

EW/Sec/2021/64

March 26, 2021

BSE Limited

P J Towers, Dalal Street,
Fort, Mumbai - 400 001.

Dear Sirs,

Ref.:- Scrip Code: 532922

Sub: Investor Presentation

Please find enclosed the Presentation on Transaction Closure.

Kindly take the same on record.

Thanking you,

For Edelweiss Financial Services Limited

B. Renganathan

Executive Vice President & Company Secretary

Encl: a/a



Transaction Closure

Edelweiss Wealth Management (EWM)



Edelweiss
Ideas create, values protect

Edelweiss Wealth Management - Business Snapshot



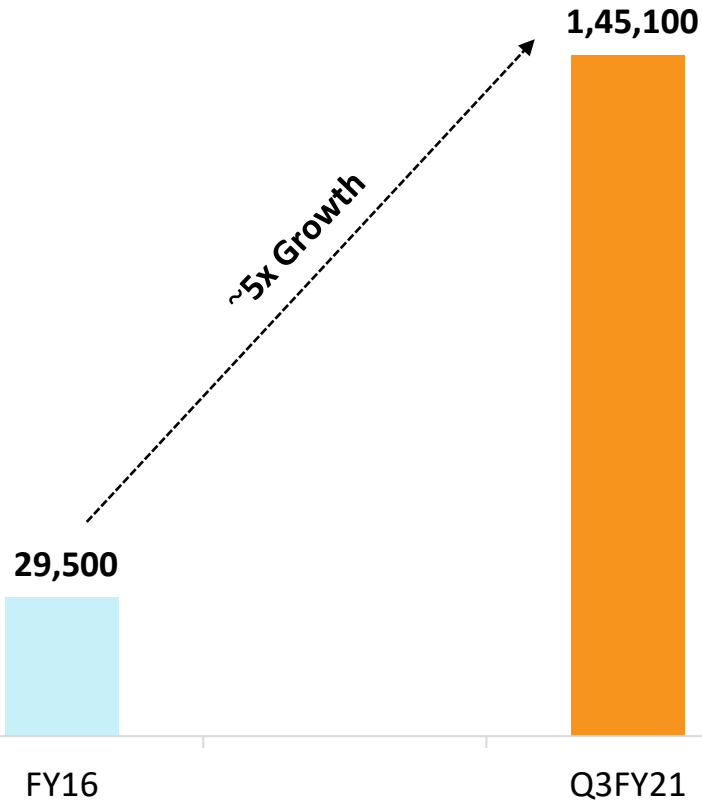
- One of India's largest wealth management platforms with AuA of ~INR 145,000 Cr as of Q3FY21
- Business built around 4 wealth client segments – Affluent, CXO with ESOPs, Entrepreneurs and Family offices as well as mid market companies
 - Services over 2,400 of India's wealthiest families as well as ~670,000 affluent and high net-worth individuals
 - Offers complete suite of capital market services for issuers and both global and domestic investors
- Strong performance in 9MFY21:
 - Revenue of INR 880 Cr
 - Profit After Tax of INR 180 Cr
 - RoE of ~19% annualized

Edelweiss seeded this business in 2010 and has invested around ~INR 400 Cr in the business till date

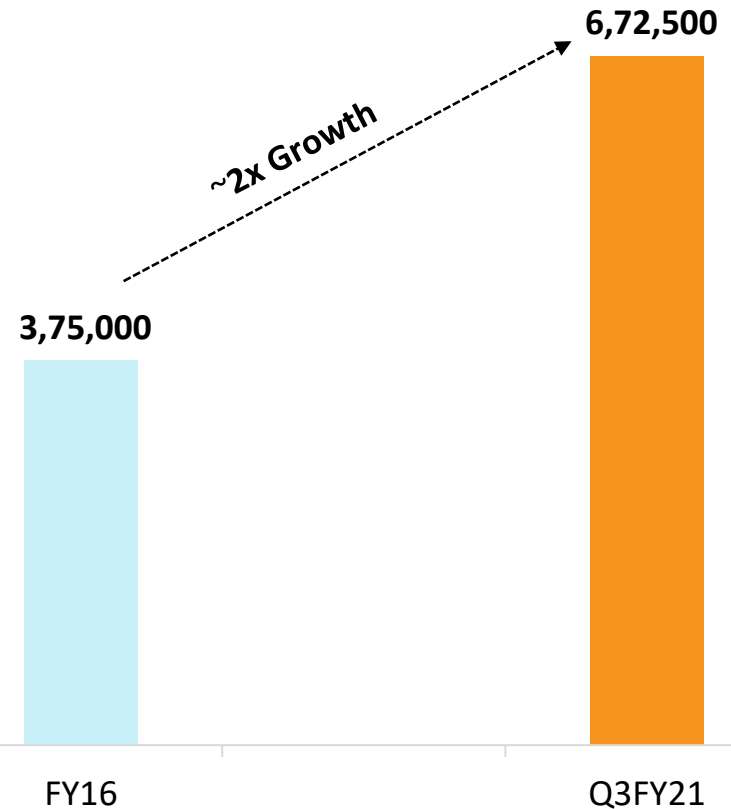
Quality Franchise With Significant Scale



Wealth Management AUA (INR Cr)



No of Clients (#)



Indian WM industry is expected to reach INR 540 trillion at a CAGR of 12.5% in the next 5 years presenting a large opportunity space for EWM

Transaction Update



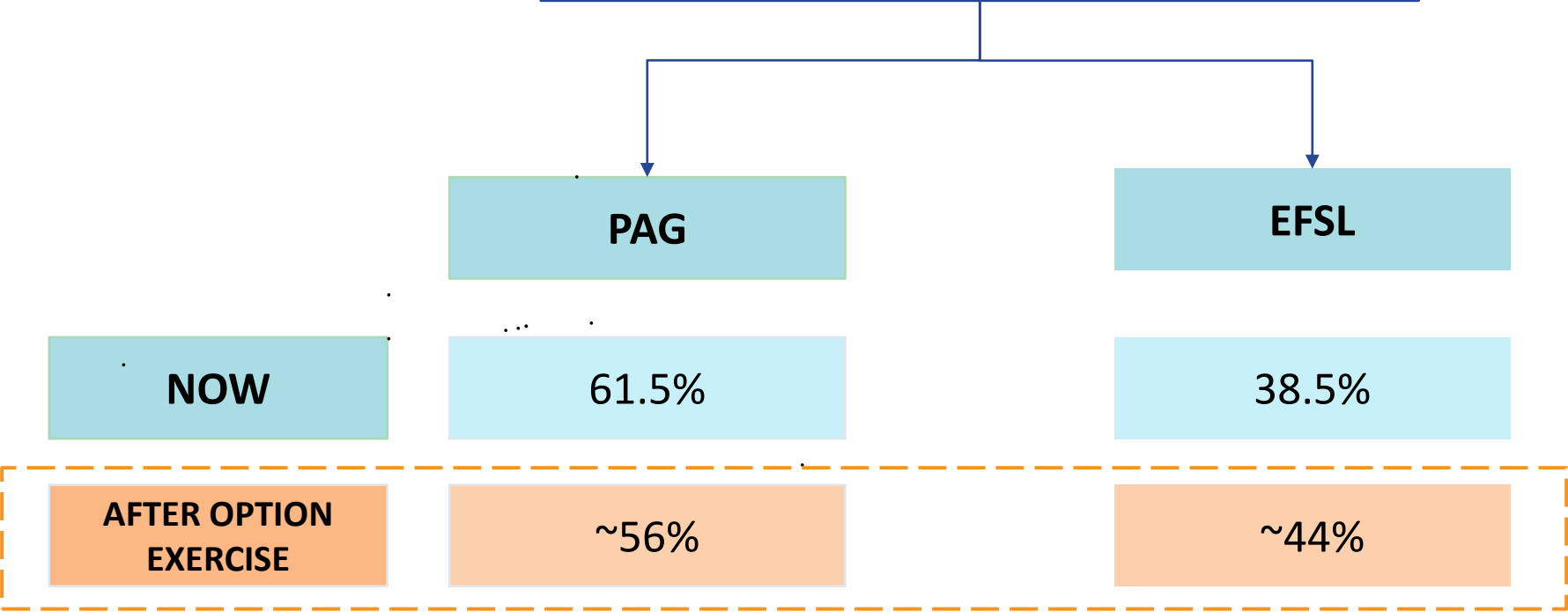
- In Q2FY21, we had announced the stake sale in our Wealth Management business to PAG
- We have now received ~INR 2,366 Cr (~USD 330 mn) from PAG on receipt of all regulatory approvals, including a primary investment of INR 435 Cr in EWM
- Additionally, PAG is also acquiring the entire equity ownership of erstwhile investors - Kora Management and Sanaka Capital in EWM
- With this additional purchase of equity from Kora Management and Sanaka Capital, PAG will hold 61.5% in EWM and EFSL will hold 38.5% stake
- While the board composition will change, the business teams will continue as before

Edelweiss will also have the option to increase its stake further by 5.25%

EWM Equity Base Stands Enhanced to INR 1,600 Cr



Edelweiss Wealth Management



EWM gets a robust growth capital base for investing in the future

Benefits Of The Transaction



- ➔ Primary Equity infusion will be used for further scaling up wealth management business and ESOP book
- ➔ This will also allow Edelweiss to strengthen our leadership position in Alternatives & ARC and expand our retail businesses in Housing, SME Finance, Mutual Funds and General Insurance
- ➔ We will also retire some debt in keeping with our policy to reduce liabilities at the group level
- ➔ EWM, while always operationally independent, will now also benefit from broad-based governance

Edelweiss and PAG will continue to work together towards value unlocking through demerger and listing of EWM business

About PAG



- One of the world's largest Asia-focused private investment firms
- AUM of ~\$40 bn with 200+ investment professionals
- 11 offices in Asia and around the world
- Dedicated team of 50+ private equity and operational professionals
- PE buyout team focused on large sized buyout/control deals and structured equity investments across Asia Pacific
- Key India investments:
 - Control investment in API manufacturer – Anjan Drug Pvt Ltd

PAG expects to invest more than \$1 bn in India over the next 2-3 years



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