

EW/Sec/2021/59

March 23, 2021

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

Dear Sirs,

Ref.:- Symbol - EDELWEISS

Sub: Press Release

Please find attached the Press Release titled "Edelweiss Group, PAG seal partnership with investment in Edelweiss Wealth Management (EWM)".

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Financial Services Limited

B. Renganathan

Executive Vice President & Company Secretary

Encl: a/a

Edelweiss Group, PAG seal partnership with investment in Edelweiss Wealth Management (EWM)

Mumbai, March 23, 2021 – [Edelweiss Group](#), India's leading diversified financial services conglomerate, and PAG, the leading Asia-focused investment group, today announced an investment by PAG's private equity strategy in Edelweiss Wealth Management (EWM). This partnership will result in unlocking long-term value for shareholders and accelerating business growth.

PAG has made an investment of ~INR 2,366 crore in EWM, including primary and secondary investment. In addition, PAG is also acquiring the entire ownership of the prior investors in EWM, Kora Management (Kora) and Sanaka Capital (Sanaka), taking its stake to ~61.5%. Edelweiss will continue to hold ~38.5% stake in EWM as earlier envisaged, with the option to increase it further to up to ~44%.

PAG's primary capital infusion into the wealth business will further strengthen the equity base and provide growth capital. PAG and Edelweiss will work together towards demerger and the eventual listing of the business, paving way for unlocking value.

Speaking on the development, **Rashesh Shah, Chairman & CEO, Edelweiss Group** said, "The partnership with PAG is a strong endorsement of the quality of businesses we have built to scale over the years. Our focus will continue to be on enhancing the value of the franchise while simultaneously exploring avenues to unlock this value for the shareholders.

Nikhil Srivastava, Partner and Managing Director, Head of India Private Equity, PAG said, "EWM is one of India's leading wealth management companies with products and services that are highly regarded by customers. We look forward to leveraging PAG's global experience to drive innovation and transformation to further strengthen EWM's market position and create long-term value for all stakeholders."

The INR 300 trillion Indian wealth management industry has been expanding rapidly at a five-year CAGR of 11.3%. With a strong estimated growth trajectory of 12.5% per year going forward, it is expected to reach INR 540 trillion in the next five years, presenting a large opportunity space for EWM.

EWM, which reported Revenues of INR 880 crores and Profit after Tax of INR 180 crores for 9MFY21, comprises the wealth management and capital markets business. It is one of India's largest wealth management platforms, servicing over 2,400 of India's wealthiest families as well as ~670,000 affluent and high net-worth individuals. It has consistently outpaced the market while making rapid strides in industry rankings as is evident in the customer assets under advice that now amount to INR 1.45 trillion, growing with a 43% CAGR from just INR 185 billion around 6 years ago in 2015. The capital markets and advisory practice has led marquee transactions over the years.

PAG is a leading private equity investor in Asia's fast-growing economies and is especially keen on the Indian market, where it expects to invest more than INR 7,000 crores in total over the next two to three years.

Nitin Jain, MD & CEO, Edelweiss Wealth Management, added "With a significant growth runway visible for Wealth Management in India, we are excited to expand our market dominance with a great partner like PAG. With PAG's global know-how and strategic guidance, we look forward to a transformative journey ahead."

The partnership with PAG also reinforces Edelweiss Group’s track record of nurturing and scaling businesses to create long-term value. At the same time, it also provides the Group with growth capital as it continues to take them to the next trajectory of growth. The focus will be on strengthening the leadership position in businesses like Alternatives Asset Management and Asset Reconstruction while further enhancing the retail expansion through Housing Credit, SME Credit, Life & General Insurance and Mutual Funds.

About Edelweiss Group

The Edelweiss Group is one of India's leading diversified financial services companies, providing a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. Edelweiss' products and services span multiple asset classes and consumer segments across domestic and global geographies. The group’s research driven approach and proven history of innovation has enabled it to foster strong relationships across all client segments. Its businesses include Corporate Credit, Retail Credit, Wealth Management, Asset Management, Asset Reconstruction, Life Insurance, General Insurance and Insurance Broking.

To learn more about the Edelweiss Group, please visit www.edelweissfin.com.

Edelweiss Social media handles:

 [@EdelweissFin](https://twitter.com/EdelweissFin) |  [Linkedin.com/company/edelweissfin](https://www.linkedin.com/company/edelweissfin) |  [@edelweissfinancialservicesltd](https://www.facebook.com/edelweissfinancialservicesltd)

About PAG

PAG is a leading Asia-focused private investment manager, with strategies including private equity, private debt, real estate and hedge funds. With more than 200 investment professionals in 11 key offices around the world, PAG delivers value to investors by seeking out leading companies and investing to help them reach their full potential. PAG currently manages US\$40 billion in assets on behalf of more than 150 institutional investors from Europe, North America, Asia, Australia and the Middle East. For more about PAG, please visit www.pag.com.

For more information, please contact:

Edelweiss Group

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