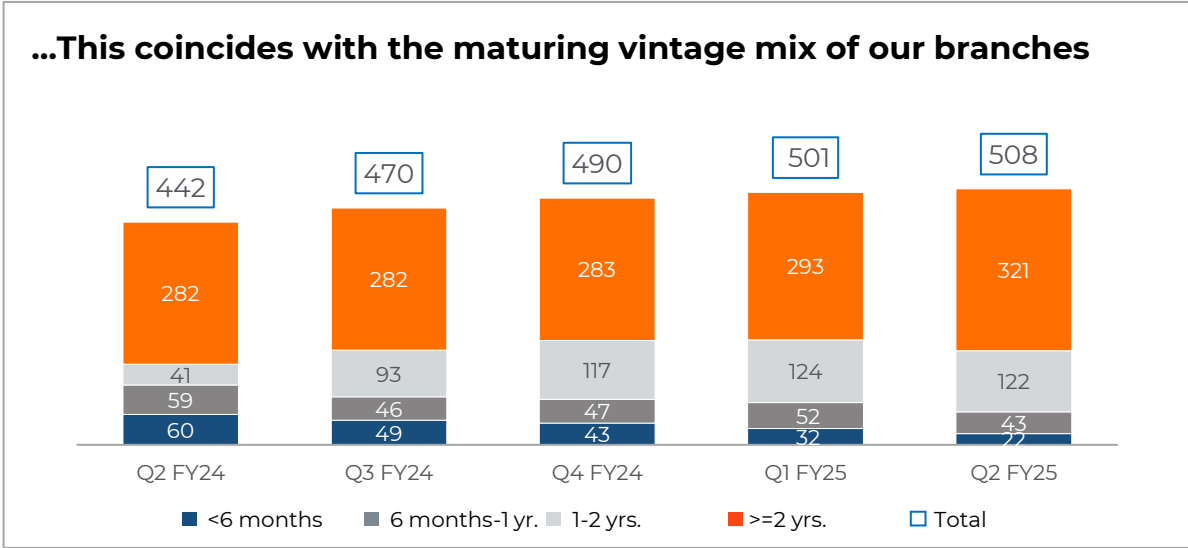
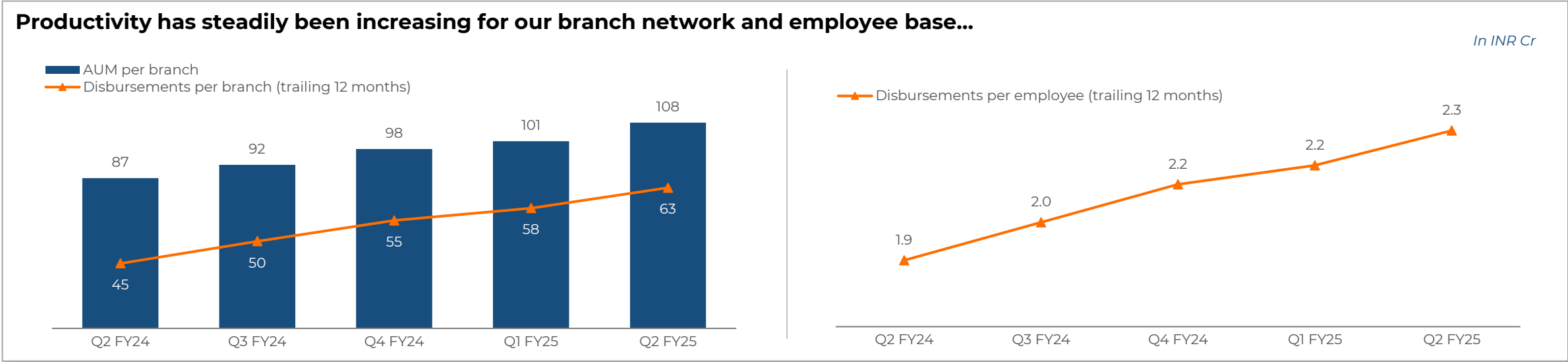
Cross-sell% in unsecured disbursements



Cross-sell% in total retail disbursements



Productivity improvement to continue, driven by increasing Branch maturity

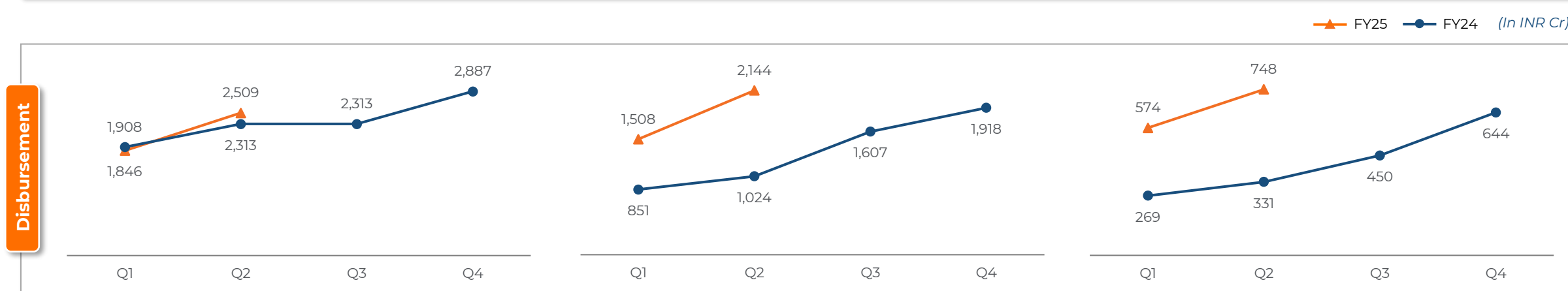
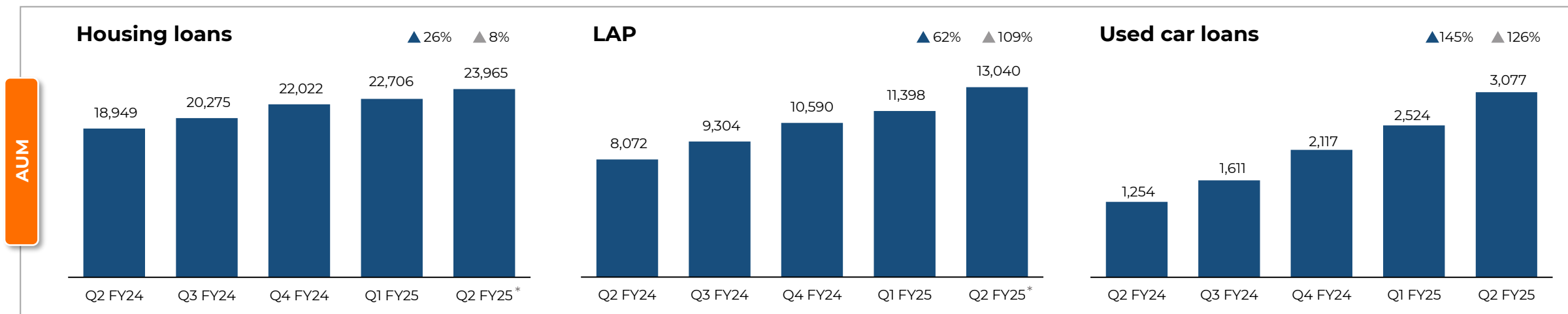


Note: (*) Only for branch led products

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**

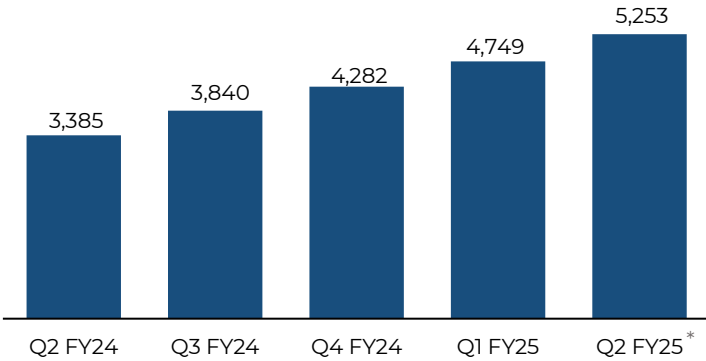


■ AUM (INR Cr) ▲ YoY AUM growth ▲ YoY disbursement growth

AUM

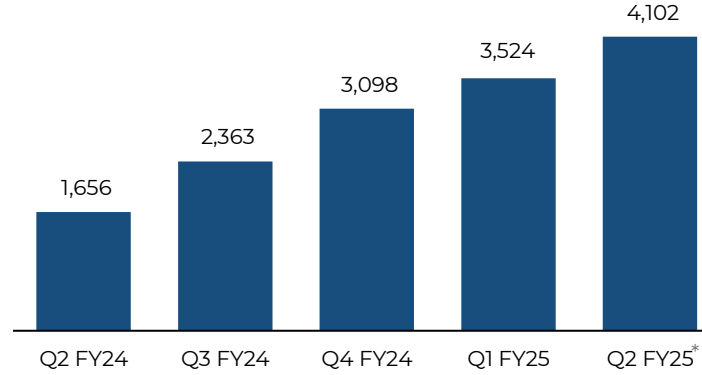
Business loans

▲ 55% ▲ 39%



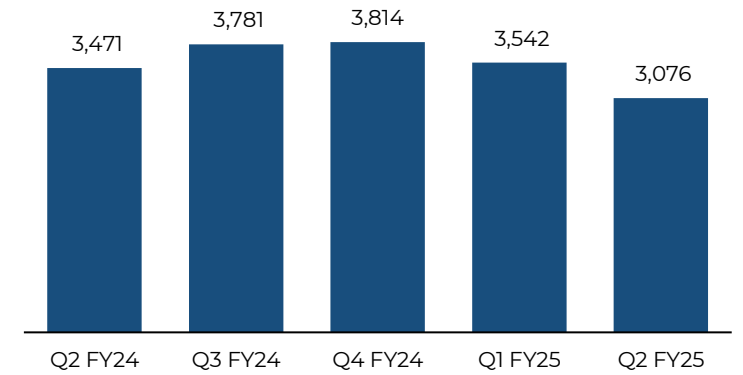
Salaried PL

▲ 148% ▲ 68%



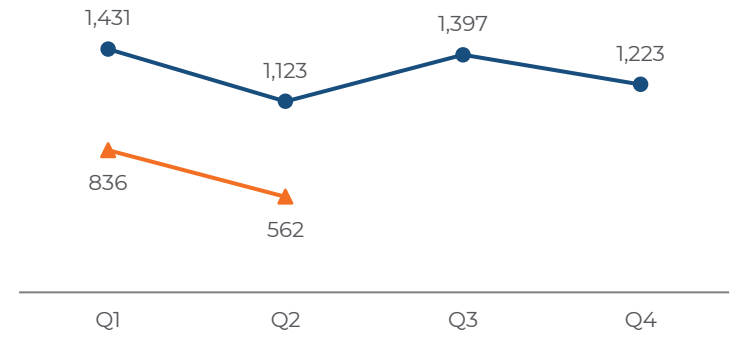
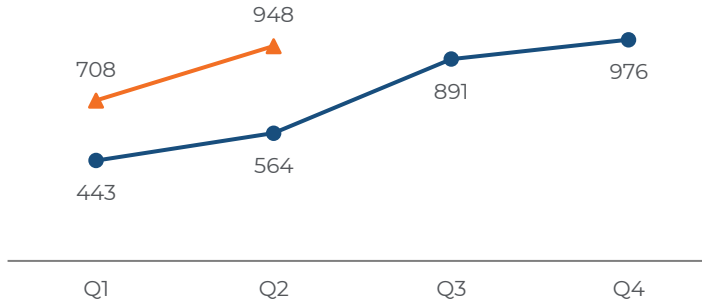
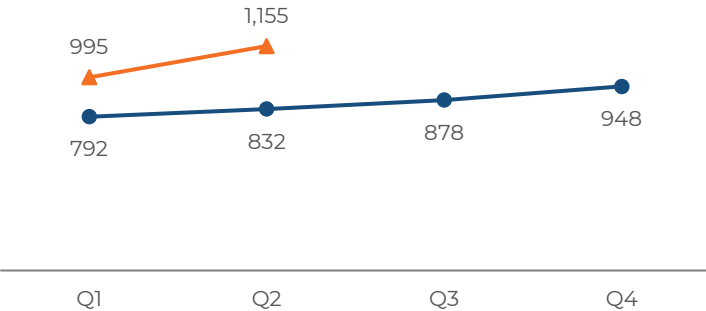
Digital loans

▲ -11% ▲ -50%



Disbursement

▲ FY25 ● FY24 (In INR Cr)



5.5 Lac	750	19.8%
Average ticket size	Average CIBIL score	Disbursement yield

4.4 Lac	754	17.5%
Average ticket size	Average CIBIL score	Disbursement yield

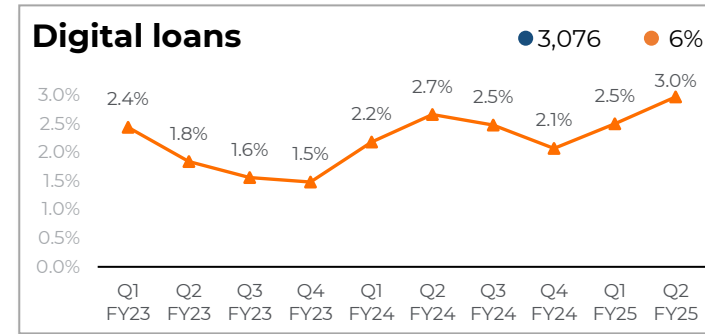
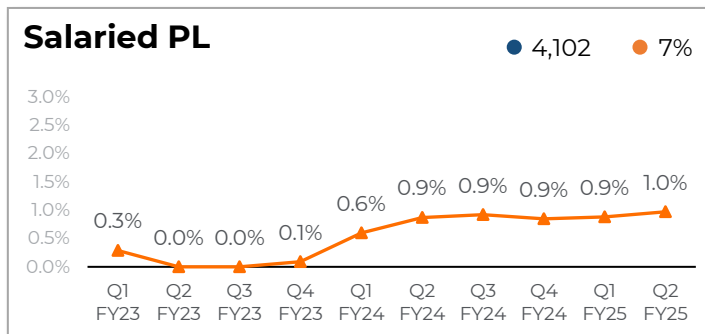
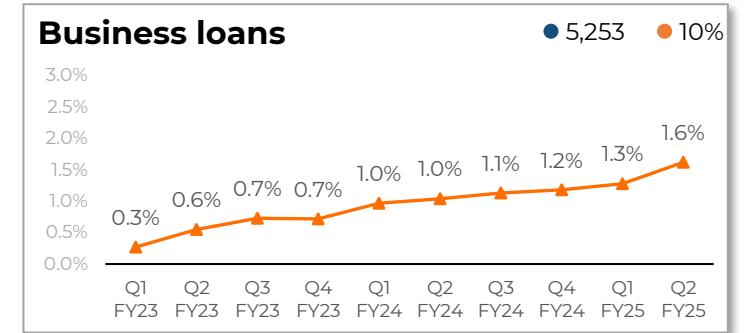
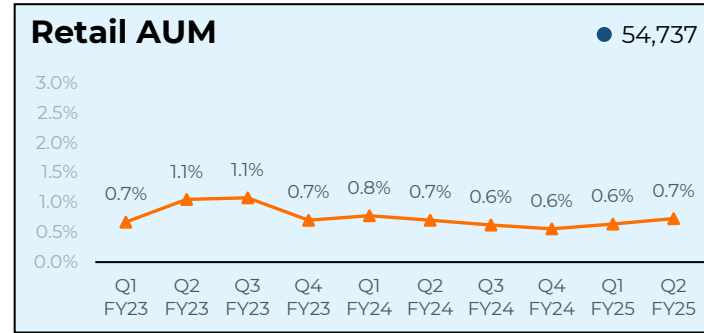
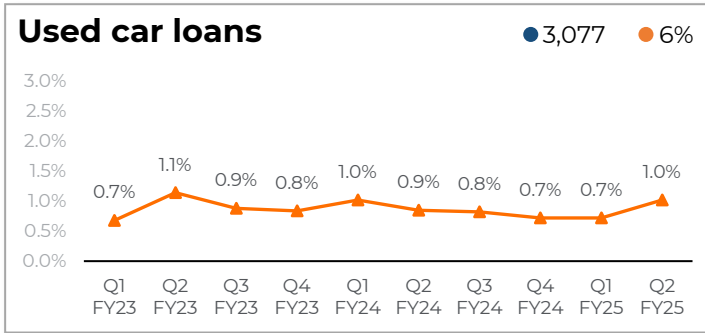
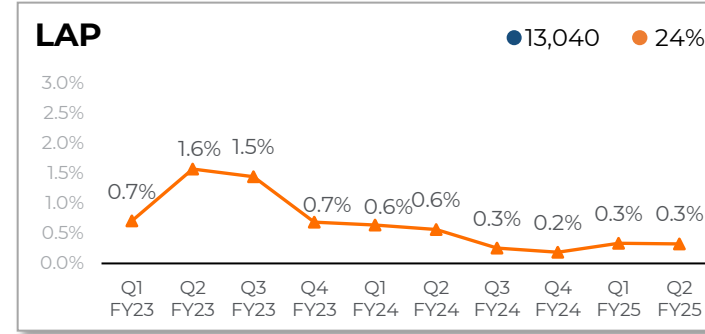
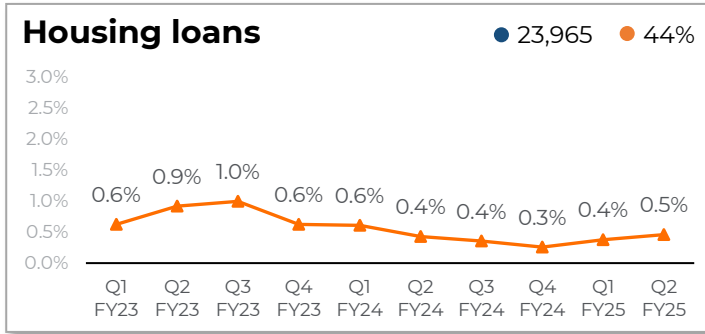
0.5 Lac	756	16.4%
Average ticket size	Average CIBIL score	Disbursement yield

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



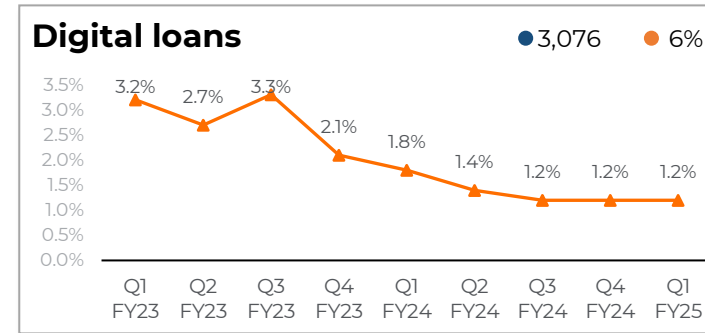
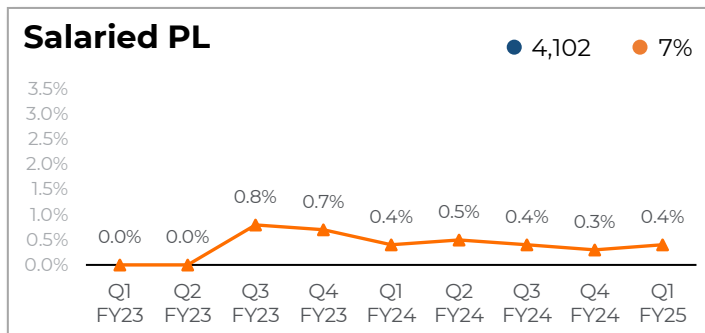
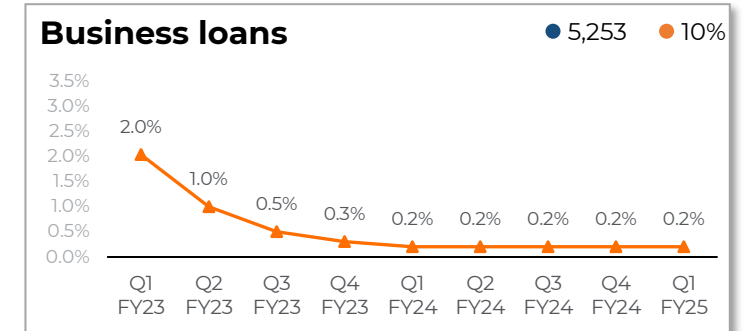
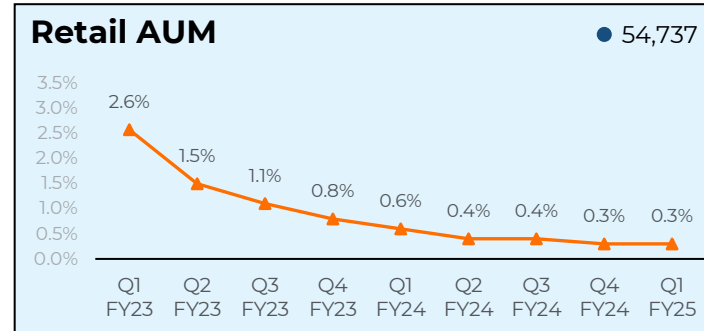
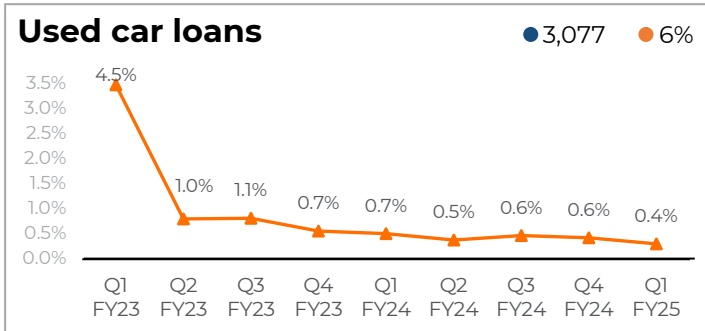
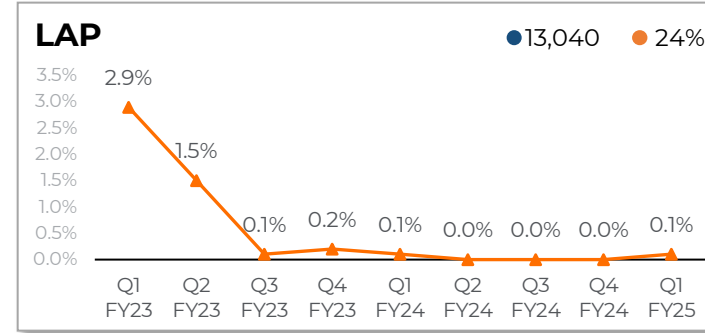
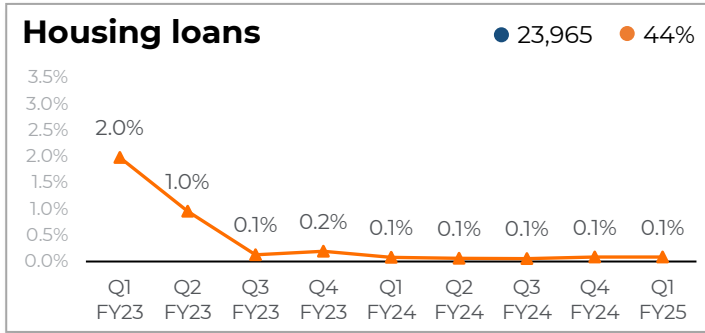
- AUM as of Q2 FY25 (INR Cr)
- % of retail AUM as of Q2 FY25
- ▲ 90+ DPD



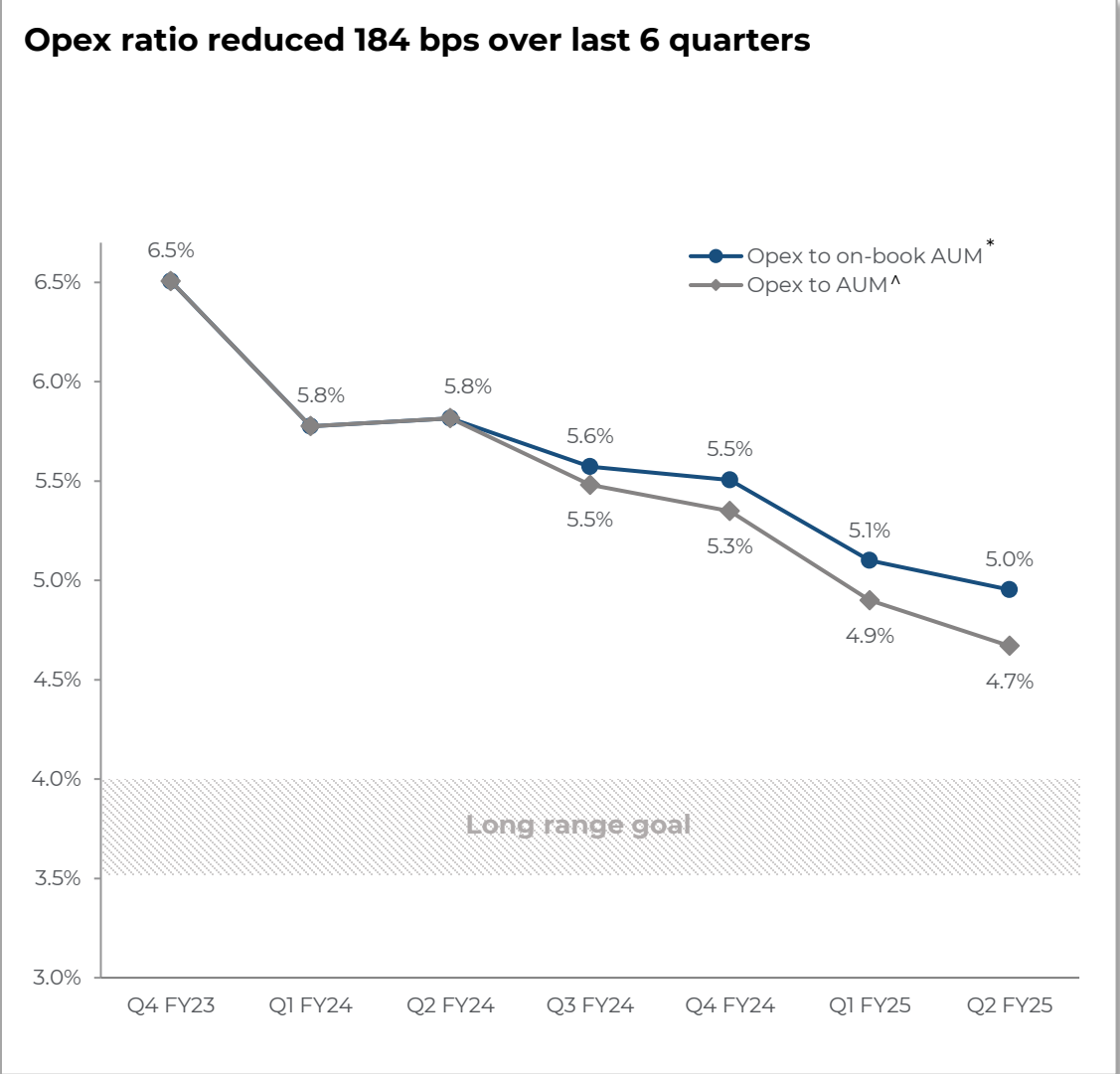
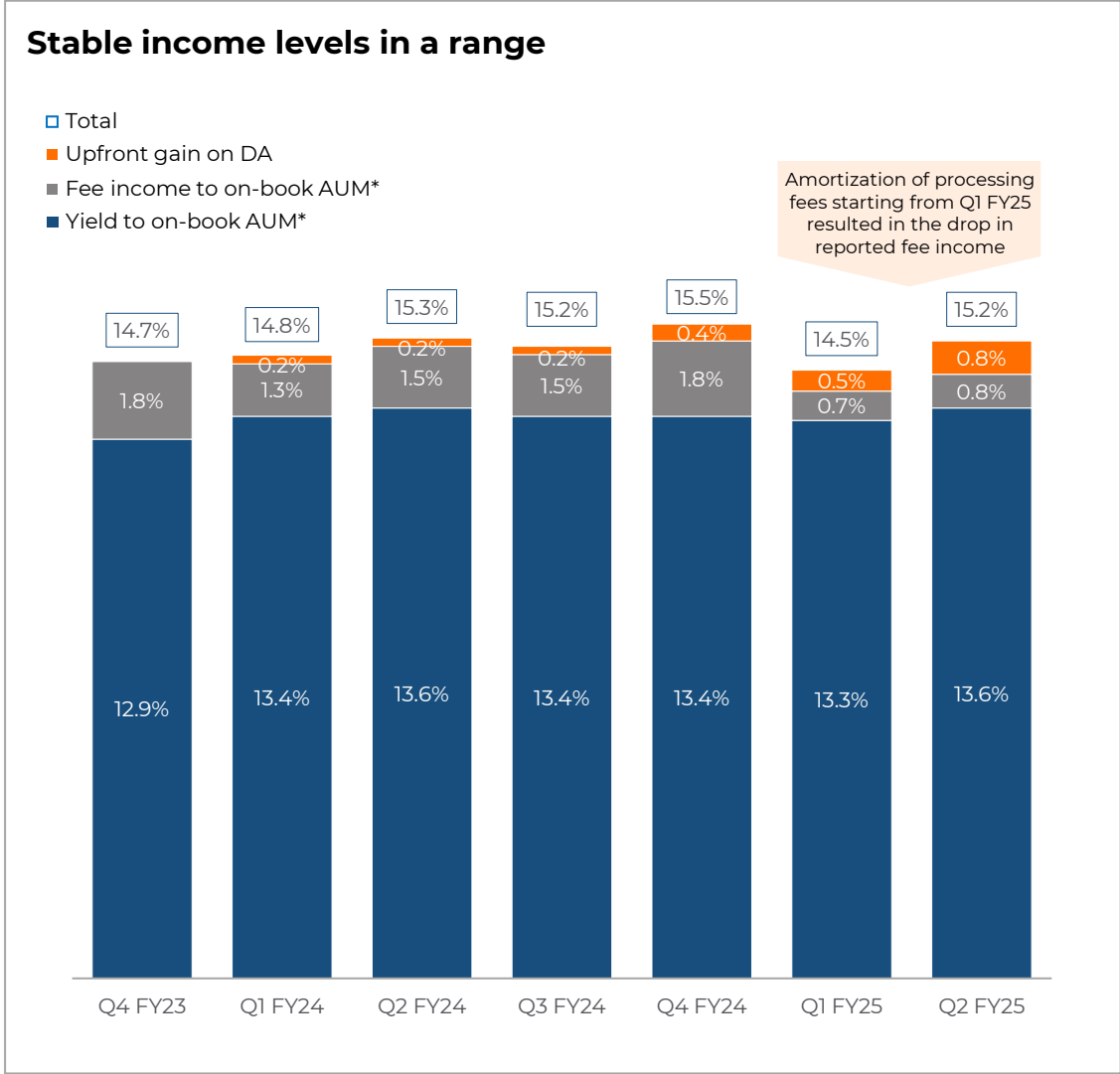
Retail risk (2/2) – vintage risk: steady improvement in quality of new originations



- AUM as of Q2 FY25 (INR Cr)
- % of retail AUM as of Q2 FY25
- ▲ 30+ DPD at 3 months on book



Retail: Stable income profile - opex ratios moderating



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

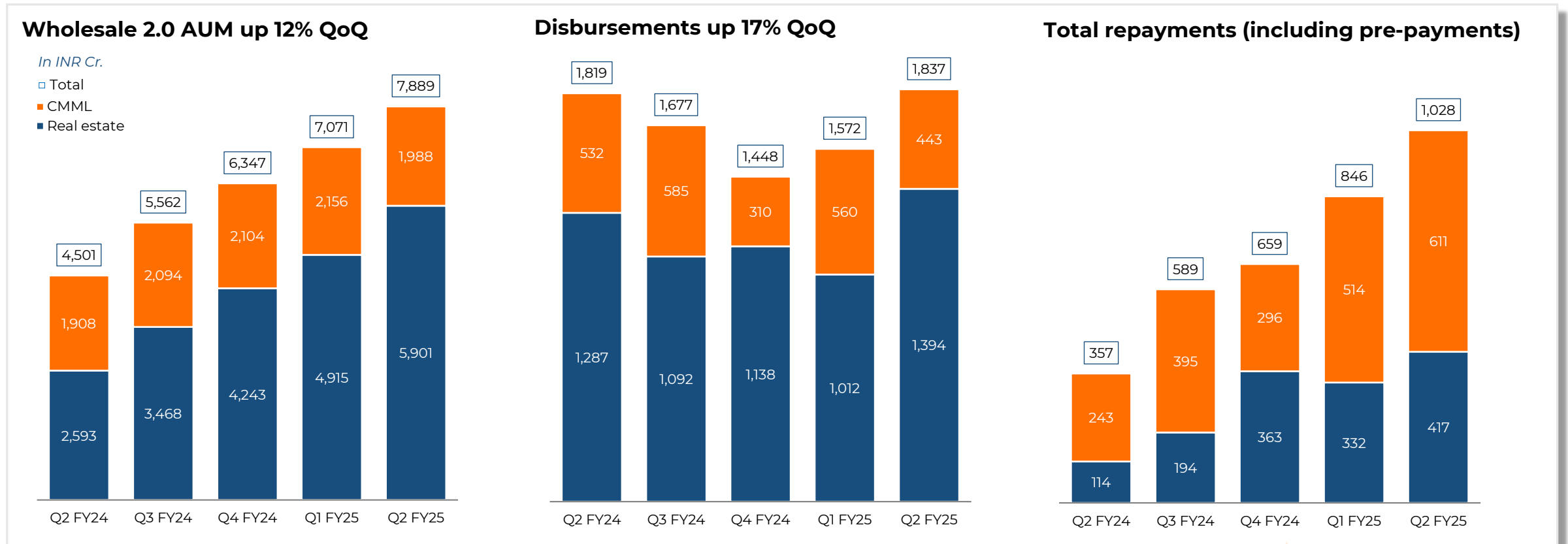


Growth business

Wholesale 2.0



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



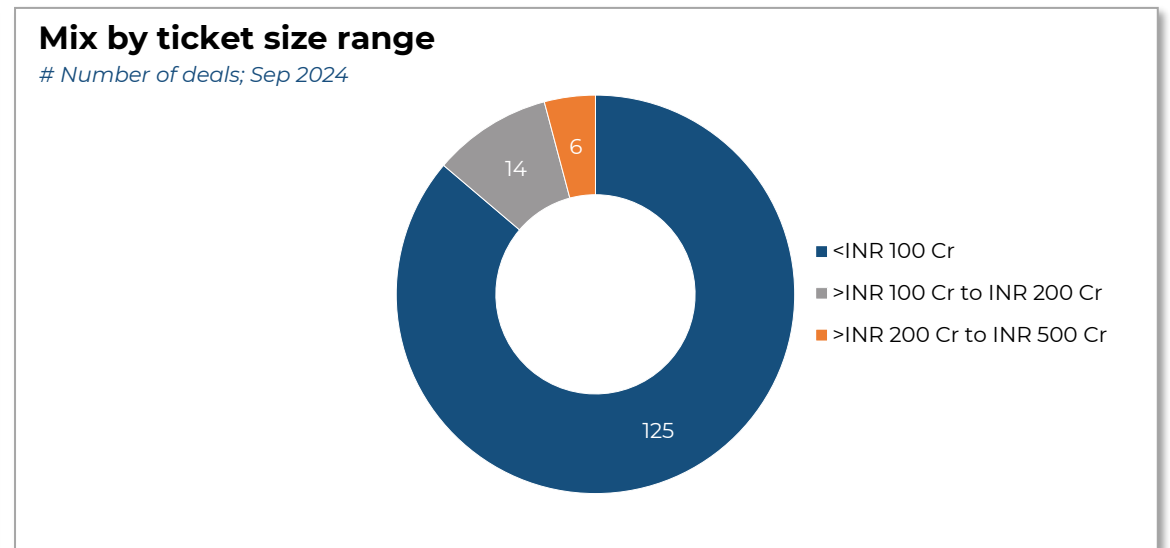
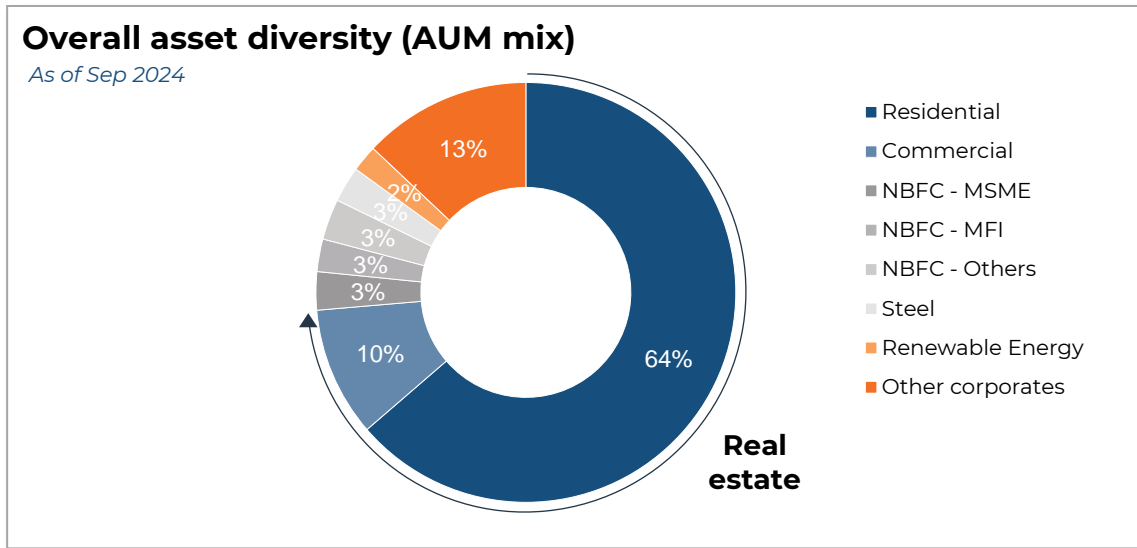
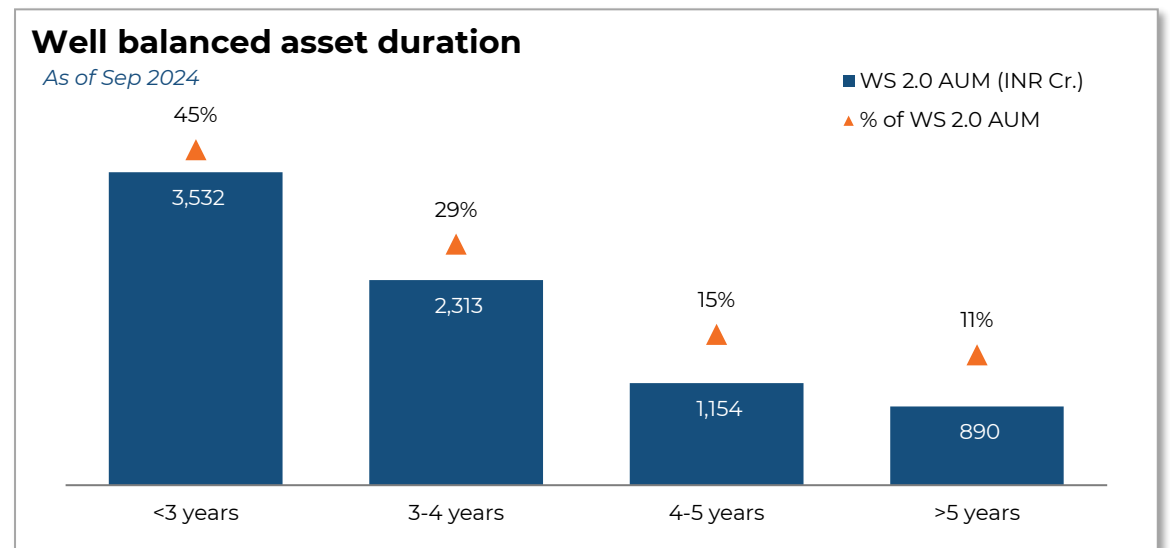
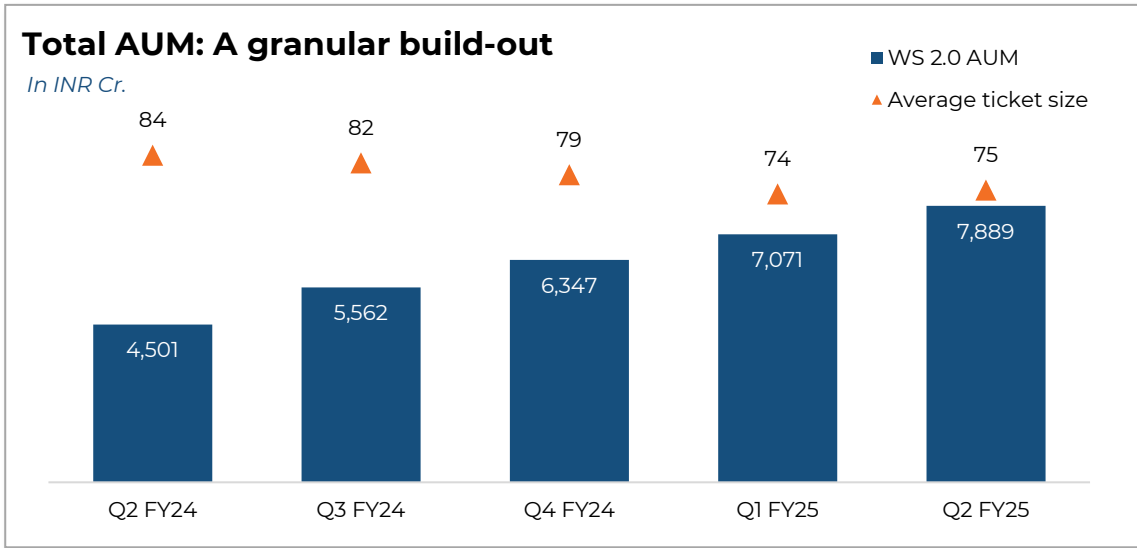
- **Disbursements** of INR 1,837 Cr in Q2 FY25
- **Performing well**, in line with or ahead of underwriting, as reflected in prepayments
- **Pre-payments** worth INR 769 Cr received in Q2 FY25
- **Exited deals** worth INR 2,649 Cr in total so far

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

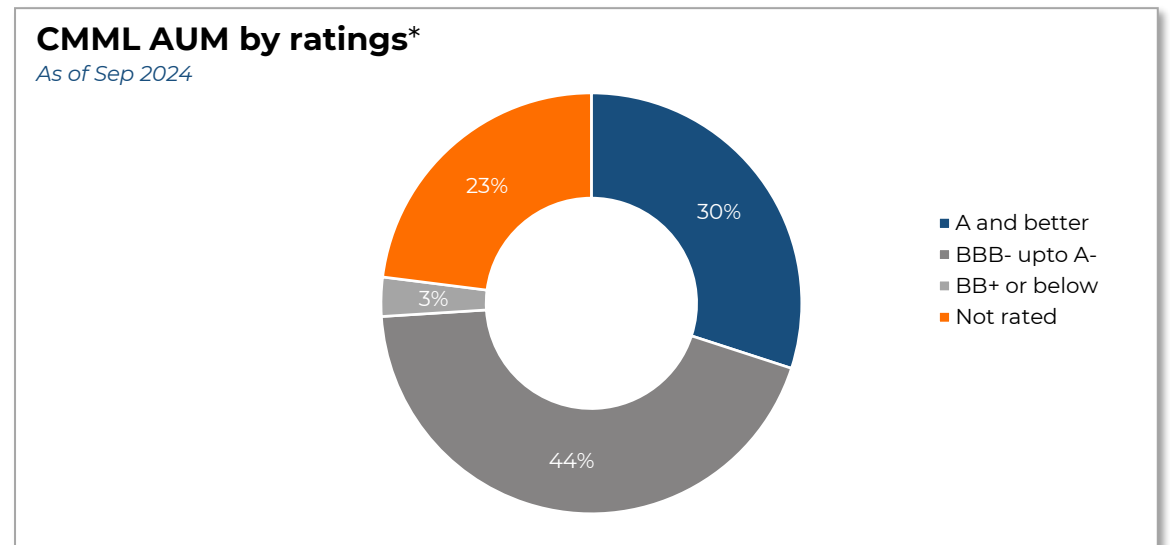
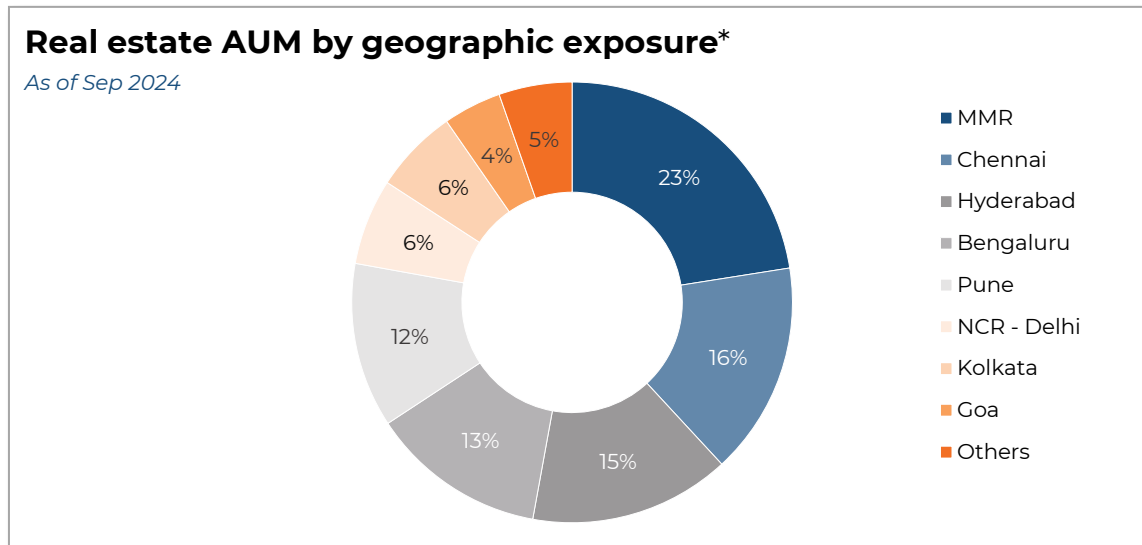
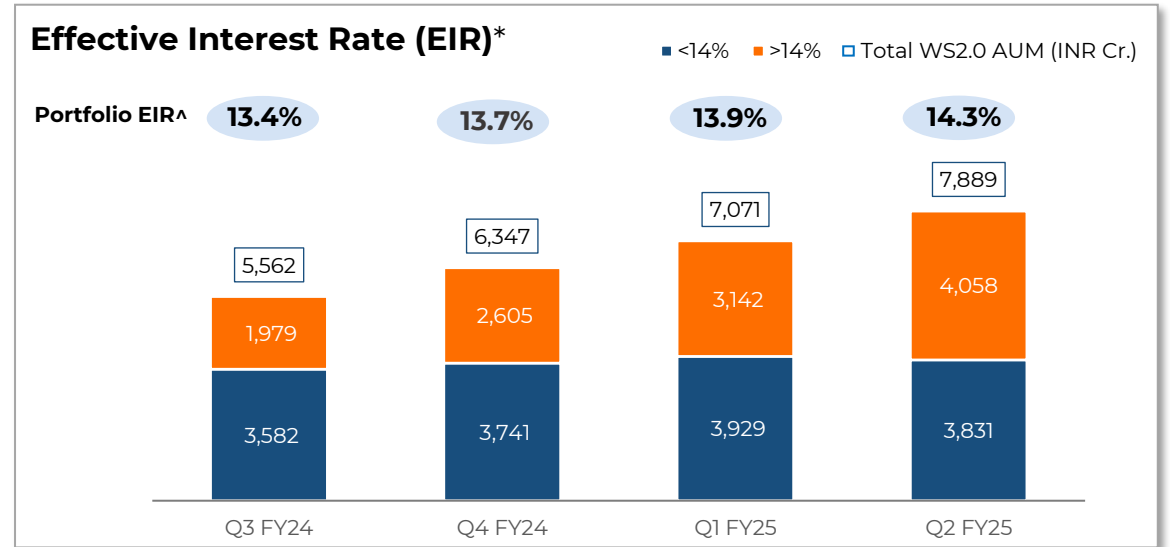
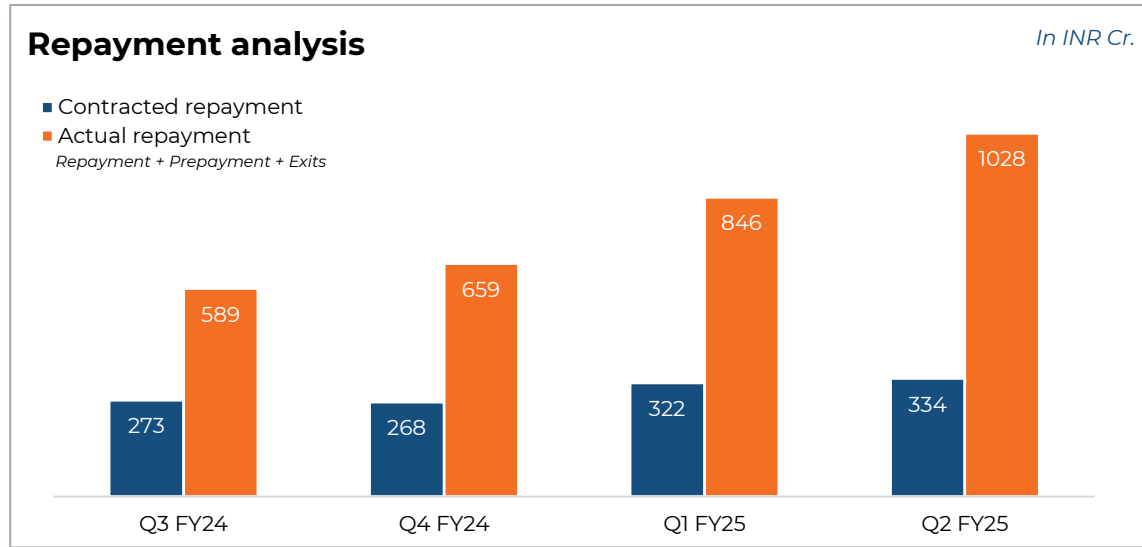
Wholesale 2.0: Granular and diversified build-out



(Charts represents data for outstanding AUM)



Wholesale 2.0: Portfolio analysis



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

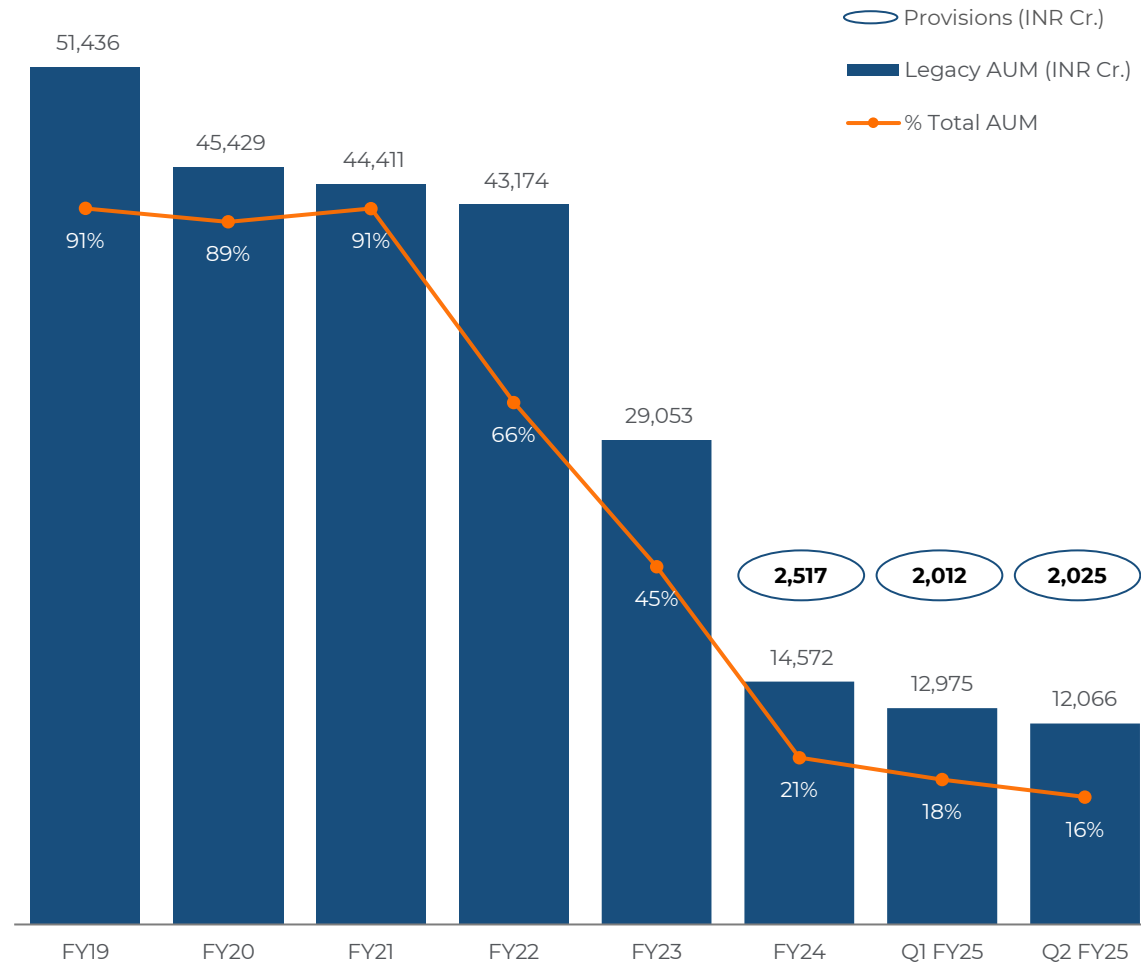


Legacy (discontinued) business



Rapidly reducing legacy AUM

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

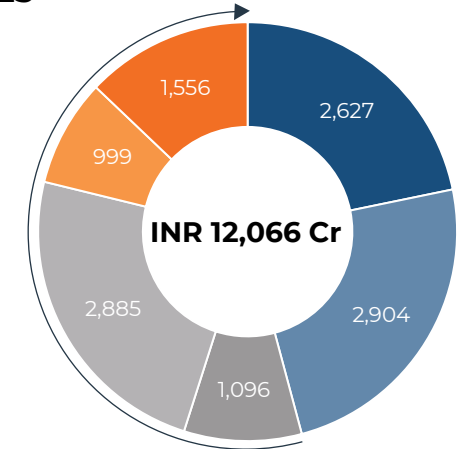


Composition legacy AUM-Q2FY25

In INR Cr.

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

INR 6,535 Cr



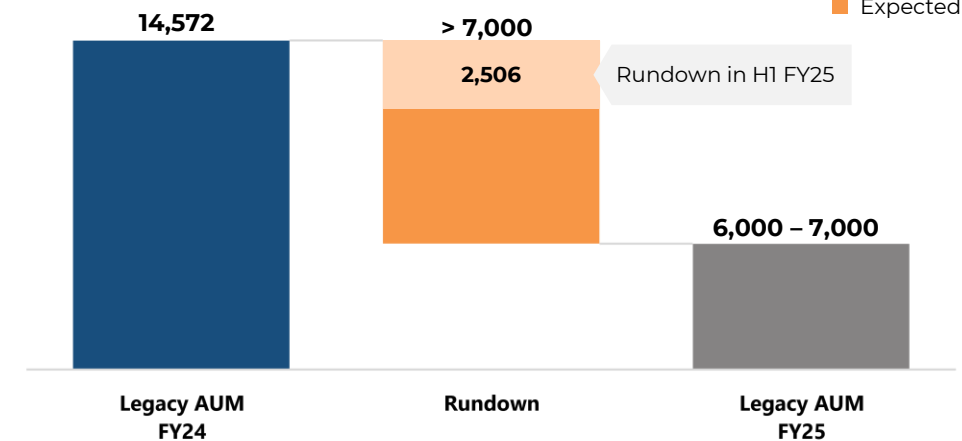
Average yields*

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

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

In INR Cr.

- Achieved
- Expected





Financials



Profit and loss statement – consolidated entity



In INR Cr.

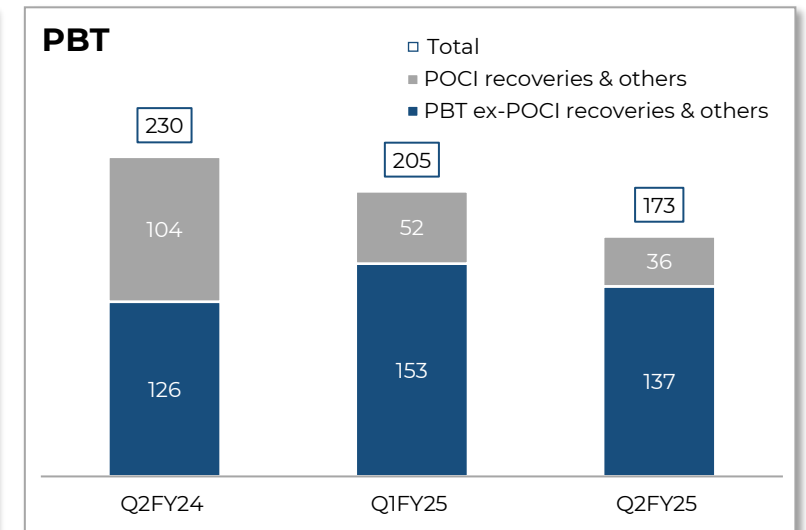
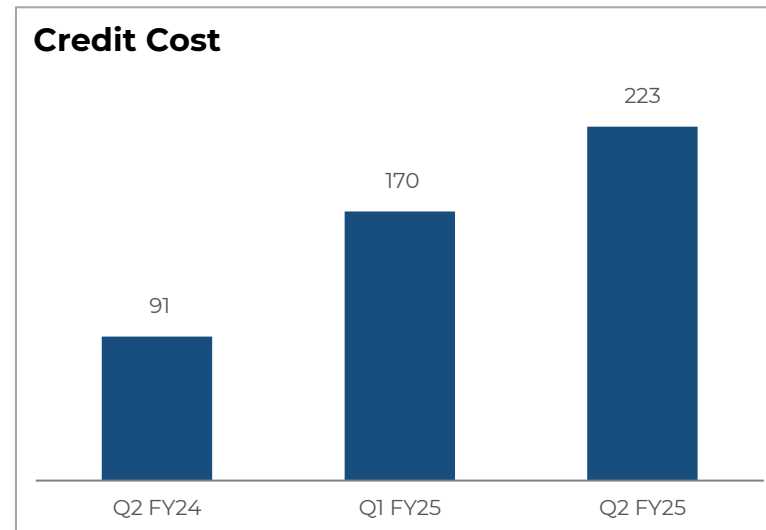
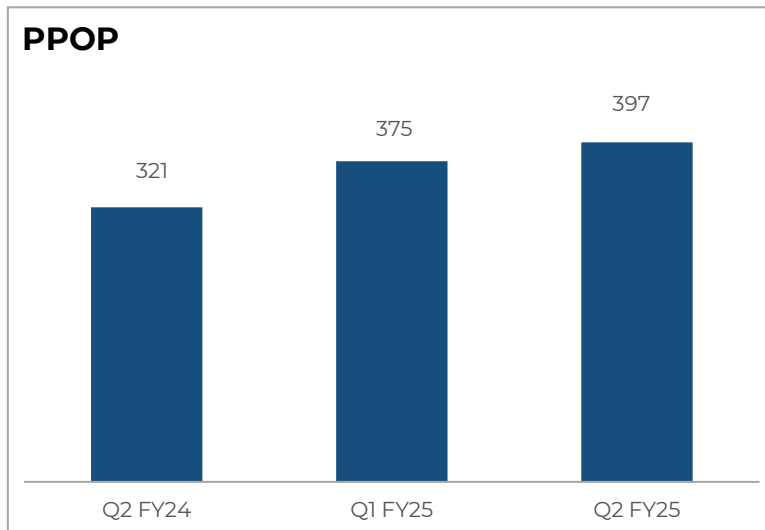
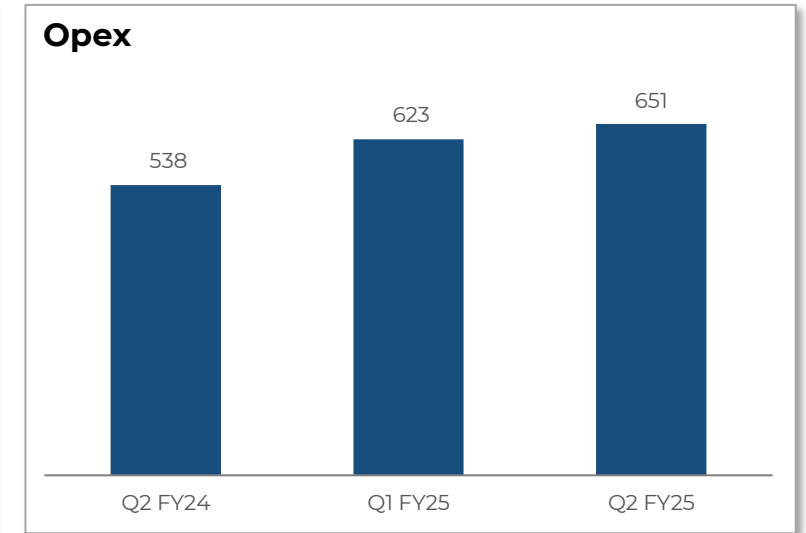
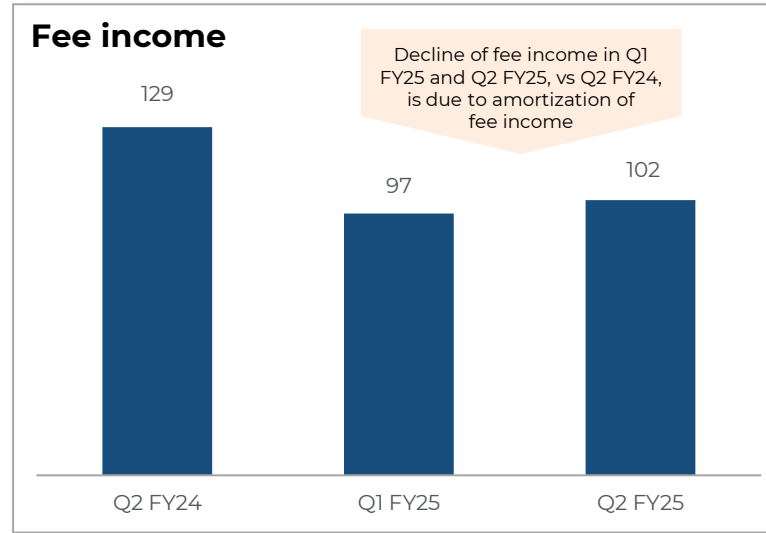
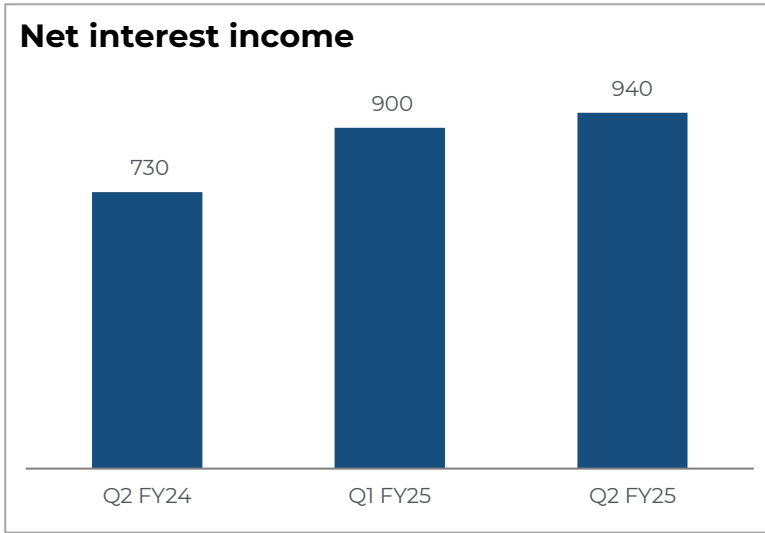
Consolidated income statement	Q2 FY25	Q2 FY24	YoY %	Q1 FY25	QoQ %	H1 FY25	H1 FY24	YoY %
Interest income ¹	2,198	1,800	22%	2,011	9%	4,209	3,525	19%
Less: Interest expense	1,317	1,050	25%	1,205	9%	2,522	2,094	20%
Net interest income (A)	881	750	17%	807	9%	1,687	1,431	18%
Fee & commission	102	125	(19%)	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

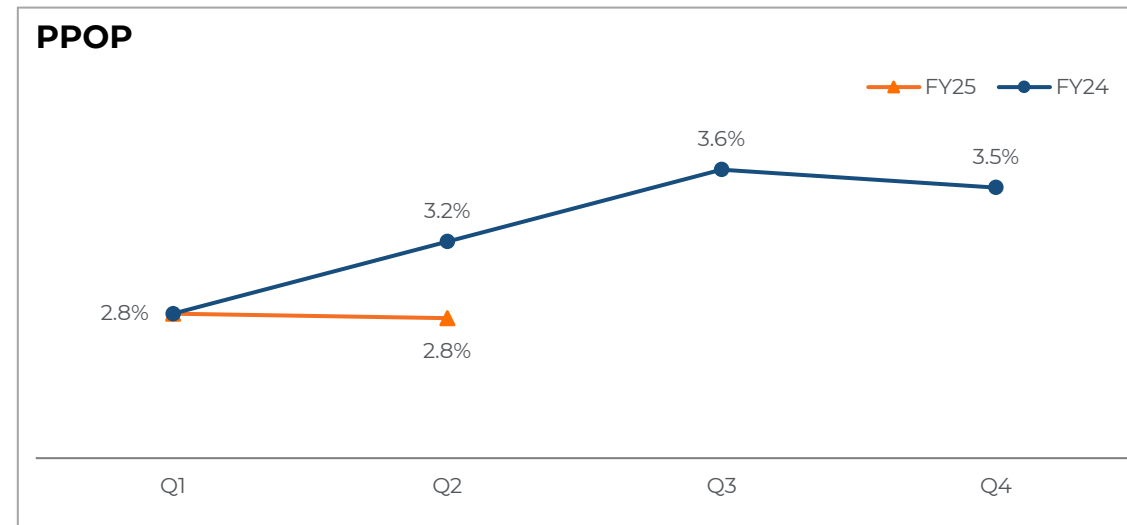
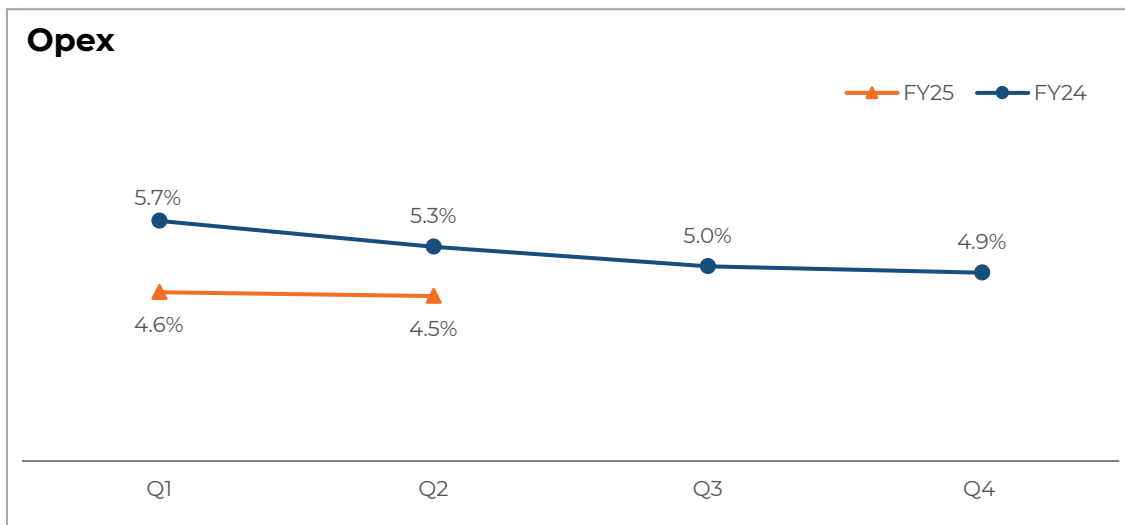
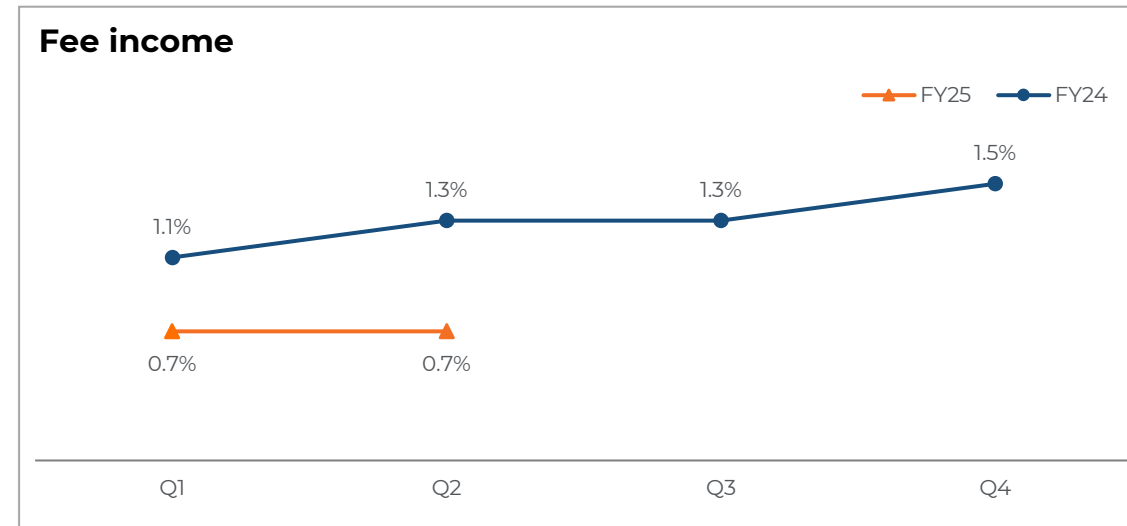
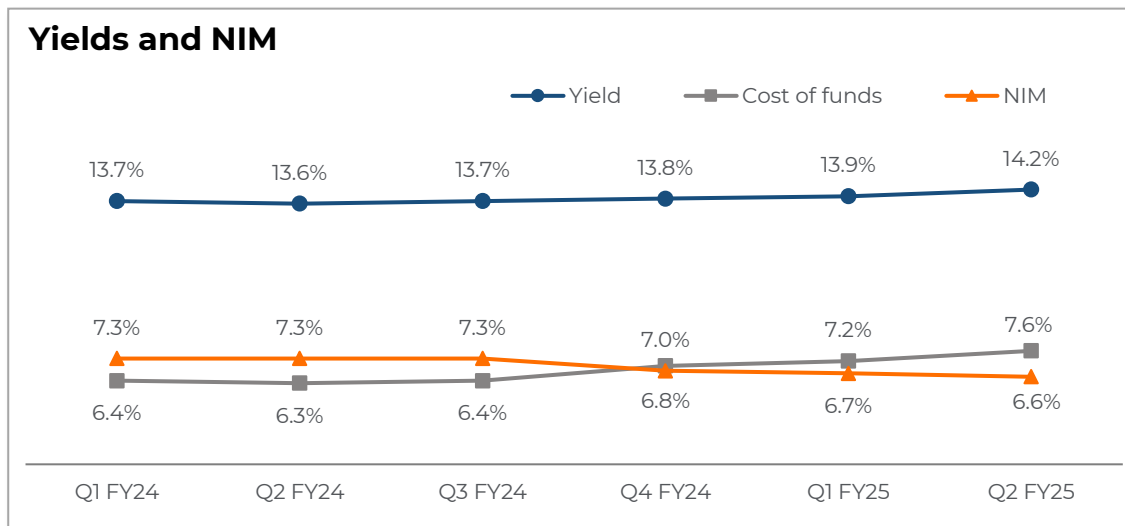
Growth business P&L



Growth business P&L ratios



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



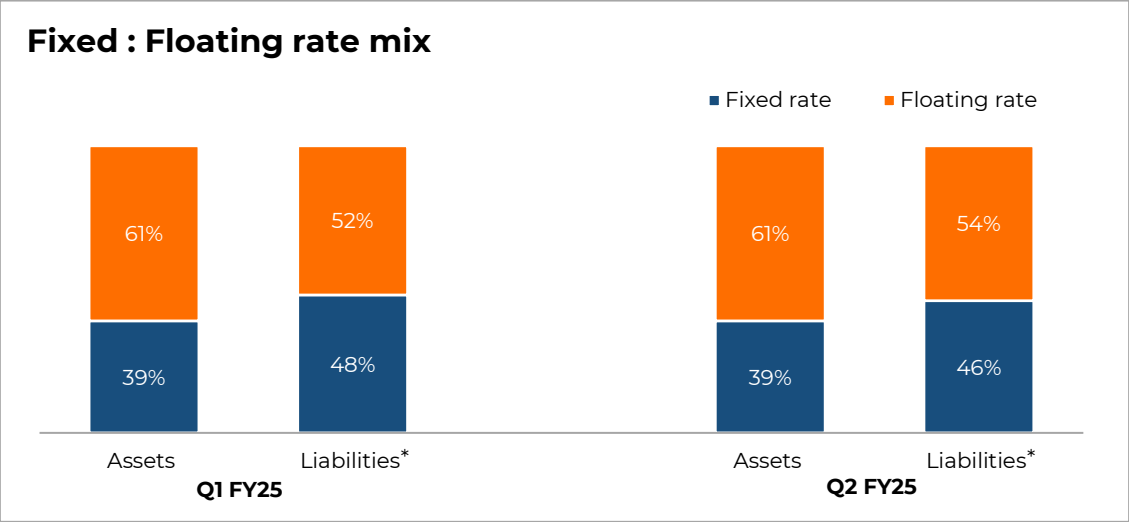
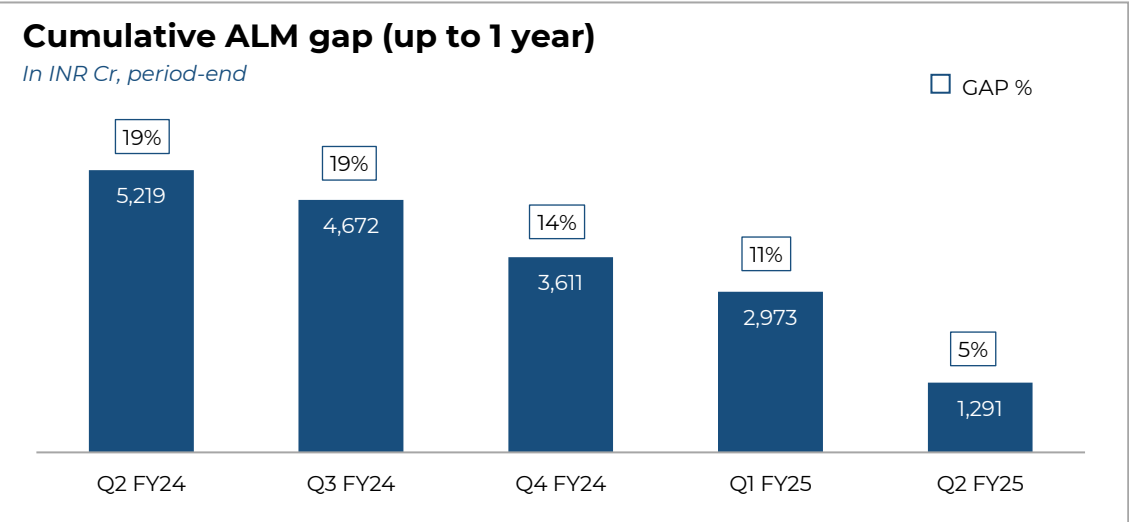
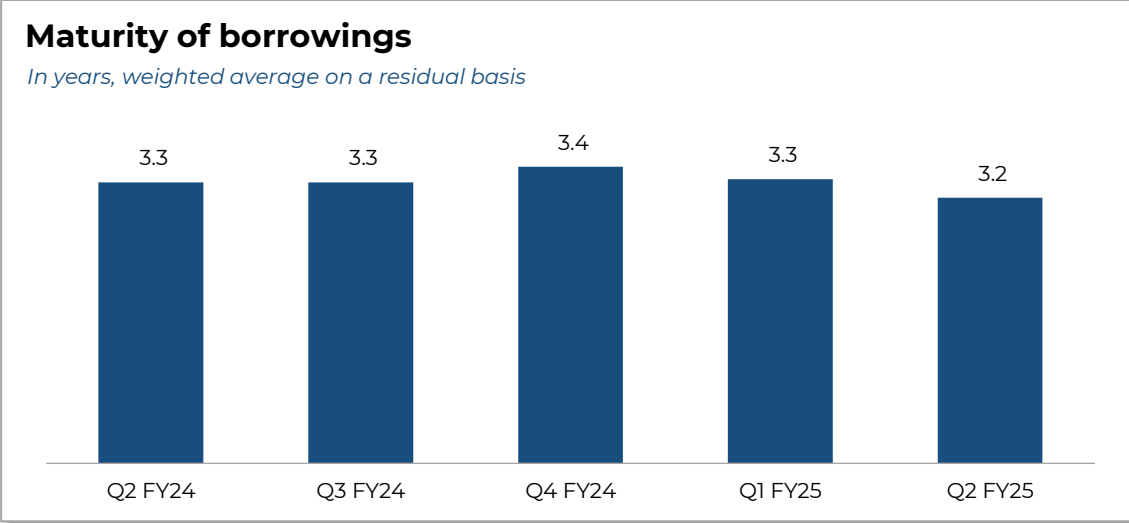
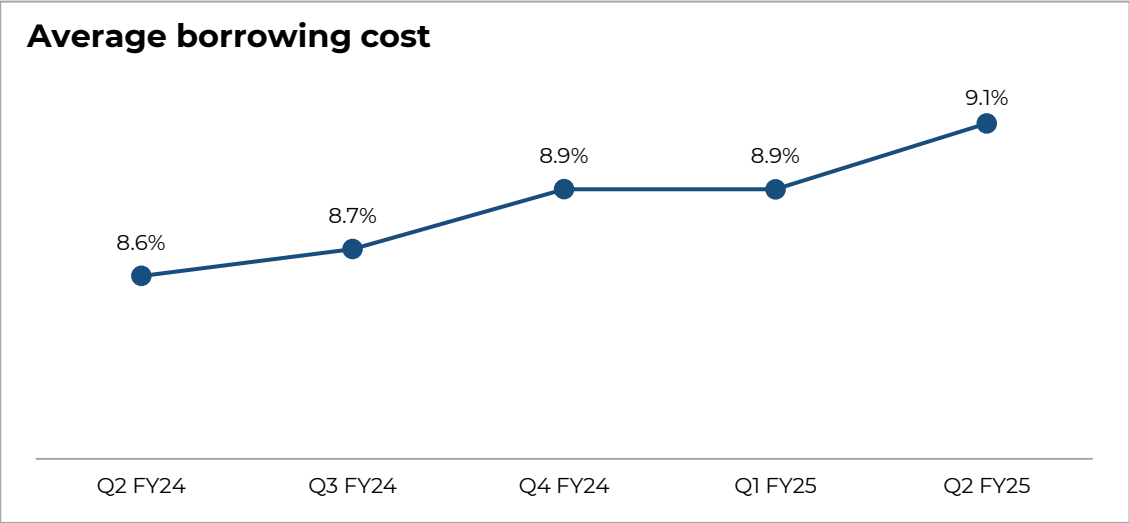
Balance sheet and key ratios

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

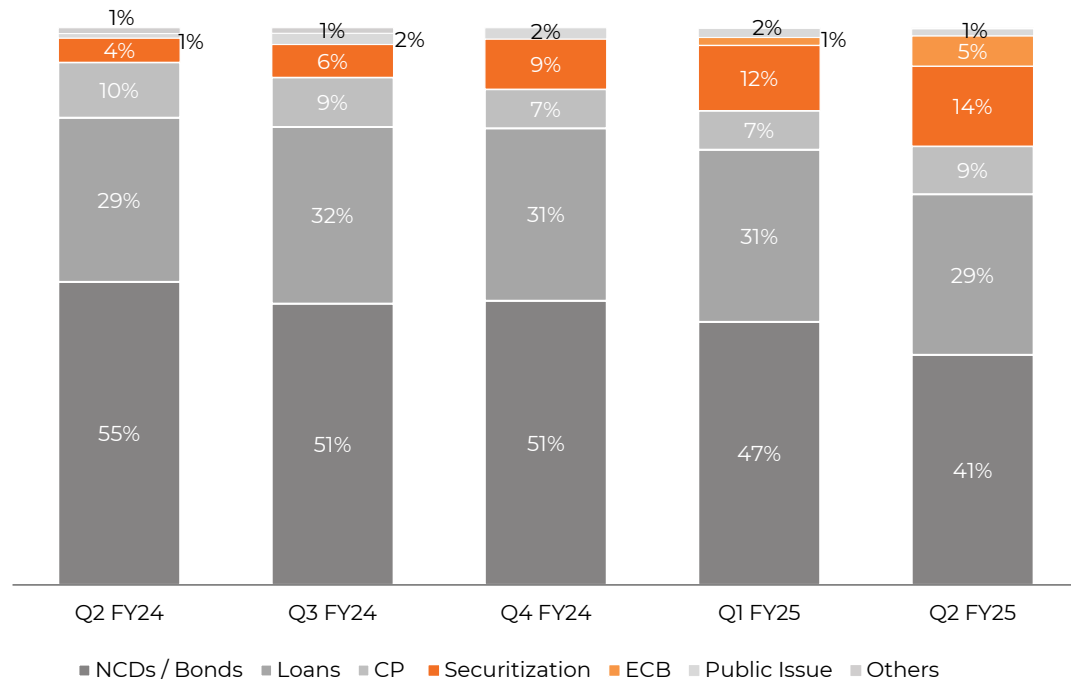
Liabilities management



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

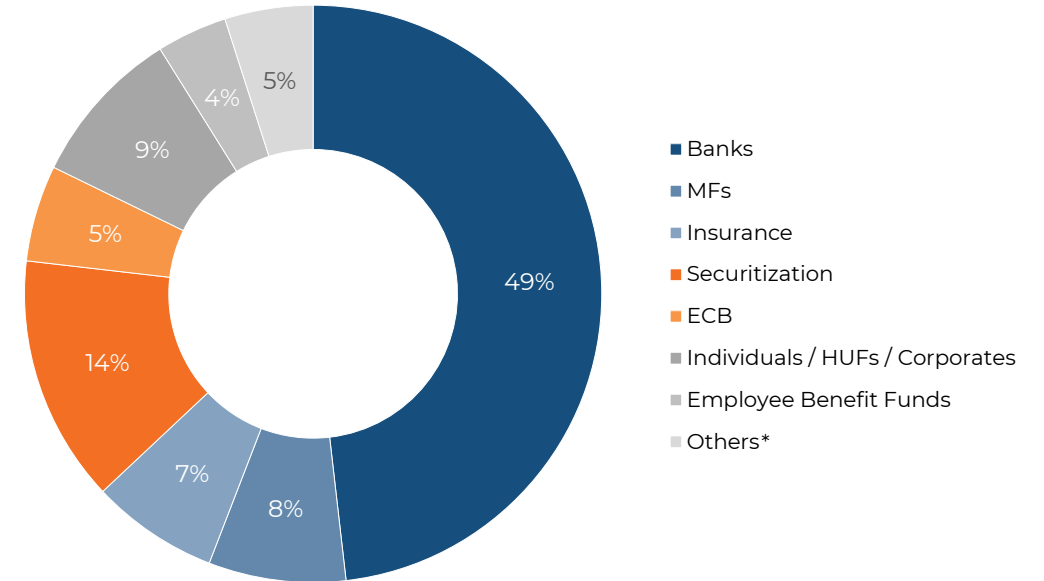
Diversifying the borrowing mix

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;

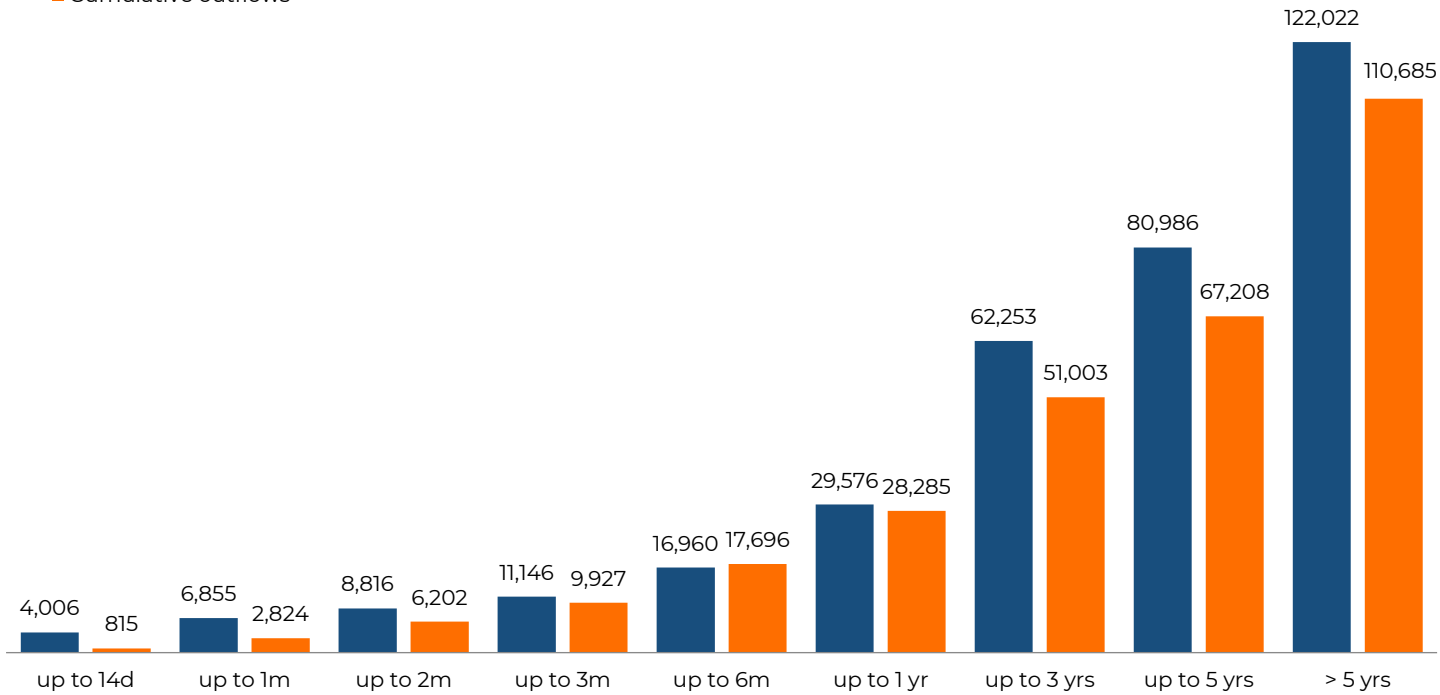
Asset-liability profile



As on Sep 30, 2024

In INR Cr.

■ Cumulative inflows
■ Cumulative outflows

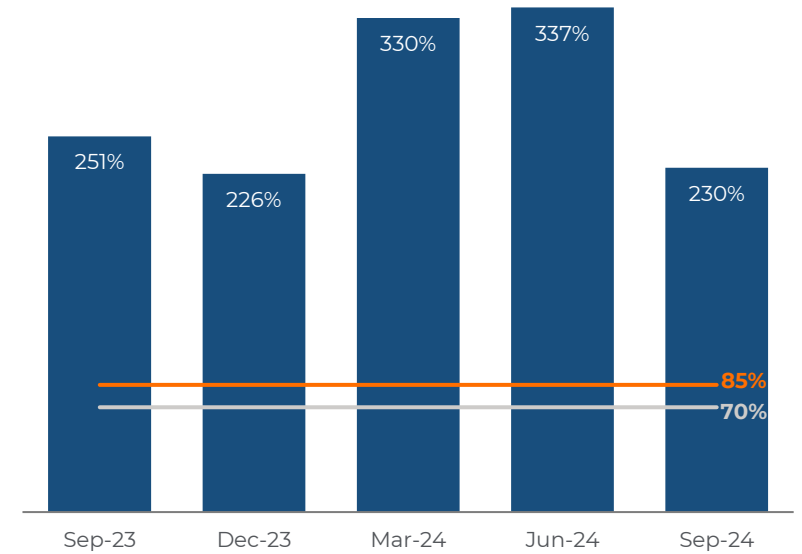


Cumulative GAP (%)



Very strong position on liquidity

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





Appendix



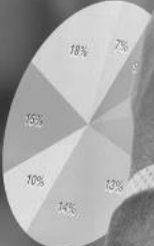
Return on Investment

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Performance Results by Year

Period	Profit (M)
2010	11
2011	15
2012	9
2013	14
2014	18
2015	22
2016	25
2017	28
2018	30



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



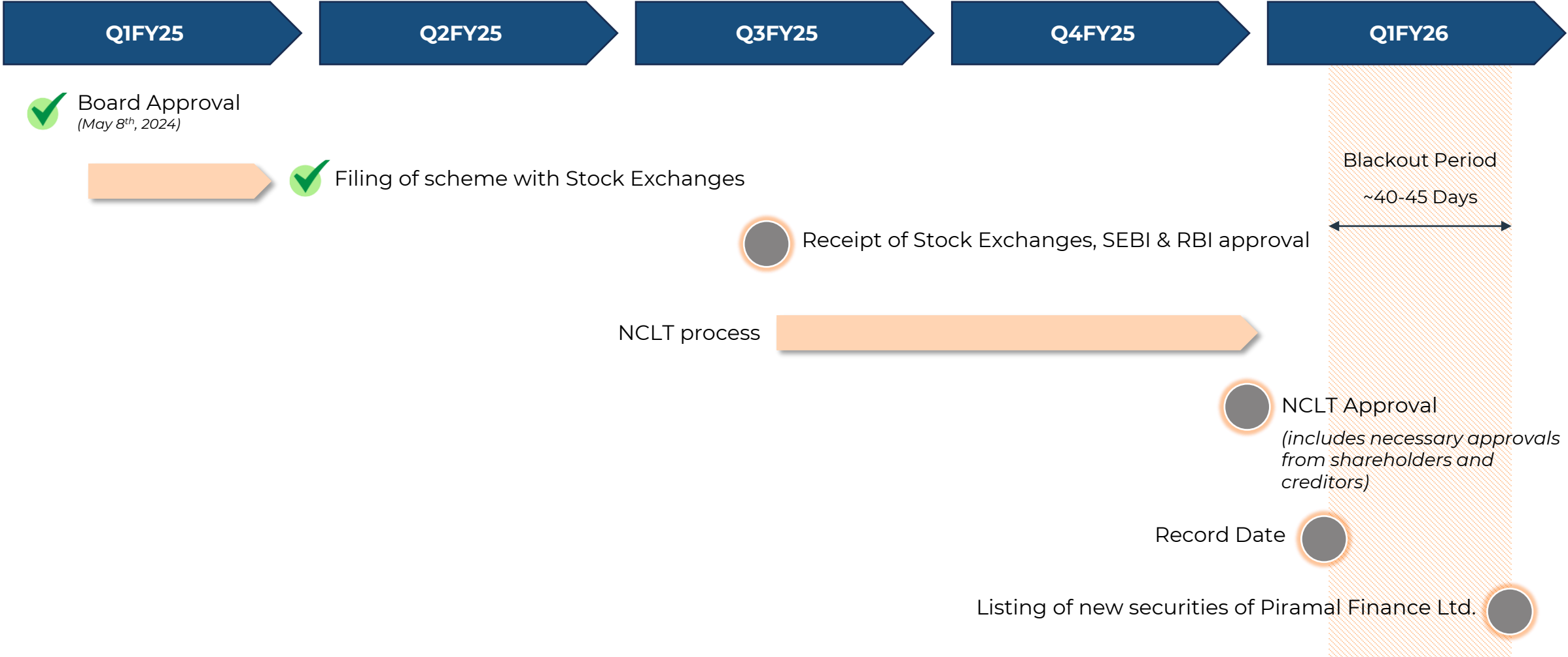
Key metrics	Q4 FY24	Q2 FY25	Q4 FY25E
Total AUM (INR '000 Cr)	~69 (+8% YoY)	~74.7 (+12% YoY)	~80 (~15% YoY)
Legacy (discontinued) AUM (as % Total AUM)	21%	16%	<10%
Retail : Wholesale mix	70 : 30	73 : 27	75 : 25
Exit quarter opex to AUM - Growth business	4.9%	4.5%	4.6%

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

Update: Proposed merger of PEL with PCHFL



The implementation process is on track – proposed merger shall be completed within expected timelines

Note: Above timelines are indicative and subject to regulatory and relevant statutory approvals

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

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.

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.

Dial-in details for Q2 & H1 FY25 earnings conference call



Event details	Location & time	Telephone numbers
Conference call on 23 October 2024	India – 5:00 PM (India standard time)	Universal dial-in +91 22 6280 1264 / +91 22 7115 8165
	USA – 7:30 AM (Eastern time – New York)	Toll free number 1 866 746 2133
	UK – 12:30 PM (London time)	Toll free number 0 808 101 1573
	Singapore – 7:30 PM (Singapore time)	Toll free number 800 101 2045
	Hong Kong – 7:30 PM (Hong Kong time)	Toll free number 800 964 448
	<p><u>Online Registration:</u> We recommend to kindly pre-register using this link</p>  	<p><i>To enable the participants to connect to the conference call without having to wait for an operator, please register at the above-mentioned link. You will receive dial in numbers, passcode, and a pin for the concall on the registered email address provided by you. Kindly dial into the call on the Conference Call date and use the passcode & pin to connect to call.</i></p>

Please dial-in 10 minutes prior to the conference schedule to ensure that you are connected in time

Thank You

For Investors:

Ravi Singh

Head of Investor Relations, Strategy and Sustainability
singh.ravi@piramal.com

Ruchika Jain

DVP - Investor Relations and Sustainability
ruchika.jain@piramal.com

PRESS RELEASE
Piramal Enterprises Limited announces consolidated results for Q2 FY2025

Mumbai, India | October 23rd, 2024: Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302), a leading diversified NBFC, today announced its consolidated results for the Second Quarter (Q2) FY2025 ended 30th September 2024.

Consolidated Highlights for Q2 FY25

- Total Assets Under Management (AUM) grew 12% YoY to INR 74,692 Cr, led by our Growth¹ business.
- Growth to Legacy AUM mix has improved to 84:16 from 34:66 in FY22.
 - Growth AUM grew 45% YoY to INR 62,626 Cr.
 - Legacy (discontinued) AUM down 49% YoY to INR 12,066 Cr, down 72% since FY22.
- Opex-to-AUM of Growth business down 80bps YoY to 4.5% now.
- Consolidated GNPA at 3.1% with NNPA ratio at 1.5%.
- Reported a consolidated Profit After Tax (PAT) of INR 163 Cr.
- Net worth of INR 26,930 Cr with capital adequacy ratio at 23.3% on consolidated balance sheet.

Ajay Piramal, Chairman, Piramal Enterprises Ltd., said, *“As we reflect on Q2 FY25, I am pleased with the strong momentum in our Growth business, which has significantly boosted AUM and profitability. Our strategic focus on growth along with controlled risk and operating leverage continues to yield strong results. We have made strides in digital enhancement, borrowing diversification, and ensuring robust asset quality.*

We are on track to reduce legacy discontinued AUM to below 10% of total AUM by March 2025, with ongoing recovery efforts strengthening our financial position. In October 2024, we raised an additional \$150 million through a Sustainability Bond, which was oversubscribed 3.5 times, reflecting strong investor confidence in our vision for sustainable growth.

Looking ahead, we remain committed to innovation and operational efficiency as we continue delivering a diverse range of financial solutions to our customers. I extend my sincere gratitude to our stakeholders for their continued support. We are focused on the steadfast execution of our identified strategy. This should position us well to build a resilient organisation for a long-term success.”

Key Business Highlights
Growth Business – Retail Lending

- **AUM**
 - Retail AUM grew 42% YoY to INR 54,737 Cr.
 - Mortgage³ AUM grew 37% YoY to INR 37,005 Cr, accounting 68% of Retail AUM.
- **Disbursements**
 - Quarterly disbursements grew 29% YoY to INR 8,066 Cr.
 - Disbursement yields remained stable at 14.1%.
 - Mortgage disbursements grew 39% YoY to INR 4,653 Cr.
 - Cross-sell disbursements stood at 17.2% of unsecured disbursements and 5.7% of retail disbursements.
- **Asset Quality**

- 90+ DPD³ delinquency stood at 0.7% for overall Retail AUM.
- **Scale and Presence**
 - 508 branches and 236 microfinance active branches, serving 608 districts across 26 states.
 - Customer franchise grew 27% YoY to 4.2 Mn; 0.17 Mn new customers acquired during the quarter.

Growth Business – Wholesale 2.0[^] Lending

- **AUM**
 - Wholesale 2.0 AUM grew 12% QoQ and 75% YoY to INR 7,889 Cr.
- **Disbursements**
 - Disbursements up 17% QoQ to INR 1,837 Cr.
 - Repayments (including pre-payments) received worth INR 1,028 Cr in Q2 FY25.
 - Effective Interest Rate (EIR) up 40 bps at 14.3% with average ticket size of INR 75 Cr.
- **Asset Quality**
 - Portfolio is performing well, in line with or ahead of underwriting, as reflected in prepayments.

Legacy (Discontinued) Business

- **AUM**
 - Legacy AUM down 7% QoQ and 49% YoY to INR 12,066 Cr.
 - We are confident to reduce the legacy AUM to below 10% of total AUM in FY25.
- **Asset Quality**
 - Provision of INR 2,025 Cr held against the legacy AUM, representing a PCR of 16.8%.

Liability Management

- Raised a tap issuance of an additional US\$150 million Sustainability Bond in October 2024 from international capital markets. The issuance was oversubscribed 3.5 times, reflecting strong investor confidence.
- Our borrowing cost was at 9.1%.
- We continue to diversify our borrowing mix with securitization and international borrowings.
- The fixed : floating rate debt mix improved to 54:46.
- Our ALM is well-matched with positive gaps across all buckets.

Consolidated Profit & Loss:
(In INR Crores, unless specified)

Consolidated income statement	Q2 FY25	Q2 FY24	YoY %	Q1 FY25	QoQ %	H1 FY25	H1 FY24	YoY %
Interest income ⁴	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 ⁵	(64) ⁶		104 ⁵	(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: (^) Wholesale 2.0 refers to loans sanctioned under new Real Estate and Corporate Mid-Market Loans (CMML) from FY22 onwards.

(1) Growth business refers to Retail and Wholesale 2.0.

(2) Mortgage comprises Housing and LAP loans.

(3) 90+ DPD delinquency = 90 to 179 days DPD.

(4) Interest Income includes DA Upfront income of INNR 99 Cr in Q2 FY25 and INR 57 Cr in Q1 FY25.

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

(6) 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.

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.

In retail lending, PEL is one of the leading players that addresses the diverse financing needs of the under-served and unserved people of the ‘Bharat’ market. It has over 1.3 million active customers and a presence in 26 states with a network of 508 branches as on 30th Sep 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.

Within wholesale lending, PEL provides financing to real estate developers, as well as corporate clients in select sectors. PEL 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, [LinkedIn](#), [Facebook](#), [Twitter](#)

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