EW/Sec/2021/63

March 26, 2021

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sirs,

Ref.:- Symbol: EDELWEISS

Sub: Investor Presentation

Please find enclosed the Presentation on Transaction Closure.

Kindly take the same on record.

Thanking you,

For Edelweiss Financial Services Limited

Renganathan Bashyam

Digitally signed by Renganathan Bashyam
DN: c=IN, o=Personal, 2.5.4.20=0f53eccee2ae57f2e6e06ef347eefa37f08fd5094c989e981373791bbb089b11, postalCode=400706, st=Maharashtra, serialNumber=472f6e3138236478534fc66f18b9e51c754abfab5d97368f256abfe384ad4076, cn=Renganathan Bashyam
Date: 2021.03.26 20:44:07 +05'30'

B. Renganathan
Executive Vice President & Company Secretary

Encl: a/a

Transaction Closure

Edelweiss Wealth Management (EWM)

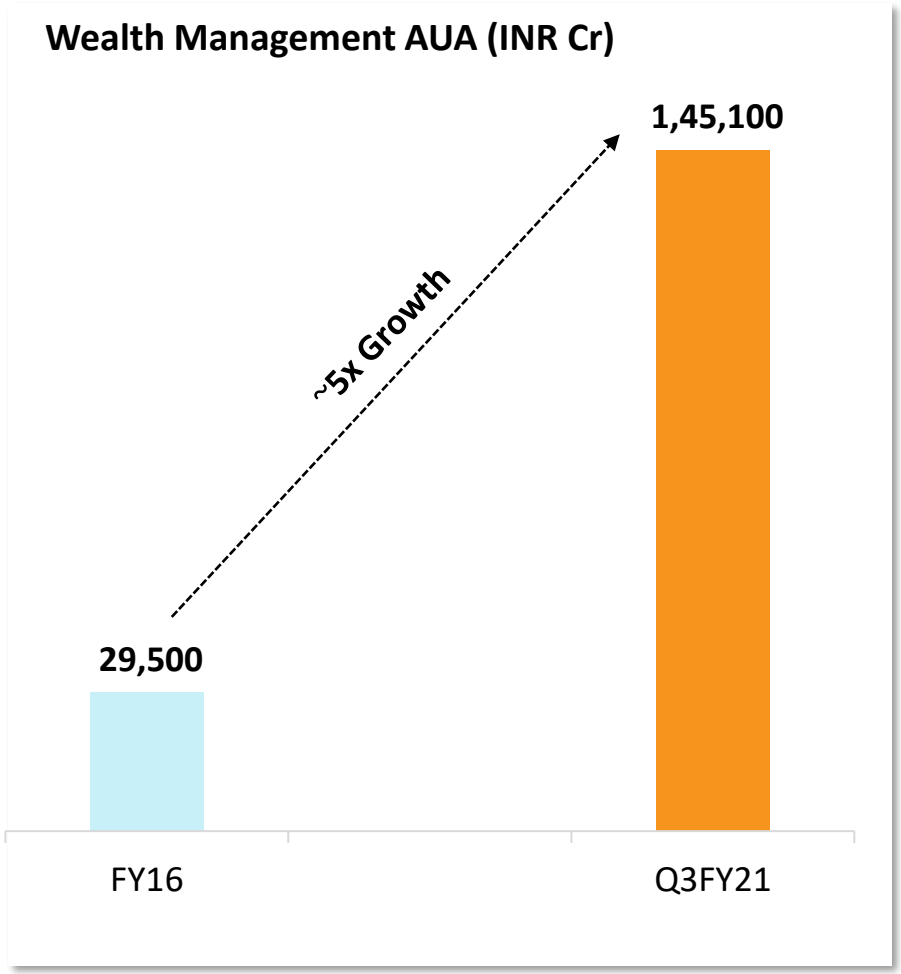
Edelweiss
Ideas create, values protect

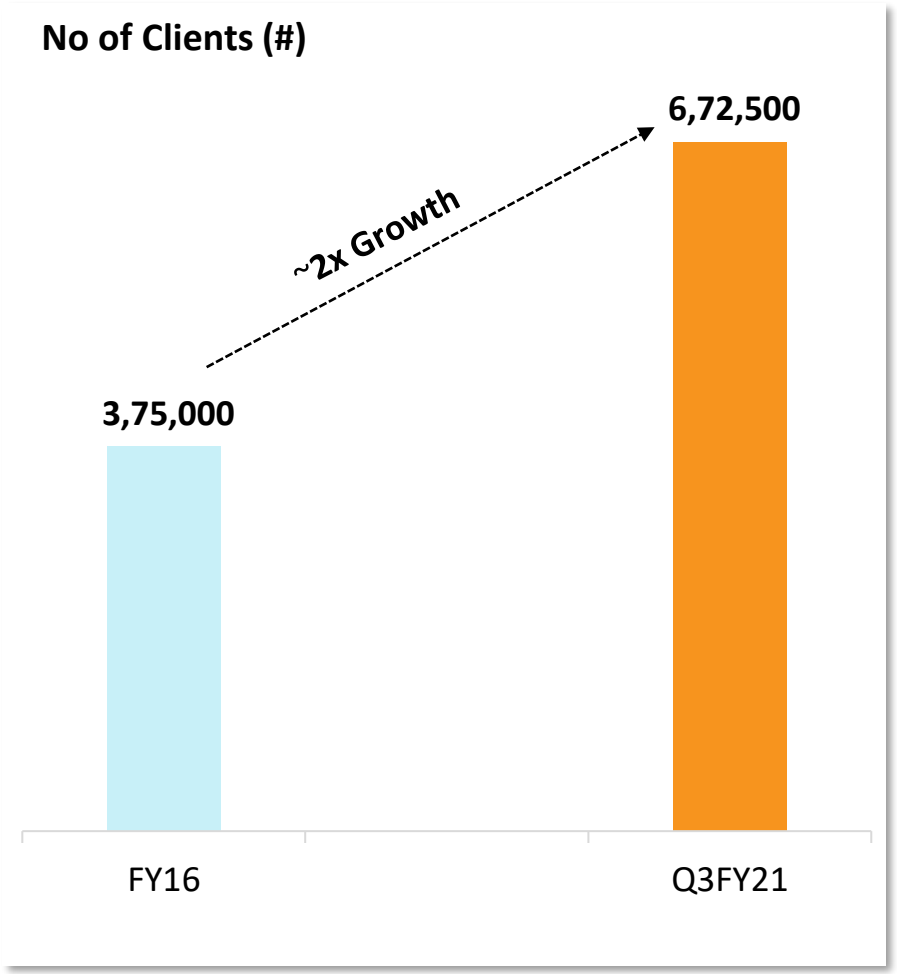
Edelweiss Wealth Management - Business Snapshot

- 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





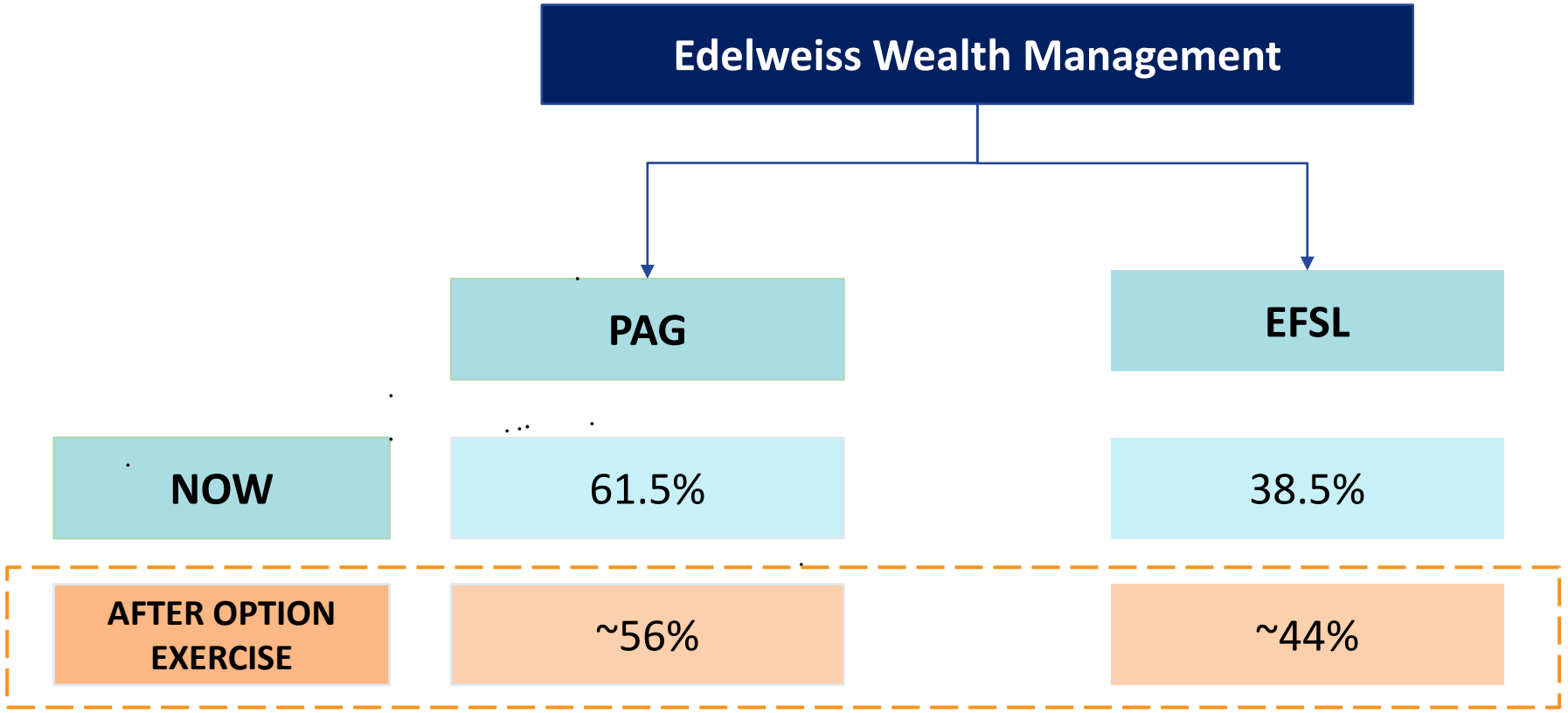
Indian WM industry is expected to reach INR 540 trillion at a CAGR of 12.5% in the next 5 years presenting a large opportunity space for EWM

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



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

Safe Harbour

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