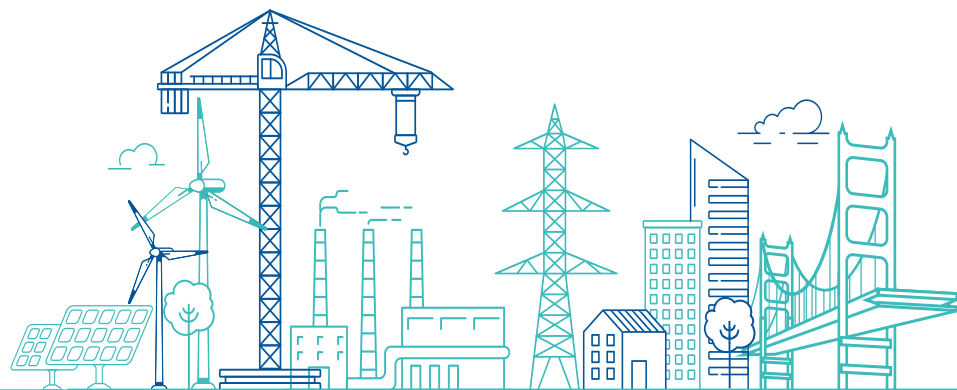


# Edelweiss Alternatives

Business Update (Q3 FY24)



- Asset Management Business

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- Edelweiss Alternatives - A Strong Presence in Indian Private Market Alternatives

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- A Differentiated Platform Poised to Seize the India Opportunity

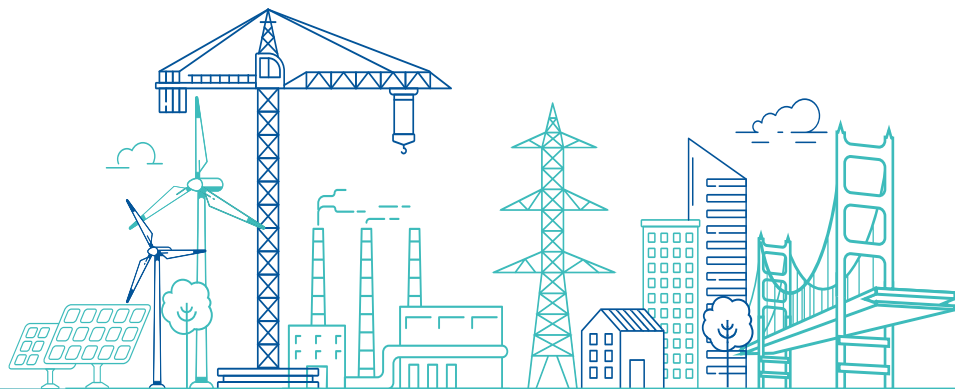
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- Financial Performance

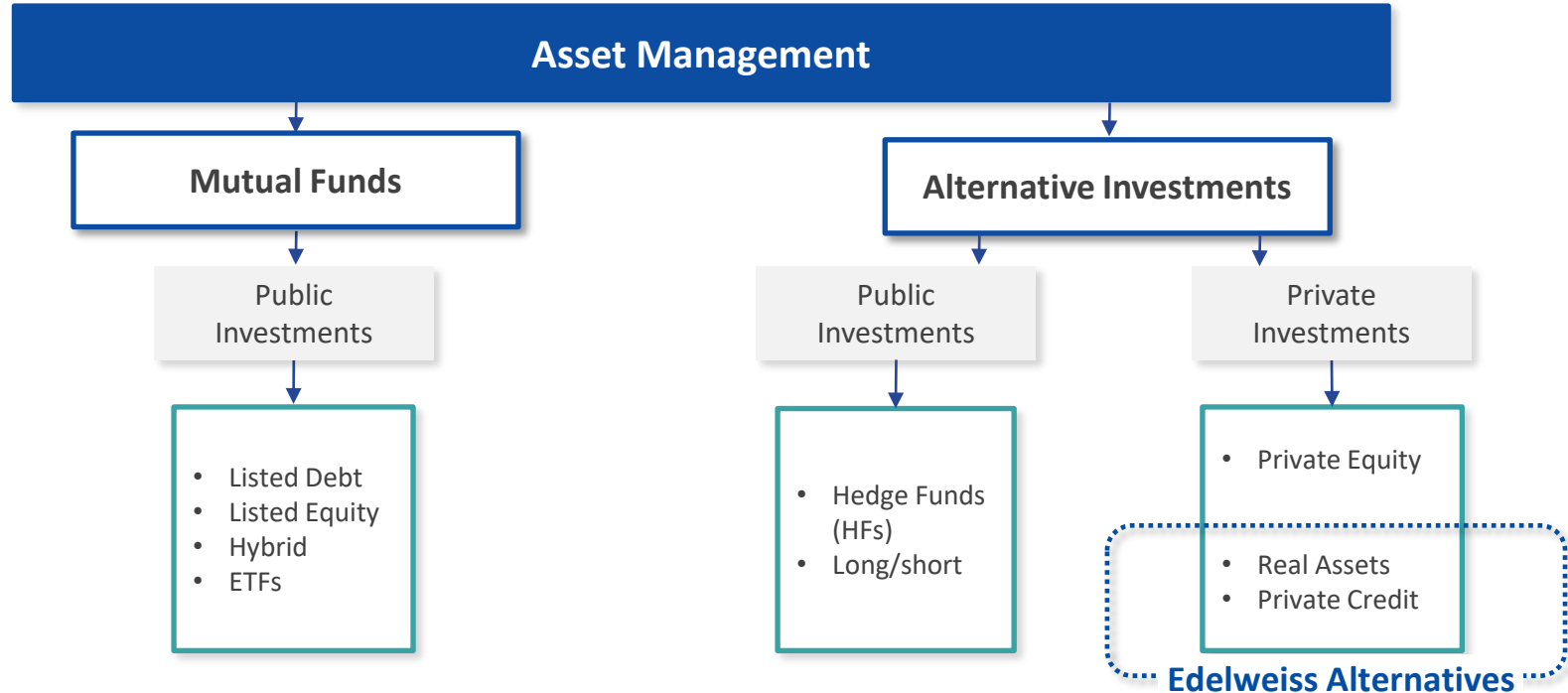
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- Vision & Way Forward

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# Asset Management Business

- *Asset Management Industry*
- *Alternatives: Mainstream in India Aided by Strong Appetite for Yielding Products*
- *Private Credit and Real Assets in India: Offering a Large Scalable Opportunity, USD 225bn by 2035*

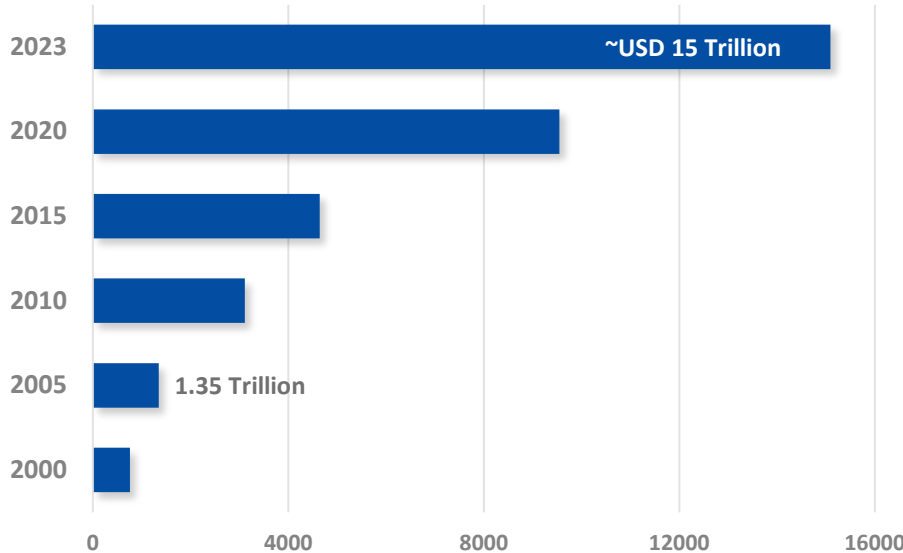




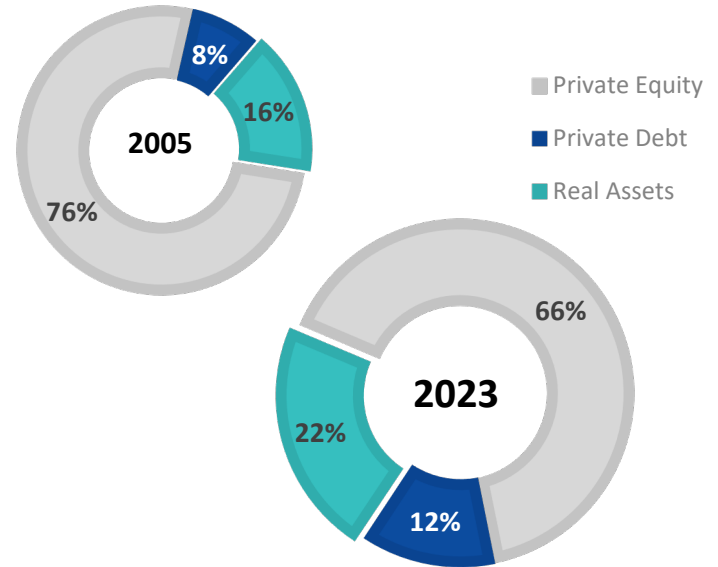
Edelweiss Alternatives provides solutions within the realm of Private Markets

# Global Alternative Asset Management Industry: Growth Trends

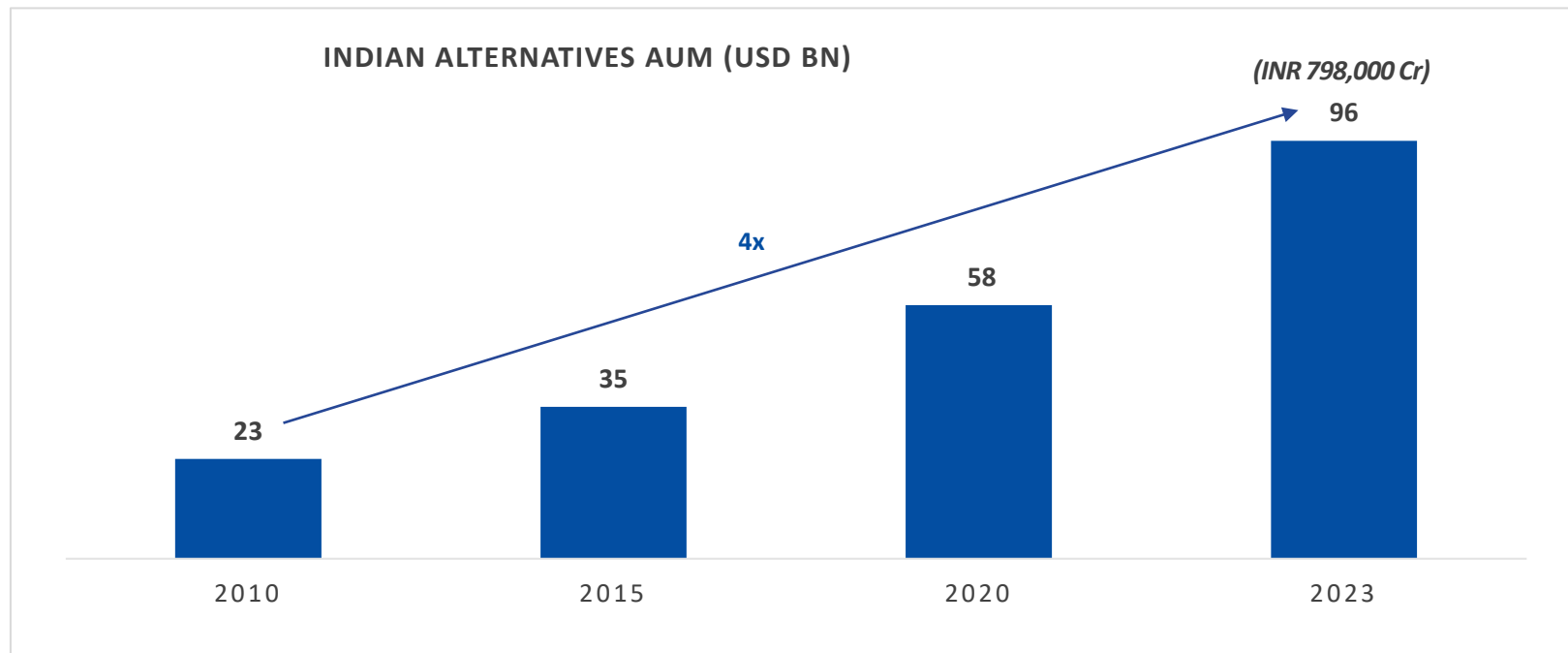
Global Alternatives AUM (USD bn)

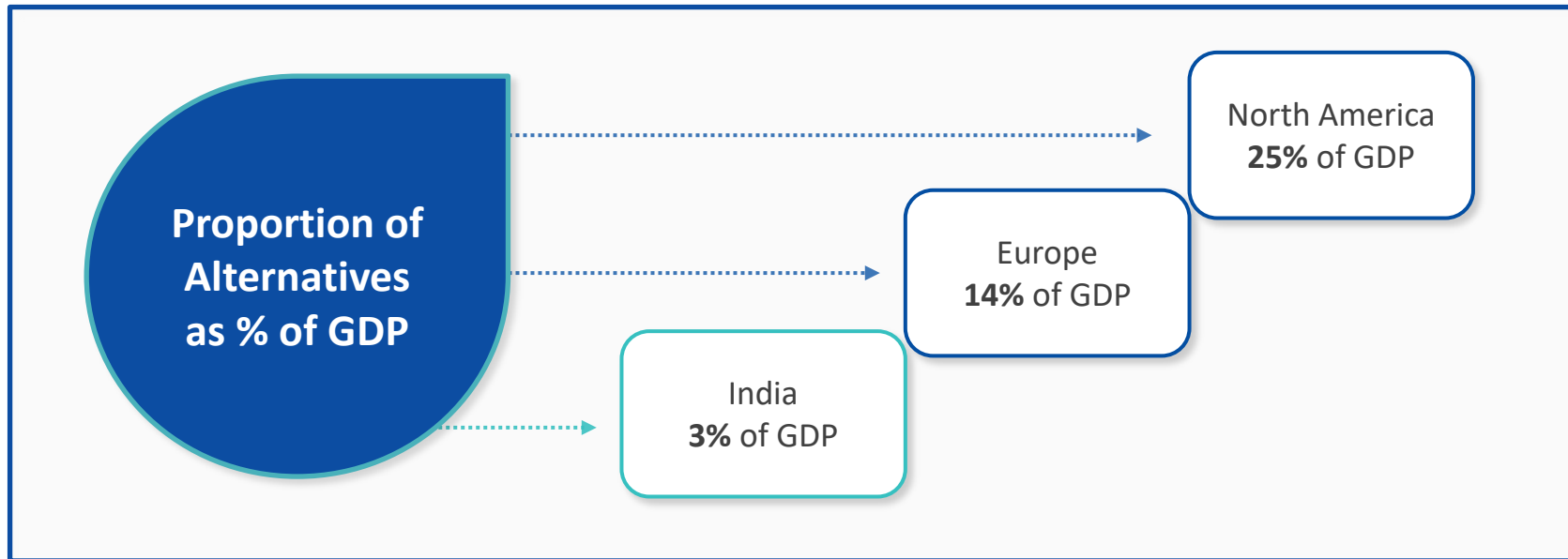


Breakup of Global Alternatives AUM



Private Credit & Real Assets AUM have grown 16x to ~USD 5 tn since 2005 against 9x growth of Private Equity

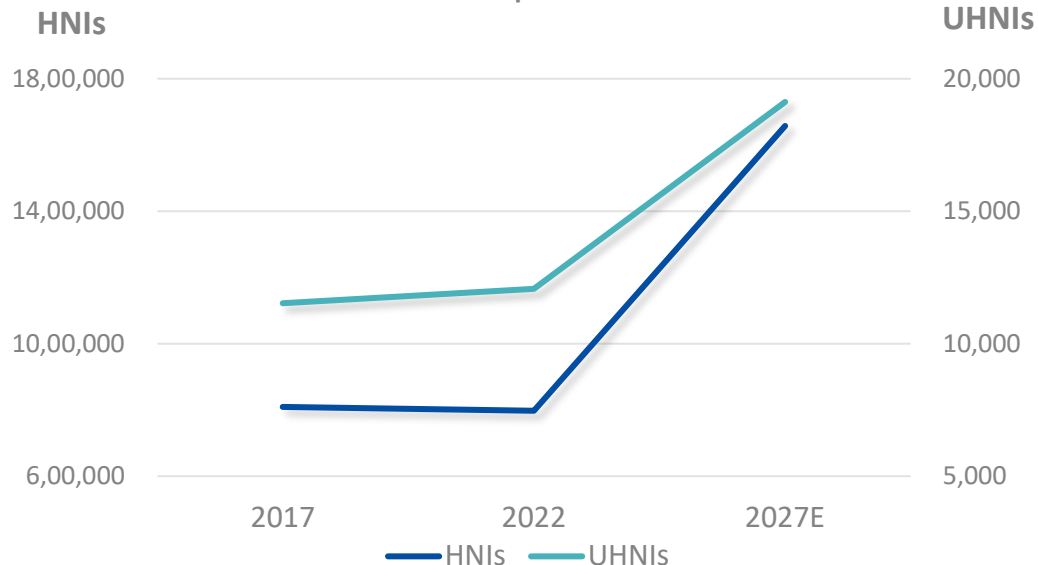




As India's GDP scales up to \$10tn over next 10-11 years, Alternative Asset Management AUMs estimated to grow exponentially to USD 600 bn

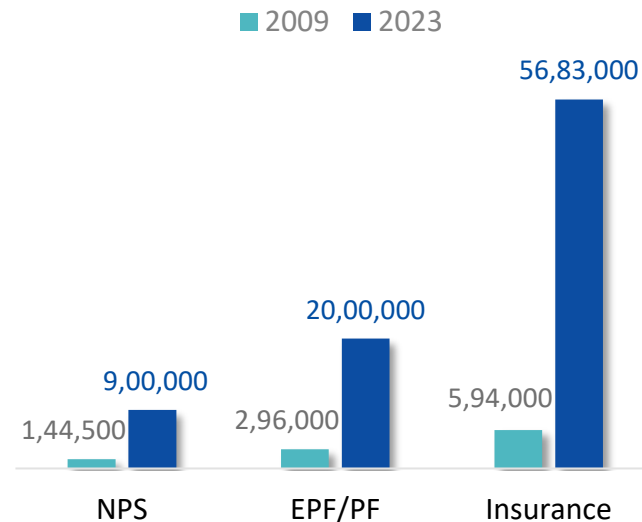
## ...And a Rising Appetite for Alternative Assets

HNI & UHNI Population of India

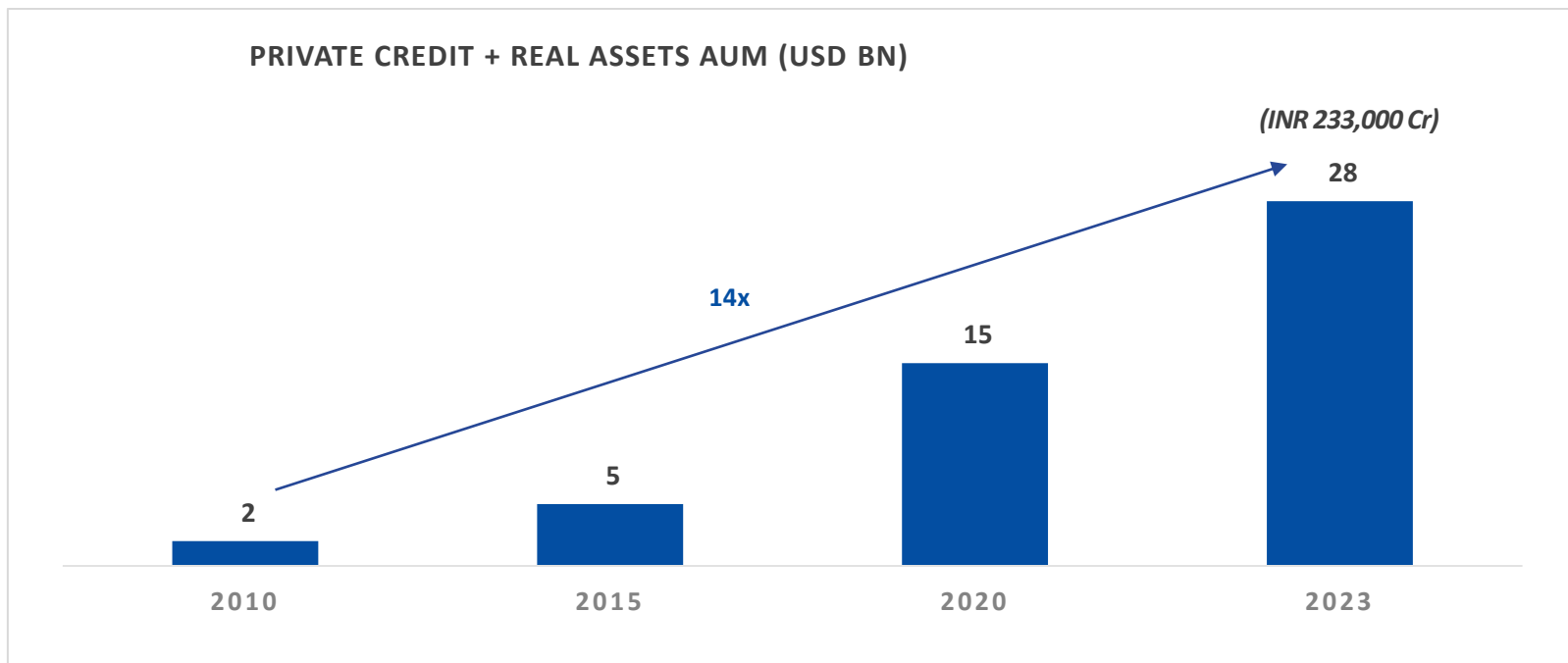


By 2027, number of HNIs & UHNIs set to double, leading to higher disposable income

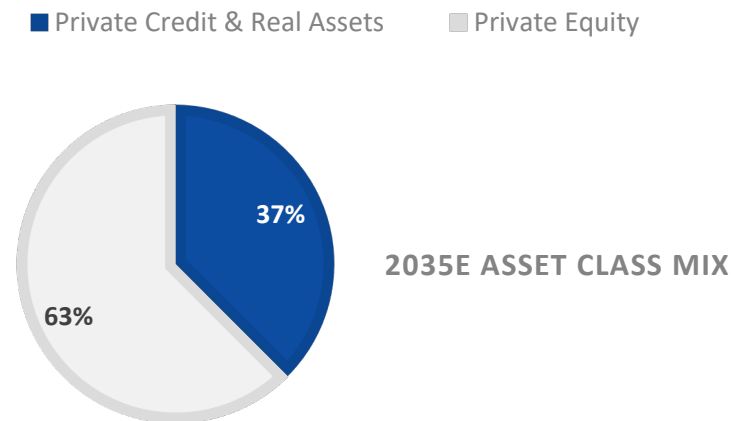
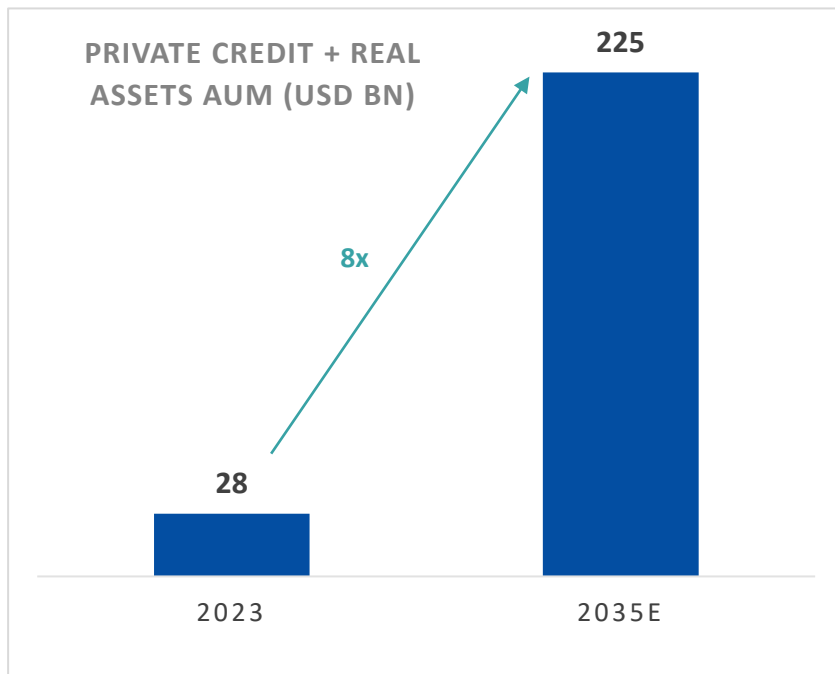
Domestic Institutional Capital (INR Cr)



Increasing corpus of Pension funds and Insurance companies to provide a large pool of capital



## ...With AUMs Expected to Grow to \$225bn by 2035...



Private Credit & Real Assets' share expected to reach 37% of Indian Alternatives by 2035E

## ...Driven by a Large Structural Opportunity

### Private Credit



Banks



NBFCs



Mutual Funds

Flexible financing  
solutions not  
available



Asset-liability  
mismatches



Open-ended  
structure not  
suitable

Market Gap in Supply of Credit

### Real Assets

Unlocking Solutions for All Stakeholders

#### Real Assets Developers

- Unlock capital for future growth
- Deleverage Balance Sheet
- Access to low cost and long-term capital

#### National Monetization Plan

- Monetization of assets by government including INR 1.6 lk Cr of road assets & INR 87,000 Cr of power assets

#### Fragmented Nature of Assets

- Opportunity to aggregate assets from smaller developers

Financialization of Real Assets

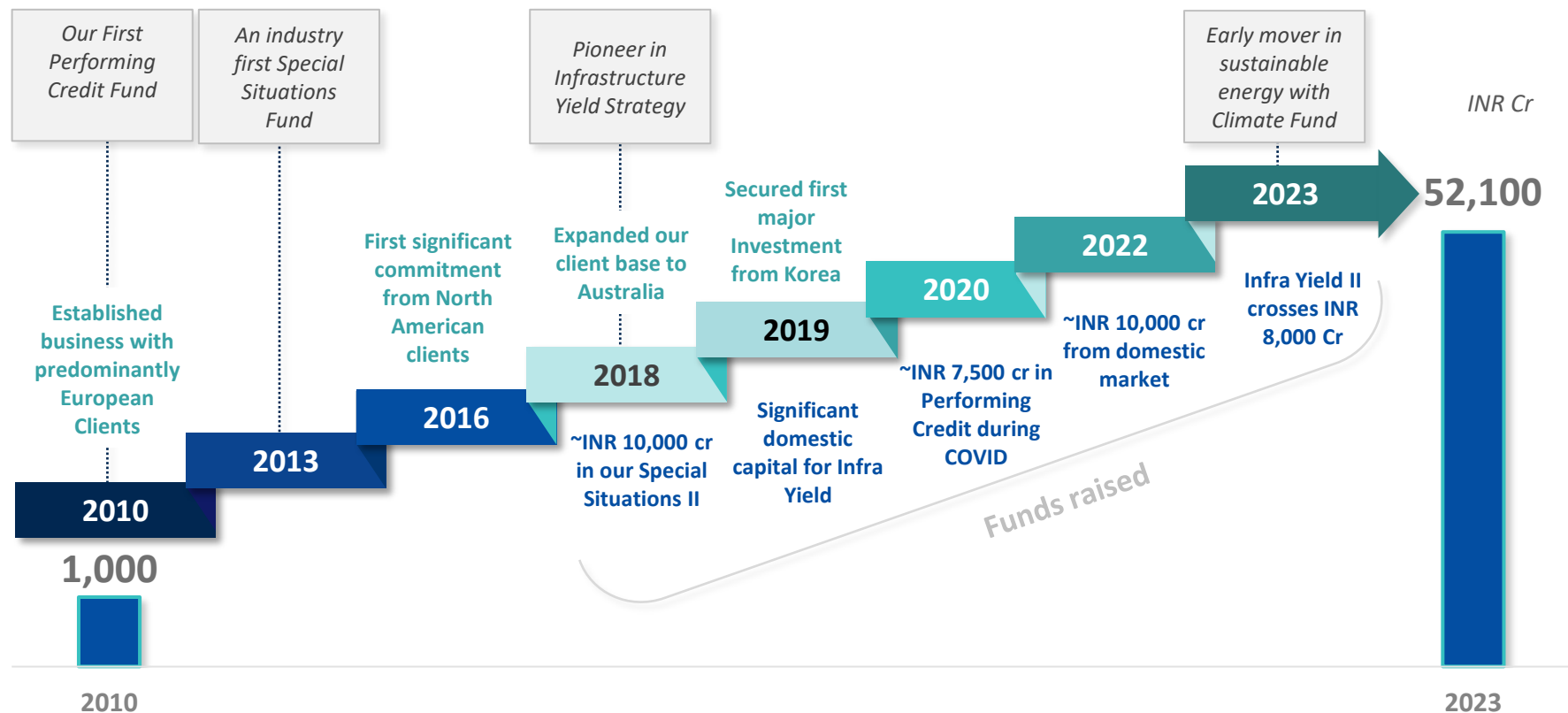
Structural Investment Opportunity

# Edelweiss Alternatives – A Strong Presence in Indian Private Market Alternatives

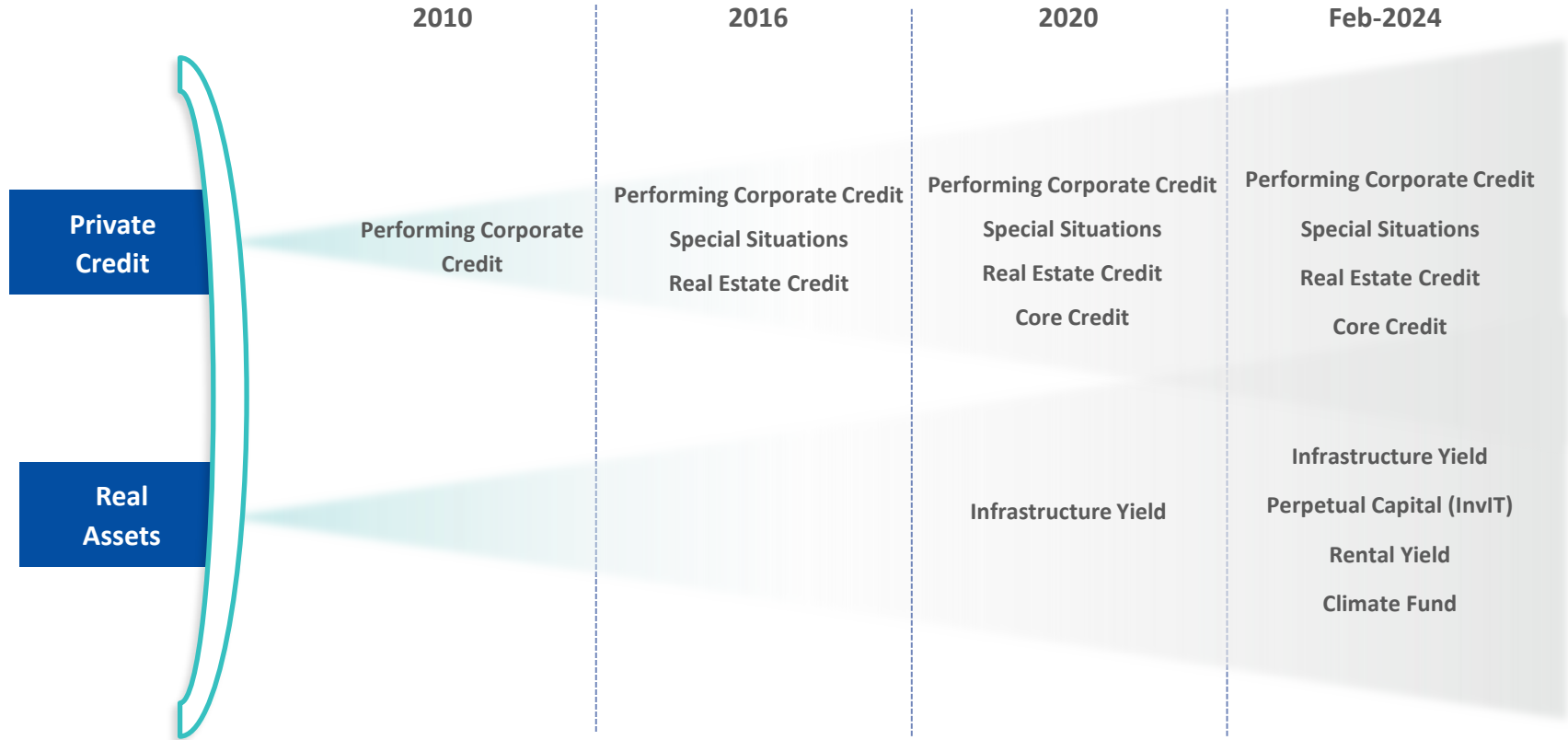
- *A Pioneer Across Private Credit & Real Assets with a Diversified Array of Investment Solutions for Clients*
- *Diversified Client Base in India and Overseas*
- *Proven Track Record: Most Strategies in their 2<sup>nd</sup> or 3<sup>rd</sup> Series*



# Our Pioneering Journey Spanning Over A Decade...



## ...With a Growing Array of Investment Solutions...



## ...Diversified Client Base...

**2,800+**

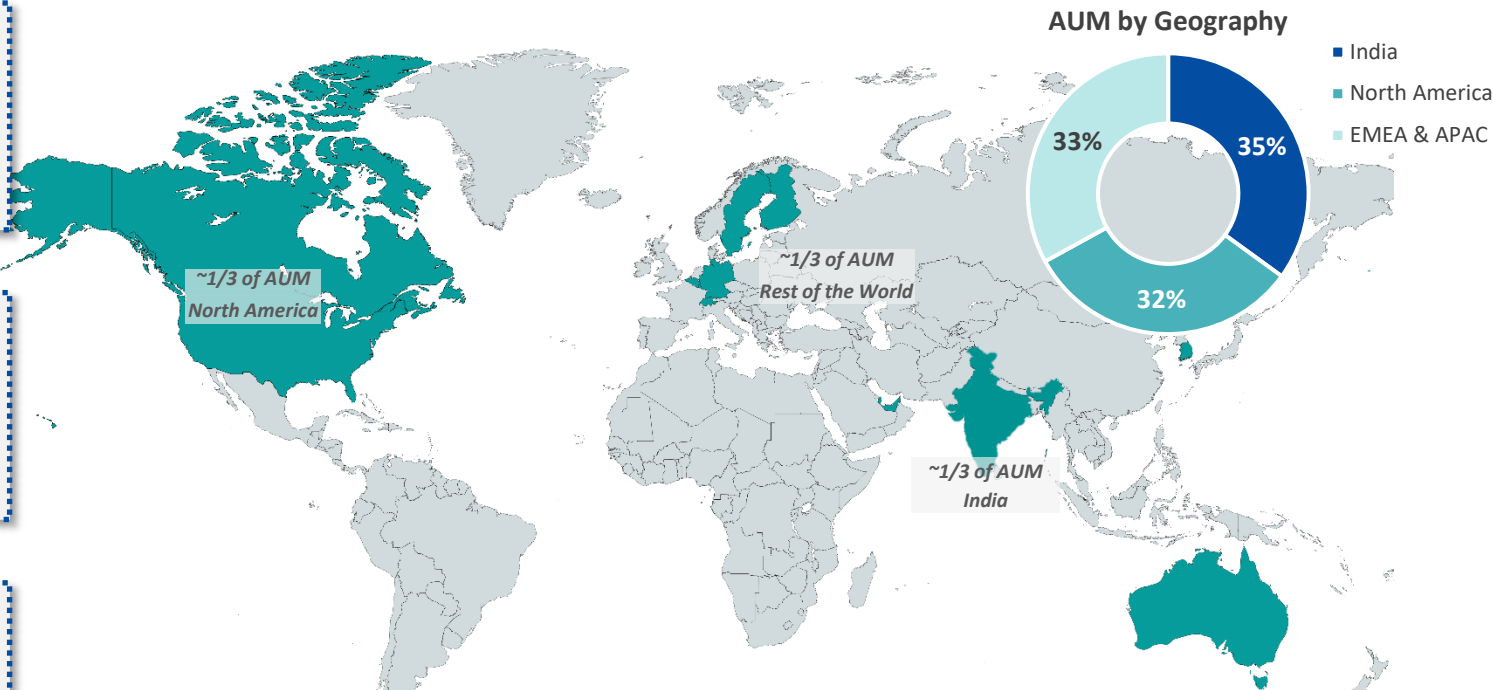
Unique client  
relationships  
across the world

**10**

Clients with AUM  
of over ~INR 800 Cr  
(USD 100 mn)

**~60%**

Of AUMs from  
Pension fund and  
Insurance  
Companies



**Diverse client pool in both domestic & offshore markets with meaningful headroom for future growth**

*Delivering superior risk-adjusted returns while focusing on capital preservation across market cycles*

**Fund Raise**

**~INR 30,090 Cr**

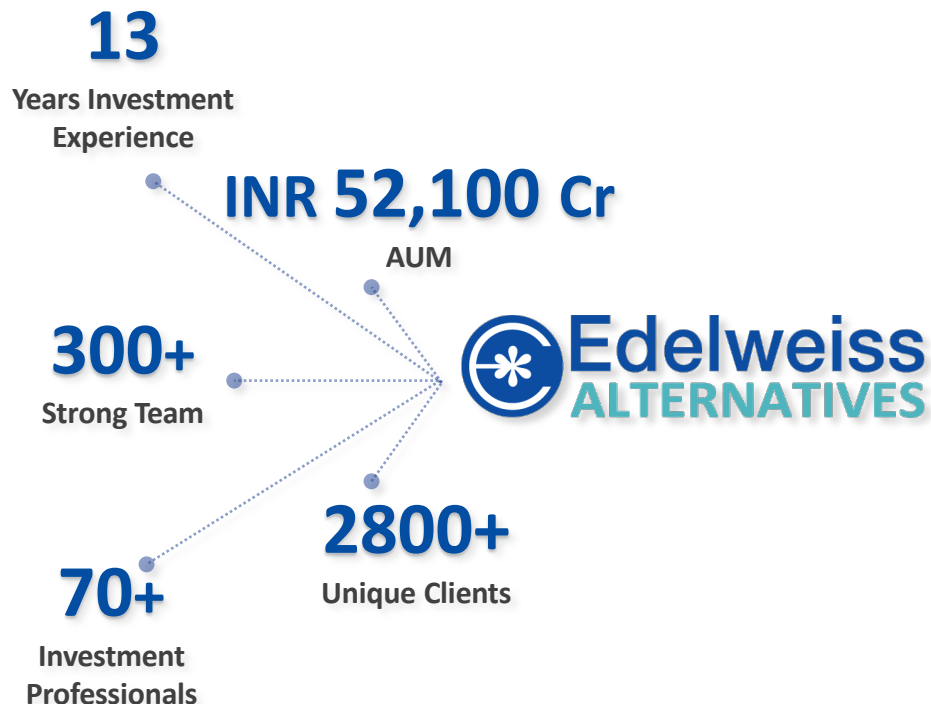
**Deployment**

**~INR 22,400 Cr**

**Realizations**

**~INR 24,650 Cr**

*Most strategies are now in 2<sup>nd</sup> and 3<sup>rd</sup> series*



Only Indian Alternatives player to consistently feature in **top PDI fund raisers of the year** for 3 consecutive years

A signatory to the **United Nations-supported Principles For Responsible Investment (UNPRI)**

**Insurance Companies and Pension Funds** contributing **~60% of AUM**

## Top Fund Raisers

*Private Debt Investor (PDI) – 2023, 2022, 2021*

## Indian Alternatives Investment Thought Leaders Awards

*Equalifi – 2024*

### Safety

#### **British Safety Council, 2023/ 2022**

*International Safety Awards – Merit (DMTCL)*

*International Safety Awards – Distinction (Dhola Infra, DMTCL & SSEPL)*

*International Safety Awards – Merit (Dibang Infra)*

*International Safety Awards – Best in Region - East (DMTCL)*

*International Safety Awards – Sector award (Dibang Infra)*

#### **OHSSAI Annual HSE Excellence & ESG Global Awards 2023**

*Safety Award – Gold (DMTCL)*

*Road Safety Award – Gold (Dhola Infra)*

#### **National Highways Excellence Awards, 2022**

*Excellence in Highway Safety – Plain – Gold Award (Dhola Infra)*

*Green Highways – Silver Award (Dhola Infra)*

#### **NSCI Safety Awards 2022**

*"Prashansa Patra" in Service Sector Category*

### Excellence

#### **Uttar Pradesh Annual Solar Awards – EQ**

##### **Suryacon 2023**

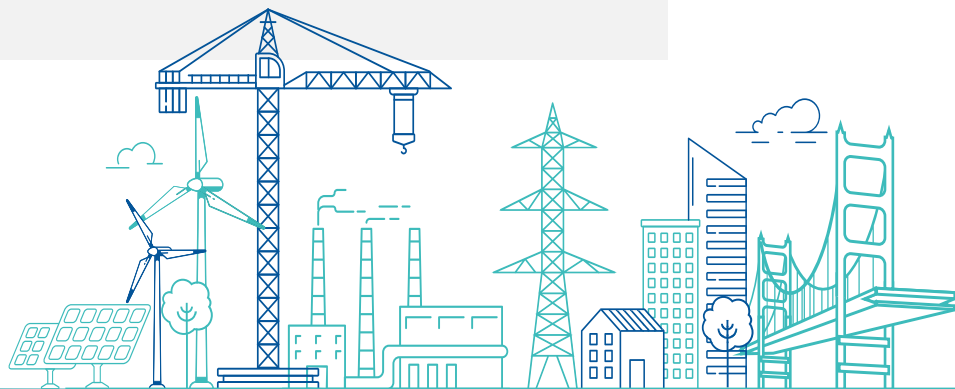
*Solar Project Monitoring Technology Company of the Year (ESPL)*

#### **National Highways Excellence Awards, 2022**

*Excellence in Operations and Maintenance – Gold Award (Dhola Infra)*

# Edelweiss Alternatives - A Differentiated Platform Poised to Seize the India Opportunity

- *Technology Driven Asset Management Platform*
- *Robust Governance and Risk Management Frameworks*
- *Well-rounded Client Centric Platform*
- *Tenured and Experienced Team*



## Strong Asset Management Capabilities

1



*Technology driven asset management platform to enhance and preserve value of investments*

## Robust Governance and Risk Standards

2



*Robust governance framework and monitoring of investments by independent risk team*

## Well Rounded Client Centric Platform

3



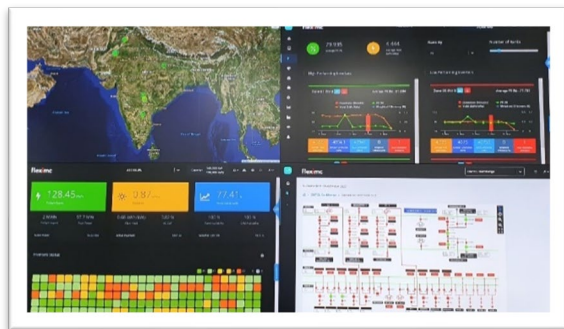
*End to end capabilities to provide bespoke investment solutions for our clients*

## Tenured and Experienced Team

4



*Experienced investment, asset management and operational teams to manage portfolio*

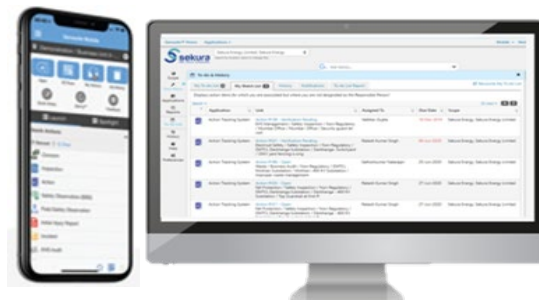


Centralized control room for proactive asset management

## Technology



Application-based inspection tool for proactive approach to maintenance



Technology-enabled Safety Health Environment initiatives

## Processes & Certification

Certificate for Occupational Health and Safety and Environmental management (ISO 45001 & 14001)



Certificate for Asset Management Systems (ISO 55001-2013)



Certificate for Information Security Management (ISO 27001-2013)



## Effective Risk Management Framework

**3C framework (Counterparty, Collateral & Cashflows)**  
for credit evaluation

1

**Regular monitoring & risk-based classification** of portfolio assets  
for early identification

2

**Operational risk management & controls** to ensure alignment with fund documents & processes

3

## Institutional Governance Framework

**Advisory Boards**  
for funds comprising key clients

Annual asset level valuations performed by agencies  
**independent valuation**

**Independent review** of key processes by internal auditors



## Coverage Team

10+ member global coverage team  
Broad Domestic Reach



## Holistic Solutions

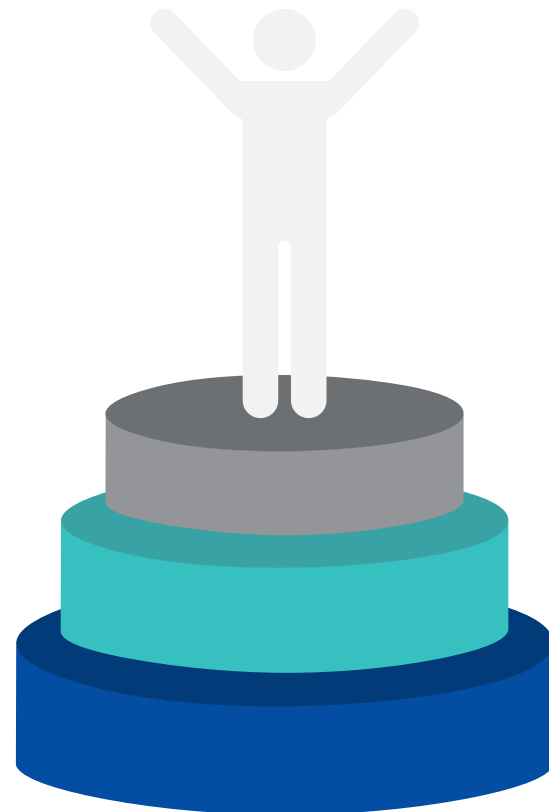
Platform with presence in Mumbai, Singapore and GIFT City that can cater to -

- Onshore and Offshore clients
- Institutional and UNHI / Family Offices

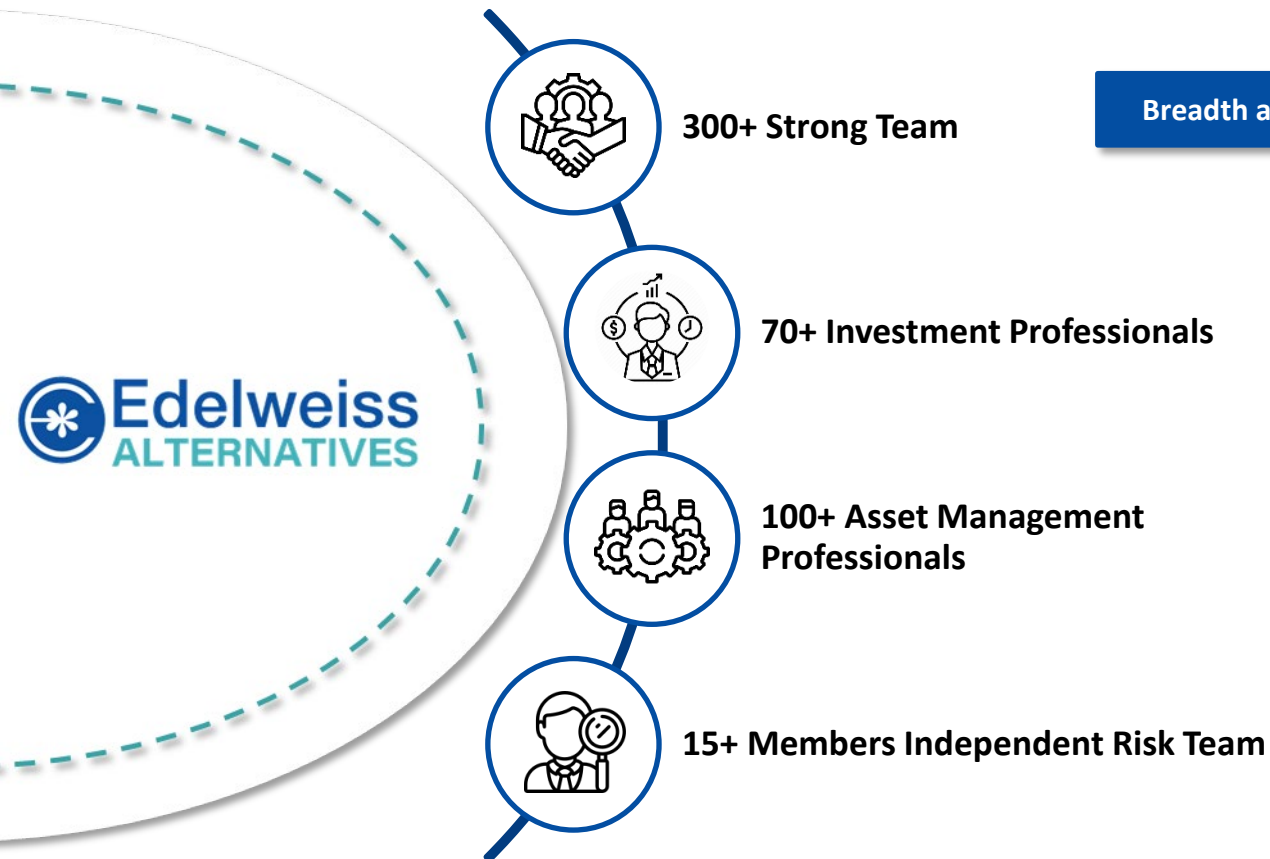


## End to End Platform Capabilities

Experienced legal, compliance and product team for structuring unique investment solutions for our clients



## A Tenured and Experienced Team



**Breadth and Depth of a Highly Experienced Team**

**15+ years**

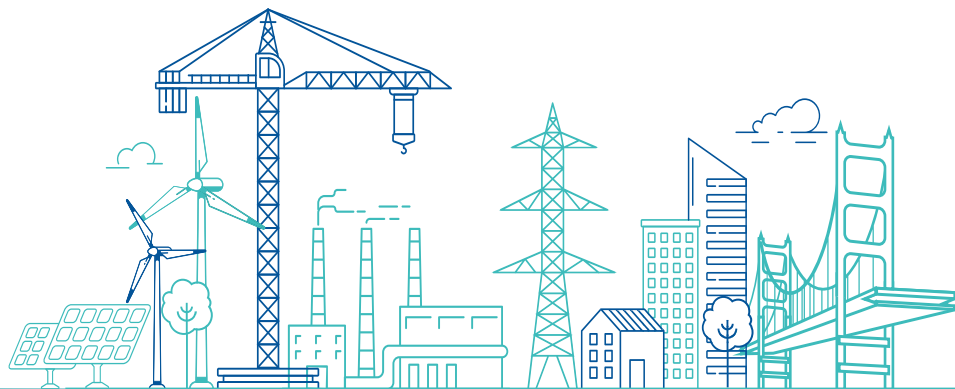
Average tenure of  
Investment  
leadership team  
with Edelweiss

**36**

Average Age,  
an Overall Young  
Team

# Financial Performance

- *Robust Financial Profile*
- *Demonstrated History of Performance with Operating Leverage*



## A Robust Financial Profile...



**Annuity Business  
driven by  
Management Fee**



**Long Duration  
Capital**



**Healthy Financial  
Standing Highlighted  
by A 0.6 D/E Ratio.**

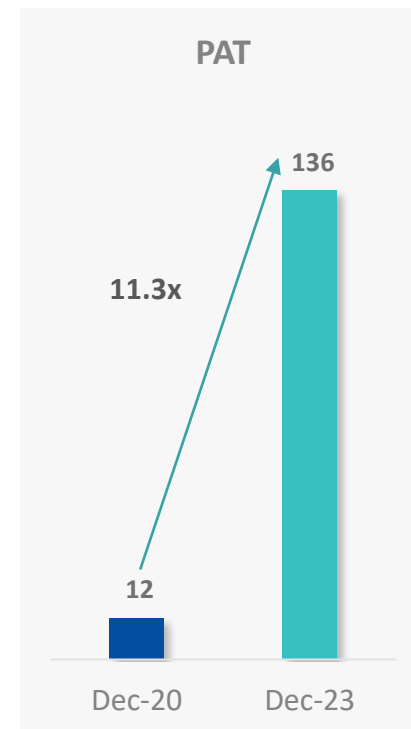
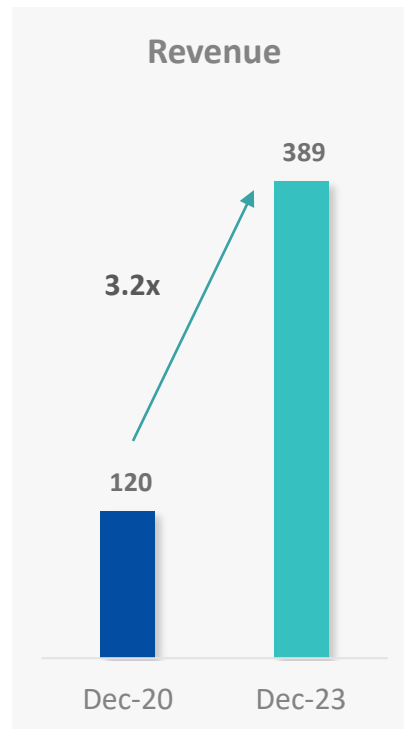
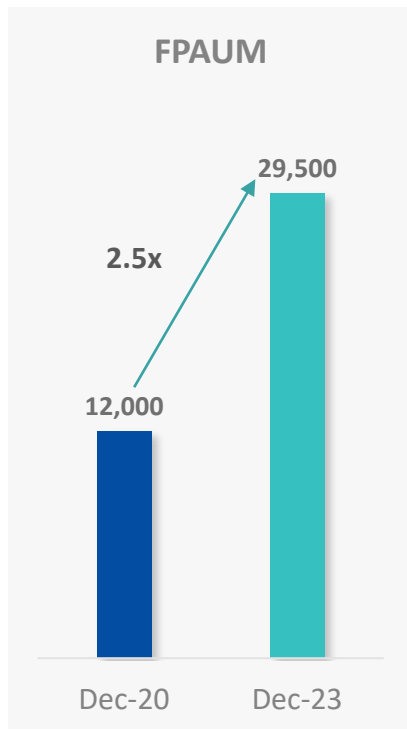
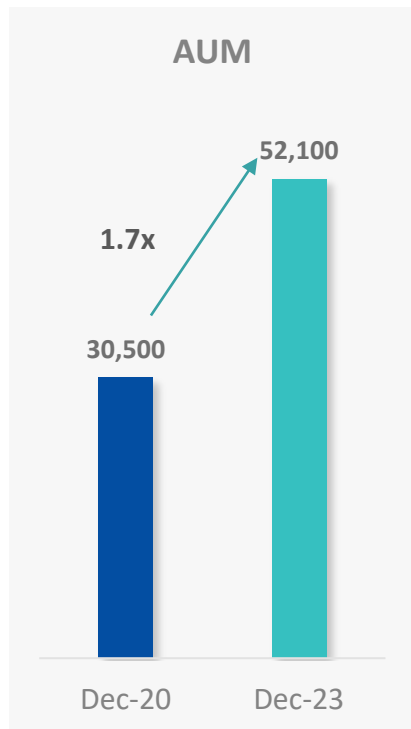


**Operating  
Leverage**



**Upside  
through Carry**

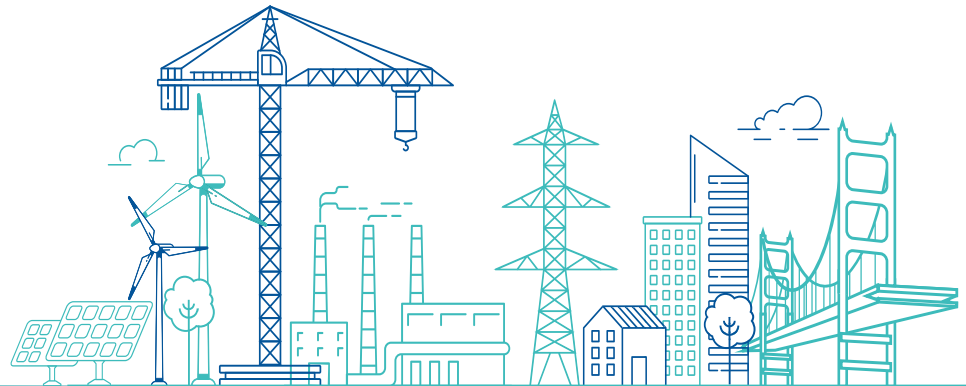
## ...And a Demonstrated History of Performance with Operating Leverage



**Management Fees constitutes 70% of the Revenue**

# Vision & Way Forward

- *Guided by a Clear Vision*
- *Proven Business Model with a Well-defined Growth Plan*
- *Target to Continue Healthy Growth of AUM*



“

Be the **trusted** and **respected**  
India alternative asset advisor,  
**Creating value for all stakeholders**

”



## ...Leading to A Well-defined Growth Path...



Increase client commitments through strong investment performance



Regular introduction of new products



Expansion into newer client segments and geographies



Maintain a robust Risk & Governance framework



**Healthy AUM  
Growth to Continue**

**...towards becoming  
India's premier Multi Strategy Alternatives Platform**

### We Are...

- *A long standing and differentiated platform with 13 years of investing experience*
- *Leading Private Credit and Real Assets manager in India with 6x AUM growth in past 7 years*
- *Highly diversified Client base with 2,800+ clients*
- *Strong institutional platform with robust risk management and governance frameworks*
- *Having tenured teams for investments and asset management*
- *Poised to take on the India opportunity*

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Slide 5: Preqin , AUMs for 2023 are up to June 2023

Slide 6: Preqin , AUMs for 2023 are up to June 2023

Slide 7: India's Economic Surge: Paving the Path to a \$10 Trillion Economy (investindia.gov.in), McKinsey Global Private Market Review, 2023 report; Edelweiss Alternatives Estimates

Slide 8: Knight Frank, Morgan Stanley Research Estimates | Regulatory Circulars and Industry Reports

Slide 9: Preqin , AUMs for 2023 are up to June 2023

Slide 10: Preqin , AUMs for 2023 are up to June 2023, Edelweiss Alternatives Estimates

Slide 11: Niti Aayog National Monetisation Pipeline Report, 2021

Slide 16: 5 -year data pertains to period: April 19’ to Dec 23’ | Realizations includes capital exits and returns on investment

Slide 27: AUM and FPAUM are as on Dec-20 and Dec-23; Revenue and PAT are for 9 months ending Dec-20 and Dec-23