PRESS RELEASE

Piramal Finance reports PAT of ₹ 545 crore in Q2 FY2027, up 67% yoy

Successfully raises ₹ 3,850 crore to strengthen capital base and support retail-led growth

Mumbai, India | October 19, 2026: Piramal Finance Limited ('Piramal Fin'), one of India's leading Non-Banking Financial Companies (NBFCs), reported Profit After Tax (PAT) of ₹ 545 Cr, up 67% year-on-year (yoy), for the second quarter ended September 30, 2026. With this, H1 FY2027 PAT stands at ₹ 1,006 Cr, up 67% year-on-year (yoy).

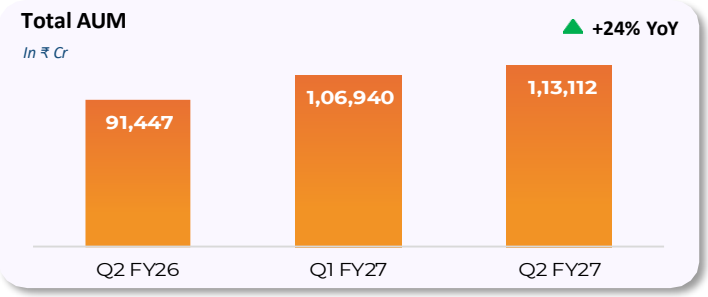
Assets Under Management (AUM) increased 24% yoy to ₹ 1,13,112 Cr, driven by 30% yoy increase in Growth AUM, which excludes the discontinued legacy business. Retail disbursements increased 34% yoy to ₹ 14,646 Cr, reflecting sustained customer demand and continued business momentum. The Company's nationwide footprint expanded to 838 branches across 621 cities in 25 states, while its customer franchise grew 26% yoy to 6.5 million, further strengthening its presence across India.

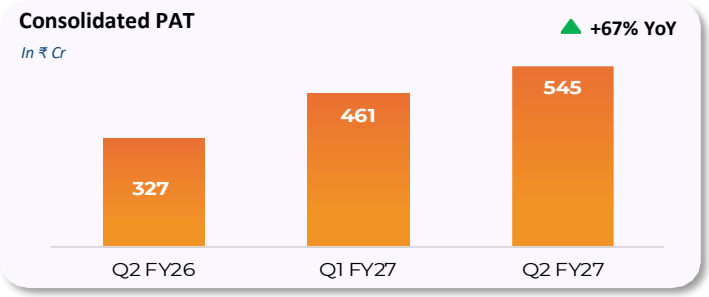
The Company completed an equity capital raise of ₹ 3,850 crore, comprising a QIP of ₹ 2,100 crore and a preferential allotment of ₹ 1,750 crore of warrants to the promoter group, strengthening its capital base to support future retail-led growth.

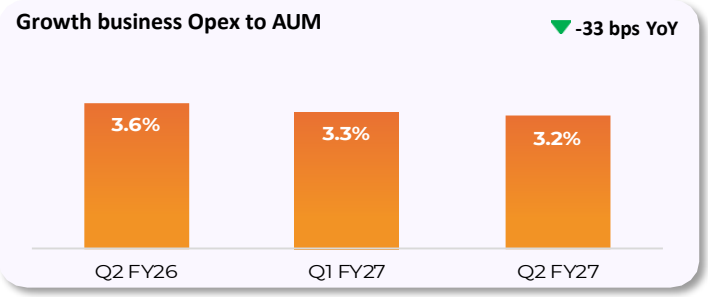
Today, the company also announced the appointment of Mr. Dinesh Kumar Khara, former Chairman of the State Bank of India (SBI), as an Independent Director for a five-year term. With a distinguished career of nearly four decades, his experience, judgement and deep understanding of financial services will be invaluable, and the company looks forward to his counsel and guidance.

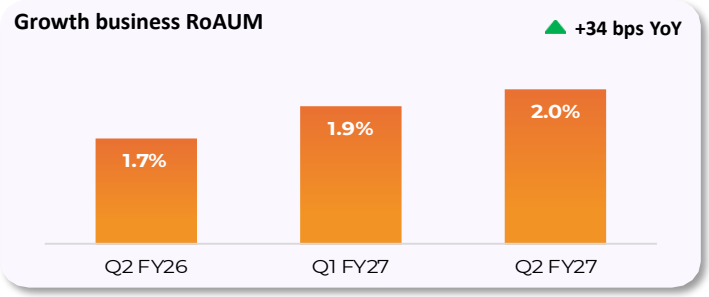
Speaking on the performance, **Anand Piramal, Chairman, Piramal Finance Limited**, said, "Q2 marks another quarter of consistent performance across growth, profitability and predictability, with our Growth AUM increasing 30% yoy. We are encouraged by the confidence shown in us through our first capital raise as Piramal Finance, including strong participation from domestic and global investors.

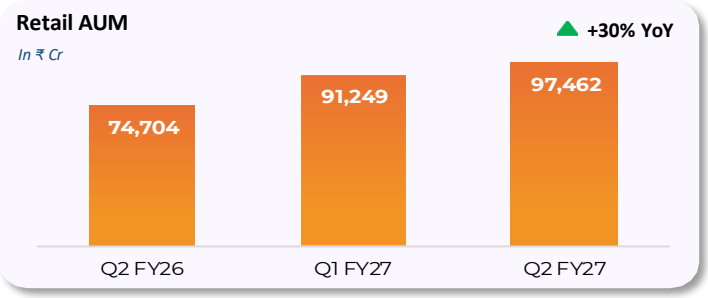
This quarter also marks five years since the DHFL merger, an important milestone in our transformation into a diversified, retail-led financial institution serving around 6.5 million customers across Bharat. We are grateful for their trust and recognise the responsibility that comes with this scale. As we grow, our focus remains on expanding responsible access to formal credit, combining our physical network with technology and AI to serve customers better. We remain committed to delivering sustained, profitable growth and building a strong and sustainable institution for the long term."

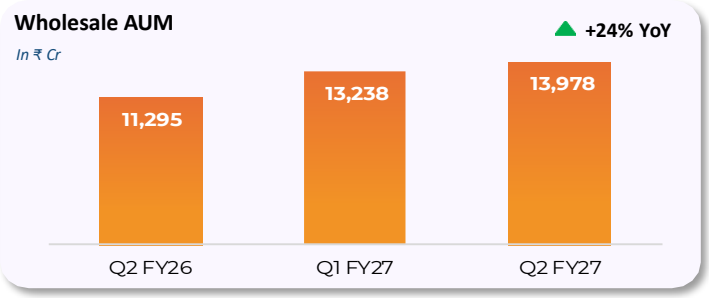












Consolidated Highlights

- AUM up 24% yoy to ₹ 1,13,112 Cr.
  - Retail AUM up 30% yoy at ₹ 97,462 Cr.
  - Wholesale AUM up 24% yoy at ₹ 13,978 Cr.
- PAT up 67% yoy at ₹ 545 Cr.
  - Net Income Margin expanded by 35 bps yoy to 6.5% and stable QoQ.
  - Q2FY27 Cost of Borrowing stable QoQ at 8.79%. Since our rating upgrade in FY26, our incremental cost of long-term debt has declined to 8.46% in H1 FY27 vs 8.67% in H2 FY26.
  - Cost-to-Income stood at 52.1%, vs 61.2% in Q2 FY26.
- Growth business RoAUM* improved to 2.0%, vs 1.7% in Q2 FY26.
  - Growth business Opex to AUM* declined to 3.2%, vs 3.6% in Q2 FY26.
  - Growth business Credit Cost* stable at 1.5%.
  - Growth business Profit Before Tax* of ₹ 538 Cr.
- Asset quality remained stable, with GNPA at 2.4% and NNPA at 1.7%.
- Net worth at ₹ 31,180 Cr with strong liquidity.
  - Cash & equivalents of ₹ 6,899 Cr (6% of assets)
  - AUM-to-Equity at 3.6x and Average LCR of 442%.
- Moody's Ratings upgrades rating to 'Ba2' from 'Ba3' - Outlook 'Stable'.

Piramal Finance

Business Highlights
Growth
Retail Lending ▪ **AUM** ○ Retail AUM grew 30% yoy to ₹ 97,462 Cr, now 86% of Total AUM. ○ Mortgage[2] AUM grew 27% yoy to ₹ 64,650 Cr, forming 66% of Retail AUM and 57% of Total AUM. ○ Within mortgage book, mass-affluent HL and larger ticket LAP Plus have been growing at a faster rate. ○ Q2 FY27 Disbursements grew 34% yoy to ₹ 14,646 Cr. ▪ **Scale and Reach** ○ 838 branches across 621 cities in 25 states. ○ Customer franchise expanded 26% yoy to 6.5 mn. **Wholesale Lending** ▪ Wholesale 2.0 AUM grew 24% yoy to ₹ 13,978 Cr. ▪ Q2 FY27 Disbursements grew 28% yoy to ₹ 2,615 Cr. ▪ Repayments (including pre-payments) of ₹ 1,889 Cr received during Q2 FY27.
Profitability
▪ Retail disbursement yields remained stable at 14.2%. ▪ Wholesale Effective Interest Rate (EIR) at 14.1% with an average ticket size of ₹ 55 Cr. ▪ Retail Opex-to-AUM declined 41 bps yoy to 3.48%, a ~300 bps reduction in 14 quarters.
Asset Quality
▪ Retail 90+ DPD[3] stood at 0.7%. ▪ Wholesale repayments at 72% of disbursements in Q2 FY27, reflecting strong portfolio performance.
Liabilities
▪ Q2FY27 Cost of Borrowing stable QoQ at 8.79%. Since our rating upgrade in FY26, our incremental cost of long-term debt has declined to 8.46% in H1 FY27 vs 8.67% in H2 FY26. ▪ Continued diversification of borrowing mix across mutual funds, securitization and international borrowings. ▪ ALM remains well-matched with positive gaps across all buckets.

Piramal.ai – Delivering measurable impact at scale

Piramal Finance continues to scale GenAI adoption through Piramal.ai, embedding AI across core business operations and moving beyond pilots to day-to-day integration. This is enhancing productivity, customer experience and decision-making across the organisation.

AI adoption and engineering productivity strengthened. GenAI usage grew over 5x yoy, with token consumption rising to 476 bn in Q2 FY27 from 91 bn in Q2 FY26. AI now generates 57% of the overall code, reflecting deeper integration into engineering workflows.

Operating leverage and frontline productivity strengthened. Disbursement per branch increased 17% yoy and disbursement per employee rose 10% yoy. AI-enabled hiring supported interviews of over 2,600 relationship managers, helping accelerate recruitment and frontline expansion.

Business growth and stakeholder engagement advanced. Voice AI enabled ₹ 102 crore in cross-sell disbursements, while ARYA, the AI-enabled work assistant, resolved ~5.6 lakh queries, up 45% yoy. The Company also launched PIA (Piramal Investor Assistant), an AI-powered investor relations agent that enables investors to analyse financial performance across quarters and access management commentary from past earnings calls.

Underwriting and fraud risk management enhanced. AI analysed ~1.94 lakh bank statements and processed 2.13 lakh images to support credit decisions. Document fraud intelligence scanned over 6 lakh documents, while AI agents generated fraud alerts across ~20.9 lakh cases, strengthening data-driven risk assessment.

Collections efficiency improved. Monthly hands-free collections increased over 2.5x yoy to ₹ 754 crore in Q2 FY27 from ₹ 300 crore in Q2 FY26, reflecting the growing application of AI in collections operations.

Compliance and customer engagement became more automated. Over 20.8 lakh documents were identified for masking/Aadhaar masking, up 59% yoy from 13.1 lakh in Q2 FY26. Customer resolutions handled through WhatsApp, Mobile app and email automation increased to 74%. Live voice and chat bots increased to 49 from 12 and accounted for 41% of customer onboardings.

Overall, Piramal.ai is delivering measurable gains across productivity, business growth, risk management, collections, customer and stakeholder engagement.

Piramal Finance

Consolidated Income Statement

(In ₹ Cr, unless specified)

Particulars	Q2 FY27	Q2 FY26	YoY %	Q1 FY27	QoQ %	H1 FY27	H1 FY26	YoY %
Interest income[3]	3,358	2,702	24%	3,174	6%	6,532	5,206	25%
Less: Interest expense	1,828	1,570	16%	1,736	5%	3,564	3,064	16%
Net interest income	**1,530**	**1,132**	**35%**	**1,438**	**6%**	**2,968**	**2,142**	**39%**
Fee & commission	131	121	9%	127	3%	258	235	10%
Dividend	10	9	5%	18	-48%	28	24	16%
Others	96	67	44%	106	-9%	202	165	22%
Other income	**237**	**196**	**20%**	**251**	**-6%**	**487**	**424**	**15%**
Total income	**1,767**	**1,328**	**33%**	**1,689**	**5%**	**3,455**	**2,566**	**35%**
Less: Operating expenses	921	813	13%	889	4%	1,811	1,625	11%
Pre-provision operating profit (PPOP)	**846**	**515**	**64%**	**799**	**6%**	**1,645**	**940**	**75%**
Less: Loan loss provisions & FV loss / (gain)	302	248	22%	455	-34%	757	451	68%
Profit before tax & associate income	543	267	103%	344		887	490	81%
Add: Associate income	37	63	-41%	99		136	141	-4%
of which: Alternatives	*49*	*87*	-43%	*82*		*132*	*157*	-16%
Pramerica Life Insurance	*(12)*	*(24)*	48%	*17*		*4*	*(15)*	127%
Profit before tax	**580**	**330**	**76%**	**443**		**1,023**	**631**	**62%**
Less: Current & deferred tax	35	(78)		(18)		17	(53)	
Less: Exceptionals[4]	-	(81)		-		-	(81)	
Profit after tax	**545**	**327**	**67%**	**461**	**18%**	**1,006**	**603**	**67%**

Notes:

(*) Pro forma business P&L; Growth business includes Retail and Wholesale business and excludes the discontinued Legacy business.

(1) Mortgage comprises Housing loans and Loan Against Property.

(2) 90+ DPD delinquency = 90 to 180 days past due (DPD) % of AUM (DPD 0 to 180).

(3) Interest Income includes Direct Assignment (DA) upfront income of ₹ 82 Cr in Q2FY27, ₹ 112 Cr in Q2FY26 and ₹ 85 Cr in Q1FY27.

(4) Exceptionals for Q2FY26 include merger-related expenses (₹ 60 Cr) and a one-off tax expense (₹ 21 Cr).

About Piramal Finance Limited:

Piramal Finance Limited is a retail-led upper-layer NBFC with a pan-India presence. As on 30th September 2026, the company manages Assets Under Management (AUM) of over INR 1.10 lakh crore and has served over 6.5 million customers across 25 states. The company operates a distinctive phygital model combining high-touch engagement across 13,000+ pin codes as on 30th September, 2026 with high-tech capabilities including machine learning models, agentic AI tools and real-time dashboards. Piramal Finance is rated **'AA+'** with a 'Stable' Outlook by CRISIL, ICRA and CARE for its domestic long-term debt, **'BB'** by S&P Global internationally, and **'Ba2'** with a Stable outlook by Moody's.

In Retail Lending, Piramal Finance offers a diversified portfolio spanning affordable housing loans, loan against property, gold loans, microfinance, used car loan, personal loans, insurance solutions, and small business credit, with a presence across metro-adjacent, semi-urban, and rural markets. In Wholesale Lending, the company provides asset-backed, data-driven financing solutions across real estate and select non-real estate sectors, with a focus on mid-income residential development and bespoke capital solutions for mid-market corporates.

With its digital-first approach and AI-enabled platforms, Piramal Finance is committed to expanding access to affordable credit and driving inclusive growth across India.

For more information, visit: www.piramalfinance.com

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