

13th August, 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 ended 30th June, 2024

Dear Sir / Madam,

Further to our intimation made earlier with regard to Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter ended 30th June, 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: L2410MH1947PLC005719

Registered Office: Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Marg, 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

Q1 FY25 results presentation

13th Aug 2024

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Q1 FY25 performance

Key highlights



Q1 FY25 business performance



AUM scale-up

Total AUM up 10% YoY to INR 70,576 Cr
Growth AUM¹ at INR 57,601 Cr, up 51% YoY and 82% of total AUM

Retail – momentum sustaining

Retail AUM² (up 43% YoY) crossed INR 50,000 Cr | **72% of total AUM**

Wholesale 2.0 – diversified, granular & profitable

Wholesale 2.0[^] AUM at INR 7,071 Cr, up 132% YoY% and 11% QoQ | Avg. **ticket size** – INR 74 Cr

Legacy (discontinued) book rundown

Legacy (discontinued)* AUM (INR 12,975 Cr) at 18% of total AUM | **Down 70%** since end-March 2022

Stable asset quality

Retail 90+ DPD³ at 0.6% | **Wholesale 2.0 asset quality** strong
Overall, **GNPA ratio** at 2.7% and **NNPA ratio** at 1.1%

Diversifying borrowing profile

Expanding **securitization** program | **Debut** US\$100mn **social loan** & US\$300mn **USD sustainability bond⁴**

Notes: (1) Growth AUM refer to retail and wholesale 2.0; (2) Retail AUM exclude acquired off-book assets (INR 8,382 Cr as of Q1 FY25) in the nature of DA & PTC as part of the DHFL acquisition; (^) Wholesale 2.0 refers to loans sanctioned under new real estate (RE) and corporate mid market loans (CMML) from FY22 onwards (*) Legacy (discontinued) refers to wholesale loans excluding the loans sanctioned under Wholesale 2.0; (3) 90+ DPD delinquency = 90 to 179 days DPD; (4) Sustainability bond raised in July 2024.

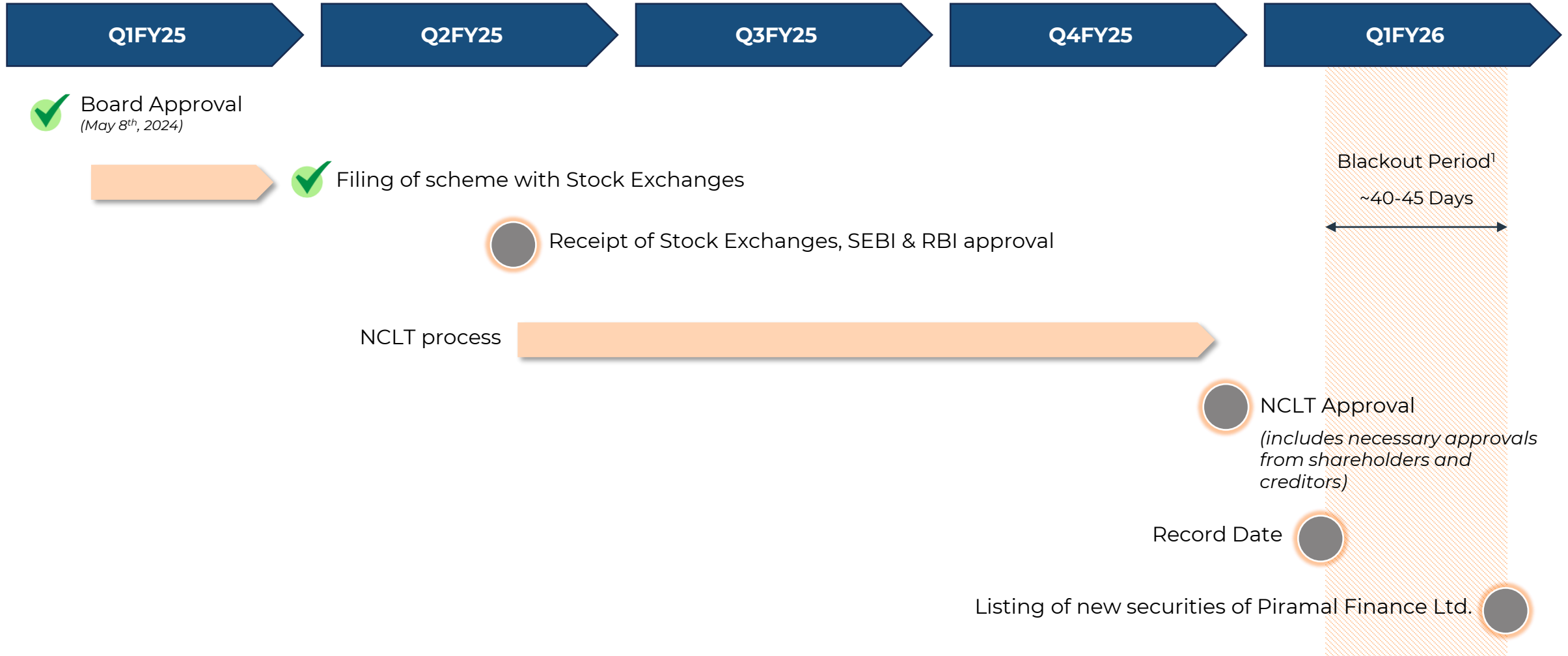
Q1 FY25 financial performance



Consol. entity	PAT	Consolidated Q1 FY25 PAT INR 181 Cr
Growth business	NII & fee	NII ¹ up 34% YoY to INR 900 Cr, led by Growth AUM up 51% YoY Fee income remains stable YoY at INR 97 Cr
	Opex & PPOP	Opex-to-AUM down 104 bps YoY to 4.6% PPOP up 48% YoY to INR 375 Cr
	Credit cost	Gross Credit cost ² at 1.6% (vs 0.8% in Q1 FY24 ³)
	PBT	PBT of INR 205 Cr (vs INR 233 Cr in Q1 FY24).
Legacy business	AUM rundown	AUM rundown of INR 1,597 Cr without incremental net credit cost

Notes: (1) Net interest income = interest income - interest expense
 (2) Gross credit cost = Credit cost before POCI recoveries & others
 (3) Gross credit cost in Q1FY24 includes one-time write-back of 1.3% on account of change in ECL policy

Update: Proposed merger of PEL with PCHFL



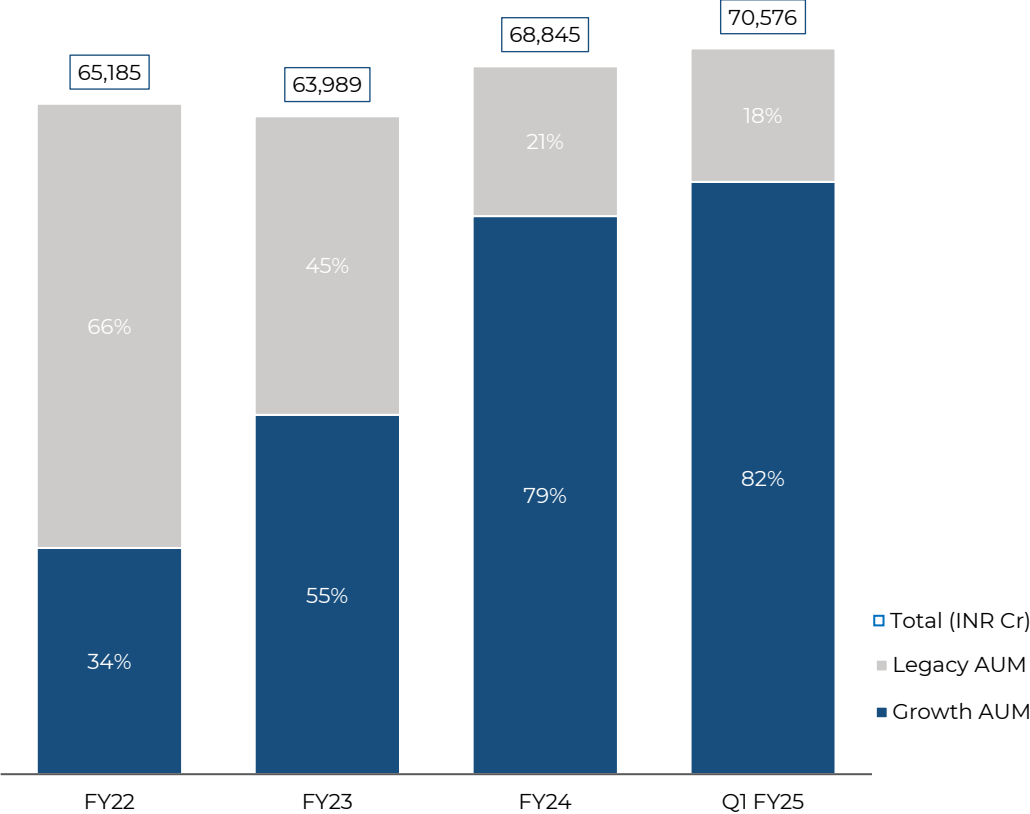
The implementation process is on track – proposed merger shall be completed within expected timelines

Notes: Above timelines are subject to regulatory and relevant statutory approvals
(1) Blackout period pertains to all listed securities of PEL

Growth business now 82% of total AUM

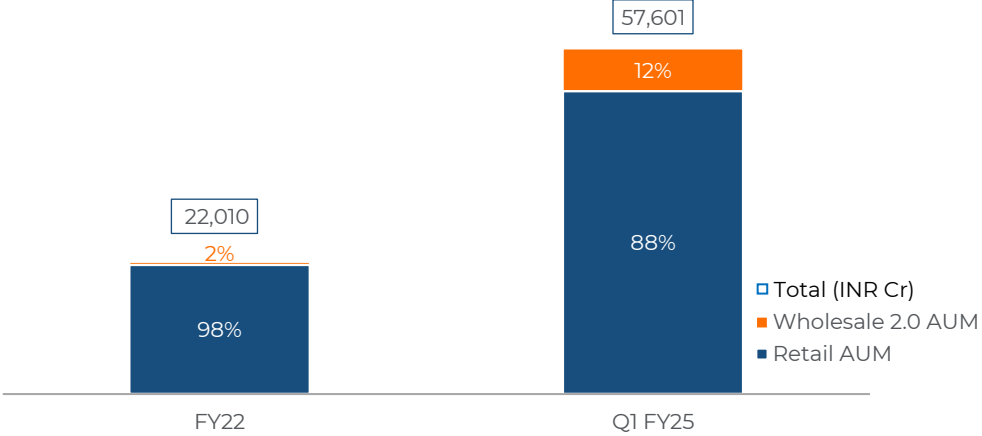


Total AUM up 10% YoY- Growth AUM dominate the AUM mix

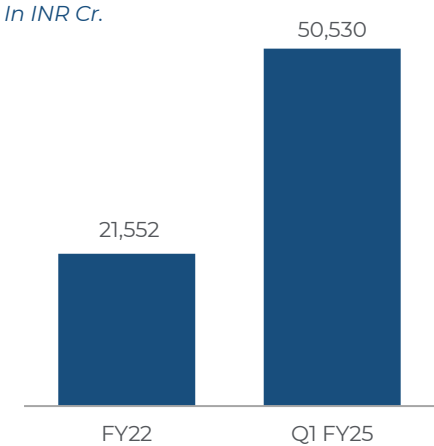


Legacy (discontinued) AUM to be <10% of total AUM in FY25; and <5% in FY26

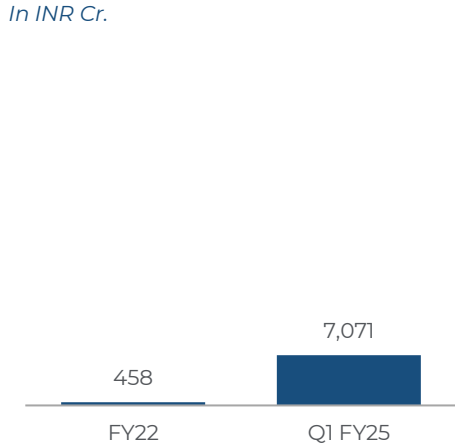
Growth AUM up 51% YoY



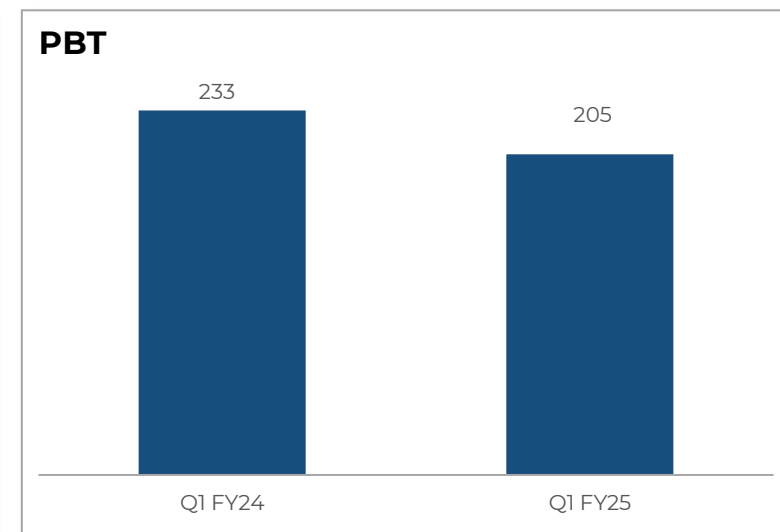
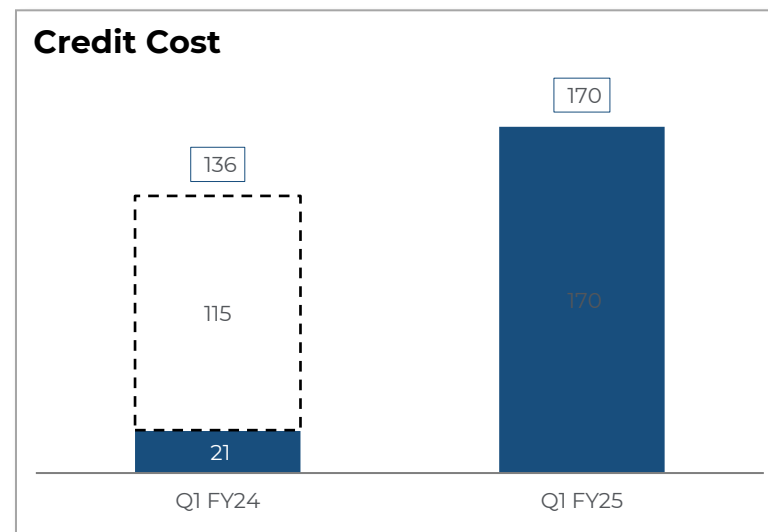
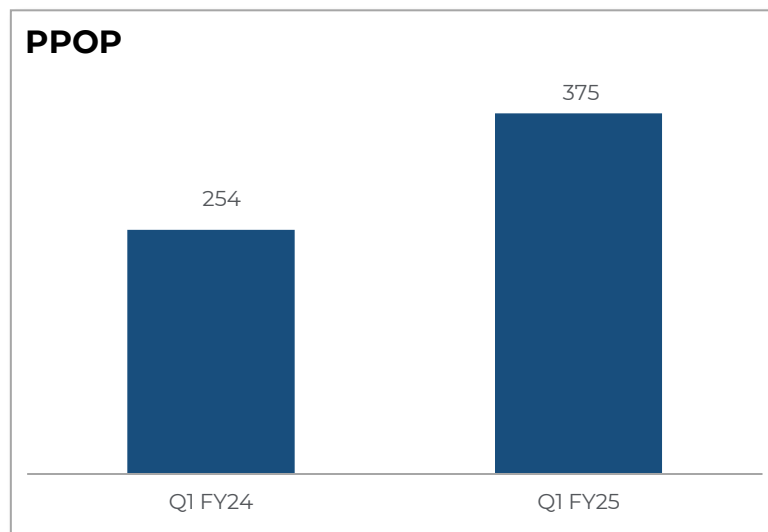
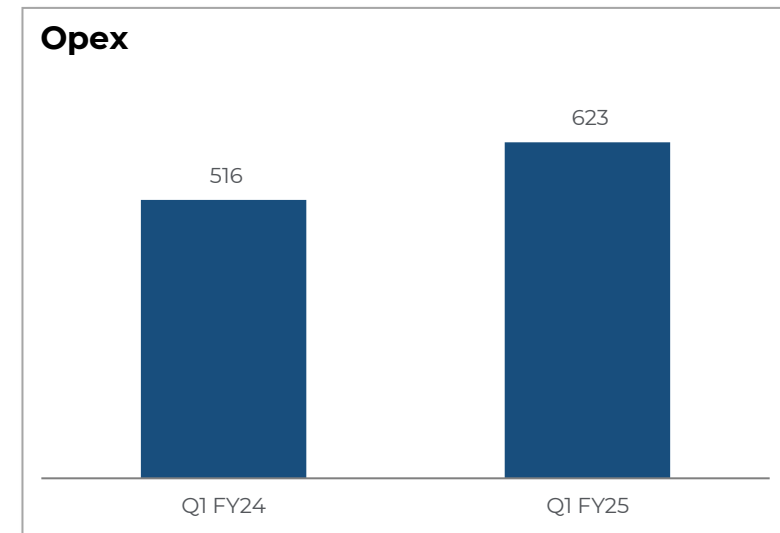
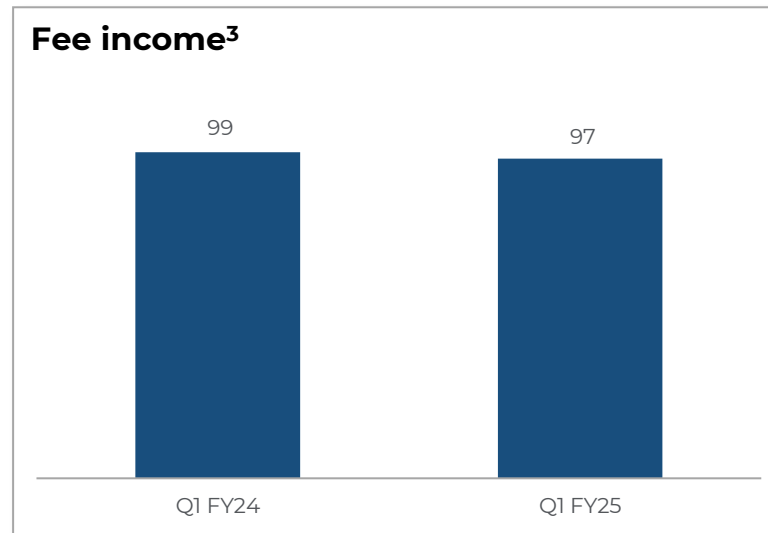
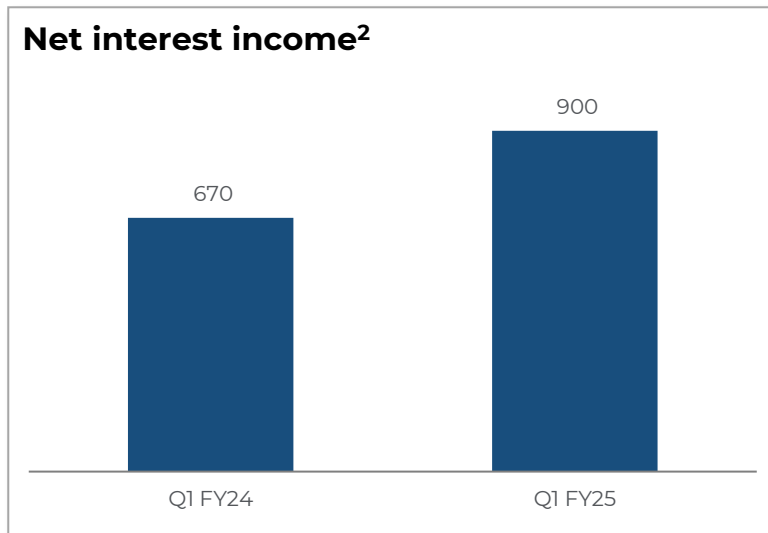
Retail – Rapid Scale Up



Revamped Wholesale 2.0



Growth business¹ P&L

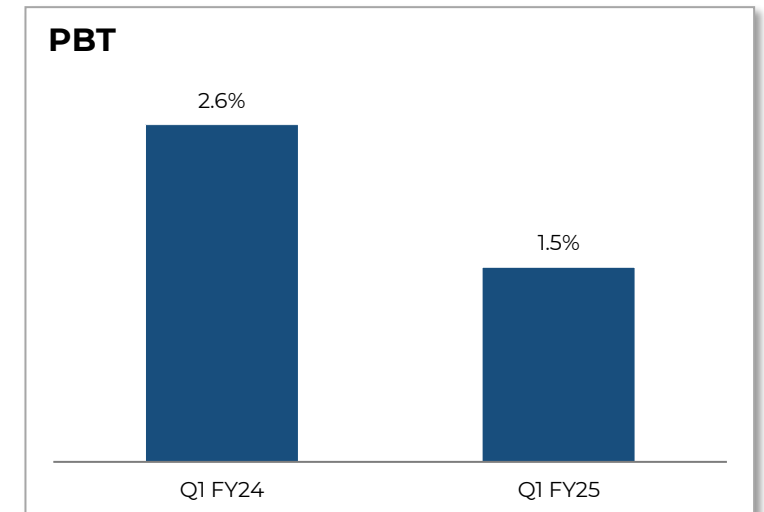
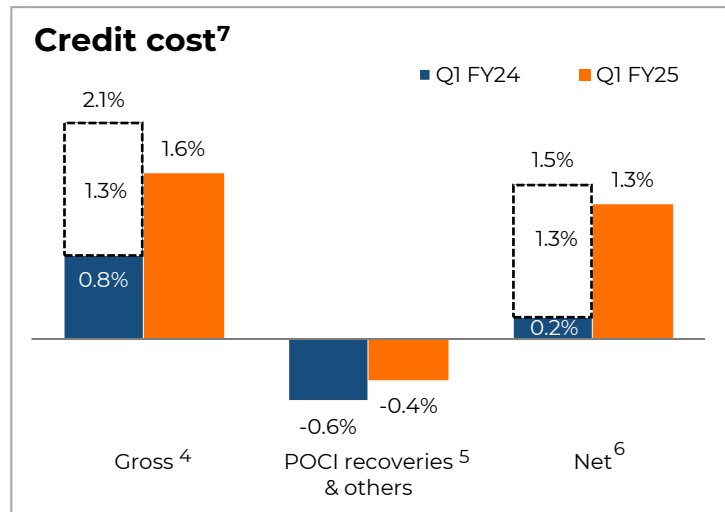
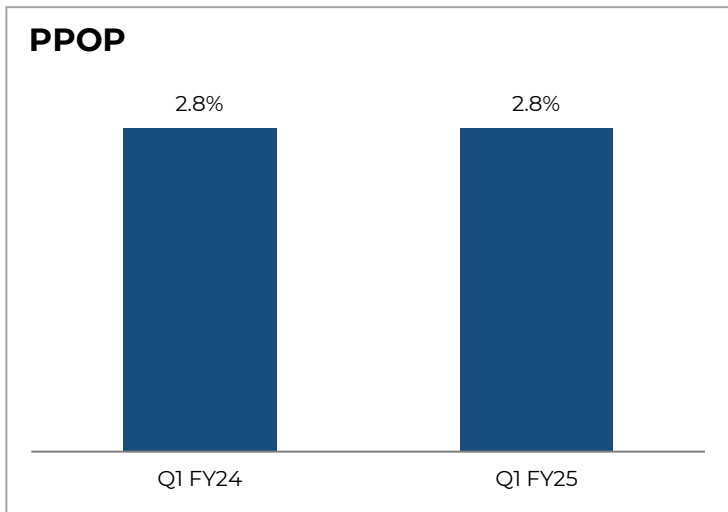
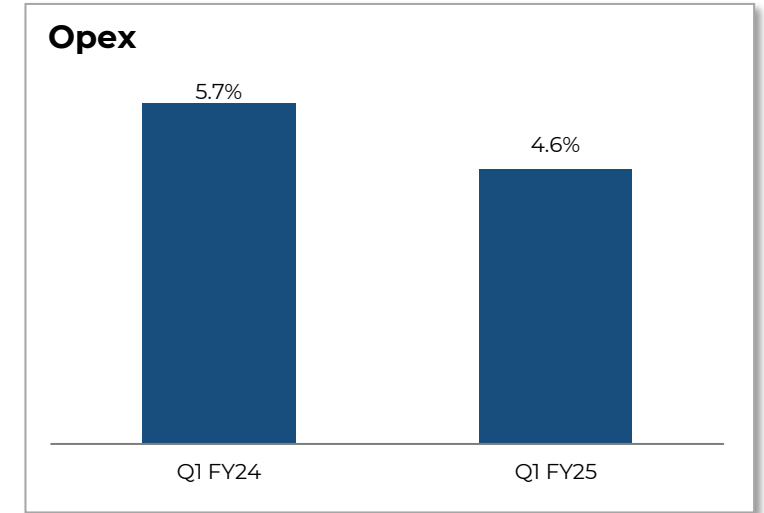
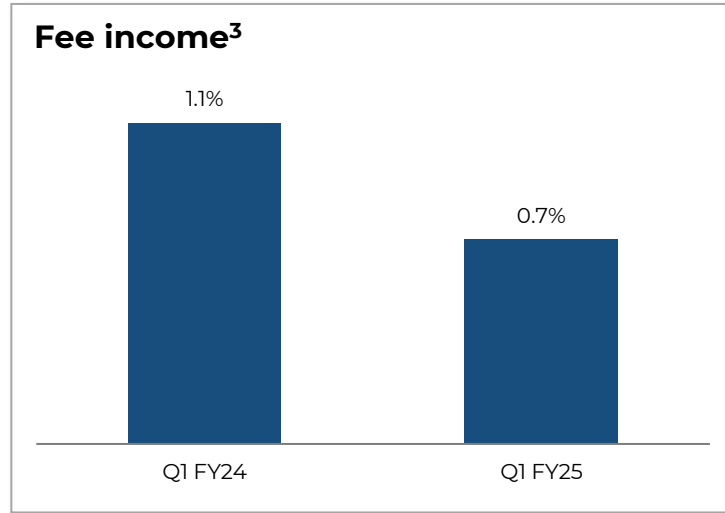
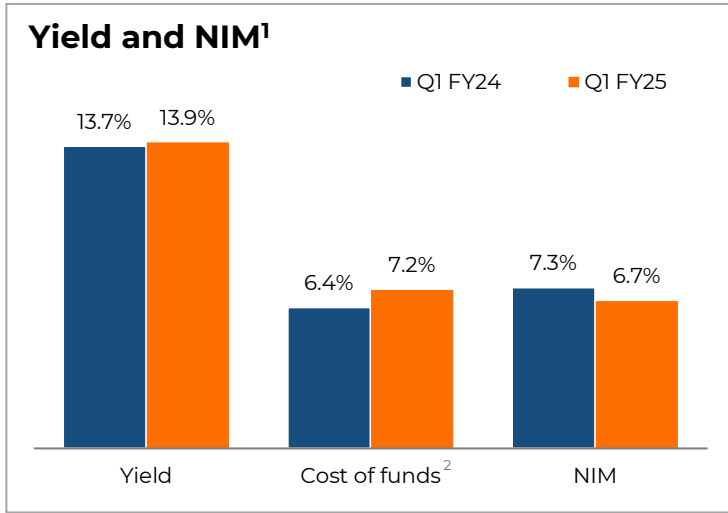


Notes: (1) Based upon pro forma P&L of the growth business; (2) Net interest income = interest income - interest expense; (3) Amortization of processing fees resulted in the drop in fee income; [] One-time ECL provision write-back in Q1FY24

Growth business profitability – opex ratio is the key driver



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



Notes: (1) Net interest margin = net interest income / on book average AUM; (2) COF = Interest expense / Total average on book AUM; (3) AUM growth of 51% YoY and amortization of processing fees resulted in the drop in fee income ratio; (4) Gross credit cost = aggregate of stage-wise credit cost for stage 1/2/3 loans; (5) Purchased or originated credit impaired (POCI); (6) Net credit cost = Gross credit cost less recoveries from POCI book and other gains; (7) Credit cost is mainly from retail business; [dashed box] one-time ECL provision write-back in Q1FY24

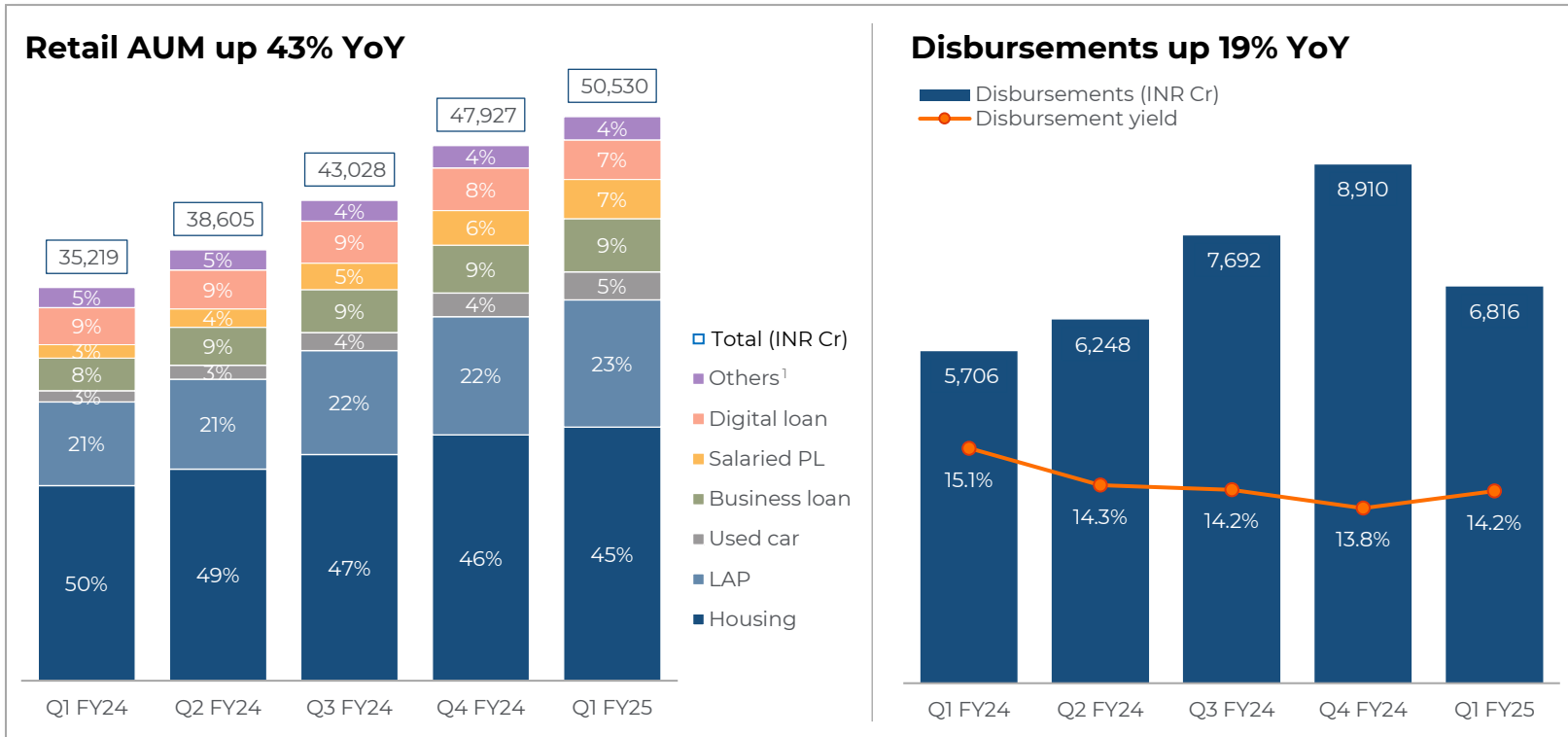


Growth business

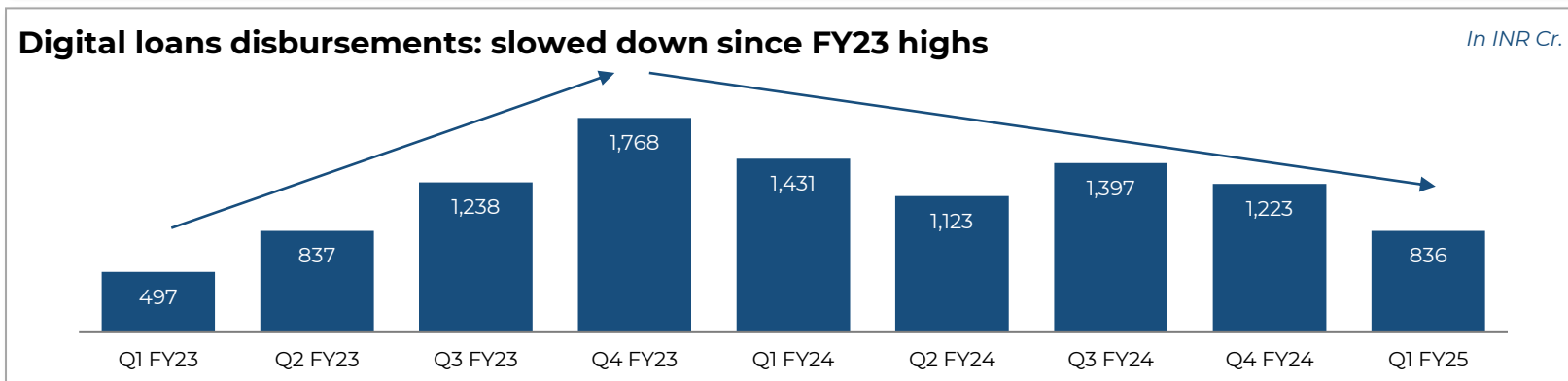
a) Retail



Retail – growth across product verticals; yields in a stable range



- Change in **regulatory instructions** from **RBI** had temporary impact (INR 255 Cr.) on disbursements in housing and LAP
- Digital Loans** disbursements reduced by >50% from peak 5 quarters ago
- 75% of digital loan disbursement is **credit protected** primarily through FLDG
- Securitization** picking up, with total 17 DA and 1 co-lending live programs

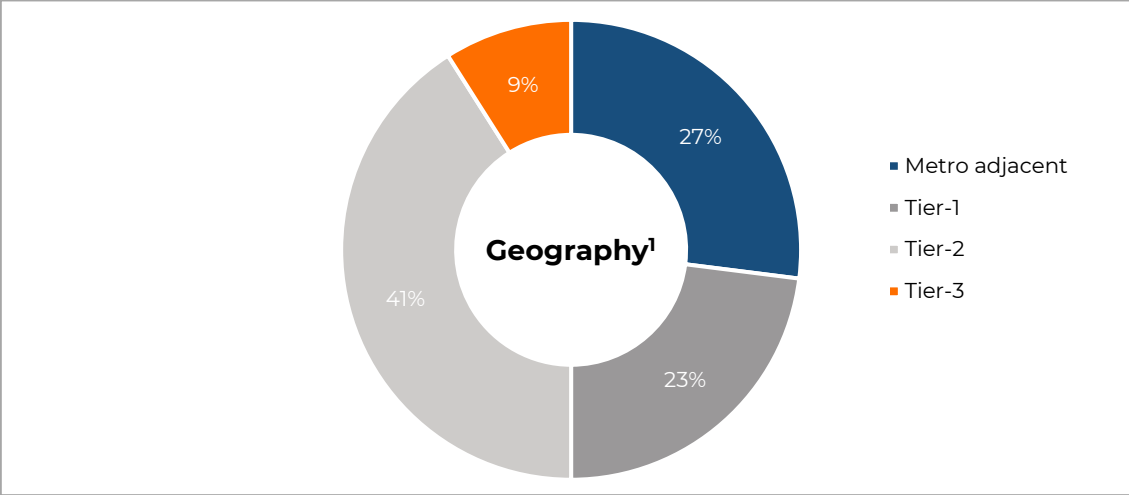
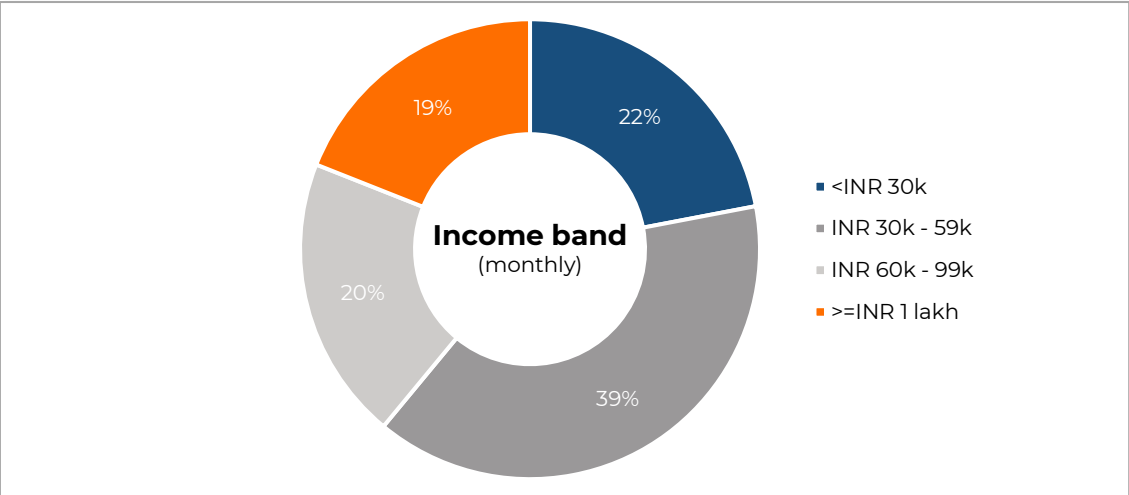
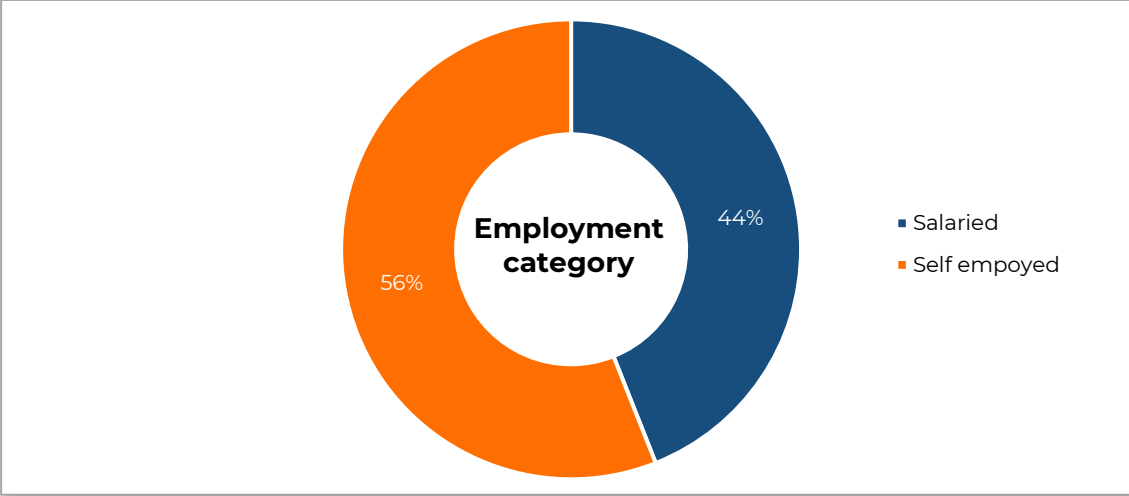
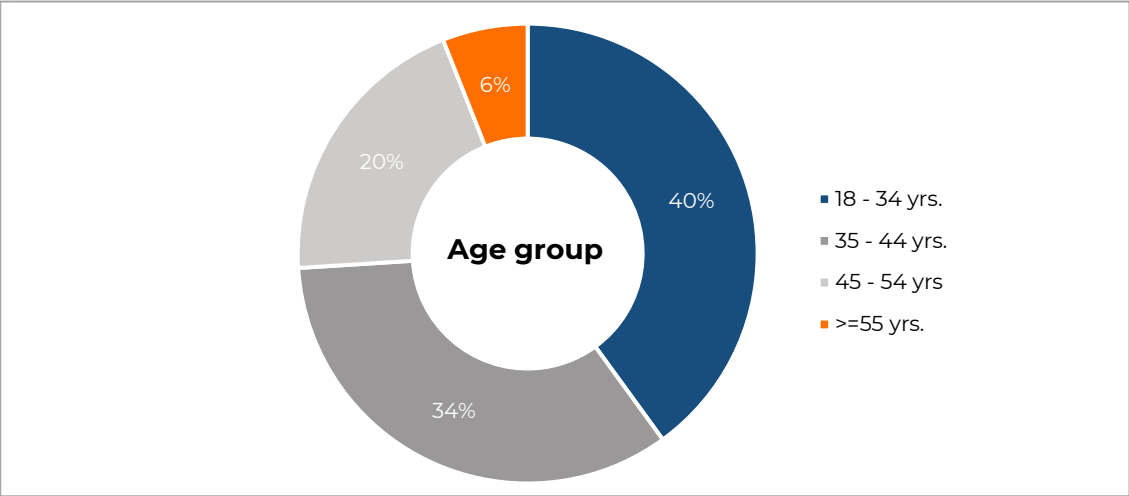


Notes: (1) Others includes loan against mutual fund (LAMF) (INR 338 Cr as of Q1 FY25), SRs (INR 1,606 Cr as of Q1 FY25) & pass-through certificates (PTC) (INR 145 Cr as of Q1 FY25)

Retail - customer profile for branch-based acquisition



(All charts for number of customers acquired in FY24)



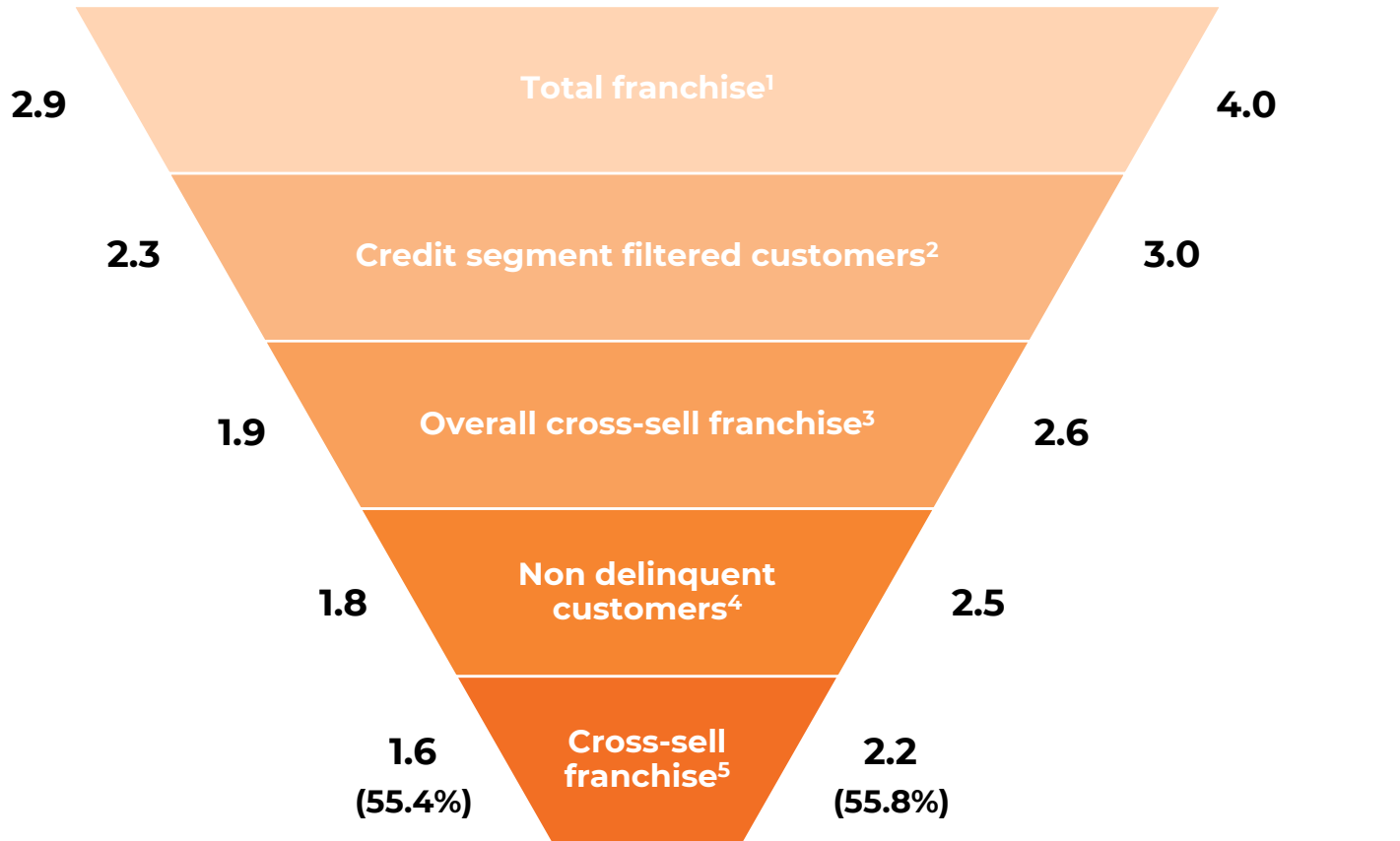
Customers acquired through branch network represent 91% of total retail AUM

Note: (1) Population considered Tier 1: 40+ lacs, Tier2: 10-40 lacs, Tier3: <10 lacs; metro adjacent locations carved out from tier 1/2/3 for centres in peripheries of metros.

Cross-sell franchise funnel

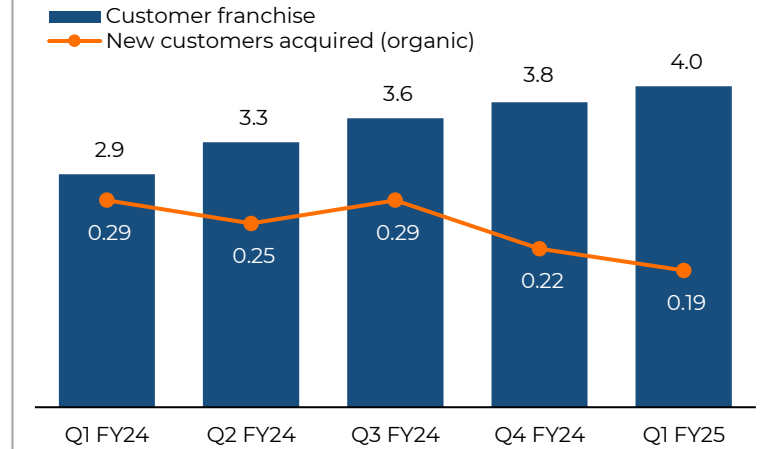
Q1 FY24

In Mn

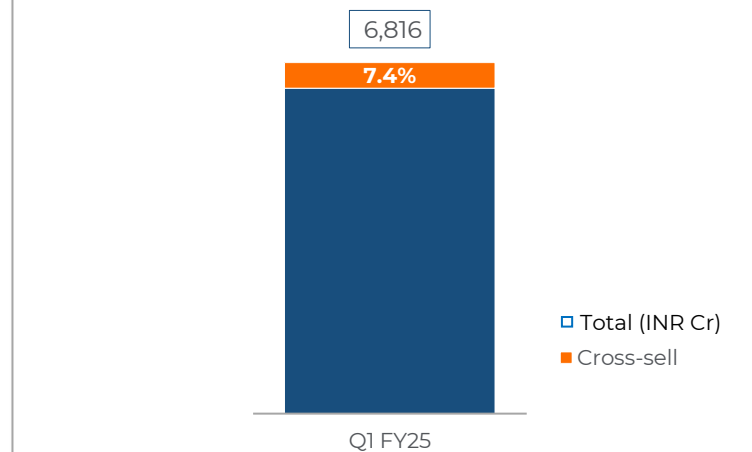


Customer franchise¹ & acquisition

In Mn



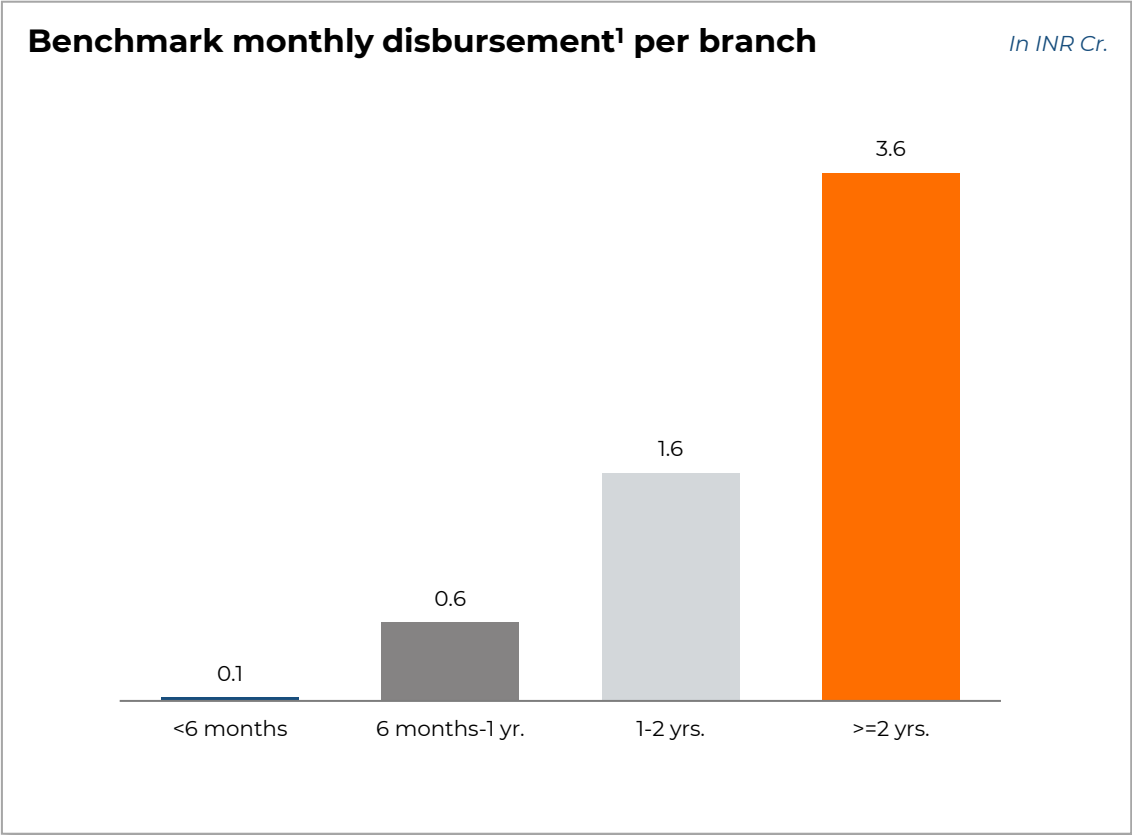
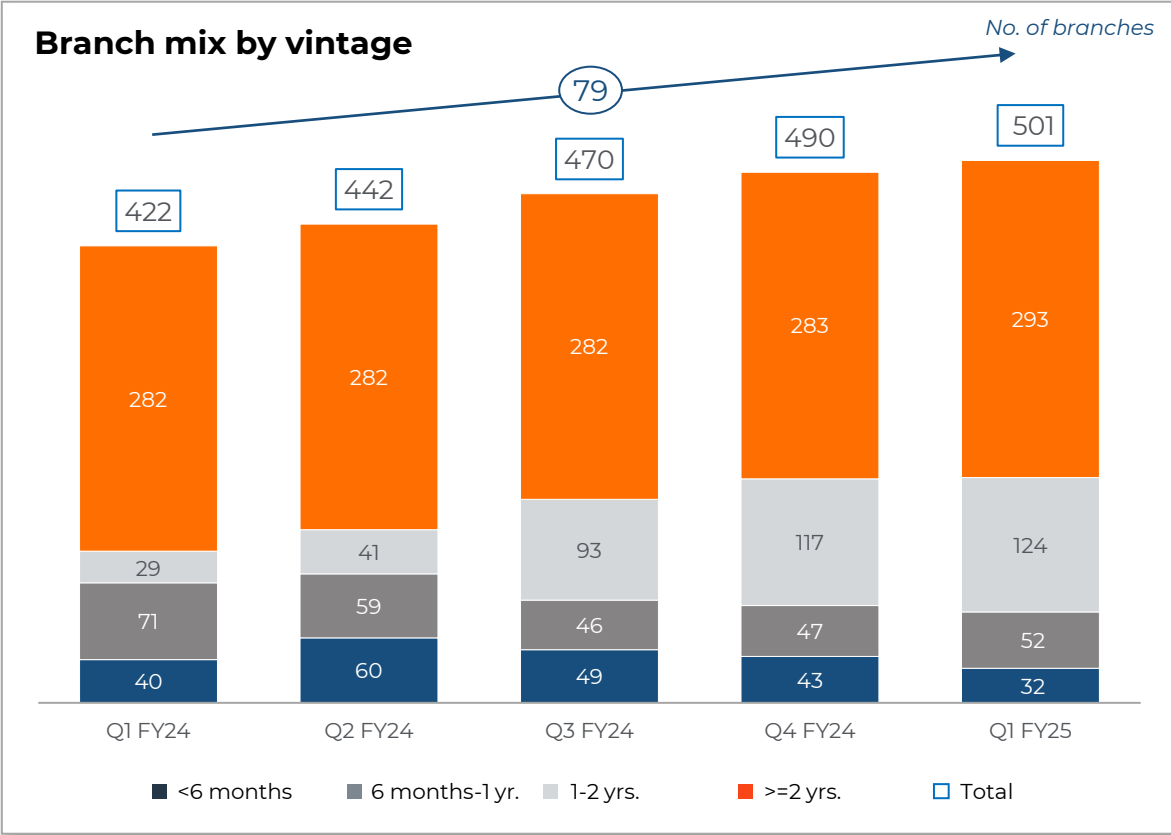
Share of cross-sell in total retail disbursements



- ✓ We continue to grow our customer franchise
- Slow down in digital lending has impacted pace of new customer acquisition

Notes: (1) Includes existing / past borrowers as well as co-borrowers; (2) Customer base after removing industry level delinquent behavior; (3) Customer base after removing minimum seasoning norm with us; (4) Customer base after removing internal defaults; (5) Customer base after removing low score customers

Productivity improvement to continue, driven by increasing Branch maturity



- 80% of retail AUM's geographic exposure² is in metro adjacent and tier-2 & 3 cities as of 30th Jun '24
- Plan to expand up to 600 branches

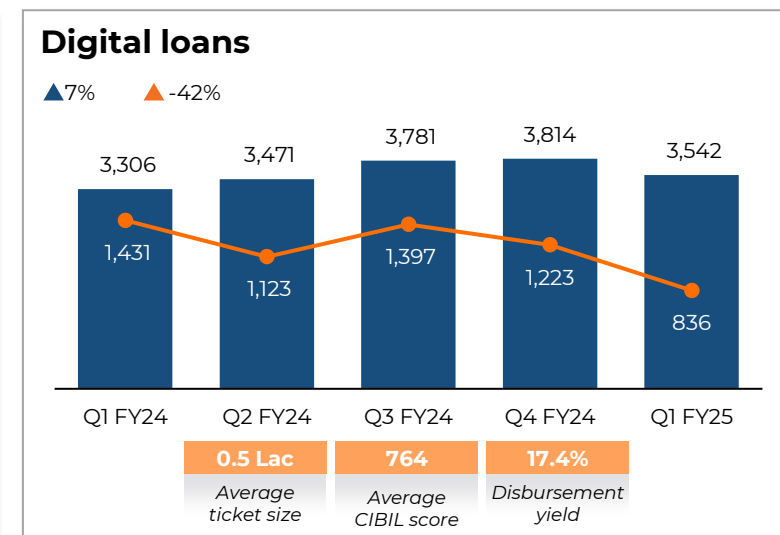
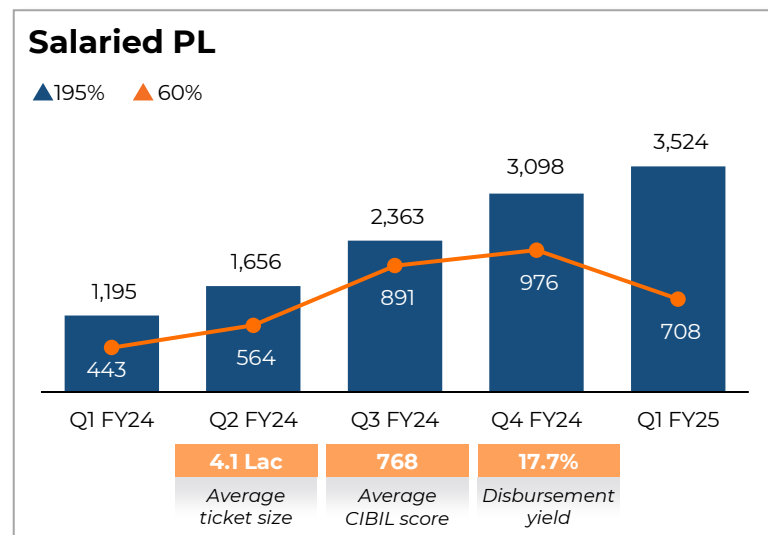
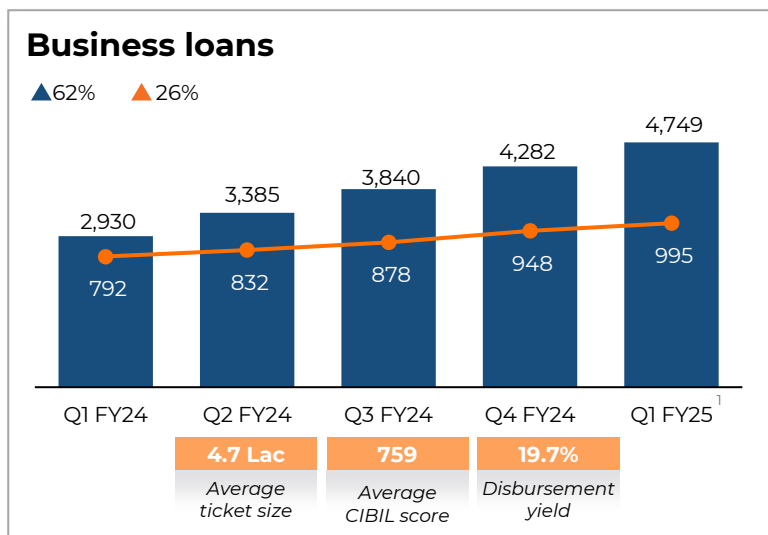
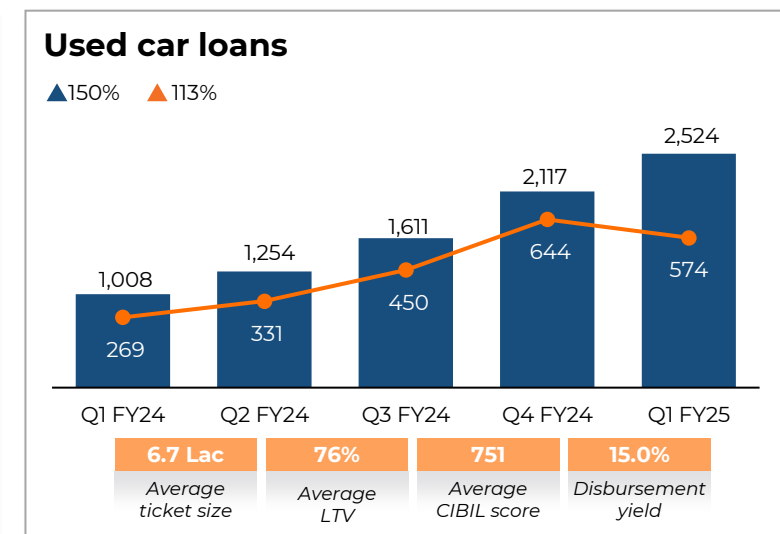
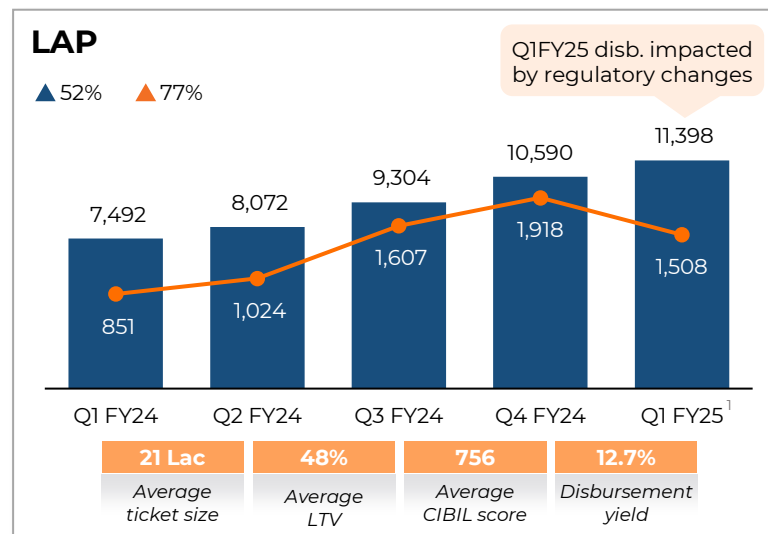
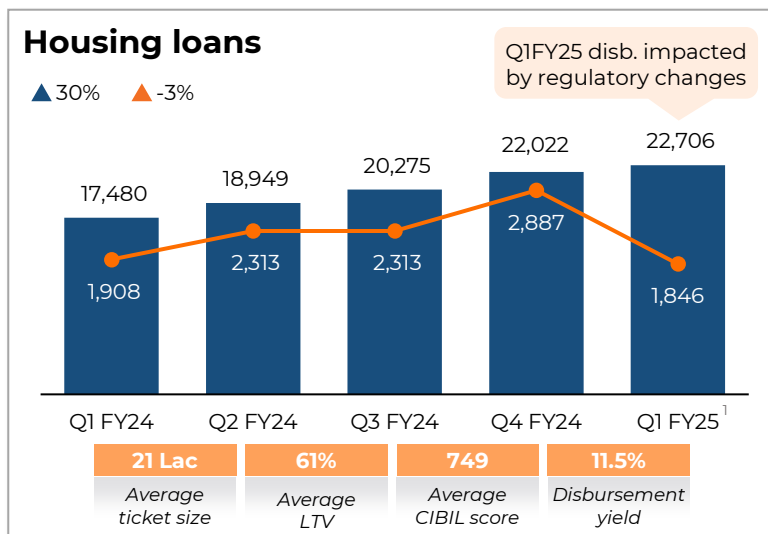
501	210	26	415	608
Conventional branches	Microfinance branches	No. of states present	No. of cities/Towns present	Districts served

Notes: (1) Only for branch led products
 (2) Population considered Tier 1: 40+ lacs, Tier2: 10-40 lacs, Tier3: <10 lacs; metro adjacent locations carved out from tier 1/2/3 for centres in peripheries of metros.

Strong growth momentum across products



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

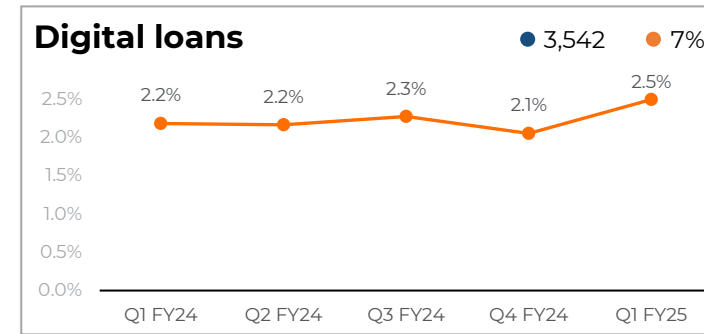
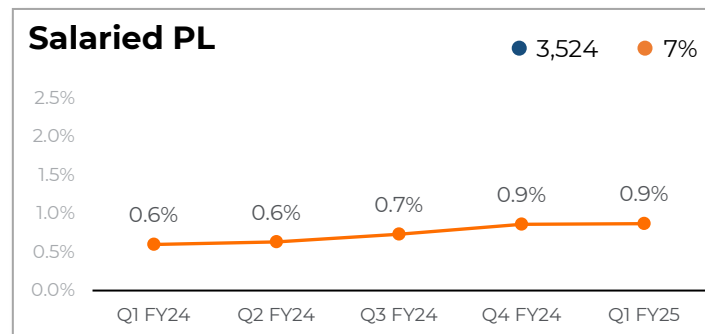
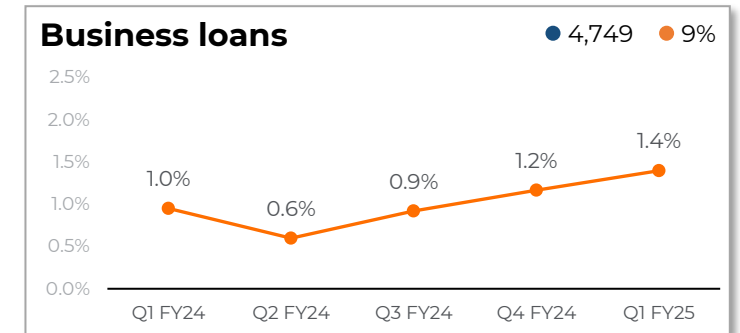
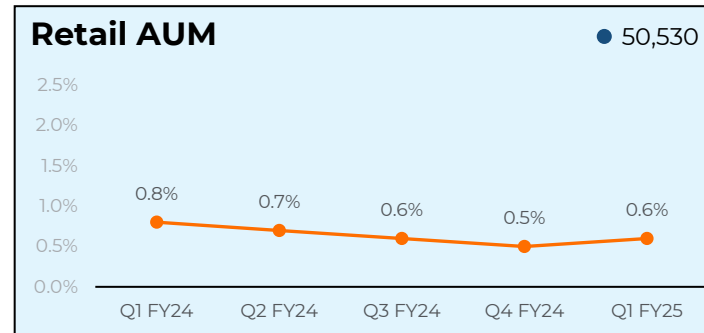
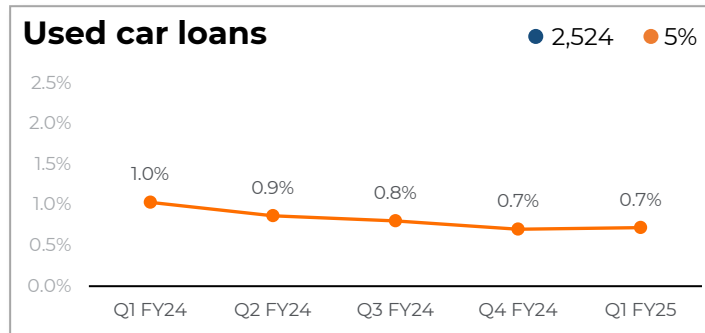
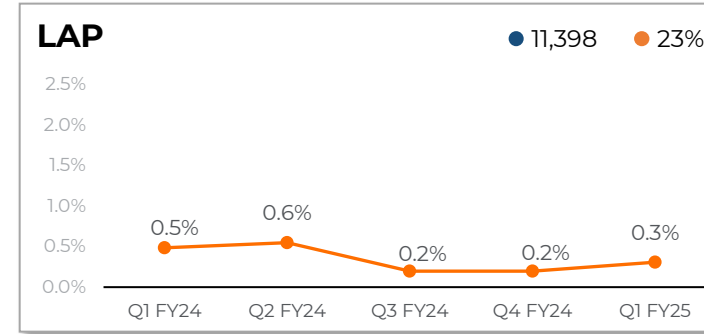
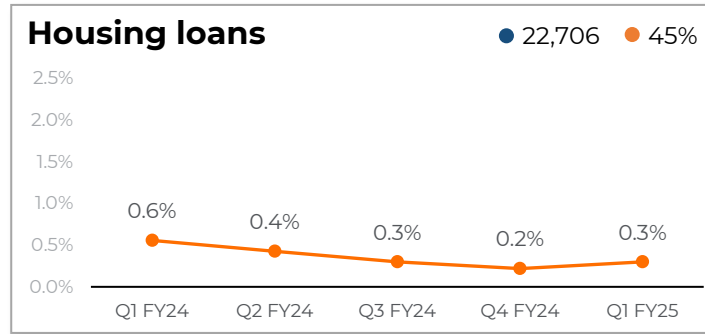


Note: (1) In Q1FY25, concluded DA sale transactions of INR 682 Cr in LAP, INR 308 Cr in Business loans and co-lending transaction of INR 6 Cr in Housing loans, INR 31 Cr in LAP, INR 75 Cr in Business loans.

Retail risk – 90+ DPD¹, by product

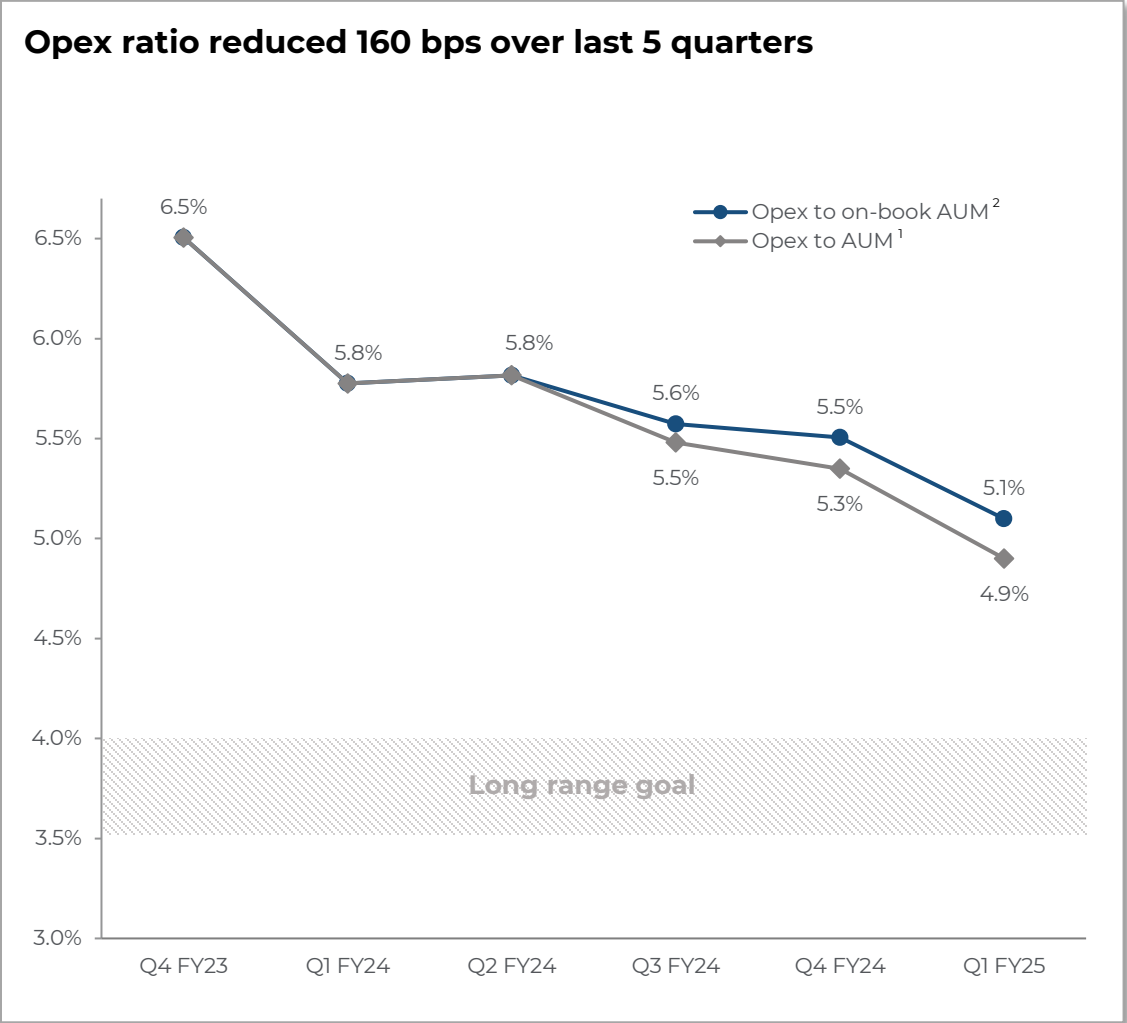
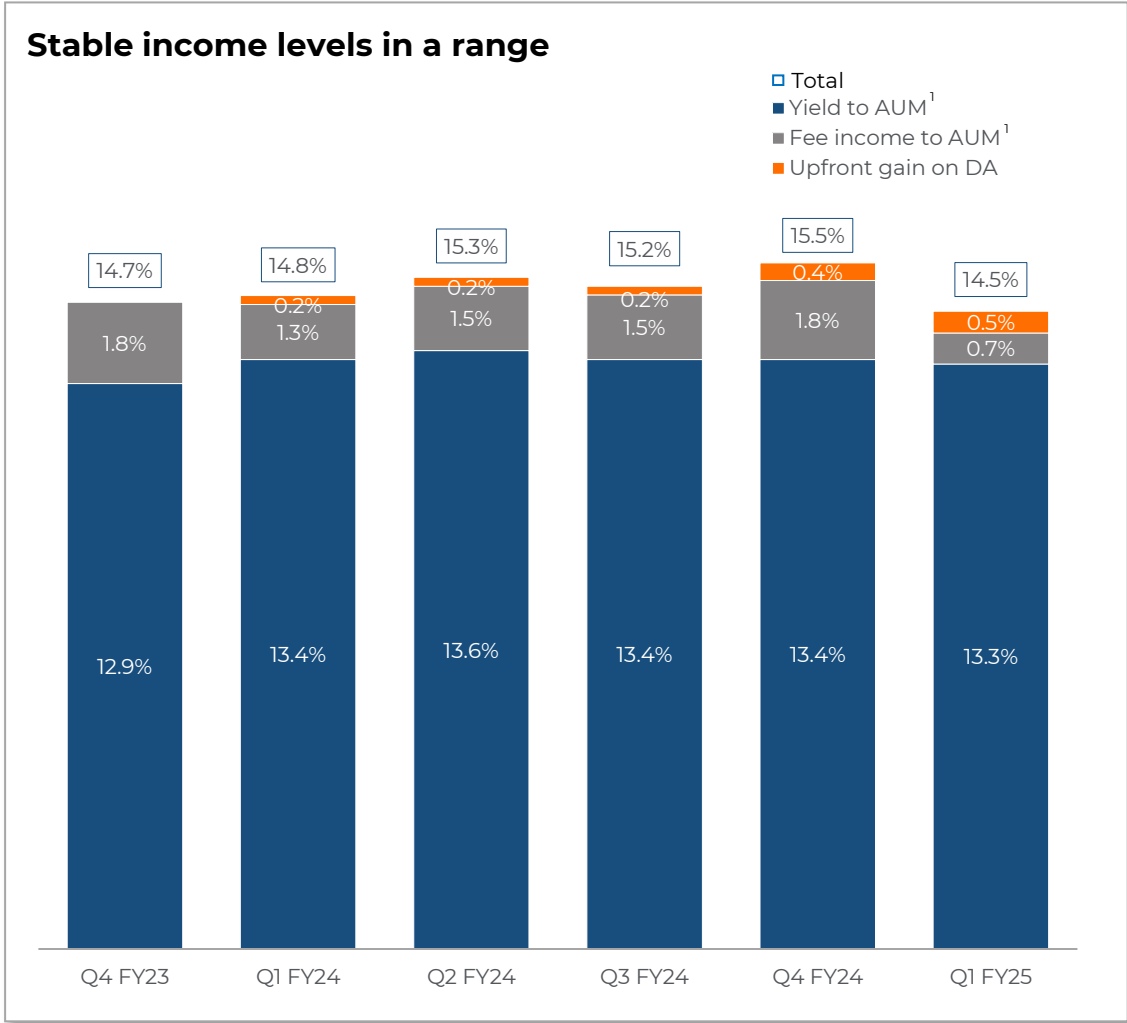


- AUM as of Q1 FY25 (INR Cr)
- % of retail AUM as of Q1 FY25



Note: (1) 90+ DPD delinquency = 90 to 179 days DPD

Retail: Stable income profile - opex ratios moderating



Notes: (1) AUM includes loan book, POCI, SRs & PTC and excludes DA
 (2) On-book AUM excludes DA

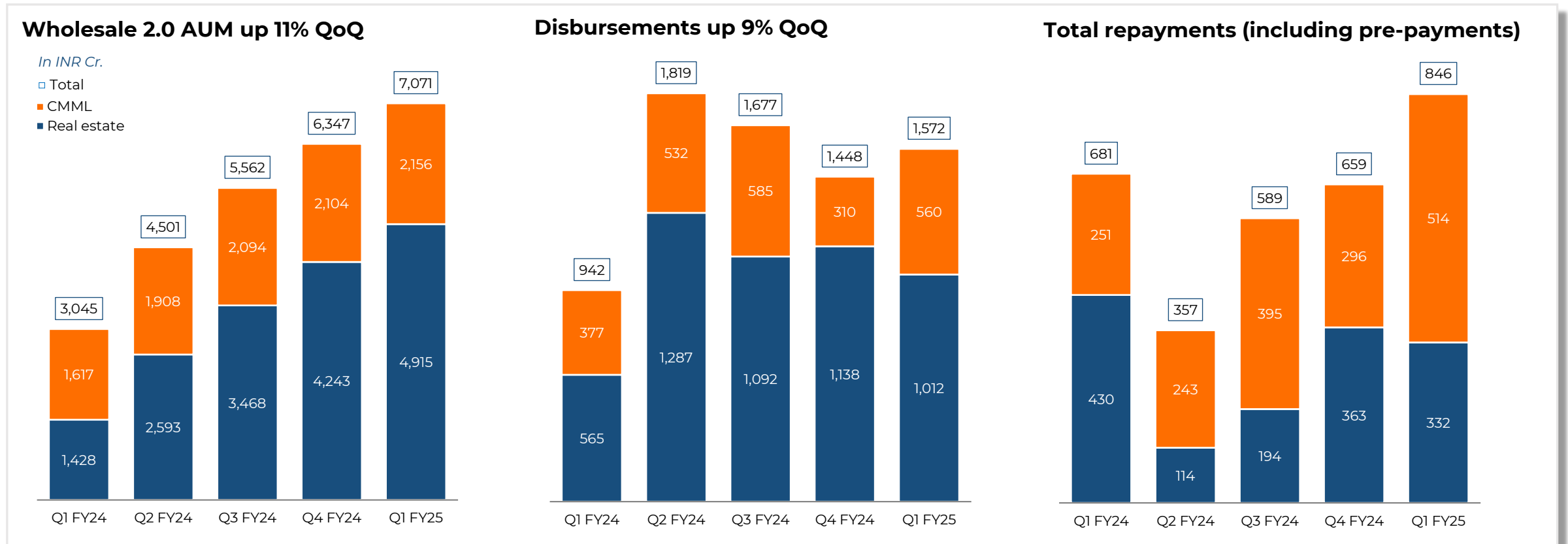


Growth business

b) Wholesale 2.0

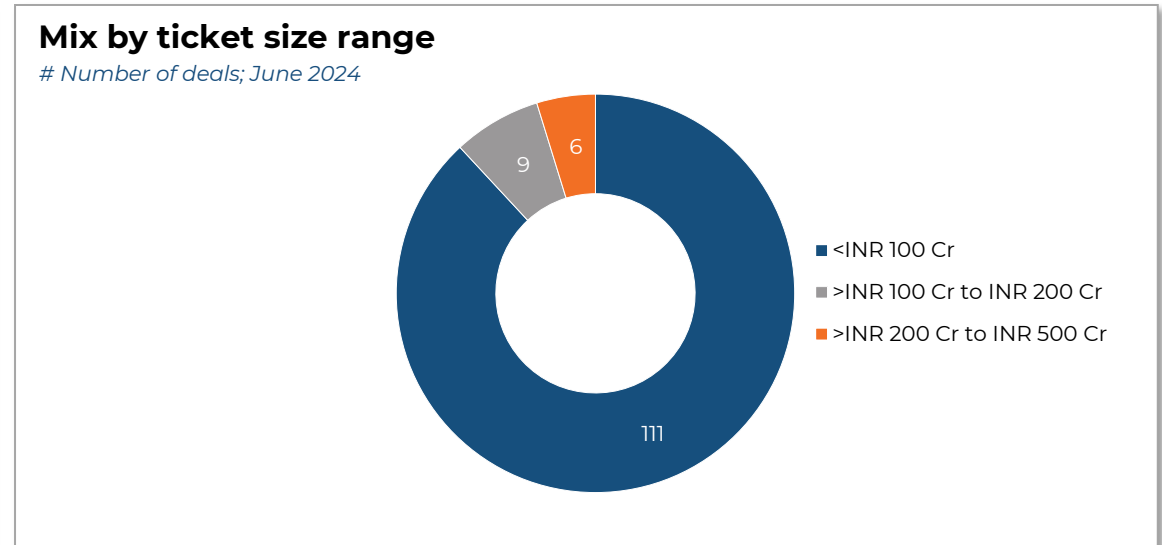
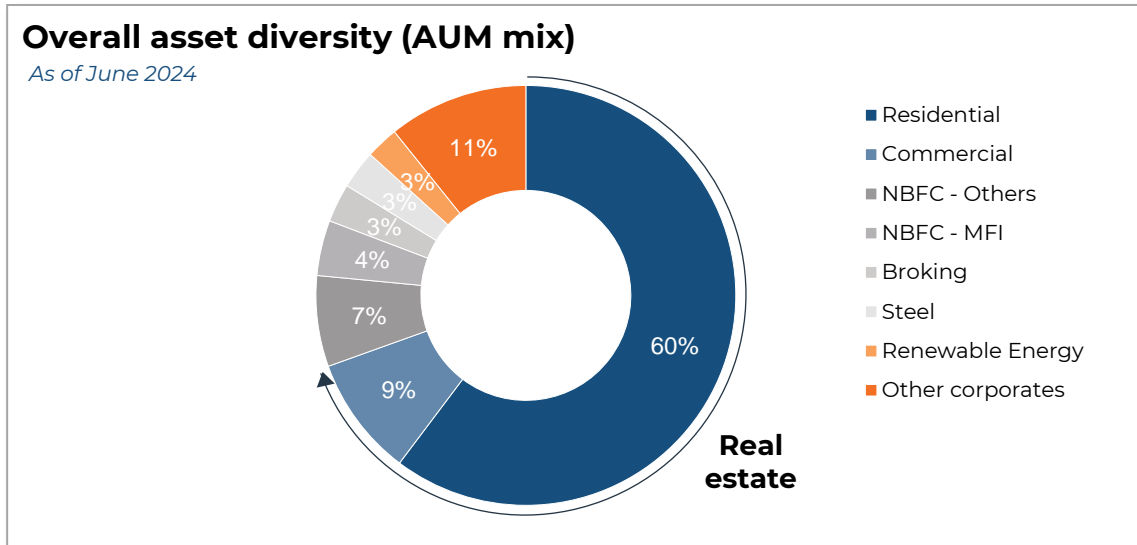
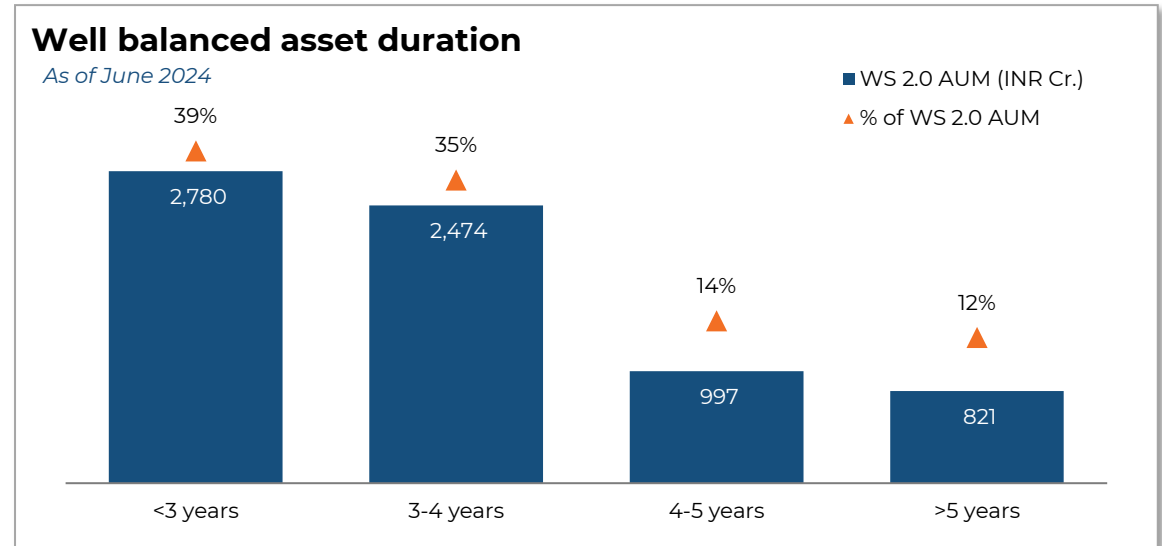
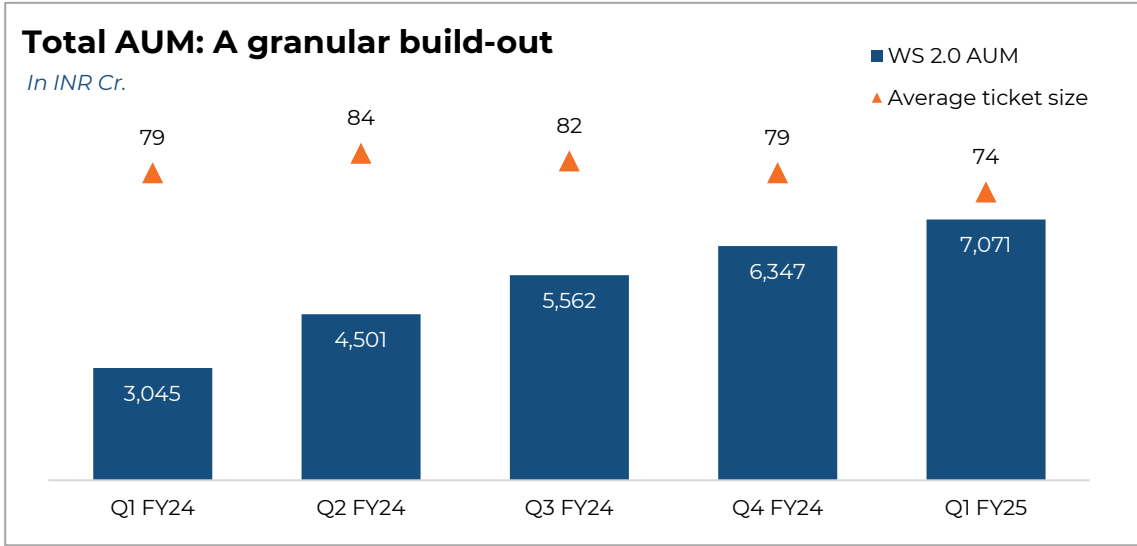


Wholesale 2.0 - Building a diversified and granular book backed by cash flows and assets



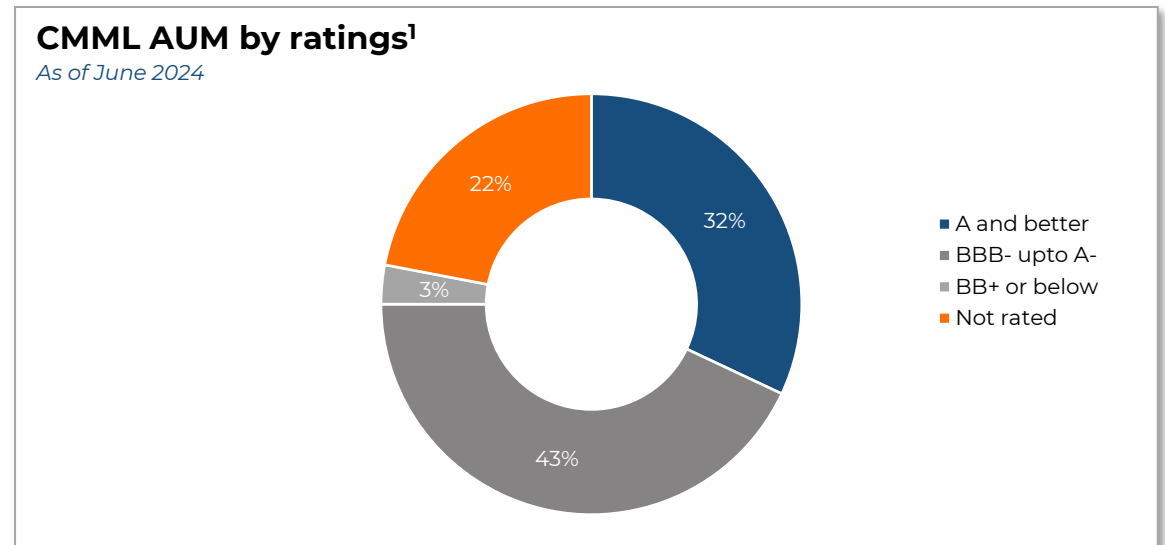
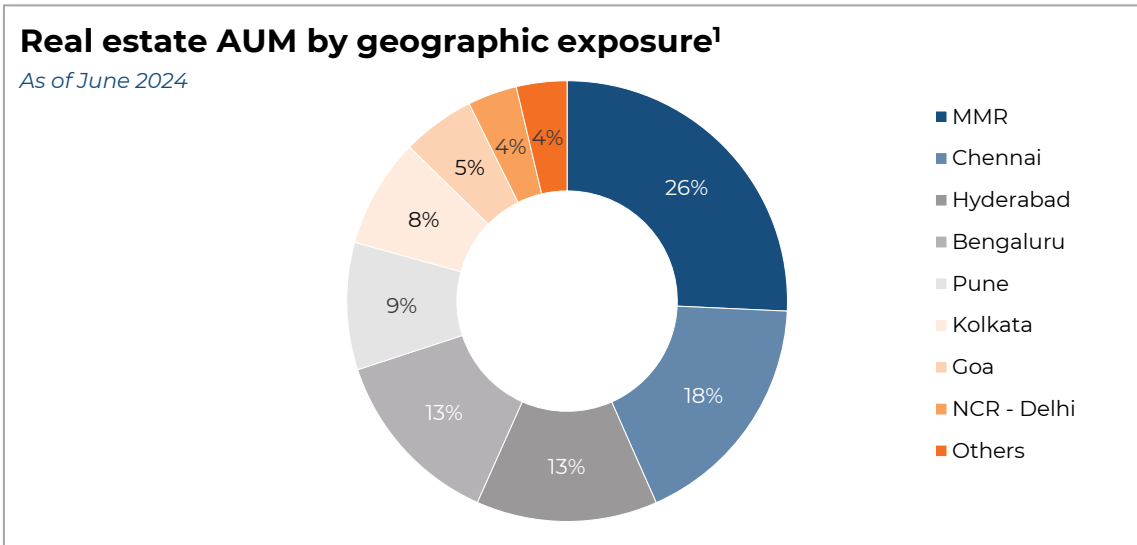
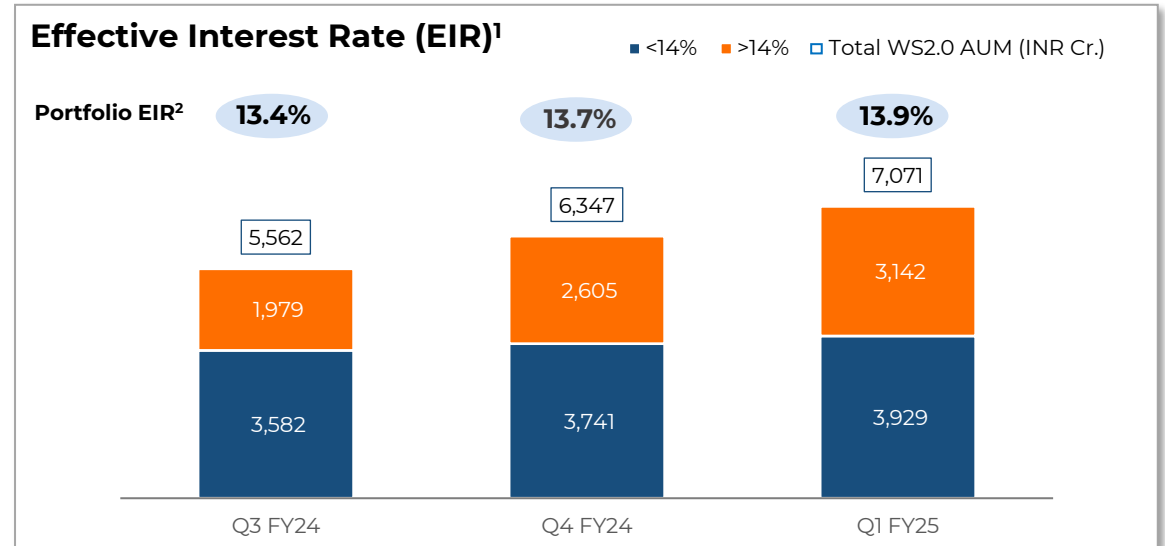
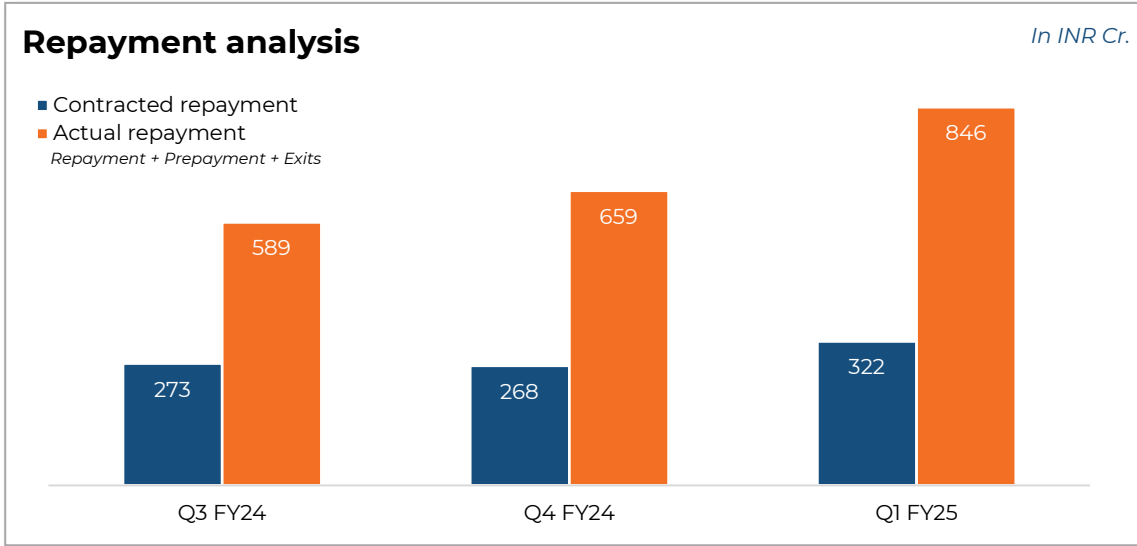
- **Disbursements** of INR 1,572 Cr in Q1 FY25; INR 572 Cr disbursed in Jun'2024
- **Performing well**, in line with or ahead of underwriting, as reflected in prepayments
- **Pre-payments** received worth INR 602 Cr in Q1 FY25
- **Exited deals** worth INR 2,097 Cr in total so far

Wholesale 2.0: Granular and diversified build-out



Note: All charts represents data for outstanding AUM

Wholesale 2.0: Portfolio analysis



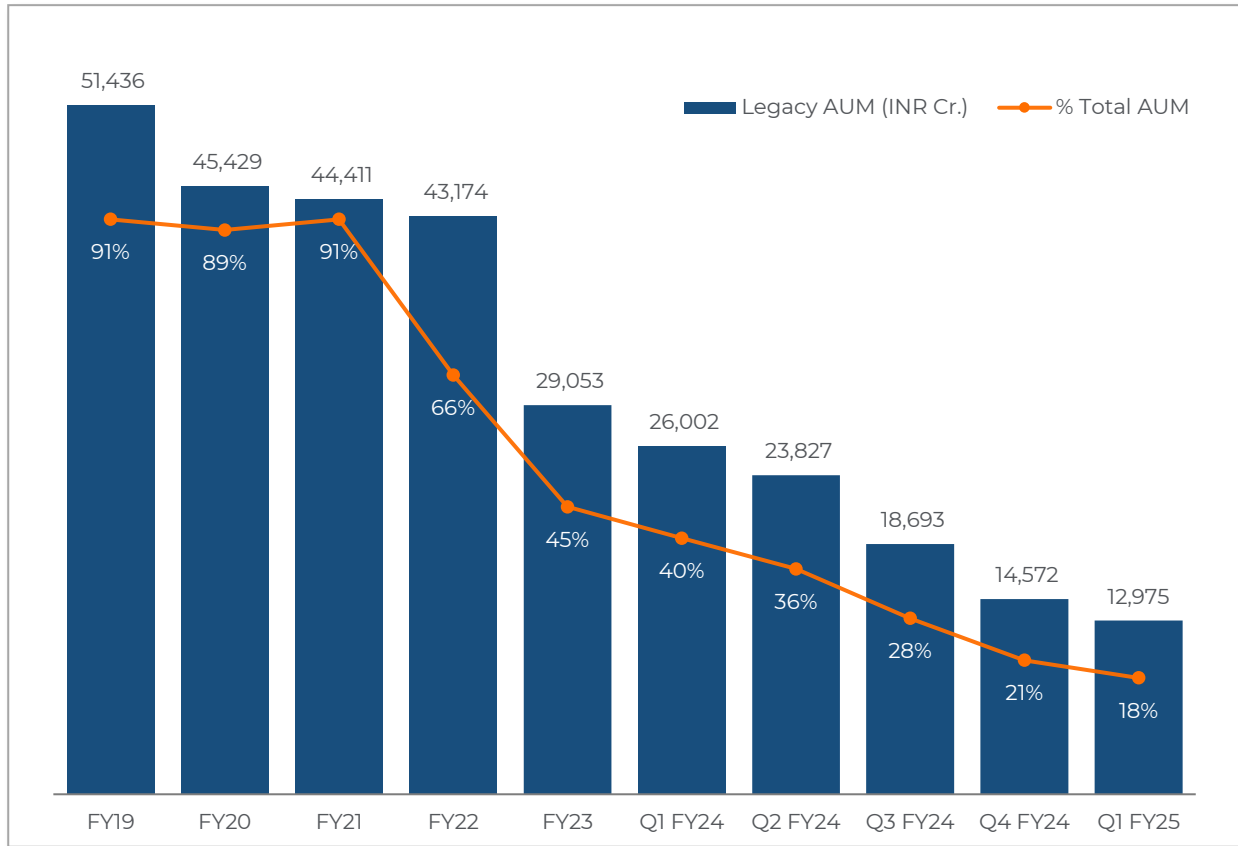
Notes: (1) Represents data for outstanding AUM
(2) Portfolio EIR % includes fee income



Legacy (discontinued) business



Rapidly reducing legacy AUM



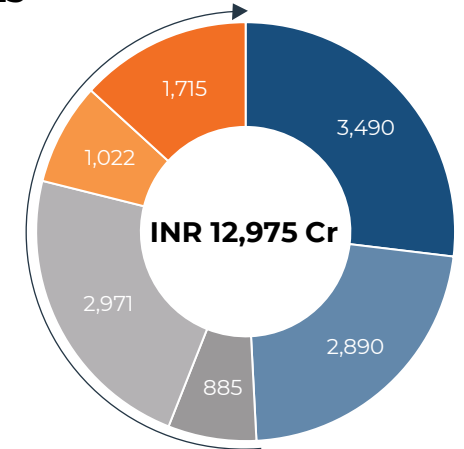
- **Legacy AUM** down 11% QoQ & 50% YoY to INR 12,975 Cr;
- The rundown in Q1 FY25 with **no incremental net credit cost**.
- **Provision of INR 2,012 Cr.** held against the legacy AUM

Composition legacy AUM-Q1FY25

In INR Cr.

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

INR 6,594 Cr

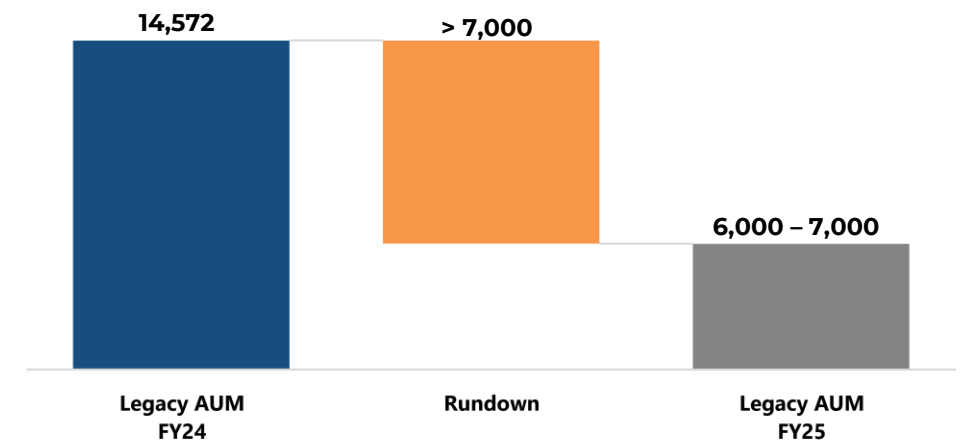


Average yields¹

- 5.0% Total legacy
- 10.1% Stage 1 and stage 2 loans

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

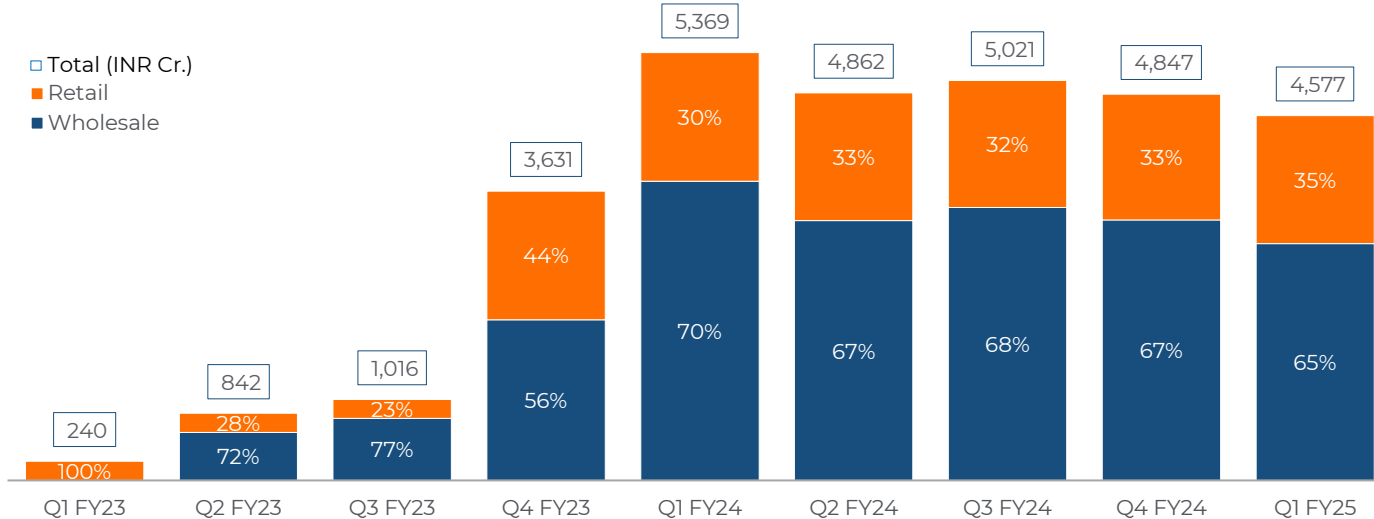
In INR Cr.



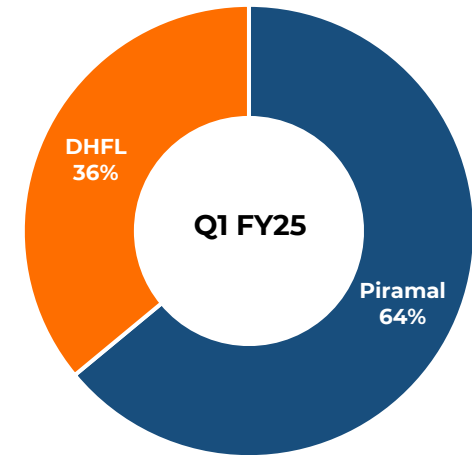
Security receipts: peaked in Q1 FY24



Outstanding SRs



Composition of SRs portfolio



- SRs down 15% since Q1 FY24, led by **cash realisation of INR 1,701 Cr.** With gross addition of INR 30 Cr in Q1 FY25, SR book stood at 4,577 Cr
- Concluded **1 ARC transaction** (retail) in Q1 FY25 with total deal value of INR 35 Cr under 15:85 structure. SR's issued worth INR 30 Cr

As resolutions progress, we expect reduction in our SR portfolio to continue



Financials



Profit and loss statement – consolidated entity



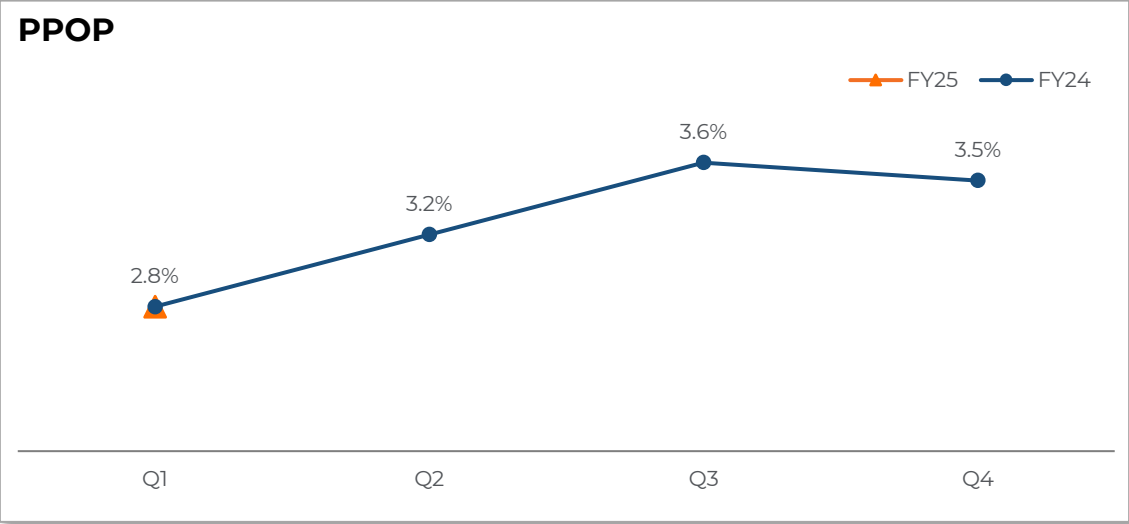
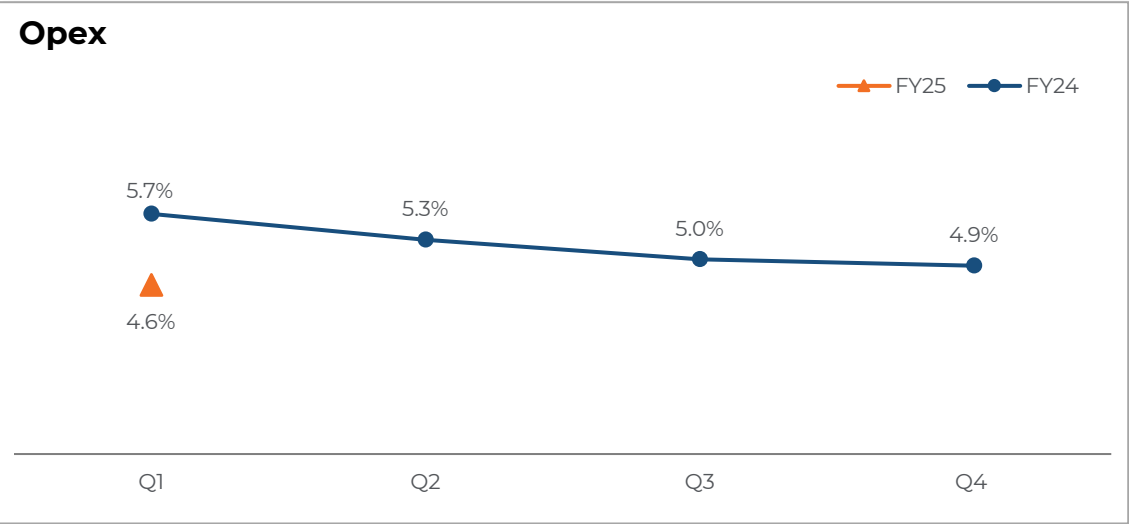
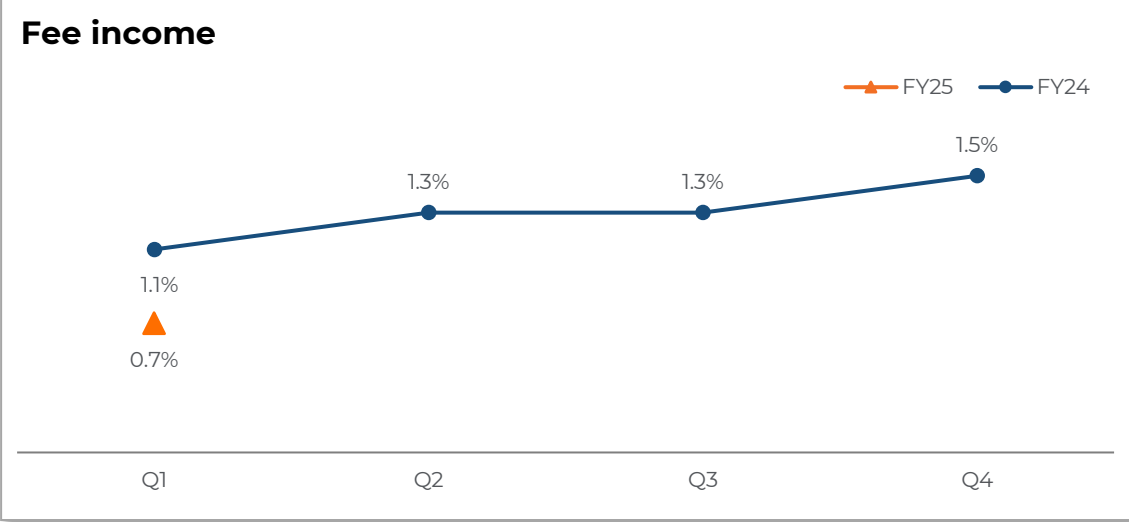
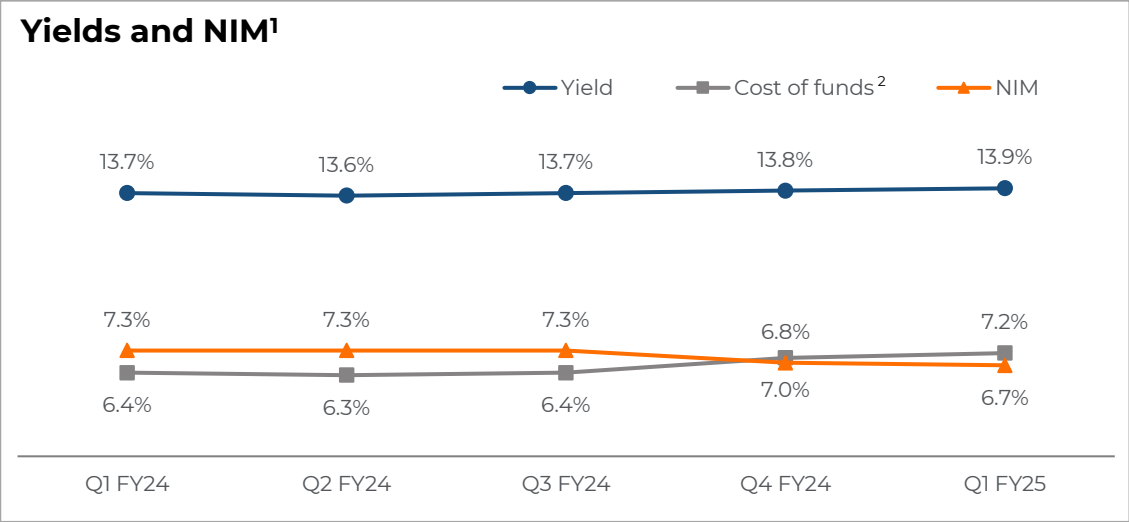
Consolidated income statement	Q1 FY25	Q1 FY24	YoY %	Q4 FY24	QoQ %
Interest income	2,011	1,725	17%	1,944	3%
Less: Interest expense	1,205	1,044	15%	1,189	1%
Net interest income (A)	807	681	18%	755	7%
Fee & commission	109	90	21%	190	(43%)
Dividend	-	76		49	
Others ¹	58	44	33%	84	(31%)
Other income (B)	167	210	(21%)	323	(48%)
Total income (A+B)	973	891	9%	1,078	(10%)
Less: Operating expenses (Opex)	703	628	12%	785	(10%)
Pre-provision operating profit (PPOP)	270	263	3%	293	(8%)
Less: Loan loss provisions & FV loss / (gain)	133	179	(26%)	3,354	(96%)
Less: Shriram FV loss / (gain) ¹	-	(855)		(871)	
Less: Goodwill write-off	-	278		-	
Profit before tax	137	661	(79%)	(2,191)	
Add: Exceptional gain / (loss) ²	104	-		1,518	(93%)
Less: Current & deferred tax	66	173	(62%)	(821)	
Add: Associate income	8	21	(64%)	(11)	
Reported net profit / loss after tax	181	509	(64%)	137	32%

Notes: (1) Other income in Q4 FY24 related to Shriram Brand Sale income of INR 871 Cr moved to Shriram FV gain line item
(2) Exceptional gain includes gross AIF recovery of INR 1,517 Cr in Q4 FY24 and INR 104 Cr in Q1 FY25

P&L performance – growth business



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



Notes: (1) Net interest income = interest income - interest expense
 (2) COF = Interest expense / Total average on book AUM

Balance sheet and key ratios

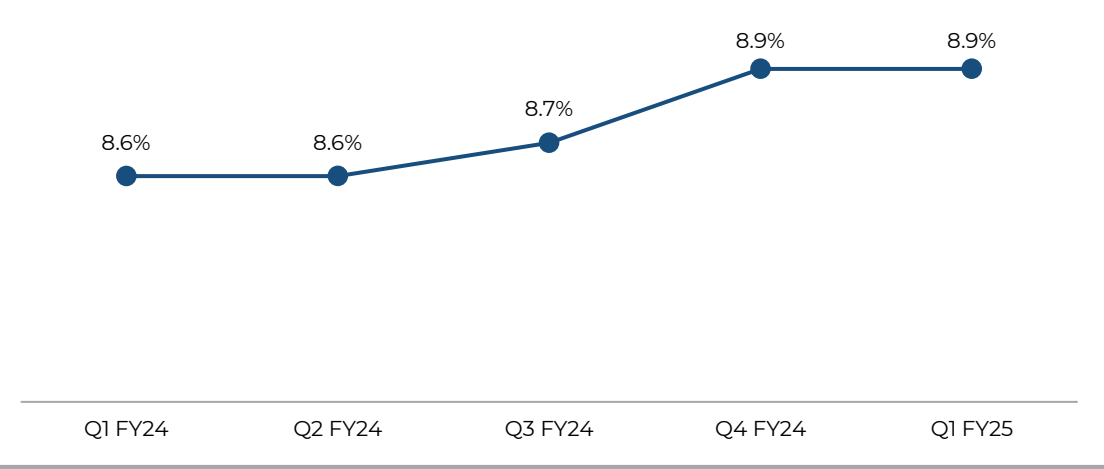
Consolidated balance sheet (INR Cr.)			
Particulars	Q1 FY25	Q4 FY24	Q1 FY24
Assets			
Cash & liquid investments	5,803	6,247	9,613
Gross asset under management	68,053	67,219	63,938
ECL provision	2,997	3,429	2,828
Net assets under management	65,056	63,790	61,110
Investments in Shriram group	1,708	1,708	2,278
Investments in alternatives and others	3,141	2,537	2,252
Fixed assets	2,750	2,734	1,686
Net assets / (liability)	3,230	2,943	982
Total assets	81,688	79,959	77,921
Liabilities			
Net worth	26,863	26,557	30,844
Gross debt	54,825	53,402	47,077
Total liabilities	81,688	79,959	77,921
Leverage ratios			
Gross debt to equity (x)	2.0	2.0	1.5
Net debt to equity (x)	1.8	1.8	1.2



- Total capital adequacy at 24.4% with net worth of INR 26,863 Cr

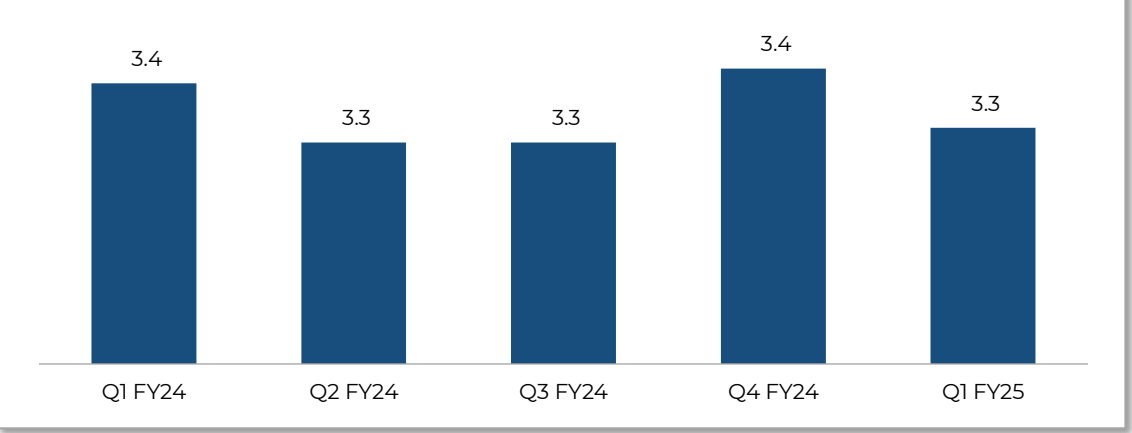
Liabilities management

Average borrowing cost¹



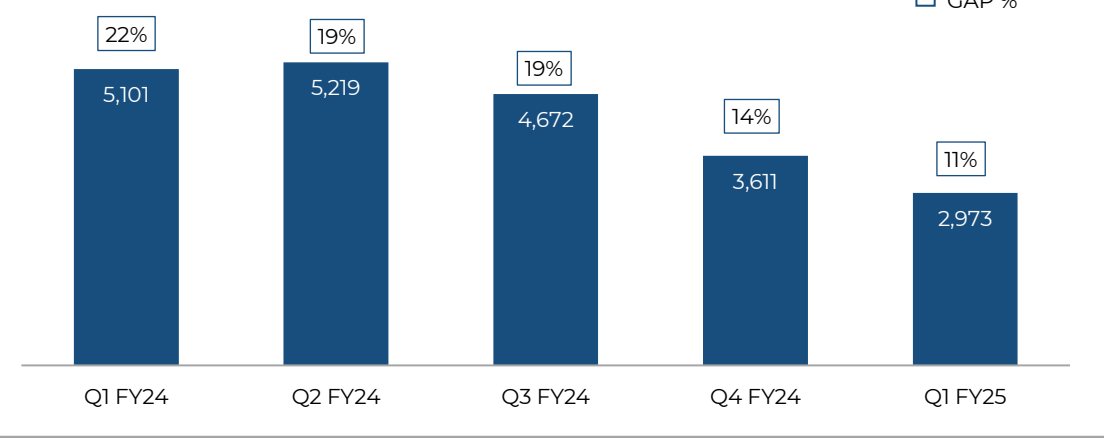
Maturity of borrowings

In years, weighted average on a residual basis

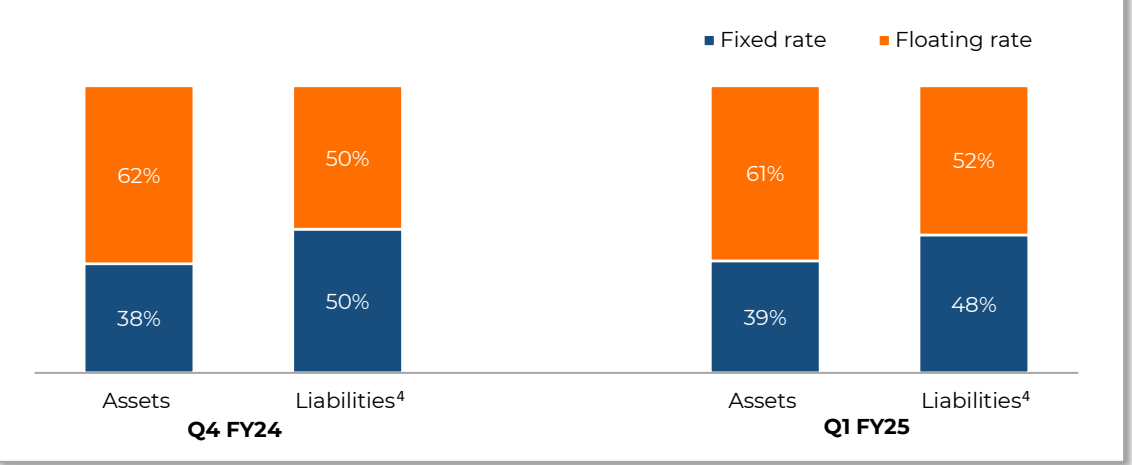


Cumulative ALM gap² (up to 1 year)

In INR Cr, period-end



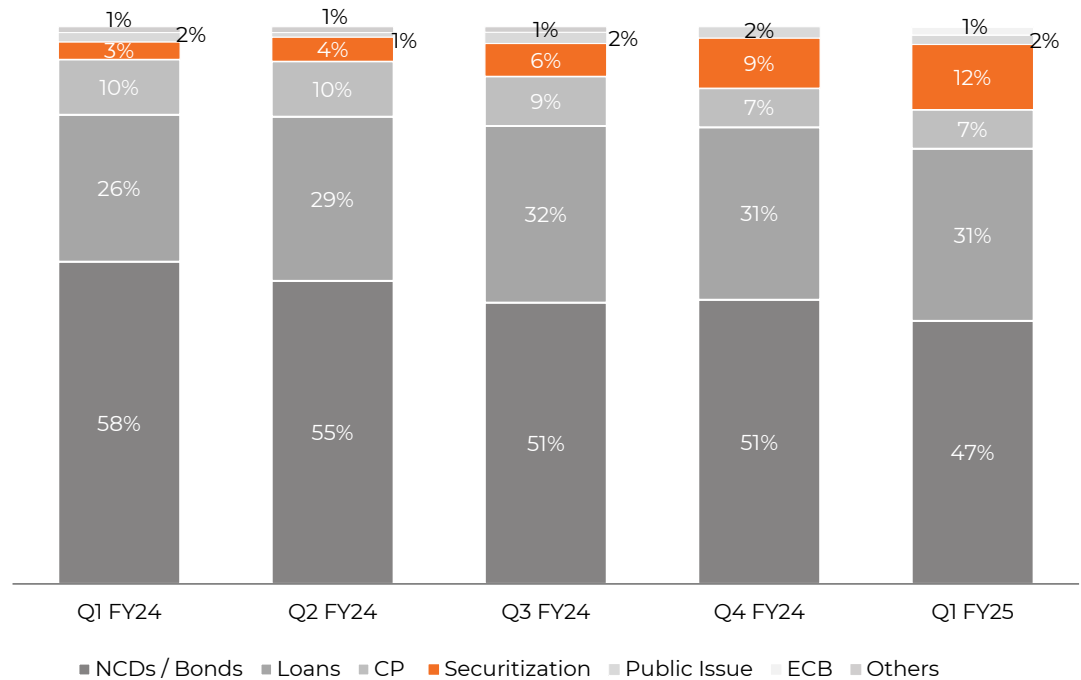
Fixed : Floating rate mix



Notes: (1) Borrowing cost = Interest Expense / Average interest - bearing liabilities
 (2) Cumulative GAP = Cumulative inflows up to 1-year – cumulative outflows up to 1-year
 (3) GAP% = Net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows
 (4) Liabilities includes fixed rate borrowings of INR 16,172 Cr for Q1 FY25 & 16,172 Cr for Q4 FY24

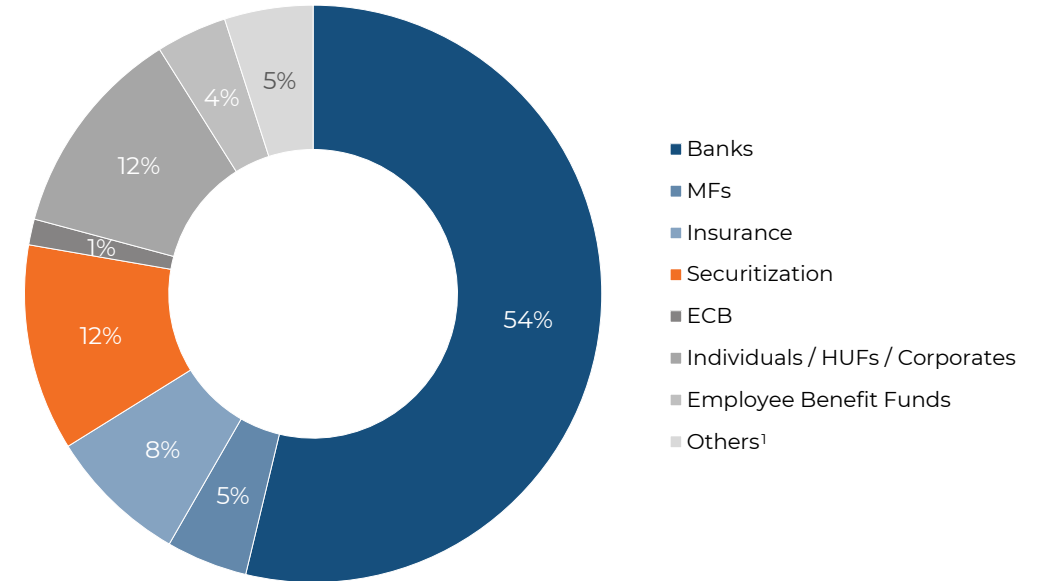
Diversifying the borrowing mix

Rising role of securitization



Borrowing mix by type of lender

As of Jun '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

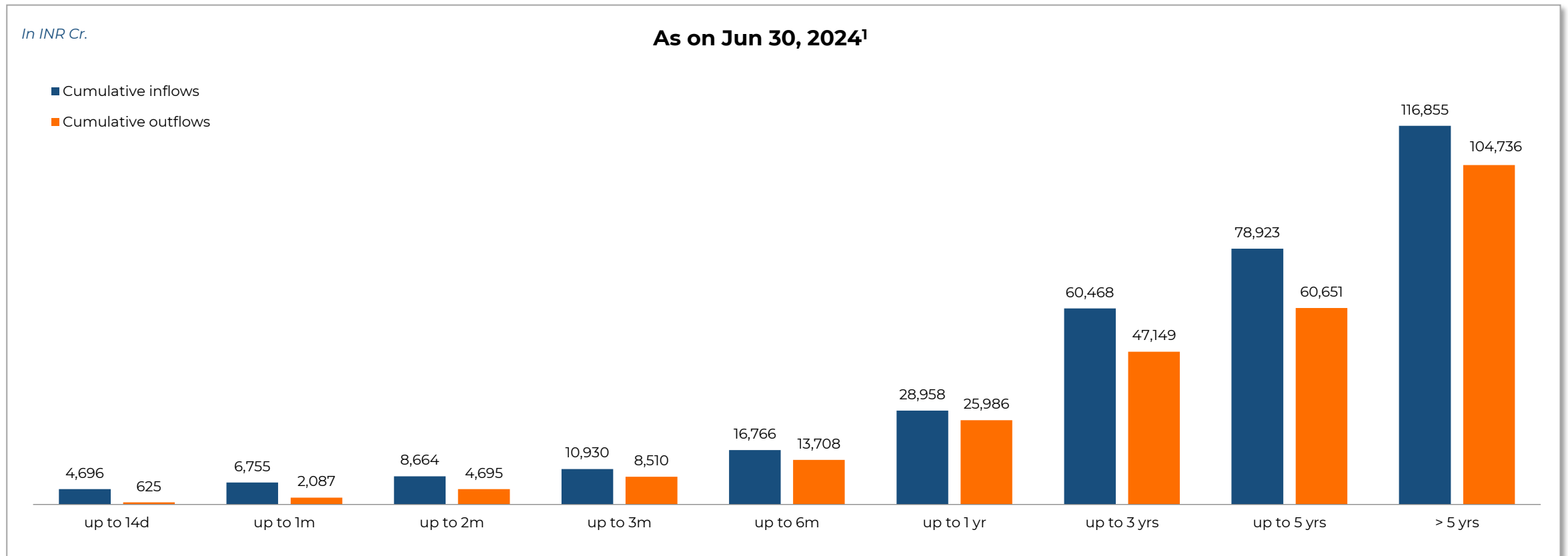
Maiden international credit ratings received | \$100mn social impact loan | \$300mn USD sustainability bond²

Notes: Borrowings include direct assignment (DA) of INR 2,408 Cr as of Q1 FY25, INR 1,598 Cr as of Q4 FY24, INR 875 Cr as of Q3 FY24, INR 612 Cr as of Q2 FY24 and INR 328 Cr as of Q1 FY24

(1) Includes NHB, & other financial institutions which contribute 3% and 2% respectively to overall borrowings

(2) Sustainability bond raised in July 2024

Asset-liability profile

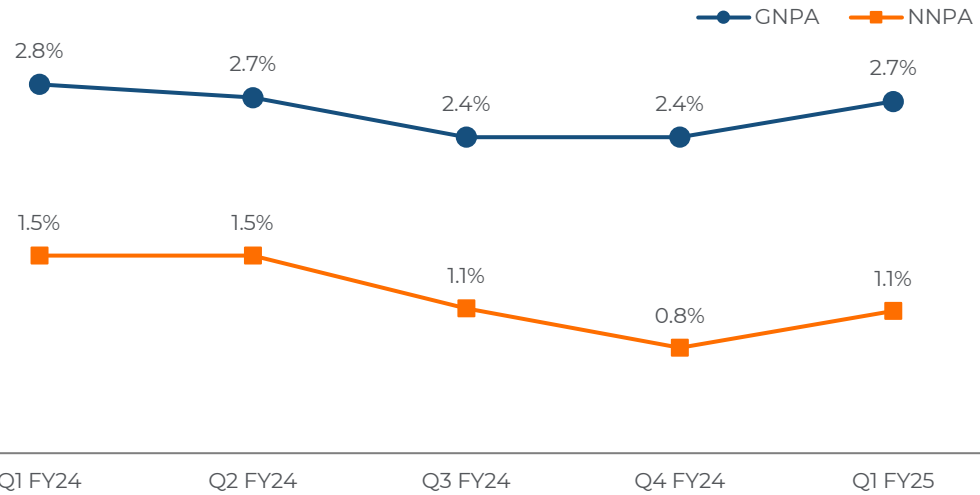


Cumulative GAP² (%)

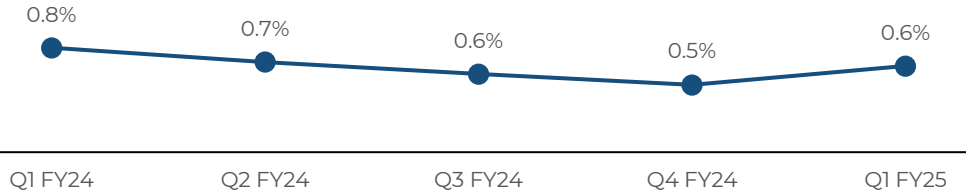


Notes: (1) Based on contractual ALM for wholesale and behavioral ALM for the retail portfolio
 (2) Cumulative GAP (%) = net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows

GNPA & NNPA ratio - overall



Retail 90+ DPD delinquency¹



- **Total wholesale stage 2+3 assets** are down 10% YoY to INR 3,775 Cr with PCR of 38% vs 34% in Q1 FY24
- **SRs down** 15% since Q1 FY24, led by cash realisation of INR 1,701 Cr

Appendix



Asset classification: total assets



Total assets (INR Cr.)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	61,594	60,308	56,950
Stage 2	3,940	4,461	4,164
Stage 3	1,641	1,430	1,484
Sub-Total	67,175	66,199	62,598
POCI	877	1,020	1,340
Total AUM¹	68,053	67,219	63,938
Total provisions (INR Cr.)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	1,174	1,567	1,149
Stage 2	839	928	967
Stage 3	984	934	712
Total	2,997	3,429	2,828
Provision coverage ratio (%)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	1.9%	2.6%	2.0%
Stage 2	21%	21%	23%
Stage 3	60%	65%	48%
Total provisions as a % of total AUM	4.4%	5.1%	4.4%
GNPA ratio (%)	2.7%	2.4%	2.8%
NNPA ratio (%)	1.1%	0.8%	1.5%

Note: (1) Excludes direct assignment (DA) (INR 2,408 Cr as of Q1 FY25, INR 1,598 Cr as of Q4 FY24 and INR 328 Cr as of Q1 FY24), Co-lending (INR 115 Cr as of Q1 FY25 and INR 27 Cr as of Q4 FY24)

Asset classification: retail assets



Total assets (INR Cr.)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	45,324	43,664	32,104
Stage 2	1,050	986	829
Stage 3	756	631	618
Sub-Total	47,130	45,280	33,551
POCI	877	1,020	1,340
Total AUM¹	48,007	46,301	34,891
Total provisions ² (INR Cr.)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	455	538	375
Stage 2	123	32	28
Stage 3	279	230	221
Total	857	800	624
Provision coverage ratio ² (%)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	1.0%	1.2%	1.2%
Stage 2	11.8%	3.3%	3.4%
Stage 3	37%	36%	36%
Total provisions as a % of total AUM	1.8%	1.7%	1.8%







Note: (1) Excludes direct assignment (DA) (INR 2,408 Cr as of Q1 FY25, INR 1,598 Cr as of Q4 FY24 and INR 328 Cr as of Q1 FY24), Co-lending (INR 115 Cr as of Q1 FY25 and INR 27 Cr as of Q4 FY24)
(2) ECL policy strengthened during the quarter, resulting in change in provision coverage of stage 1 & 2 assets

Asset classification: wholesale assets



Total assets (INR Cr.)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	16,270	16,644	24,846
Stage 2	2,890	3,475	3,335
Stage 3	885	799	866
Total AUM	20,045	20,919	29,047
Total provisions (INR Cr.)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	719	1,029	774
Stage 2	716	896	939
Stage 3	706	705	491
Total	2,140	2,629	2,204
Provision coverage ratio (%)	Q1 FY25	Q4 FY24	Q1 FY24
Stage 1	4.4%	6.2%	3.1%
Stage 2	25%	26%	28%
Stage 3	80%	88%	57%
Total provisions as a % of total AUM	10.7%	12.6%	7.6%

Multi-product retail lending platform across the risk-reward spectrum – Q1 FY25

Product Segments	Products	Average disbursement ticket size (INR lakh)	Disbursement yield	Share in disbursements	AUM yield ¹	Share in AUM ²
 Housing	Affordable housing	20.9	11.5%	27.1%	11.5%	44.9%
	Mass affluent housing					
	Budget housing					
 Secured MSME (LAP)	Secured business loan	21.5	12.7%	22.1%	12.8%	22.6%
	Loan against property (LAP)					
	LAP plus					
 Used car loans	Pre-owned car loans	6.7	15.0%	8.4%	15.0%	5.0%
 Business loan	Microfinance loans	0.6	18.9%	6.7%	18.4%	2.7%
	Business loans	8.2	20.3%	7.9%	20.0%	6.7%
	Merchant BNPL					
 Salaried PL	Salaried personal loans	4.1	17.7%	10.4%	17.6%	7.0%
 Digital loan	Digital purchase finance	0.5	17.4%	12.3%	18.0%	7.0%
	Digital personal loans					
Total / weighted average		12.8	14.2%		13.5%	

Notes: (1) Weightage average yield excludes POCI and pertains to all customers outstanding as of 30th June 2024

(2) The balance 4.1% (to make the total 100%) consists of LAMF (INR 338 Cr as of Q1FY25), SRs (INR 1,606 Cr as of Q1 FY25) & pass-through certificates (PTC) (INR 145 Cr as of Q1 FY25)

We expect ~15% AUM growth in FY25



Key metrics	Q4 FY24	Q1 FY25	Q4 FY25E
Total AUM (INR '000 Cr)	~69 (+8% YoY)	~71 (+10% YoY)	~80 (~15% YoY)
Legacy (discontinued) AUM (as % Total AUM)	21%	18%	<10%
Retail : Wholesale mix	70 : 30	72 : 28	75 : 25
Exit quarter opex to AUM - growth business	4.9%	4.6%	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 10,627 Cr, provide an **upside potential** to ROA & PAT targets

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 Q1 FY25 earnings conference call



Event details	Location & time	Telephone numbers
<p>Conference call on 13th Aug 2024</p>	<p>India – 4:30 PM (India standard time)</p>	<p>Universal dial-in +91 22 6280 1264 / +91 22 7115 8165</p>
	<p>USA – 7:00 AM (Eastern time – New York)</p>	<p>Toll free number 1 866 746 2133</p>
	<p>UK – 12:00 PM (London time)</p>	<p>Toll free number 0 808 101 1573</p>
	<p>Singapore – 7:00 PM (Singapore time)</p>	<p>Toll free number 800 101 2045</p>
	<p>Hong Kong – 7:00 PM (Hong Kong time)</p>	<p>Toll free number 800 964 448</p>
	<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
singh.ravi@piramal.com

Ruchika Jain

DVP - Investor Relations
ruchika.jain@piramal.com

PRESS RELEASE
Piramal Enterprises Limited announces consolidated results for Q1 FY2025

Mumbai, India | August 13th, 2024: Piramal Enterprises Limited ('PEL', NSE: PEL, BSE: 500302), a leading diversified NBFC, today announced its consolidated results for the First Quarter (Q1) FY2025 ended 30th June 2024.

Consolidated Highlights for Q1 FY25

- Total Assets Under Management (AUM) grew 10% YoY to INR 70,576 Cr, led by our Growth¹ business.
 - Growth AUM grew 51% YoY to INR 57,601 Cr.
- Growth to Legacy² AUM mix has improved to 82:18 from 34:66 in FY22.
 - Legacy (discontinued) AUM down 50% YoY to INR 12,975 Cr, down 70% since FY22.
 - Retail to Wholesale AUM mix improved to 72:28 from 33:67 in FY22.
- Opex-to-AUM of Growth business down 104bps YoY to 4.6% now.
- Consolidated GNPA at 2.7% with NNPA ratio at 1.1%.
- Reported a consolidated Profit After Tax (PAT) of INR 181 Cr.
- Net worth of INR 26,863 Cr with capital adequacy ratio at 24.4% on consolidated balance sheet.

Ajay Piramal, Chairman, Piramal Enterprises Ltd., said, *"The Q1 FY25 results show two important trends that highlight our progress and strategy. First, our Growth business continues to build on the momentum established over the past two to three years, now representing the majority of our Assets Under Management (AUM) and net profit. Second, we continue to reduce our legacy discontinued AUM. Notably, in Q1 FY25, the decline of INR 1,597 crore in legacy AUM had no impact on our profit and loss statement from credit costs.*

The expansion of our Growth business reflects our strategy to balance growth, risk and profitability as we develop these businesses. Our asset quality remains stable across retail and wholesale products. Further, our Opex-to-AUM - a key driver of profitability - is consistently decreasing.

We are also making progress in diversifying our borrowings. We successfully raised our first-ever \$300 million dollar bond in July 2024, which received a 4X level of demand. We are pleased to see that the foundations for long term sustainable growth and earnings are firmly in place, and we anticipate that the upcoming quarters will demonstrate a consistent journey along this path."

Key Business Highlights
Growth Business – Retail Lending

- **AUM**
 - Retail AUM grew 43% YoY to INR 50,530 Cr.
 - Mortgage³ AUM grew 37% YoY to INR 34,101 Cr, contributing 67% to Retail AUM.
- **Disbursements**
 - Quarterly disbursements grew 19% YoY to INR 6,816 Cr.
 - Mortgage disbursements grew 22% YoY to INR 3,354 Cr.
 - Disbursement yields up 40 bps QoQ to 14.2%.
- **Asset Quality**
 - 90+ DPD⁴ delinquency stood at 0.6% for overall Retail AUM.

- **Scale and Presence**

- 501 branches and 210 microfinance active branches, serving 608 districts across 26 states.
- Customer franchise now stands at 4.0 Mn; 0.19 Mn new customers acquired during the quarter.

Growth Business – Wholesale 2.0[^] Lending

- **AUM**

- Wholesale 2.0 AUM grew 11% QoQ to INR 7,071 Cr.

- **Disbursements**

- Disbursements up 9% QoQ to INR 1,572 Cr.
- Pre-payments received worth INR 846 Cr in Q1 FY25.
- Effective Interest Rate (EIR) stood at 13.9% with average ticket size of INR 74 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 11% QoQ and 50% YoY to INR 12,975 Cr.
- Focused to continue rundown of the legacy book over coming quarters also.

- **Recovery and Realisation**

- SRs reduced to INR 4,577 Cr, down 15% since Q1 FY24, led by cash realisation of INR 1,701 Cr.

- **Asset Quality**

- Stage 2+3 assets down 10% YoY to INR 3,775 Cr with a PCR of 38%.
- As resolutions progress, we expect reduction in our SR portfolio to continue.

Liability Management

- Signed our maiden USD syndicated Social Loan of US\$100 million in May 2024.
- Raised USD Sustainability Bond of US\$300 million in July 2024, which received a 4X level of demand in the international markets.
- We continue to focus on diversifying our borrowing mix including securitization and international borrowings.
- The fixed : floating rate debt mix improved to 52:48.
- Our borrowing cost remained stable at 8.9%.
- Our ALM is well-matched with positive gaps across all buckets.

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

Consolidated income statement	Q1 FY25	Q1 FY24	YoY %
Interest income	2,011	1,725	17%
Less: Interest expense	1,205	1,044	15%
Net interest income (A)	807	681	18%
Fee & commission	109	90	21%
Dividend	-	76	
Others ⁵	58	44	33%
Other income (B)	167	210	(21%)
Total income (A+B)	973	891	9%
Less: Operating expenses (Opex)	703	628	12%
Pre-provision operating profit (PPOP)	270	263	3%
Less: Loan loss provisions & FV loss / (gain)	133	179	(26%)
Less: Shriram FV loss / (gain) ⁵	-	(855)	
Less: Goodwill write-off	-	278	
Profit before tax	137	661	(79%)
Add: Exceptional gain / (loss) ⁶	104	-	
Less: Current & deferred tax	66	173	(62%)
Add: Associate income	8	21	(64%)
Reported net profit / loss after tax	181	509	(64%)

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) Legacy (discontinued) refers to wholesale loans excluding the loans sanctioned under Wholesale 2.0.

(3) Mortgage comprises Housing and LAP loans.

(4) 90+ DPD delinquency = 90 to 179 days DPD.

(5) Other income in Q4 FY24 related to Shriram Brand Sale income of INR 871 Cr moved to Shriram FV gain line item.

(6) Exceptional gain includes gross AIF recovery of INR 104 Cr in Q1 FY25.

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 501 branches as on 30th June 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](#)

For Media Queries:

Mihir Mukherjee

DVP - Corporate Communication

mihir.mukherjee@piramal.com

For Investors:

Ravi Singh

Head - Investor Relations and Sustainability

singh.ravi@piramal.com