PAG Partners with Edelweiss Group, makes ~ INR 22 billion investment in Edelweiss Wealth Management

- **Edelweiss Wealth Management is one of the largest wealth management businesses in India**
- **Partnership unlocks value for shareholders and paves way for future growth**

August 27, 2020 – PAG, one of the world's largest Asia-focused investment groups, and Edelweiss Group, India's leading diversified financial services conglomerate, today announced PAG's strategic investment of approximately USD 300 million (~ INR 22 billion) for a 51% stake in Edelweiss Wealth Management (EWM), the second largest non-bank wealth management business in India. This partnership will result in unlocking value for shareholders and accelerating business growth, powered by PAG's capital, business expertise and global experience. The investment will close after customary regulatory approvals.

PAG is a leading investor in the region's fast-growing economies and is especially keen on the Indian market, where it expects to invest USD 1 billion in the next two to three years.

PAG will become a majority owner of the Edelweiss Wealth Management platform (EWM) of Edelweiss Global Investment Advisors (which also houses Edelweiss Asset Management, India's largest alternatives and asset reconstruction platform, which is not part of the investment). The Wealth Management business, including capital markets, provides wealth management services to over 2,400 of India's wealthiest families as well as ~610,000 high net-worth individuals and other affluent clients. EWM has grown its customer assets under advice with a ~44% cumulative annualized growth rate from INR 185 billion in fiscal year 2015 to INR 1.27 trillion in the first quarter of fiscal year 2021, consistently outpacing the market and making rapid strides in industry rankings.

The INR 300 trillion Indian wealth management industry has been expanding rapidly at a five-year cumulative annualized growth rate of 11.3 %. With a strong growth trajectory of 12.5 % per year, it is expected to reach INR 540 trillion in the next five years, presenting a significantly large opportunity for Edelweiss Wealth Management.

Speaking on the partnership, Rashesh Shah, Chairman & CEO, Edelweiss Group said, "In PAG we have found a great partner with global experience and strong capabilities. This investment endorses our core strategy of incubating businesses, building value and growing them into market leaders as they gradually move from inter-dependence to independence. We remain committed to unlocking value for businesses and shareholders alike and remain future-ready to ride the economic trajectory post Covid."

Weijian Shan, Chairman and CEO, PAG said**,** "PAG is committed to India's market as we strongly believe in the long-term growth of the Indian economy. The investment in Edelweiss Wealth marks a milestone in PAG's investments in the India market."

Added **Nikhil Srivastava, Managing Director and Head of India Private Equity, PAG**: "We are excited to partner with Edelweiss Wealth Management as we are impressed with the company's depth of knowledge and experience, and strong management team. We are eager to leverage PAG's global experience investing in and working alongside financial services companies to support Edelweiss Wealth achieve the next level of client centric growth."

Nitin Jain, CEO, Edelweiss Wealth Management Business said, "Building strong capabilities and scale has enabled us to enjoy market dominance in our wealth franchise. The big transformation for EWM is going to be the use of assistive technology that will help serve our clients reliably, responsibly and cost effectively. With a significant growth runway visible I look forward to PAG helping us in this exciting journey."

PAG's investment in EWM is part of Edelweiss Group's stated strategy to build independently capitalised and self-sufficient businesses. Staying true to its 'do what is best for the business' principle, the Group has onboarded global partners with impeccable credentials and domain expertise that are strategically best suited to take each of the identified businesses to the next trajectory of growth and scale. This has been demonstrated in the partnerships the Group has forged over the years in the Credit, Life Insurance, Asset Reconstruction and Alternative Asset businesses among others.

Venkat Ramaswamy, Executive Vice Chairman Edelweiss Group concluded by saying, "The well-established diversified financial services platform of the Group has been consistently attracting investments from some of the largest global institutional investors and each has brought their expertise, interest and commitment to grow in the Indian market."

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, Life Insurance and General Insurance.

Over the years, the group has forged partnerships with some of the largest global institutional investors including Tokio Marine which holds 49% in the Life Insurance business, CDPQ's investment in the Credit business as well as a strategic partnership in its market leading Asset Reconstruction business.
To learn more about the Edelweiss Group, please visit www.edelweissfin.com.

Edelweiss Social media handles:

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About PAG

PAG, with USD $40 billion in assets under management, is one of the world's largest Asia-focused private investment firms, with a best-in-class platform and a network of seasoned investment professionals. PAG delivers value to investors by investing in market leaders and by helping them maximize their potential and value. The firm invests globally with a primary focus on Asia. It is supported by a team of more than 200 investment professionals in 11 offices in Asia and around the world. PAG manages its capital on behalf of more than 150 leading institutional investors from Europe, North America, Asia and the Middle East. For more information, visit www.pag.com.

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Edelweiss Group

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