

EW/Sec/2023-24/214

December 18, 2023

<b>BSE Limited</b> P J Towers, Dalal Street, Fort, Mumbai - 400 001.  <b>Scrip Code:- 532922</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.  <b>Symbol:- EDELWEISS</b>
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Dear Sir/Madam,

**Sub: Investor Update**

Enclosed is the investor and stakeholder update dated December 18, 2023, issued by the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For **Edelweiss Financial Services Limited**



**Company Secretary**

Encl.: as above

Date: 18<sup>th</sup> December 2023

## Investor and Stakeholder Update

### 1. Value unlocking via a minority stake sale (10-20%) in Edelweiss Alternative Asset Management

As highlighted in the AGM communication, as well as quarter-ended September Investor presentation, we have commenced equity monetisation through a planned stake sale of 10 - 20% in Edelweiss Alternative Asset Management (EAAA), a wholly owned subsidiary.

We expect to raise Rs. 1,500 – 2,000 crores. We are receiving significant interest; the process is likely to be concluded in 4- 5 months.

This minority stake sale will enable debt reduction and establish the market value of the business, per our longstanding objective of unlocking value for our shareholders.

#### The EAAA business stands as a testament to our commitment to quality and excellence.:

- **Strong AUM, Growth and Performance:** The current AUM stands at Rs. 50,000 crores as on September 2023 and has grown at a CAGR of 31% since FY17. In the past five years, fund investors have realized Rs 23,500 crores.
- **Global Recognition:** The only Indian player ranked among the top 100 global fund raisers according to Private Debt Investor (PDI).
- **Industry Leadership:** Since pioneering the first private India credit fund in 2010, EAAA stands as a dominant player in the Private Debt and Real Assets (yield) categories. Investors include Large Global Pension funds & Insurance companies across US, Canada, Europe, Australia as well as Domestic Institutions, Banks, Endowment funds, Large Family Office and HNI / Ultra HNI clients.
- **Experienced Leadership and Team:** Most of the leadership team has 14+ years tenure with Edelweiss. The robust team of over 300 professionals, including 60+ investment experts, 15 dedicated risk experts underscore the operational excellence of the business.

### 2. Update on the Securities Appellate Tribunal Order for Nuvama

Further to the disclosure ([link to disclosure](#)) that we filed yesterday, we wish to provide additional details regarding the Securities Appellate Tribunal (SAT) order received by Nuvama:

- We are disappointed with the unexpected SAT judgment and continue to believe that the actions taken by Nuvama were prudent and well within the governing regulations.
- Penalizing a Professional Clearing Member (PCM) for a broker's misdeeds is, in our view unjust, potentially jeopardizing industry norms and impeding the growth of PCMs.
- Nuvama will explore all legal options available including appealing to the Supreme Court. We will, of course, respect the law and all judgements.
- As part of the demerger process, Edelweiss had indemnified Nuvama Clearing on this transaction and Edelweiss will abide by this obligation.
- We possess adequate capital reserves to maintain comfortable liquidity and honour all commitments. We foresee no material impact on the company, our underlying businesses, or our growth trajectory.
- Nuvama's shareholder communique ([link to communication](#)) is attached for reference.

We will continue to uphold our high standard of governance and are confident that our short-term business operations and long-term growth trajectory remain unaffected. Edelweiss is committed to creating and unlocking value for Shareholders.

We appreciate your continued trust and support. Please write to us with any questions you may have.