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Piramal Finance

Debt Investor Presentation Q2 FY26

28 October 2025

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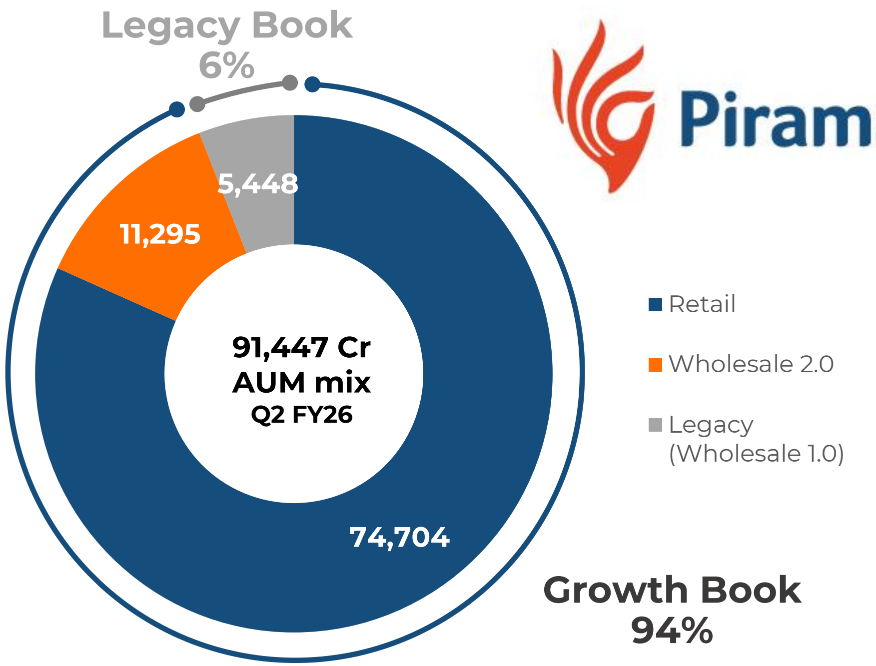
Executive Summary

Business Snapshot – Q2FY26

Consol. AUM	INR 91,447 Cr	up 22% YoY / 7% QoQ
Growth : Legacy AUM mix	94 : 6	93 : 7 in Q1 FY26
Consol. PAT	INR 327 Cr	up 101% YoY
Growth business PBT^	INR 344 Cr	up 98% YoY
GNPA & NNPA	2.6% & 1.8%	2.8% & 2.0% in Q1 FY26
Net worth	INR 27,447 Cr	INR 27,174 in Q1 FY26
Capital Adequacy	20.7%	19.3% in Q1 FY26
Gross Debt / Equity	2.6	2.5 in Q1 FY26



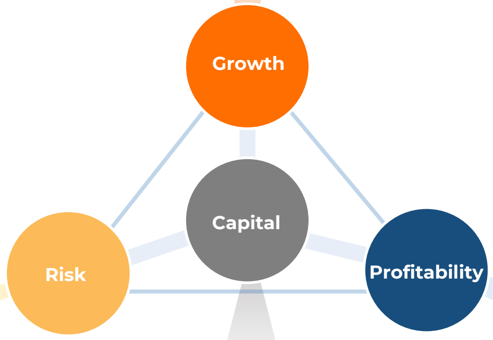
Notes: (^) Pro forma business P&L

AUM up 22% YoY | PAT up 101% YoY

PEL – PFL merger is now complete | seamless transition of reported consol. financials from PEL to PFL | PFL stock to list* in November

Growth

- **Consol AUM growth** of 22% YoY
- **Retail AUM** up 36% YoY
- **Wholesale 2.0 AUM** up 43% YoY



Risk

- **Legacy book** at 6% of total AUM and down 55% YoY
- **Growth business PBT** (₹ 344 Cr) drives **Consol PBT** (₹ 330 Cr)
- **Stable** Retail 90+ DPD at 0.8% (Q1 FY26: 0.8%)
- **Growth business** credit cost at 1.7% (stable QoQ, adj for net ECL rebalance in Q1 and Q2)

Capital

- Total **capital adequacy** at 20.7% (vs 19.3% at Q1 FY26)
- **Cash and liquid investments** of ₹ 7,238 Cr (7% of total assets)

Profitability

- **Consol PAT** up 101% YoY to ₹ 327 Cr
- **COB** below 9% after 5 quarters; Growth business **NIM up 10 bps QoQ**
- Retail **opex-to-AUM** down 80bps YoY to 3.9%; Medium term target refreshed 25bps lower to 3.25-3.75%
- **Growth business RoAUM** of 1.7% in Q2 FY26 (Q1 FY26: 1.5%)

Notes: (*) Subject to regulatory approvals, listing is expected within 45 days since the record date (23rd Sep-25)

On track to meet all FY26 targets

		FY25	H1 FY26	FY26 Target
1	Total AUM - YoY growth	17%	22%	25%
2	Growth AUM - YoY growth	36%	37%	30%
3	Retail share in total AUM	80%	82%	80-85%
4	Legacy AUM (₹ Cr)	6,920	5,448	3,000-3,500
5	Consol. PAT (₹ Cr)	485	603	1,300-1,500

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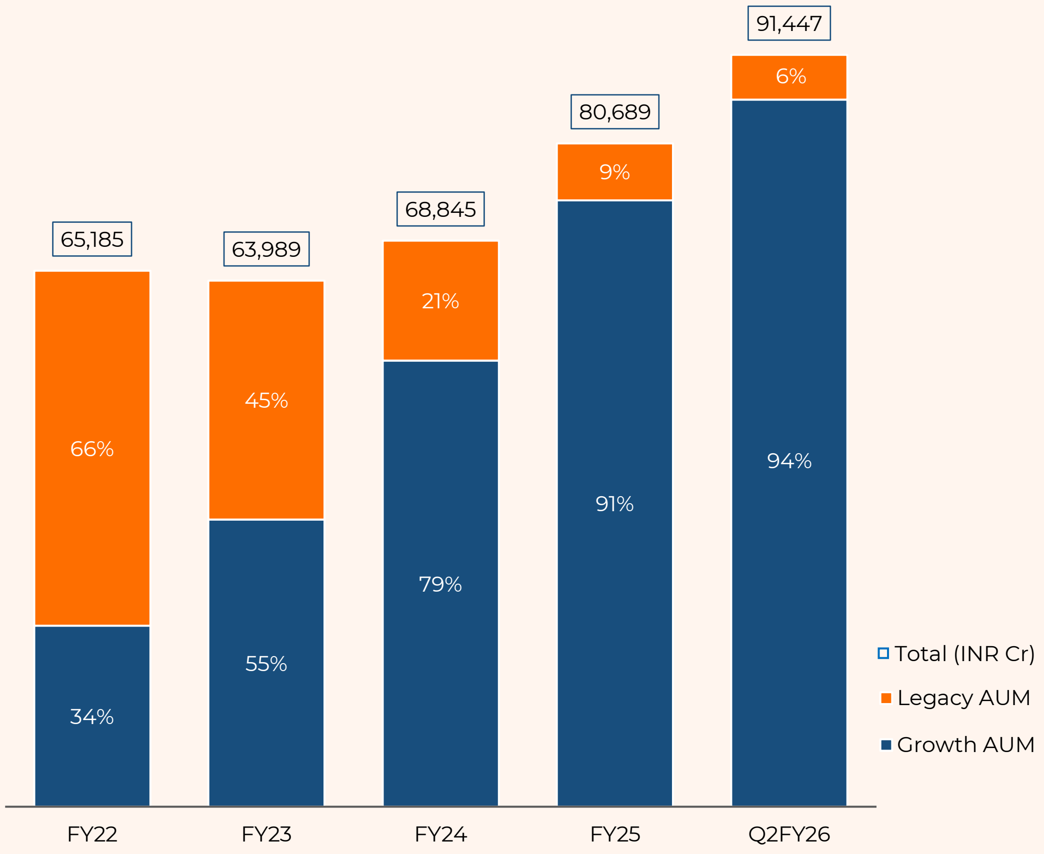
Portfolio composition

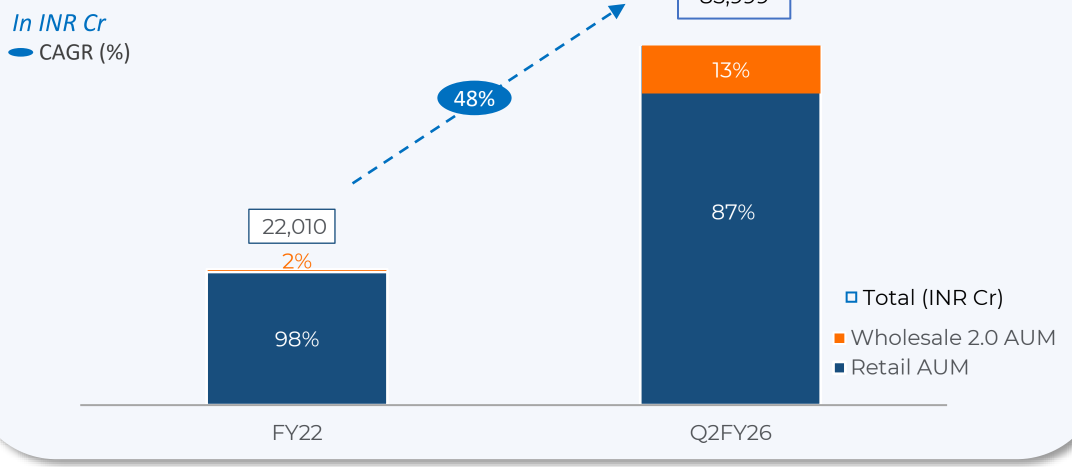
Growth business now 94% of total AUM

Total AUM up 17% YoY- Growth AUM dominate the AUM mix

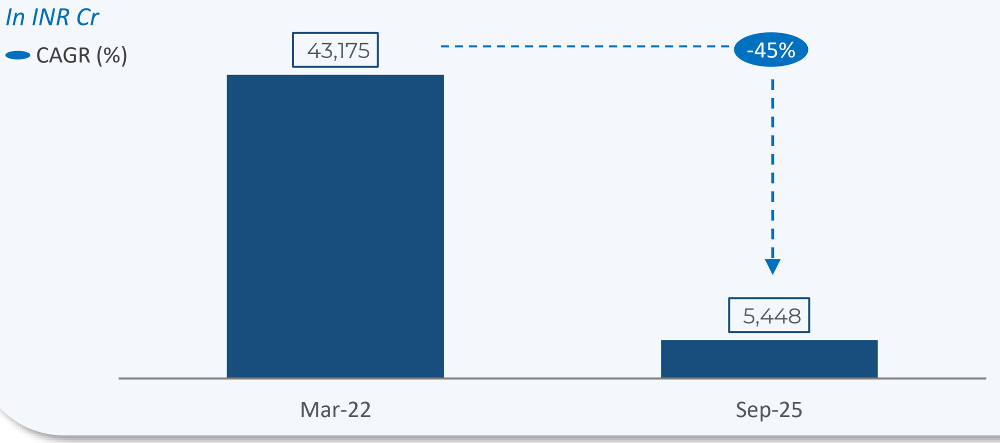


Legacy (discontinued) AUM to be <5% of Total AUM by end of FY26

Growth AUM



Legacy AUM running down steadily



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Legacy (discontinued) business

We reiterate bringing Legacy AUM to below ₹ 35bn by March 2026

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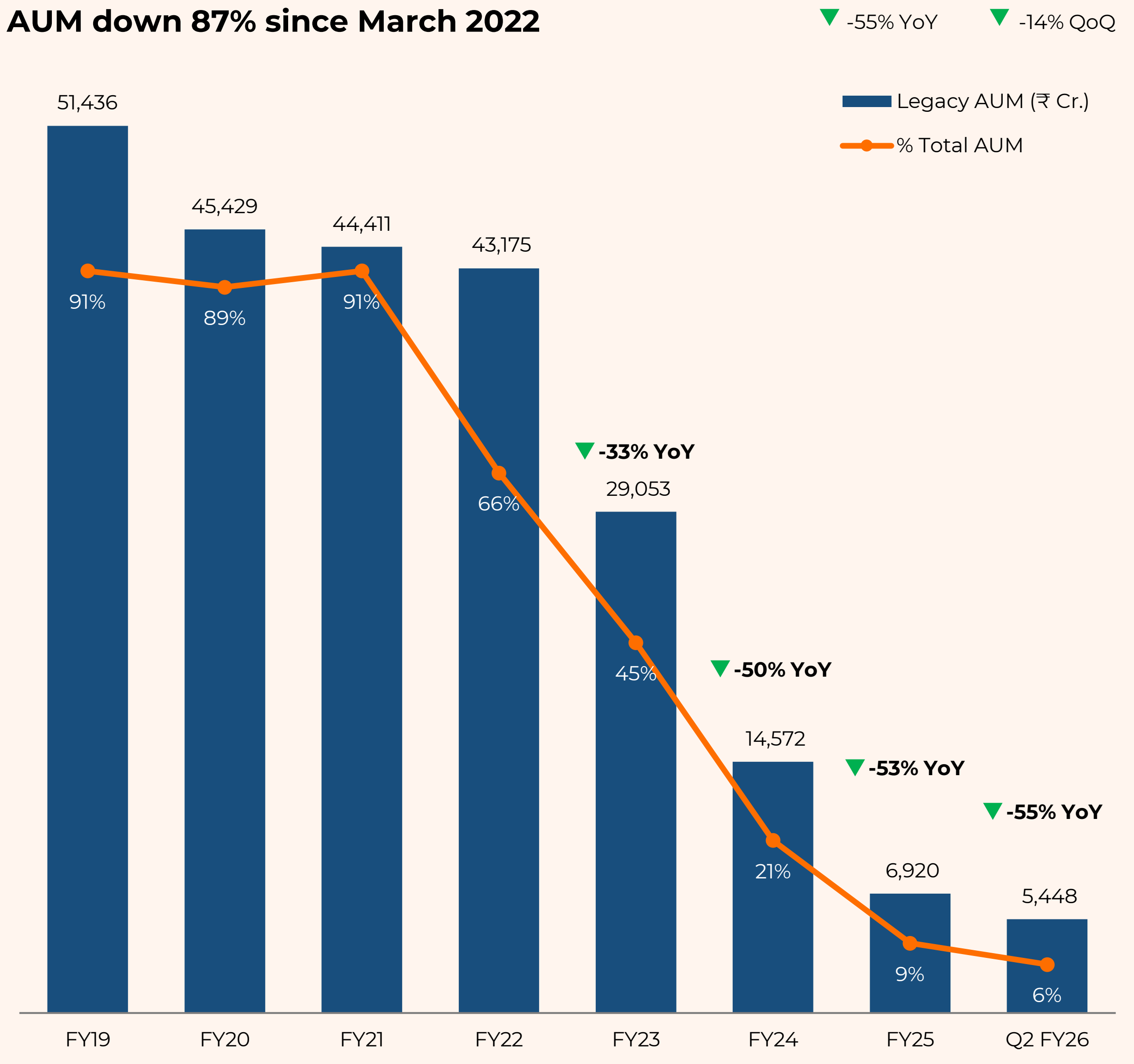
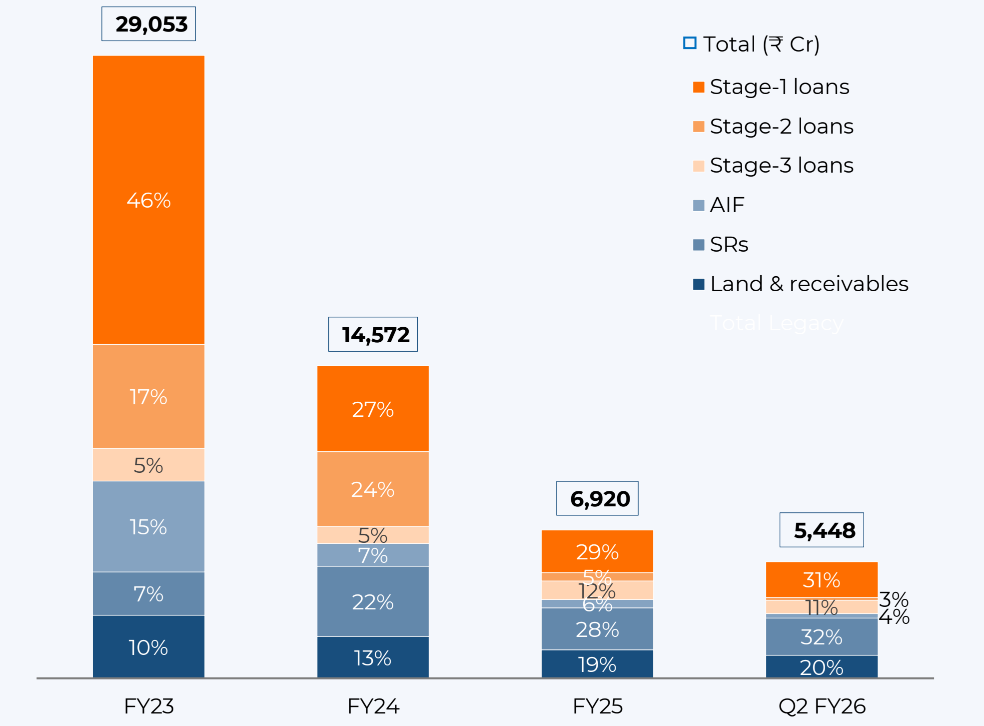
AUM down 87% since March 2022



AUM composition



Potential P&L items to consider from the legacy business

Provisions Carried	366 crs
Gain from Shriram Stake Sale – Insurance	~ 1,000 crs
Deferred Consideration - Piramal Imaging	~ 1,100 crs

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Growth business

A. Retail

B. Wholesale 2.0

Snapshot - Retail Lending

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AUM

₹ 74,704 Cr

▲ 36% YoY

Presence

518 Branches | 429 Cities | 26 States

Mortgages AUM (HL+LAP)

₹ 50,834 Cr

▲ 37% YoY | 68% of retail AUM

Opex to AUM

3.9%

▼ 260bps in ten quarters

AUM yield

13.6%

Steady QoQ

** Weighted average of all live loan accounts (excl. fee income)*

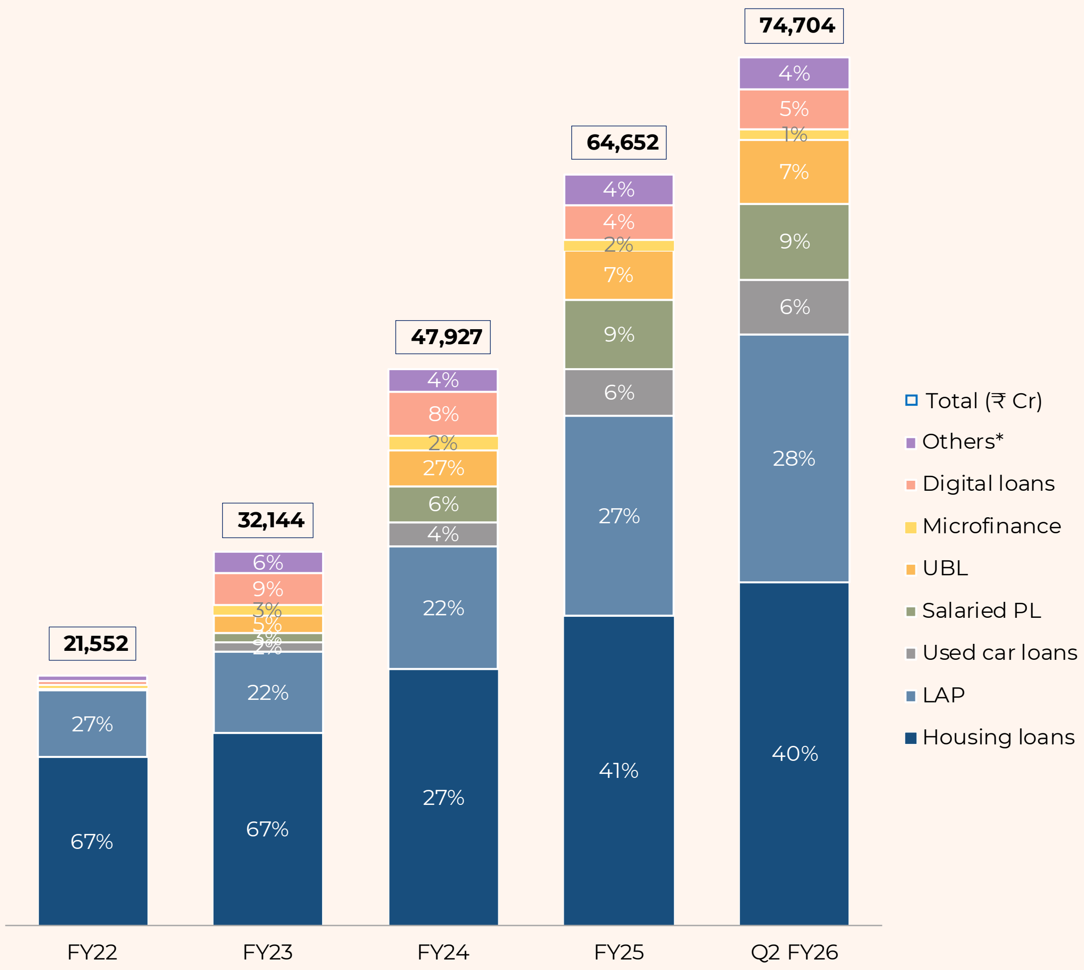
90+ DPD

0.8%

Stable portfolio over three years

Growth momentum across product verticals

Retail AUM up 36% YoY



Disbursements up 36% YoY

Note: (*) Others includes loan against mutual fund (LAMF) (₹ 1,185 Cr as of Q2 FY26), SRs (₹ 1,468 Cr as of Q2 FY26) & pass-through certificates (PTC) (₹ 102 Cr as of Q2 FY26)

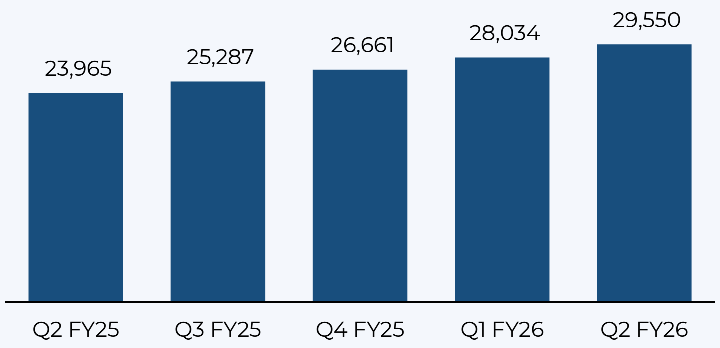
Secured AUM - Sustained growth momentum across products

(In ₹ Cr)

AUM

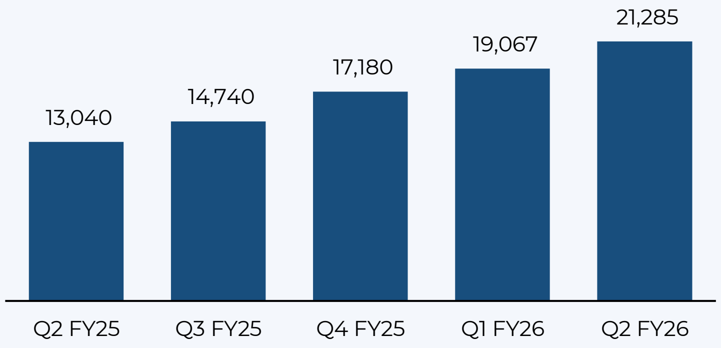
Housing loans

▲ +23% YoY



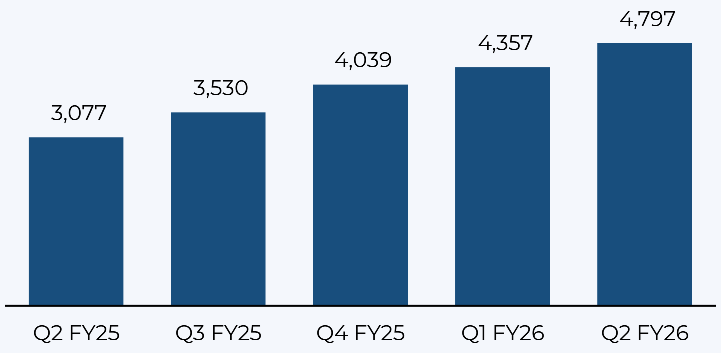
LAP

▲ +63% YoY



Used car loans

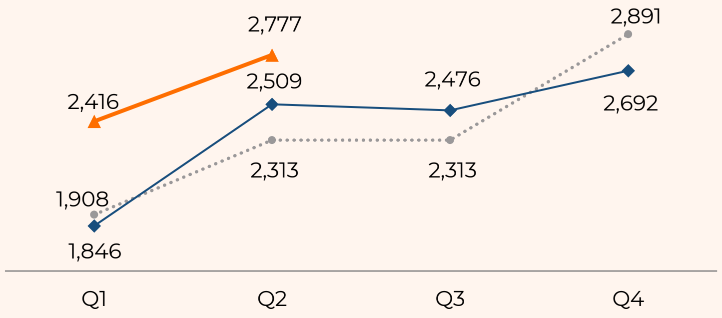
▲ +56% YoY



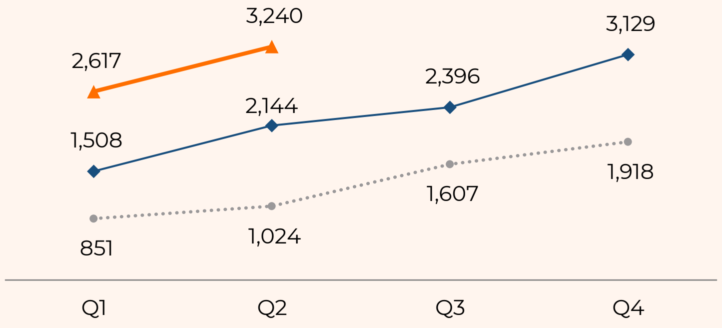
FY26 FY25 FY24 *(In ₹ Cr)*

Disbursement

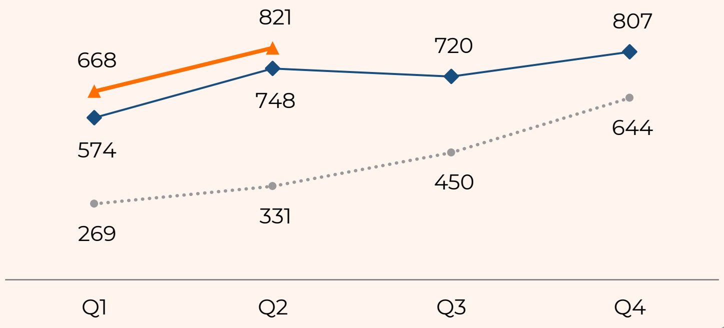
▲ +11% YoY



▲ +51% YoY



▲ +10% YoY



₹ 22 Lac	58%	756	11.9%
Average ticket size	*Average LTV*	*Average CIBIL score*	*Disbursement yield*

₹ 25 Lac	46%	749	13.3%
Average ticket size	*Average LTV*	*Average CIBIL score*	*Disbursement yield*

₹ 6.9 Lac	73%	749	15.4%
Average ticket size	*Average LTV*	*Average CIBIL score*	*Disbursement yield*

Unsecured AUM - Actively managing disbursements to navigate risk

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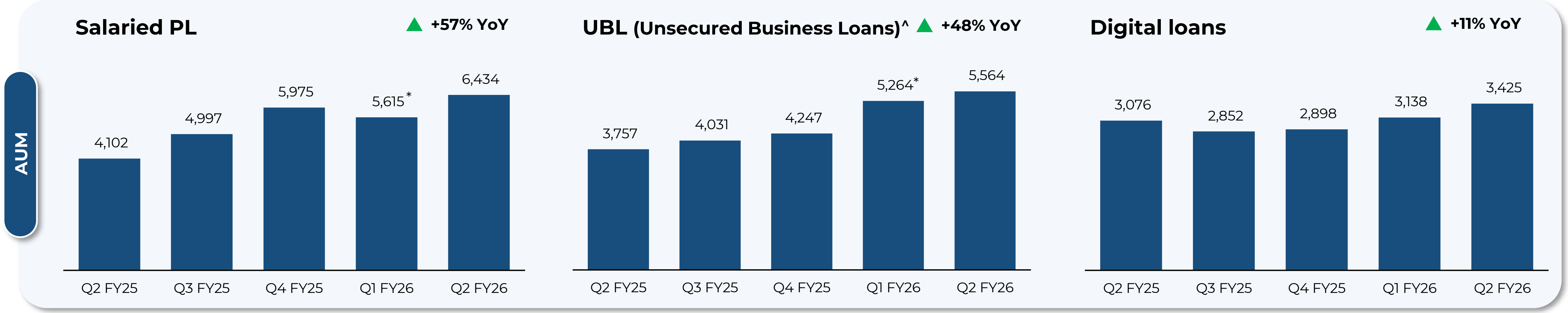
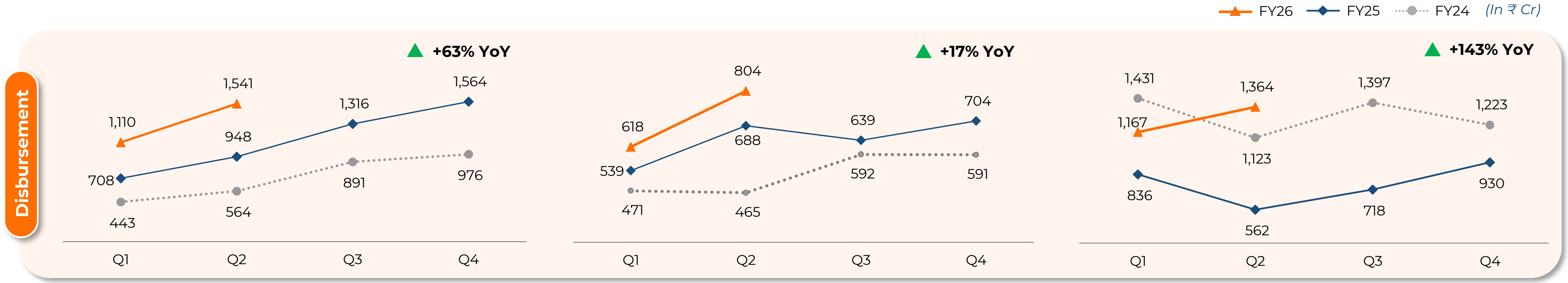
(In ₹ Cr)



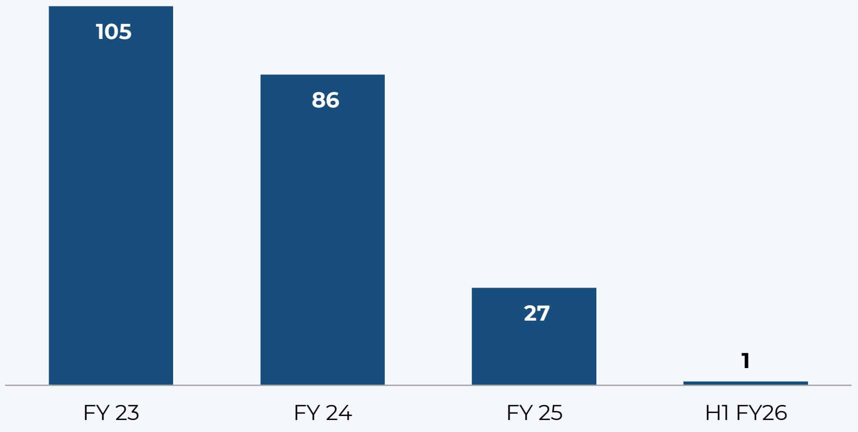


Salaried PL			UBL			Digital loans		
₹ 4.6 Lac	755	17.4%	₹ 6.6 Lac	751	19.4%	₹ 0.9 Lac	760	14.9%
Average ticket size	*Average CIBIL score*	*Disbursement yield*	*Average ticket size*	*Average CIBIL score*	*Disbursement yield*	*Average ticket size*	*Average CIBIL score*	*Disbursement yield*

Notes: (*) In Q1 FY26, AUM of ₹ 1,043 Cr from self-employed cross-sell customers have been re-classified from Salaried PL to UBL
(^) Excluding MFI; Q2FY26 MFI AUM is ₹ 894 Cr and disbursement is ₹ 408 Cr

Productivity improvement to continue

1 We are moderating the pace of branch expansion...



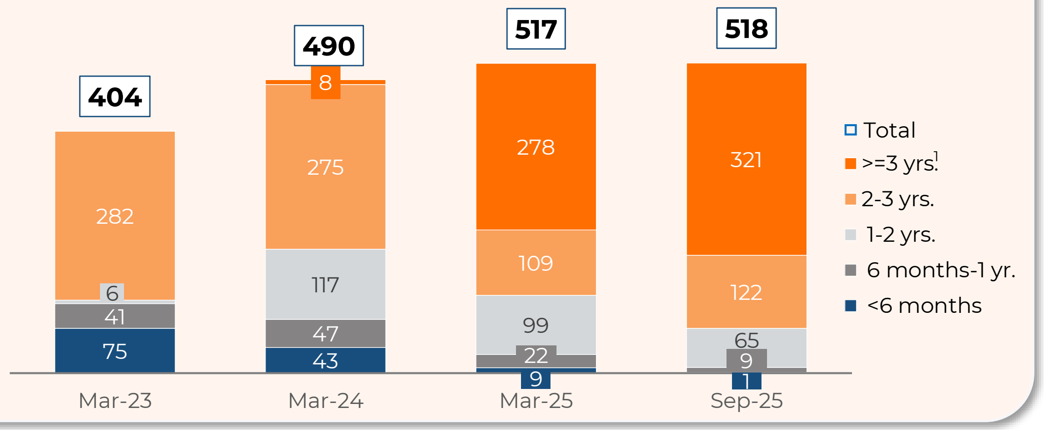
2 ...and focusing more on increasing product penetration into existing branches

No. of branches

Products offered	Mar-23	Mar-24	Mar-25	Sep-25
Housing loans	398	470	512	514
LAP	343	461	512	513
Used car loans	169	307	363	381
Salaried PL	127	225	319	352
UBL	93	168	293	371
Total branches	***404***	***490***	***517***	***518***

3 Our branches are also becoming more mature...

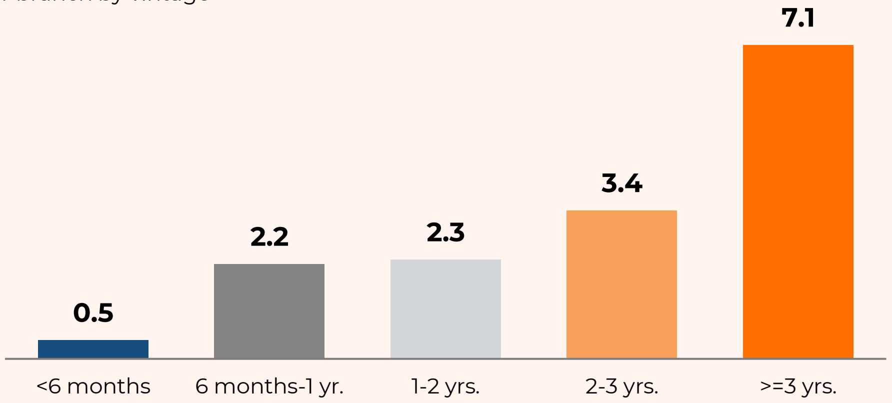
 # branches, by vintage



4 ...and, hence, productivity will further increase

₹ Cr

Benchmark monthly disbursement[2]
per branch by vintage

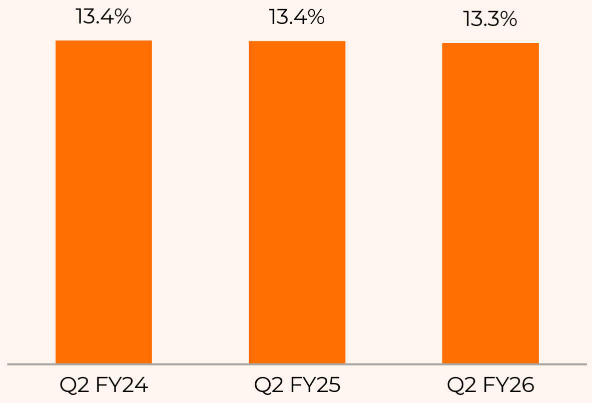


Note: (1) >=3 years bracket in Q2 FY26 mostly represent DHFL branches acquired in Sep'21; (2) Only for branch led products

Stable income profile – operating leverage playing out well

1 Interest income

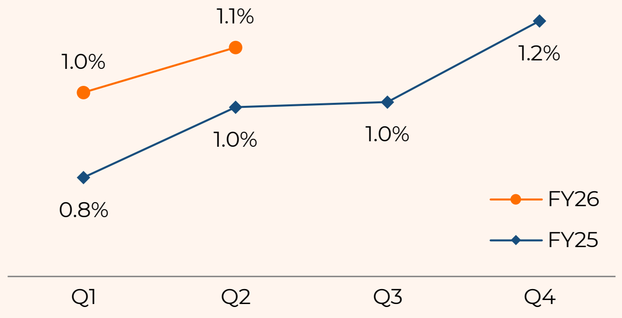
As % of loans



2 Fee income

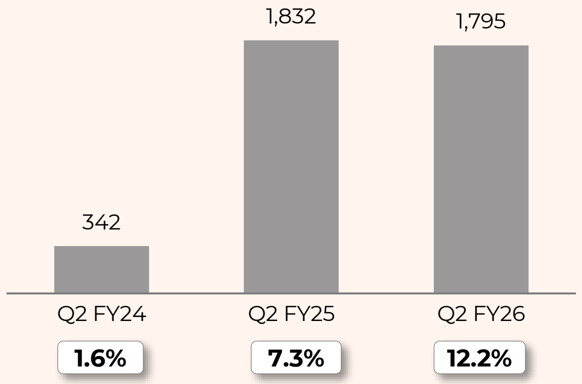
As % of loans

Amortization of processing fee led to a drop in reported fee income (from **1.5% in FY24**), which is now normalizing.



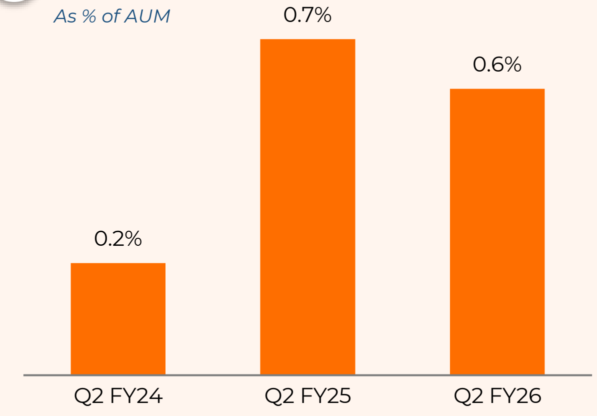
3 Ramp up in DA/co-lending transactions…

(₹ Cr)

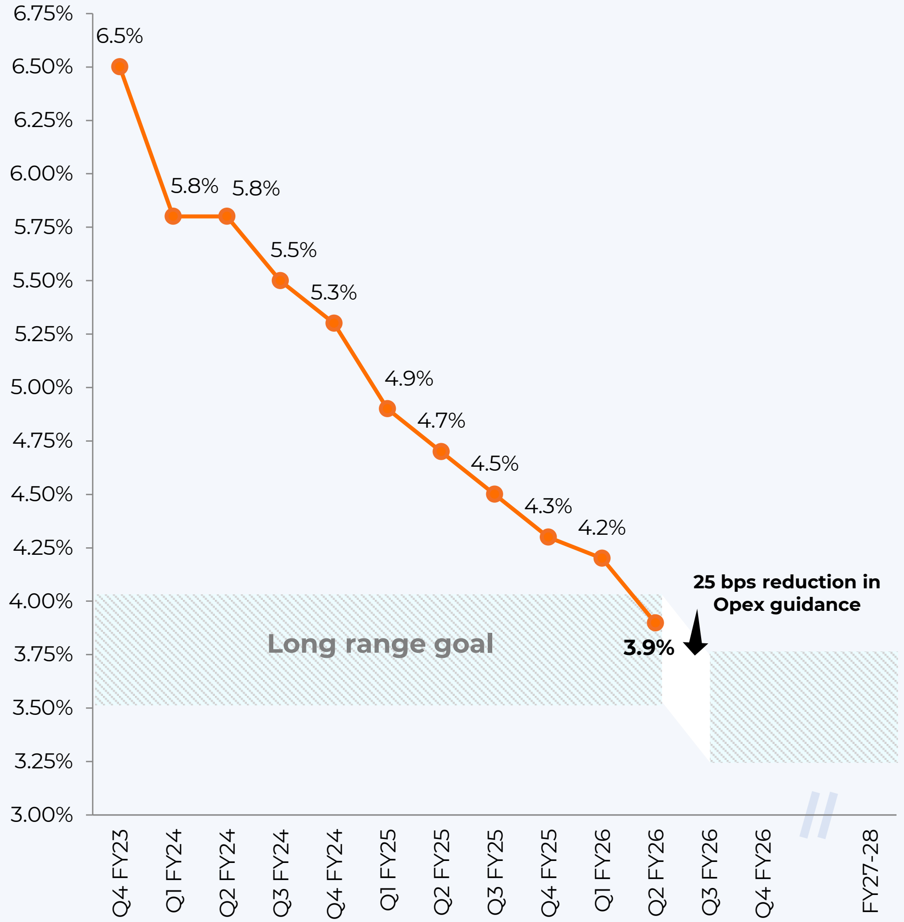


4 ….has lifted DA/co-lending income

As % of AUM



Opex ratio reduced ~260 bps over last 10 quarters



Snapshot – Wholesale 2.0

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AUM

₹ 11,295 Cr

▲ 43% YoY

Mix

76 : 24

Real estate : CMML

Disbursements

₹ 2,043 Cr

▲ 11% YoY

Average ticket size

₹ 71 Cr

Portfolio EIR
(Effective interest rate)

14.5%

Steady QoQ

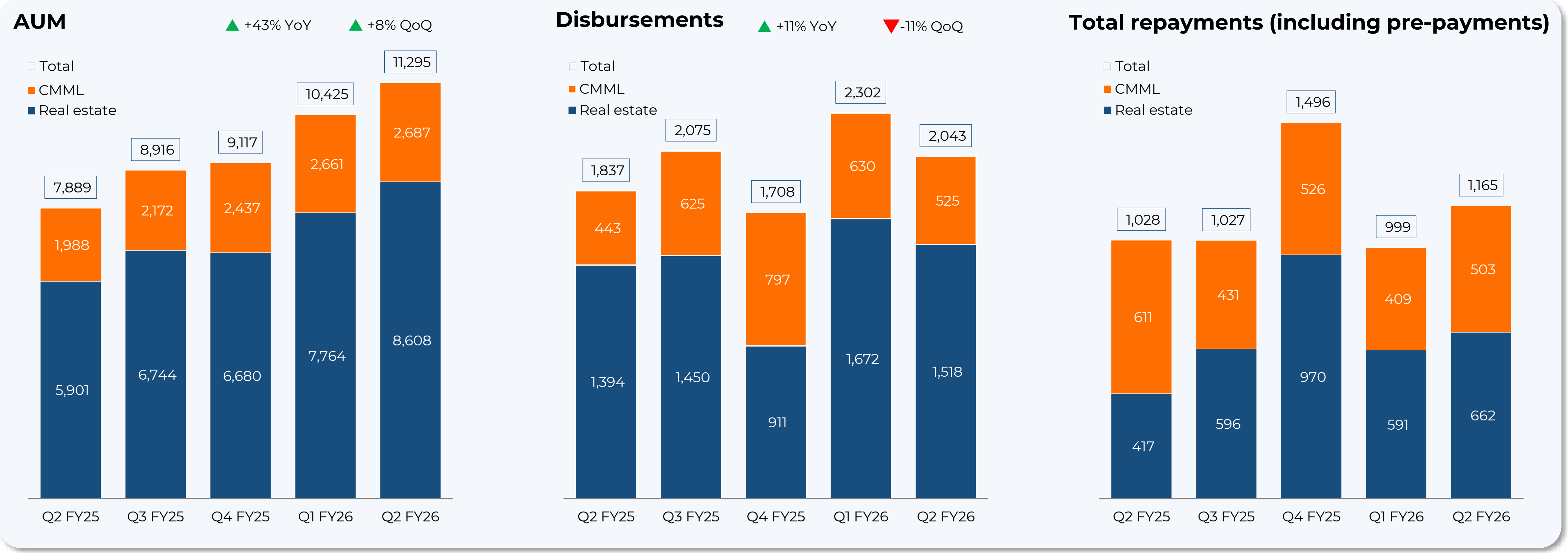
Repayments as % of disbursements

57%

High repayments reflect strong underwriting

Building a diversified and granular book backed by cash flows and assets

In ₹ Cr.



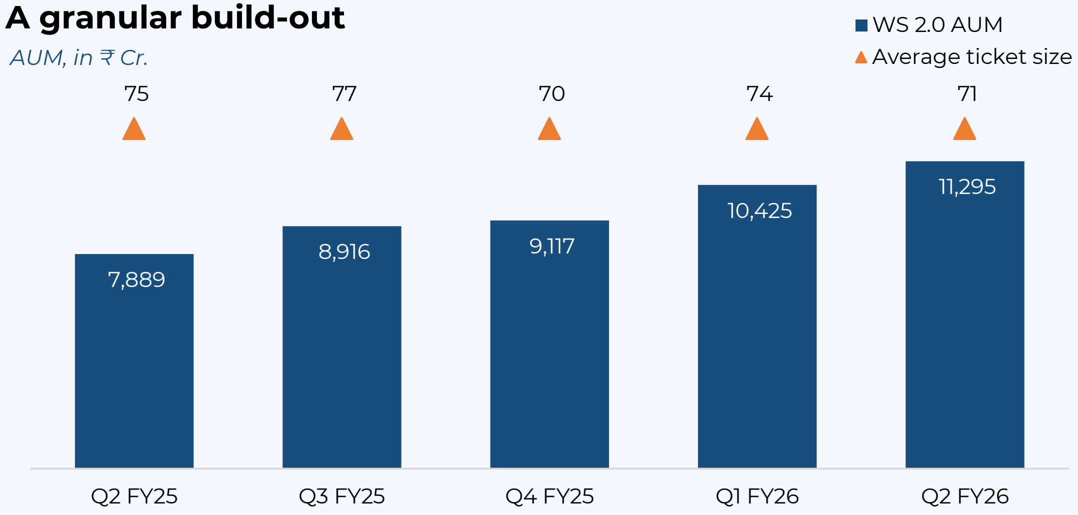
- **Performing well**, in line with or ahead of underwriting, as reflected in prepayments
- **Pre-payments** worth ₹ 460 Cr received in Q2 FY26
- Q2FY26 **repayments** (₹ 1,165 Cr) were 57% of the disbursements

Granular and diversified build-out

(Charts represents data for outstanding AUM)

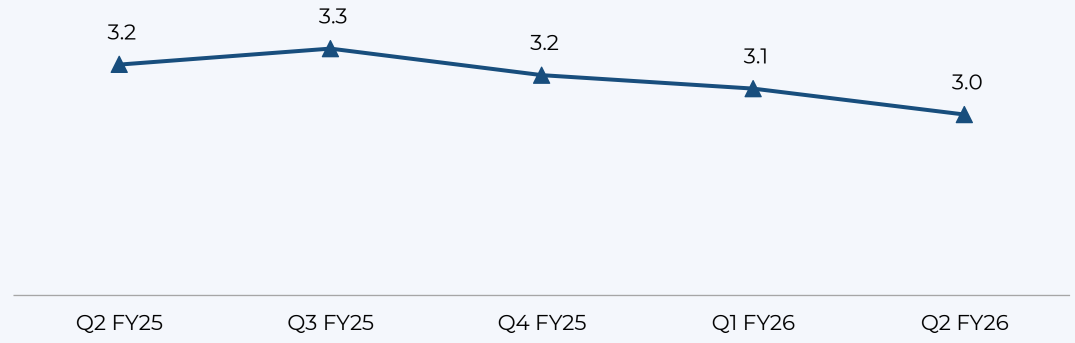
A granular build-out

AUM, in ₹ Cr.



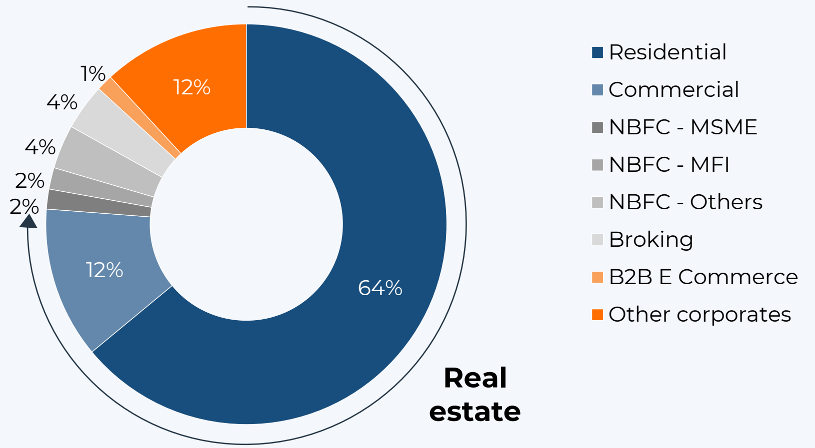
Average loan tenure

In years, represents average residual tenor



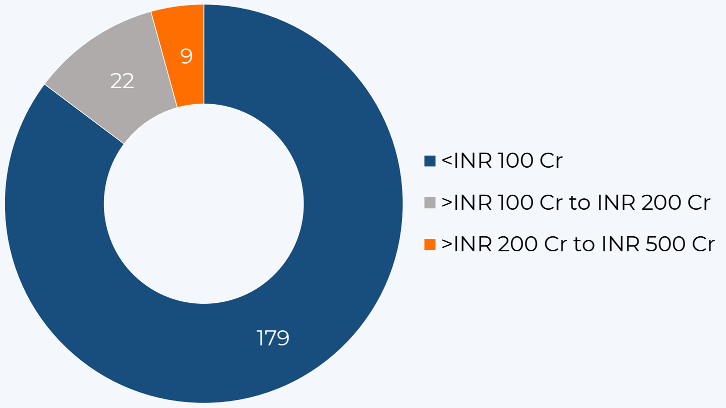
Overall asset diversity (AUM mix)

As of Sep 2025



Mix by ticket size range

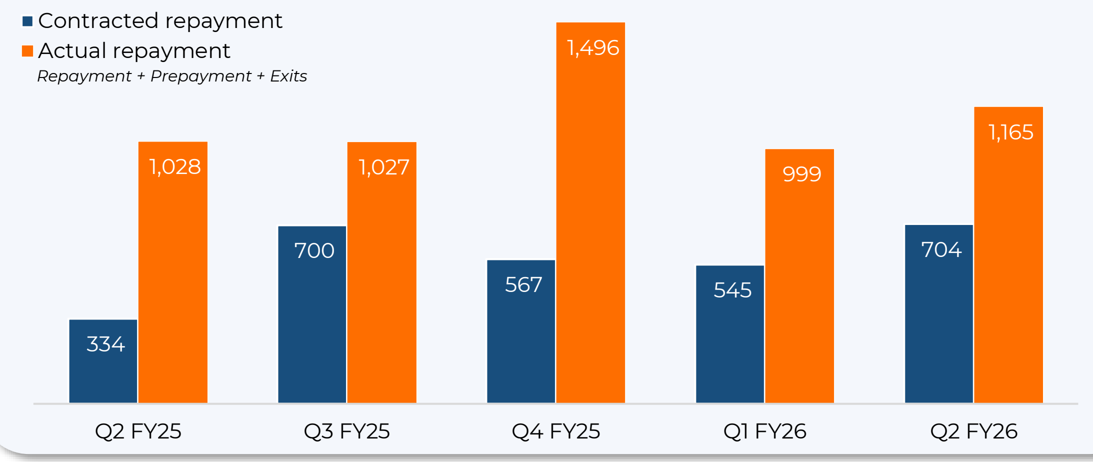
 # Number of deals; Sep 2025



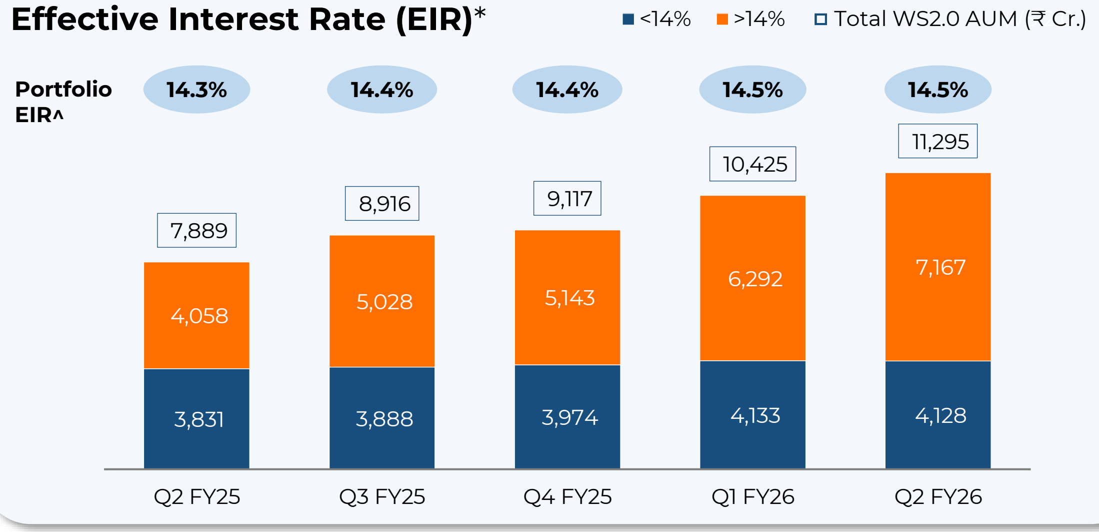
Portfolio analysis

Repayment analysis

In ₹ Cr.

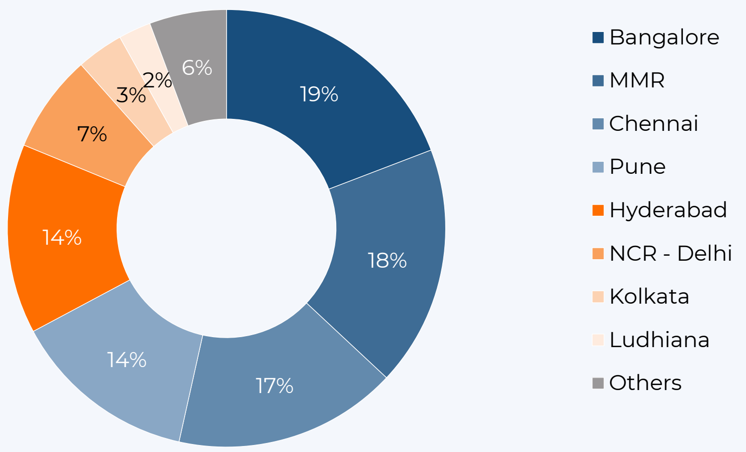


Effective Interest Rate (EIR)*



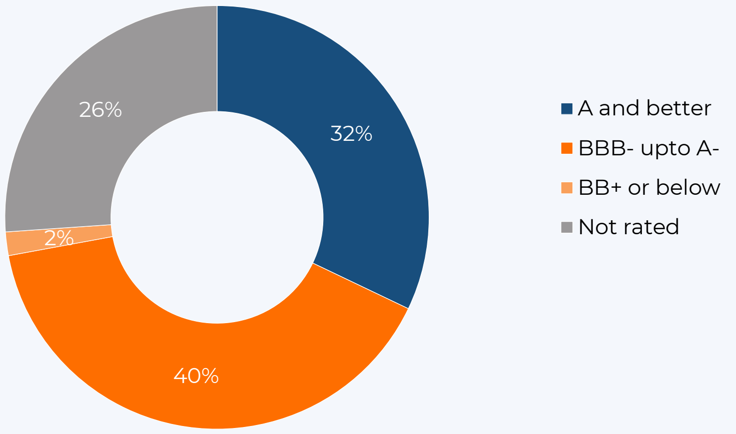
Real estate AUM by geographic exposure*

As of Sep 2025



CMML AUM by ratings*

As of Sep 2025



Notes: (*) Represents data for outstanding AUM
(^) Portfolio EIR % includes fee income

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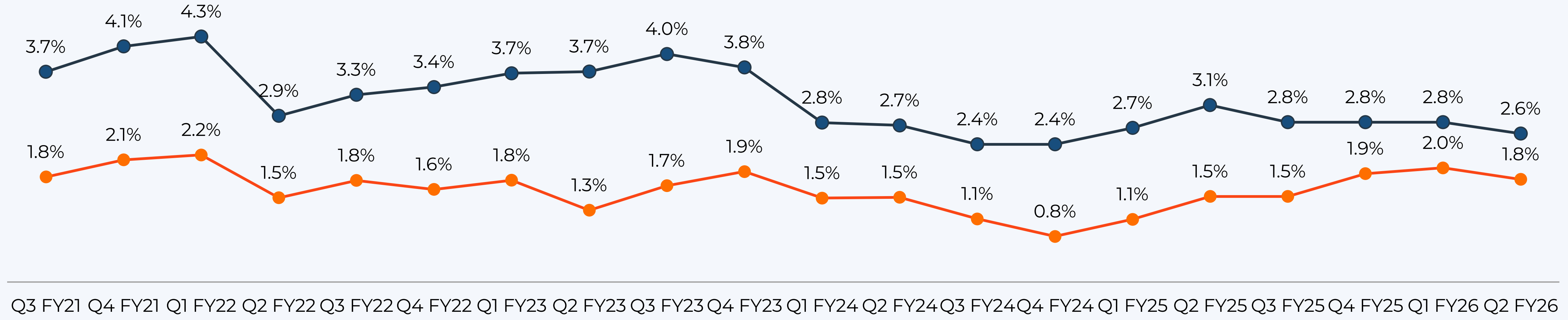
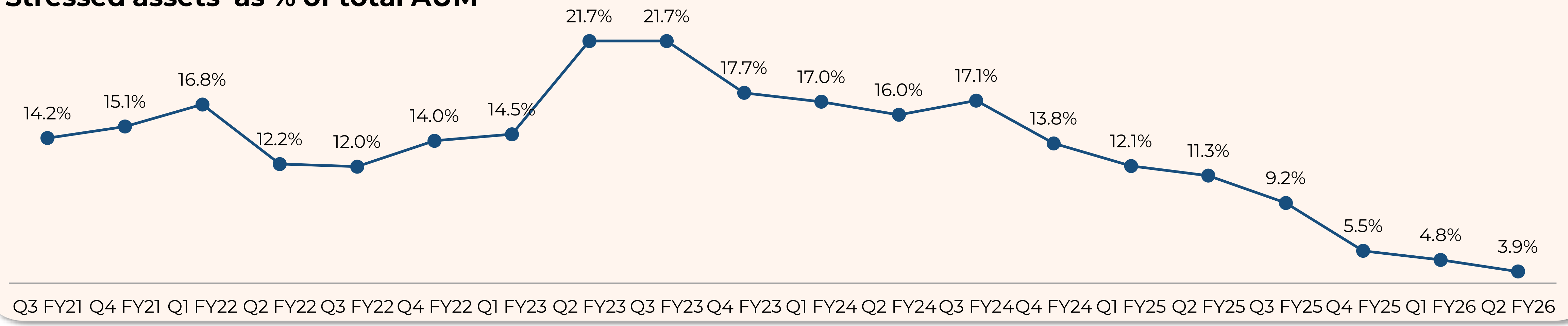
Asset Quality

Asset quality metrics: Post peak in FY23 have returned to pre-stress periods

GNPA & NNPA ratio

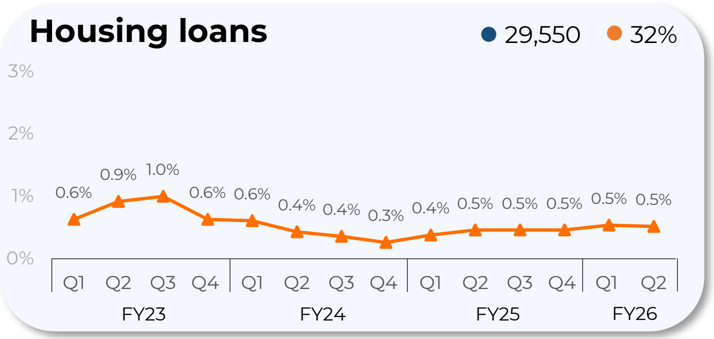


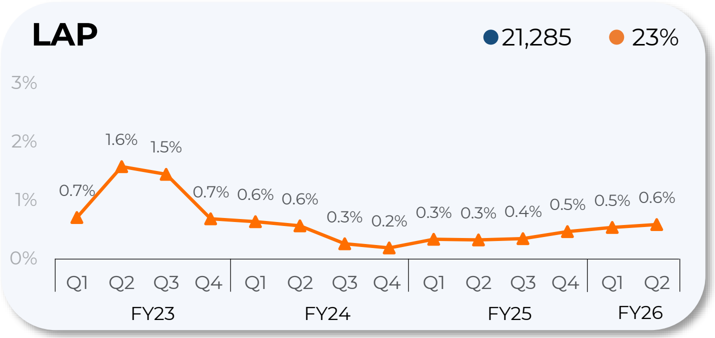
Stressed assets[1] as % of total AUM

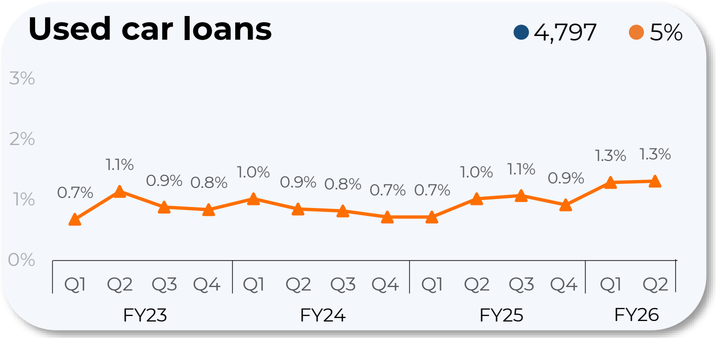


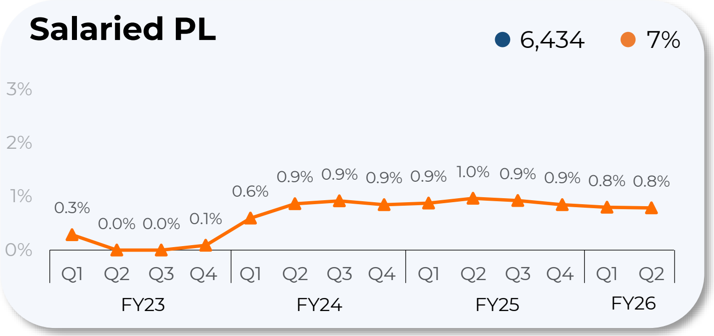
Note: (1) Stressed assets include legacy stage 2+3 assets, land & receivables & legacy SRs

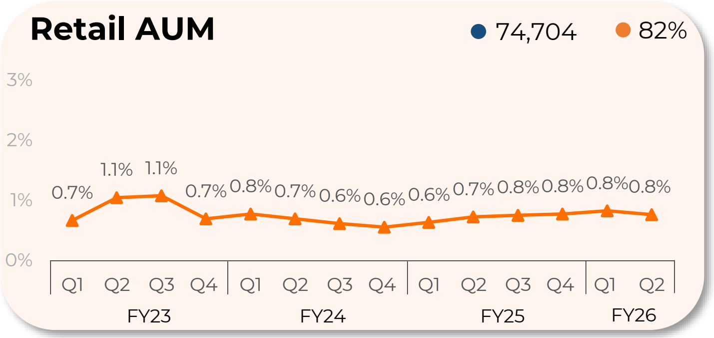
Retail risk (1/2) – Overall stable 90+ DPD reflects diversified AUM mix

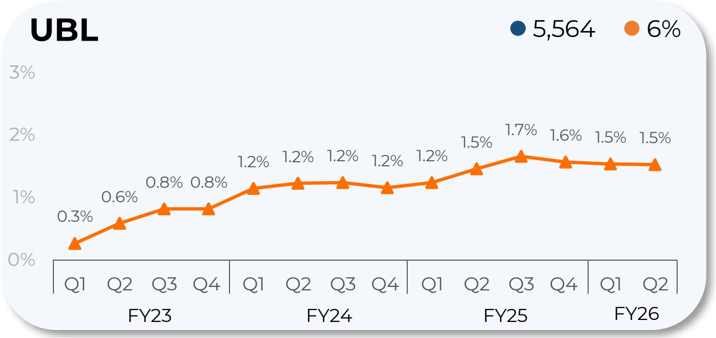


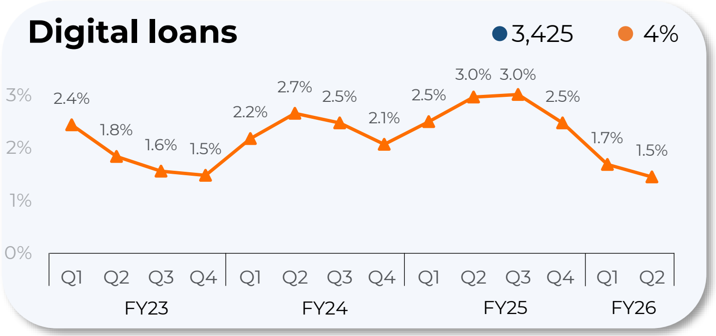




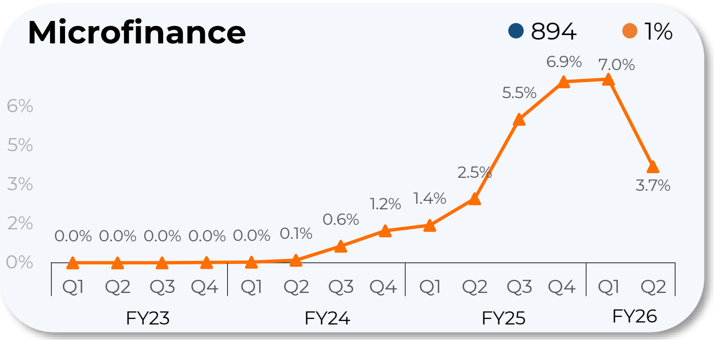








- AUM as of Q2 FY26 (₹ Cr)
- % of consol. AUM as of Q2 FY26
- 90+ DPD



Retail risk (2/2) – vintage risk* : controlled quality of new originations

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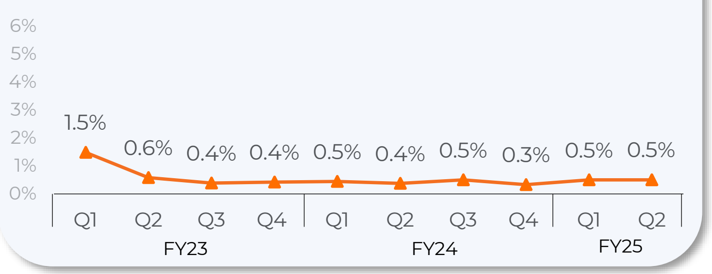
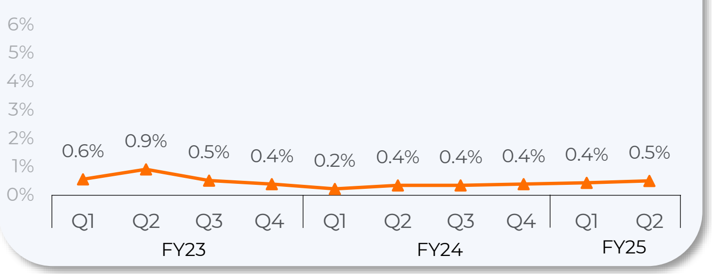
Housing loans

● 29,550 ● 32%



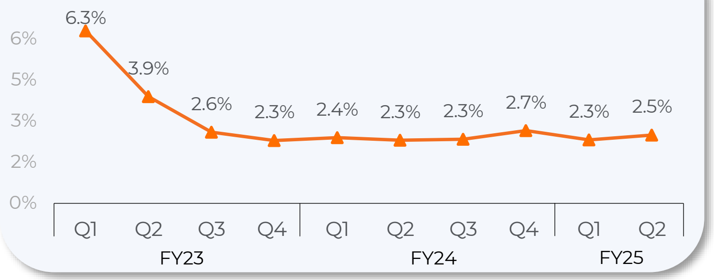
LAP

● 21,285 ● 23%



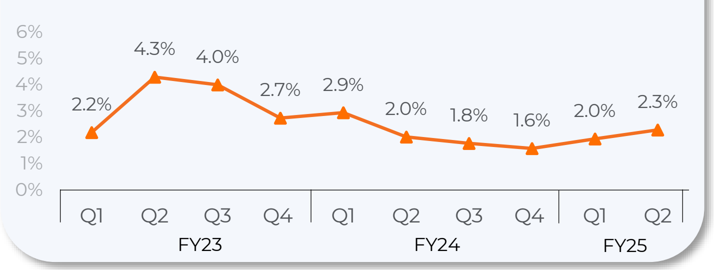
Used car loans

● 4,797 ● 5%



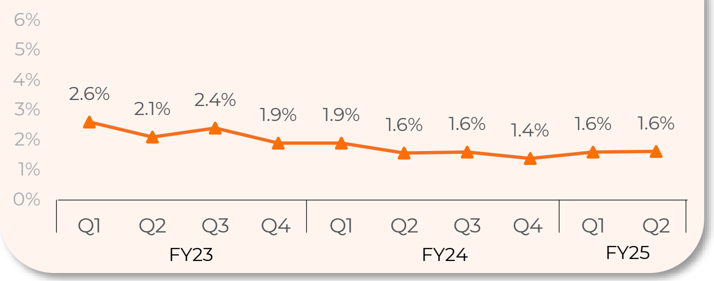
Salaried PL

● 6,434 ● 7%



Retail AUM

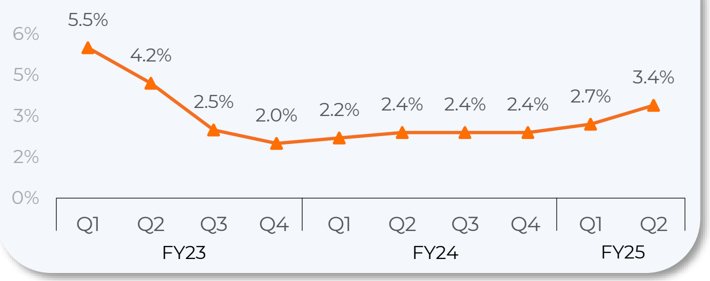
● 74,704 ● 82%



X-axis represents quarter of origination

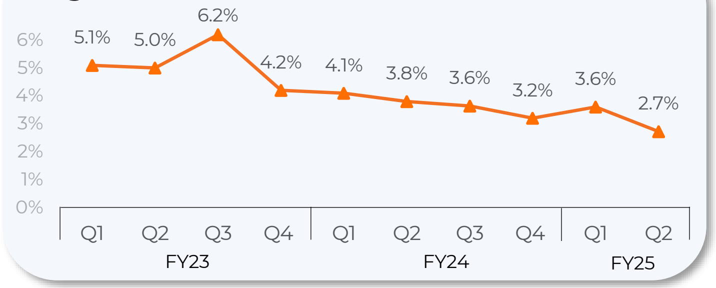
UBL

● 5,564 ● 6%



Digital loans

● 3,425 ● 4%



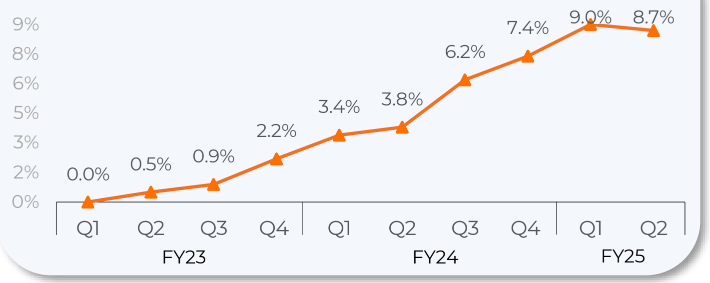
● AUM as of Q2 FY26 (₹ Cr)

● % of consol. AUM as of Q2 FY26

▲ 90+ DPD 12 months on book

Microfinance

● 894 ● 1%



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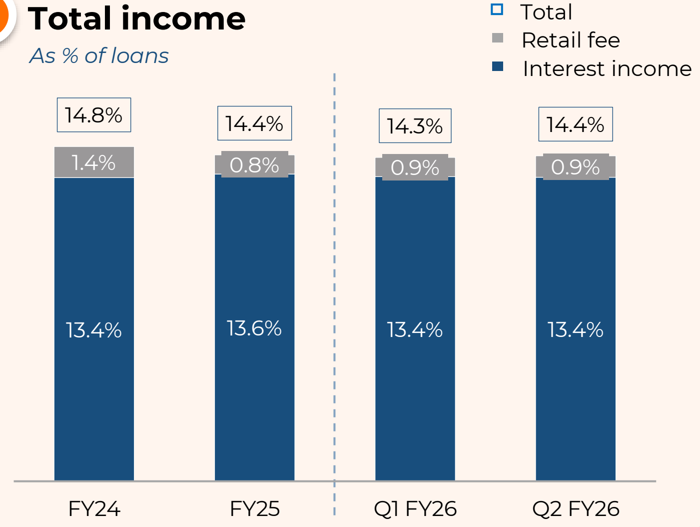
Profitability

Growth business profitability*

Ratios on loans
Ratios on AUM

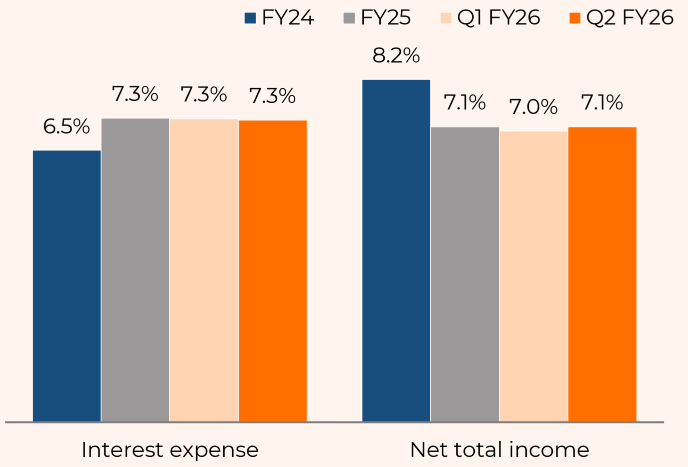
1 Total income

As % of loans



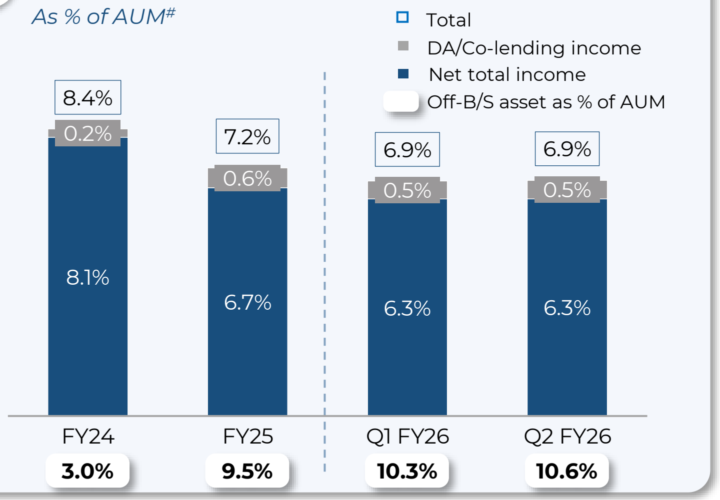
2 Net total income

As % of loans



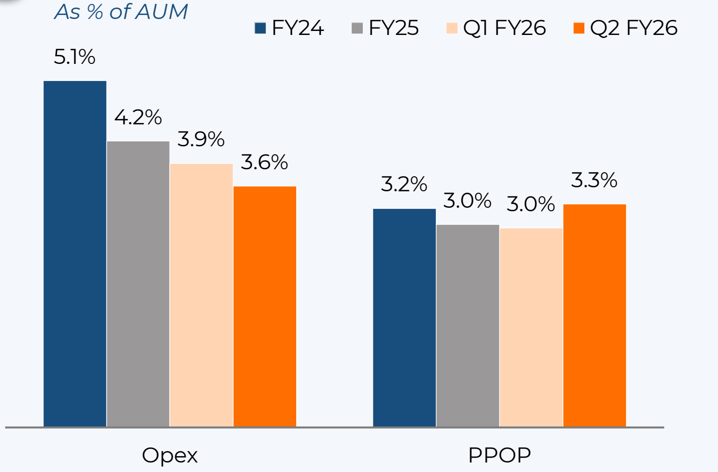
3 Net total income + DA/co-lending income

As % of AUM#

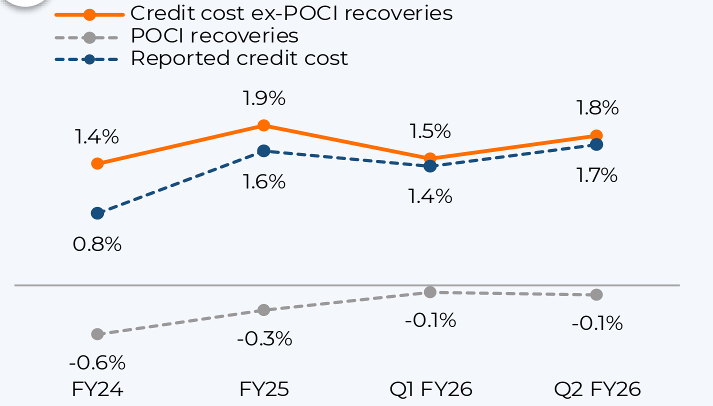


4 Opex & PPOP

As % of AUM

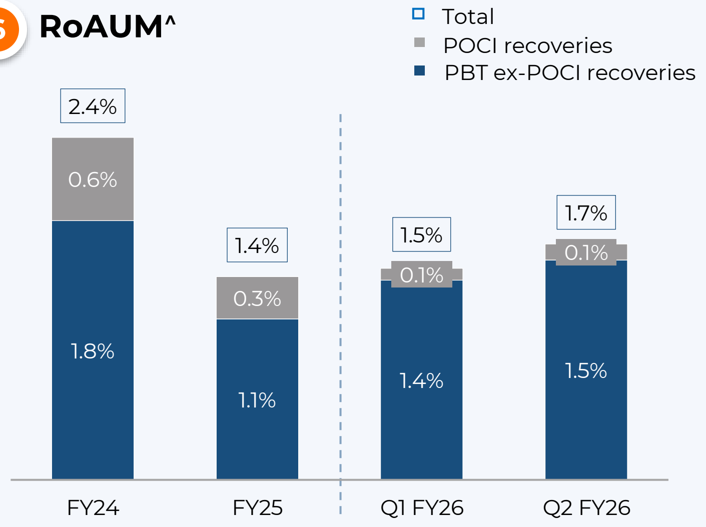


5 Credit cost



ECL rebalancing in Q1-Q2 FY26 had net impact of **36 bps**

6 RoAUM^



Notes: (*) Pro forma business P&L; (#) AUM = Loans (on-book) + off-book assets
(^) RoAUM = PBT / Avg. AUM; assuming zero tax rate

With Growth-Legacy mix shift, consol. financials are improving and becoming less volatile

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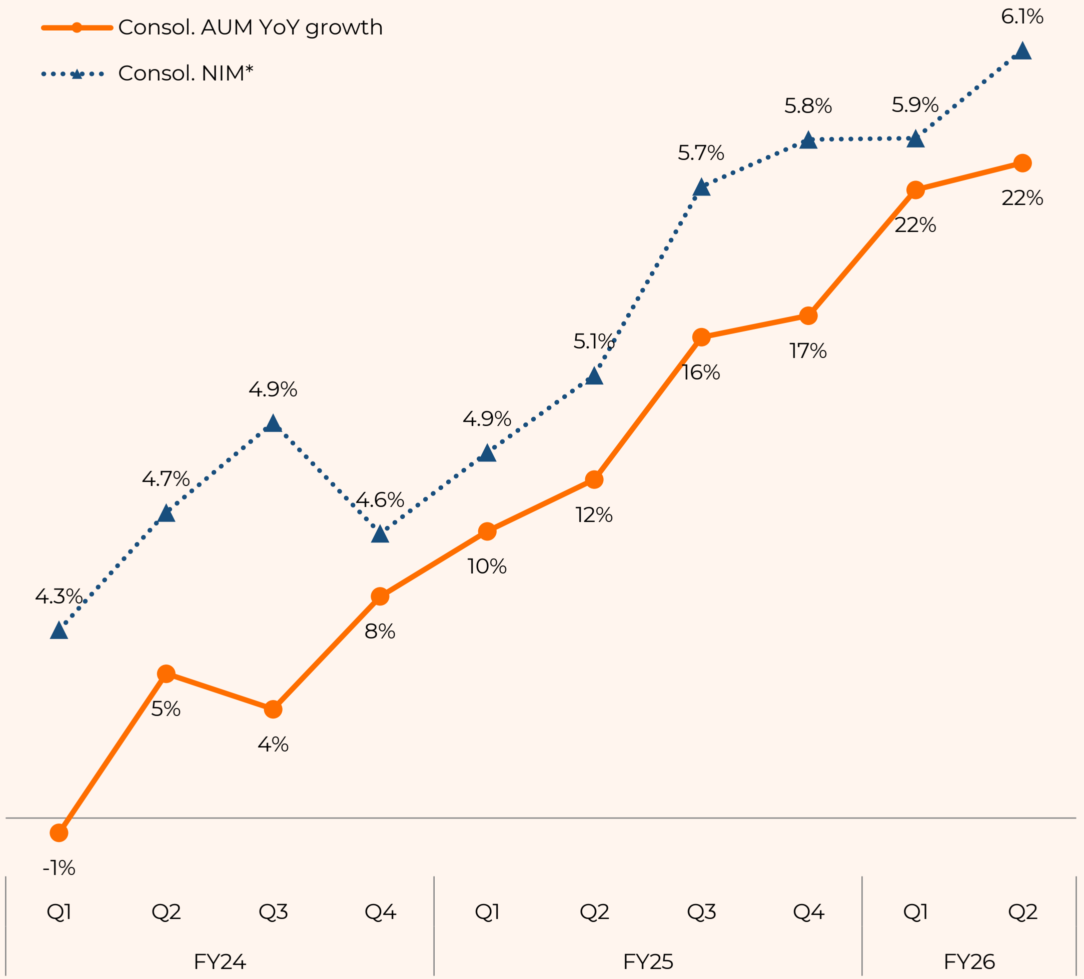
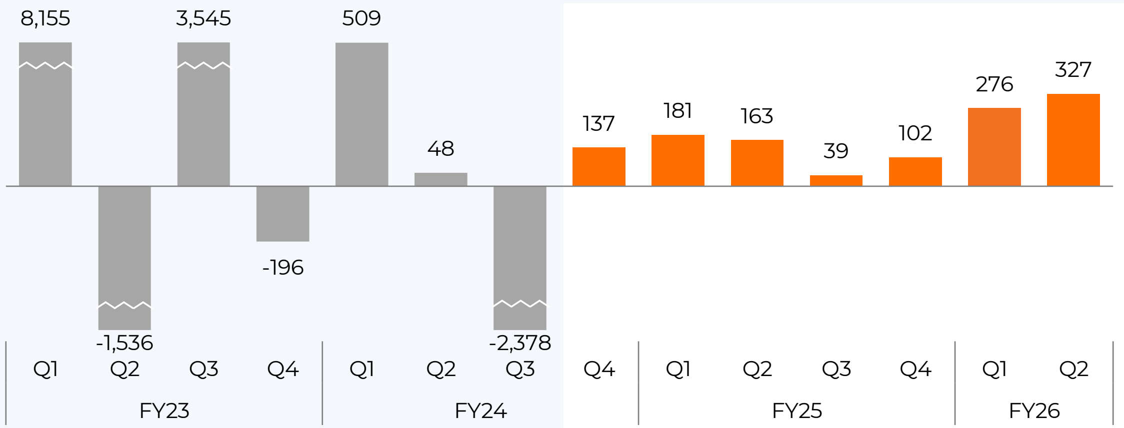
1 Consol. AUM growth and NIM are increasing,...



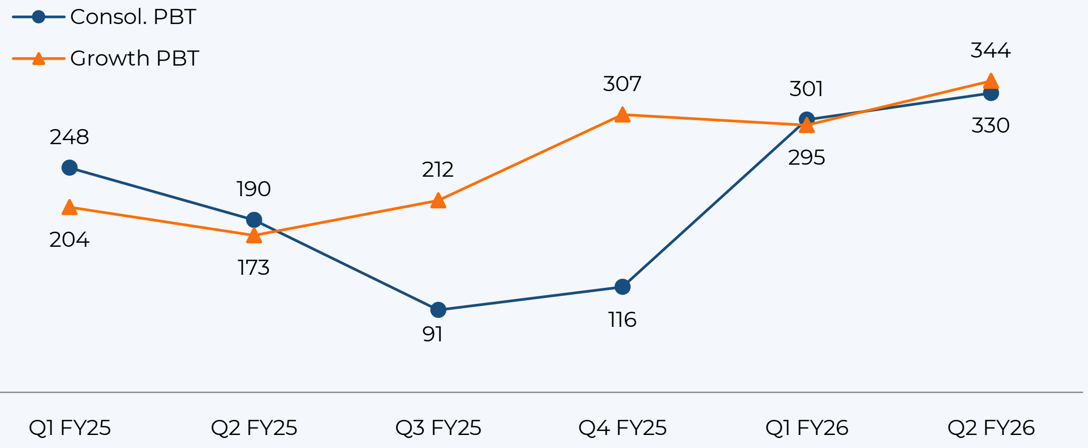
2 ...volatility in net profit is reducing, and...

Consol. PAT, in ₹ Cr.



3 ...Growth PBT is now driving the Consol. PBT

₹ Cr.

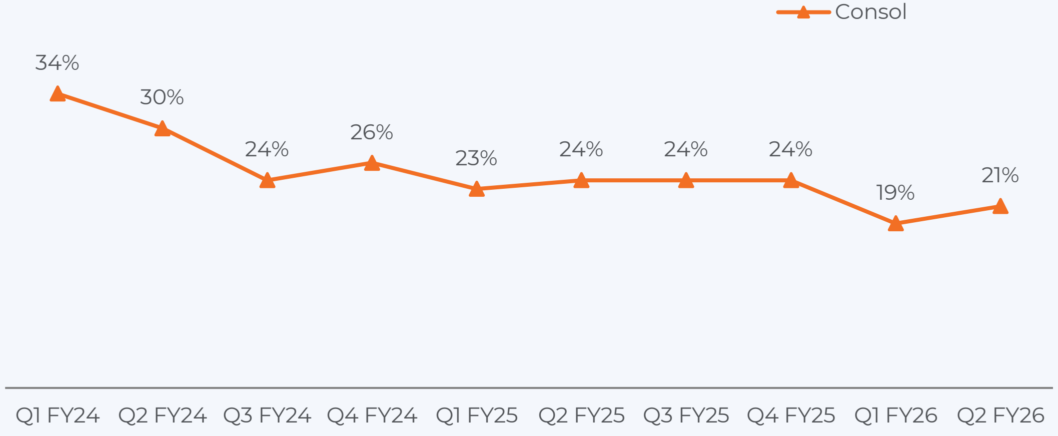


Notes: (*) Excludes fee

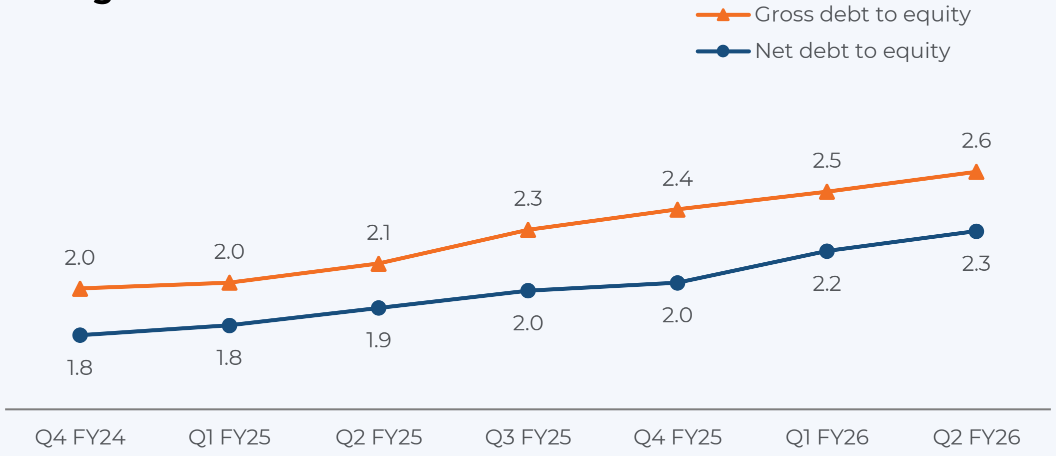
Liabilities Management

Liabilities management

Capital Adequacy

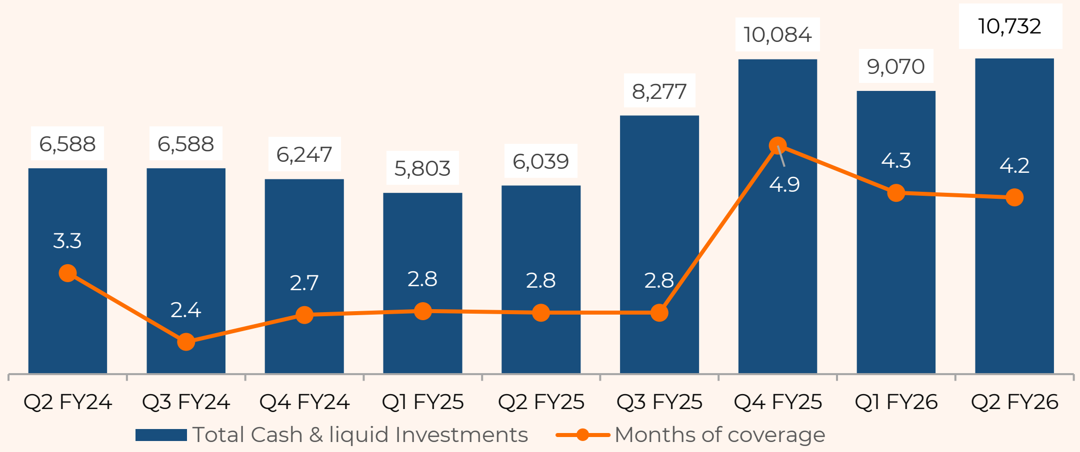


Leverage ratios

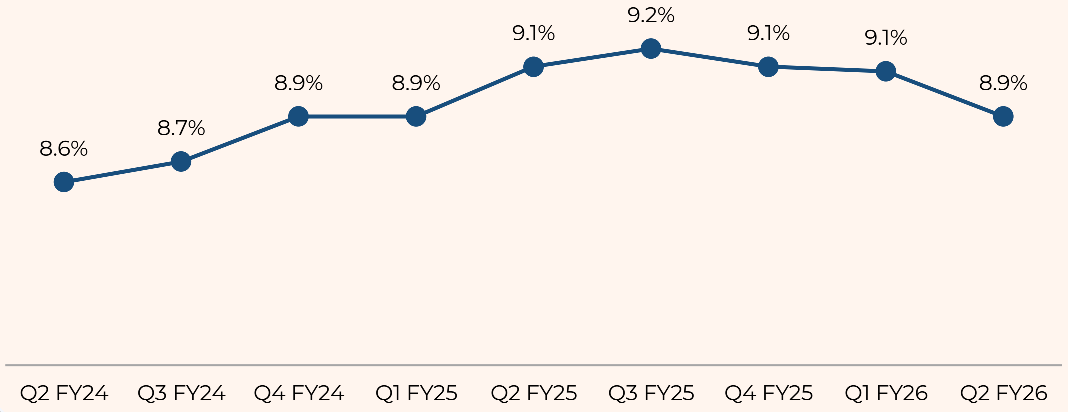


Cash and Liquid Investments*

In INR Cr, period-end



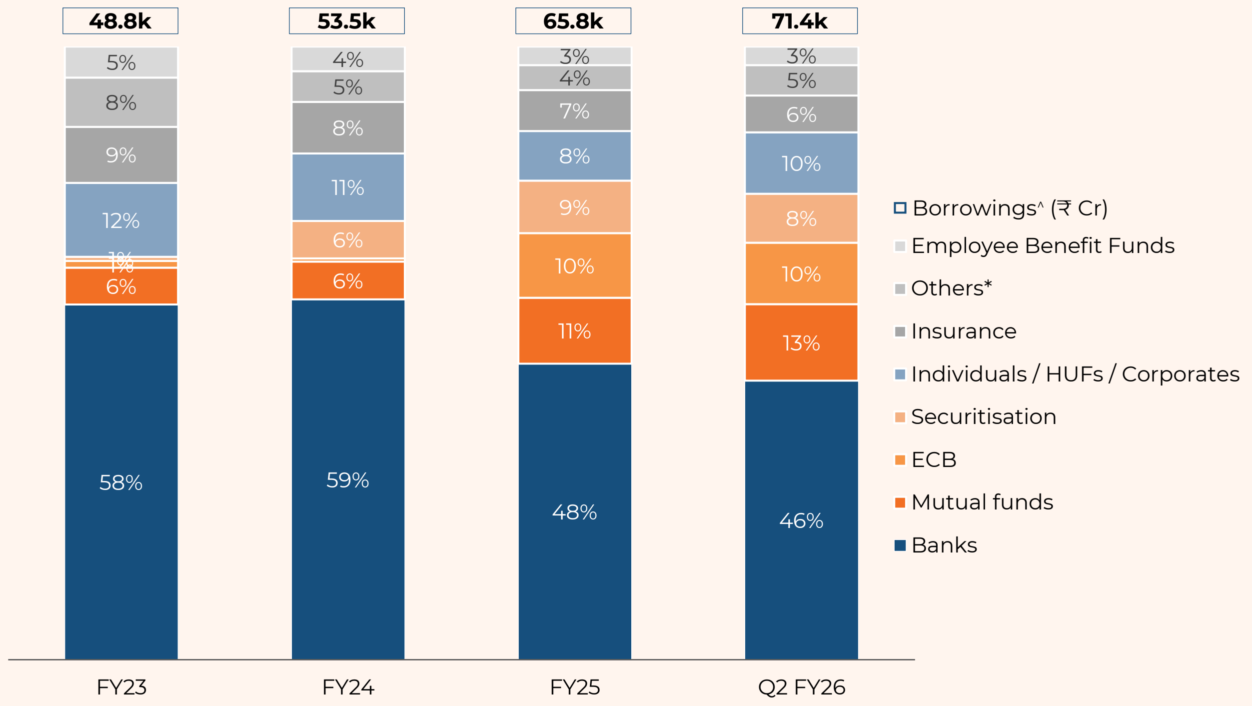
Average borrowing cost (Down 19bps QoQ to below 9% after 5 quarters)



Notes: (*) Cash & Liquid Investments for Q2FY26 includes INR 3,505 crs of undrawn lines

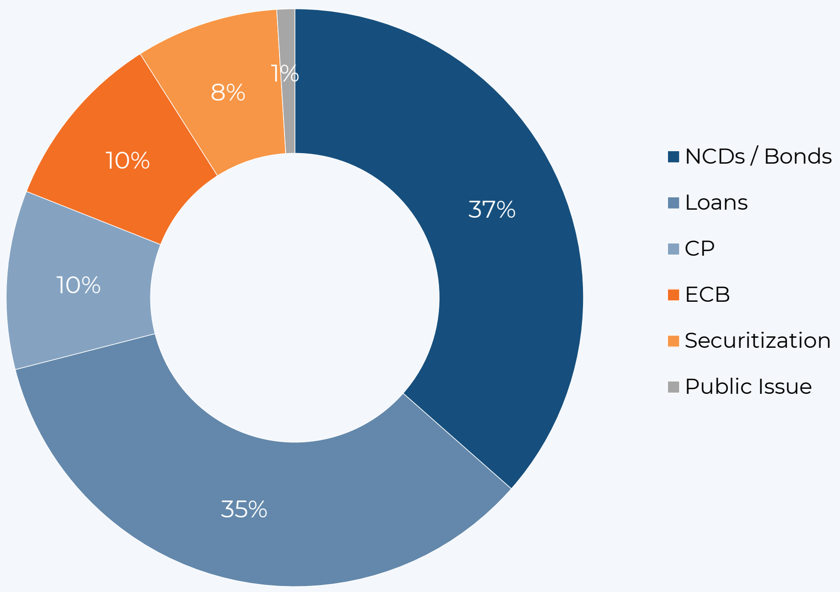
Diversification via MFs, ECB & Securitisation

Borrowing mix by type of lender



Borrowing mix by type of instrument

As of Sep'25



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

Note: (*) Includes NHB, & other financial institutions which contribute 2% and 3% respectively to overall borrowings
(^) Small variance between total borrowings and gross debt mentioned in balance sheet is primarily due to Ind AS adjustments and fair value of ECB

Growing Capital Market Acceptability: Key Indicators of Transformation

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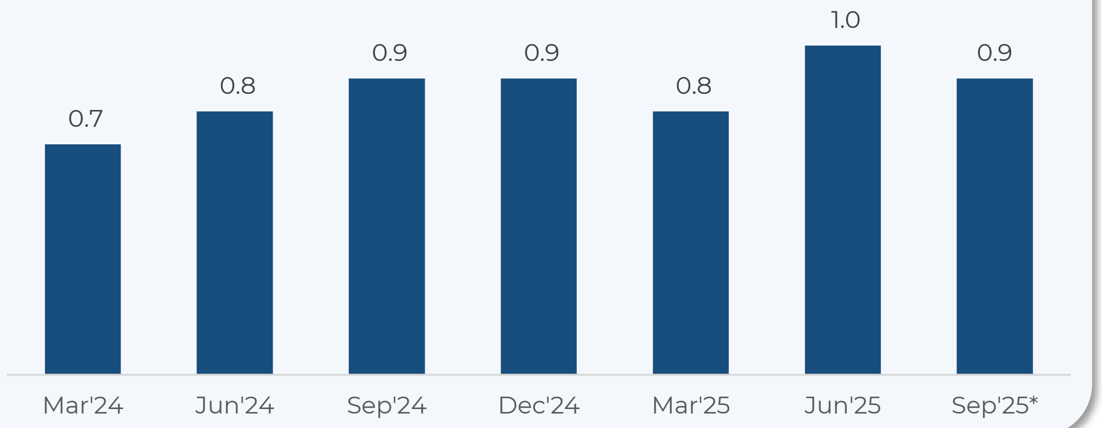
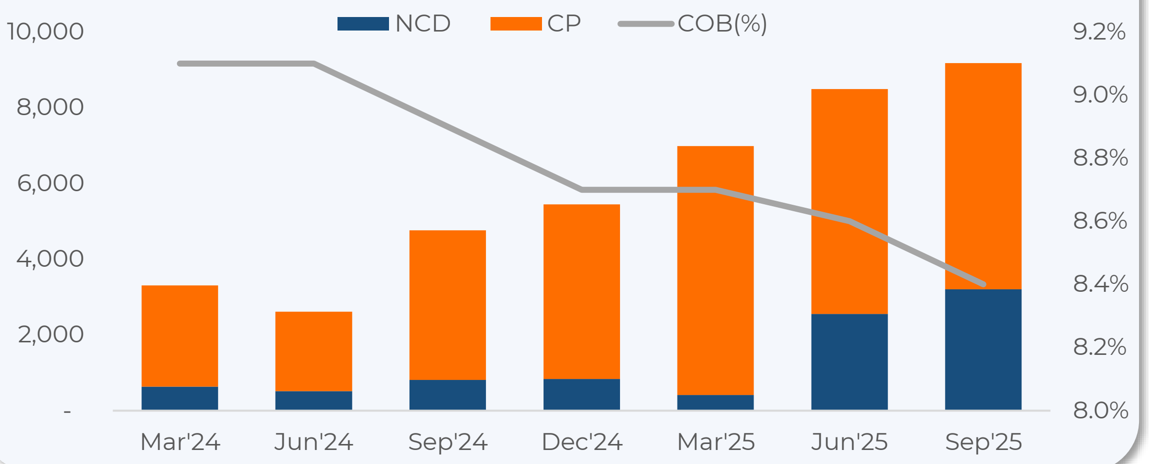
Equity Market

Steady increase in Valuation multiples (P/B)



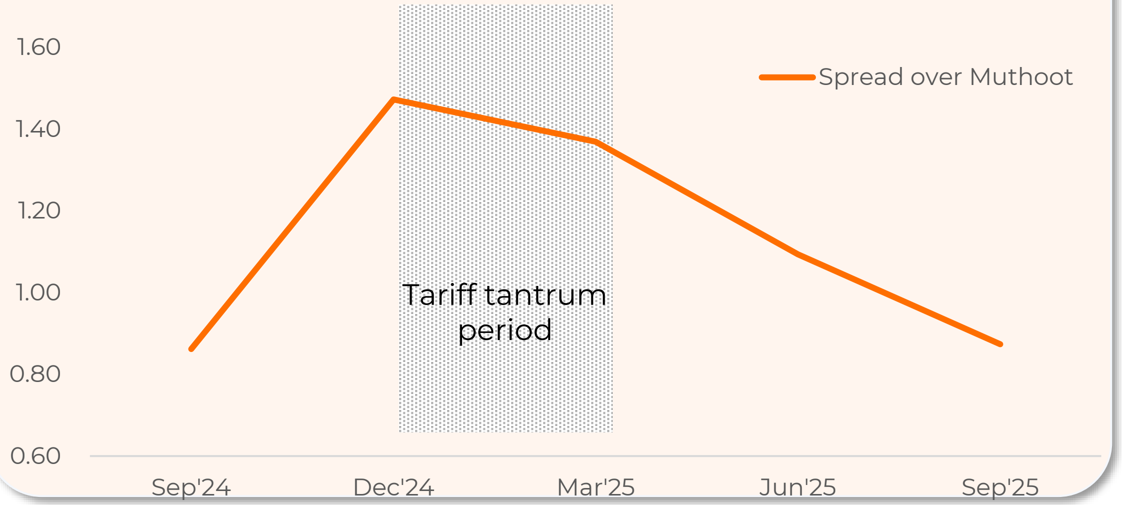
Mutual Funds

Steady increase in MF exposure, at improving yields



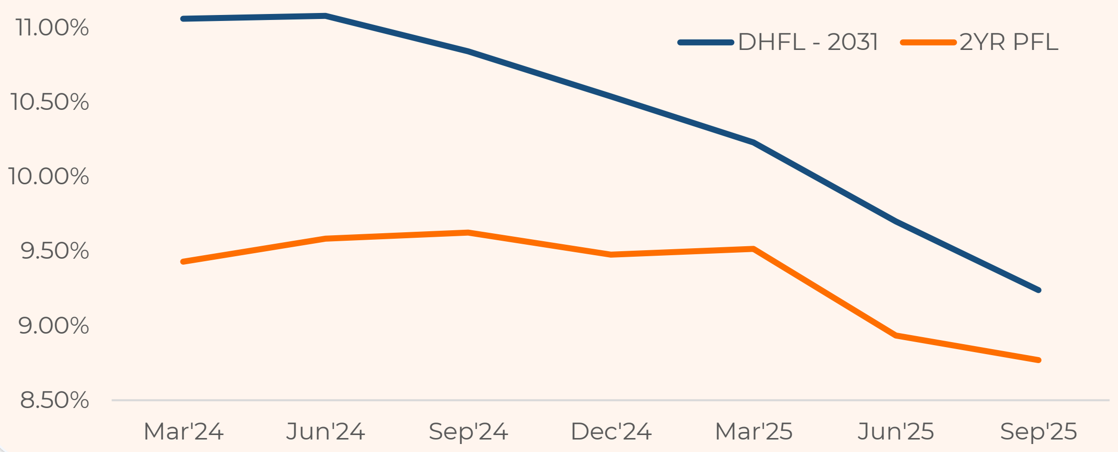
USD Bond Market

Decline in Spread over AA+ Peers



INR Bond Market

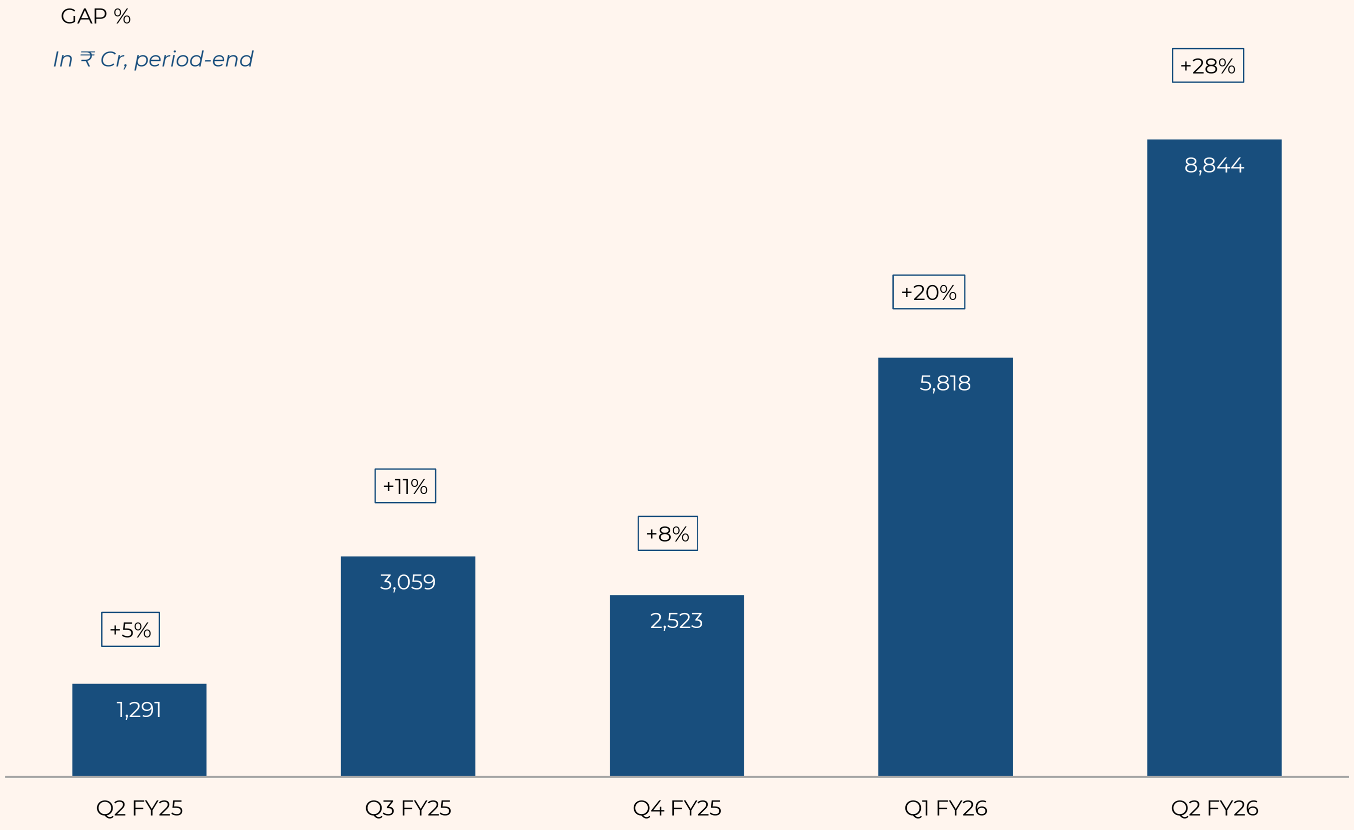
Significant tightening in secondary market yields across tenors



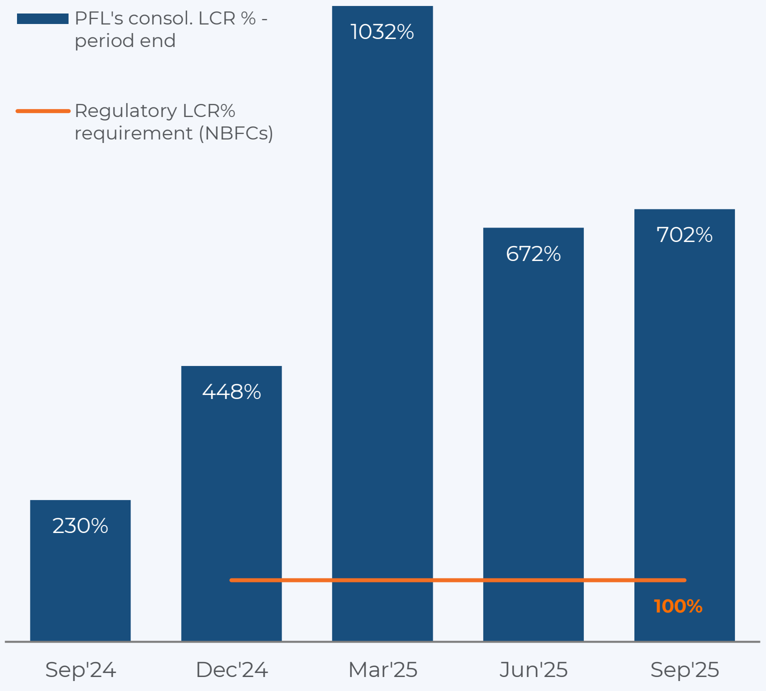
Note: (*) Price for PEL taken as on the last trading date i.e. 22-Sep-25 before delisting for merger with PFL

Asset-liability profile

Positive ALM gaps in < 1 Year bucket throughout



High levels of LCR %



Q2 FY26 consol. LCR of 235% on period average basis

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Thank You

Glossary

Term	Description
90+ DPD delinquency	90 to 180 days past due (DPD, % of average on-book AUM) for secured loans; and 90 to 170 days DPD for unsecured loans
ALM Profile	Based on contractual ALM for wholesale and behavioral ALM for the retail portfolio
AUM	Loans (on-book) + off-book assets
AUM yield (retail)	Weightage average yield excludes POCI and pertains to all customers outstanding as of 31st Mar 2025
Average AUM	Average of periodic average total AUM
Blackout period	Blackout period pertains to all listed securities of PEL
Borrowing cost	Borrowing cost = interest expense / average interest - bearing liabilities
CL	Co-lending
CMML	Corporate mid market loans
Cost of funds (CoF)	COF = Interest expense / on book average AUM
Consol. NIM	Calculated as % of Avg. on-book loans
Credit segment filtered customers	Customer base after removing industry level delinquent behavior
Cross-sell franchise	Customer base after removing low score customers
Cumulative GAP	Cumulative GAP = Cumulative inflows up to 1-year – cumulative outflows up to 1-year
Cumulative GAP (%)	Cumulative GAP (%) = net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows
DA	Direct assignment
GAP%	GAP% = Net flows (i.e., cumulative inflows – cumulative outflows) as a % of cumulative outflows
Geography	Population considered Tier 1: 40+ lacs, Tier2: 10-40 lacs, Tier3: <10 lacs; metro adjacent locations carved out from tier 1/2/3 for centers in peripheries of metros.
Gross credit cost	Aggregate of stage-wise credit cost for stage 1/2/3 loans & write-off
Growth AUM	It includes Retail AUM and Wholesale 2.0 AUM
LCR %	Liquidity coverage ratio %
Loans	On-book loans
MAU	Monthly active users
Net credit cost	Gross credit cost less recoveries from POCI book and other gains
Net interest income (NII)	NII = interest income - interest expense
Net interest margin (NIM)	NIM = net interest income / on book average AUM
Non delinquent customers	Customer base after removing internal defaults
On book AUM	On book AUM excludes DA and co-lending
Overall cross-sell franchise	Customer base after removing minimum seasoning norm with us
POCI	POCI (purchased or originated credit impaired) represents the stressed retail book acquired from DHFL at discounted value.
Retail AUM	It includes POCI, SRs, PTC, DA, co-lending & excludes acquired off-book assets (₹ 6,544 Cr as of Q2 FY26) in the nature of DA & PTC as part of the DHFL acquisition
RoAUM	Return on average total AUM of Growth business
Total customer franchise	It includes existing / past borrowers as well as co-borrowers
Vintage risk	90+ DPD at 12 months on book (MoB) mark
Wholesale 2.0	It refers to loans sanctioned under new real estate (RE) and corporate mid market loans (CMML) from FY22 onwards