POWER FINANCE CORPORATION LTD.
A Maharatna PSU

Performance Highlights

FY 2026-27

Quarter ended
30th June 2026

Financing India's Power and
Infrastructure Transformation

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PFC
At a Glance

"Financing Power, Leading change & shaping India's Greener tomorrow"

Powering Nation's Development

→ Largest NBFC Group in India

→ AAA rated NBFC

→ International rating at par with India's sovereign rating

Majority owned by Government of India

Highest Profit making NBFC in India*

One of the leading renewable financier in India

Pioneering infra financing in IFSC – First overseas subsidiary in IFSC GIFT City, i.e. PIFIL**

#33 in Fortune 500 India'Dec 2025 and #18 in Forbes Global 2000:India (2025)

FORTUNE

* For FY 2025-26

** PFC Infra Finance IFSC Limited, PFC's wholly owned subsidiary

PFC Financing Progress

Milestone by Milestone

40 Years of Progress –

From Financing India’s journey to a Power-Surplus nation to now powering its rise as a Renewable Leader

1986
Incorporated as
100% Govt owned company

2007
IPO, listed on BSE, NSE
(India)

2010
FPO, GOI shareholding
reduced to 56%

2017
1st green bond issue,
USD 400 million

2019
Acquired majority stake in
REC, became largest power
sector financier in India

2023
New business line -
Infra & logistics

2024
First foreign Subsidiary
incorporated in IFSC,
GIFT City

2025
Crossed
INR 5 trillion mark
in loan assets

2026
PFC REC restructuring
announced in Budget 2026

PFC Group Performance

"Entering a new era of leadership, scale and synergies"

PFC Group Structure

Power Finance Corporation

Subsidiaries

- PFC Consulting — 100%
- PFC Infra Finance IFSC — 100%
- REC Ltd. — 52.63%

Associates

- Ultra Mega Power Projects — 100%

PFC REC Restructuring

A step towards creating a single, focused institution to address the evolving financing needs of power sector

With the objective of achieving scale & efficiency among PSU NBFCS, **PFC REC restructuring** announced in Budget 2026

Foraying into a new era of sectoral leadership

Draft merger scheme approved by Board of PFC and REC in June 2026

+ Rs.12 lakh cr.	**+ Rs.1.6 lakh cr.**	**88:100**	Merged entity to be India's **largest dedicated infra financing institution,** with focus on power sector
Combined Balance sheet	Group Renewable Book	Share Swap Ratio	

Key Consolidated Financials

(Rs.' crore)

PARTICULARS	Q1 FY 27	Q1 FY 26	FY 26
Interest Income	**27,947**	28,258	1,12,961
Interest expense	**17,250**	17,196	69,415
Net Interest Income	**10,697**	11,062	43,546
Profit After Tax	**8,998**	8,981	33,625
Total Comprehensive Income	**13,446**	6,108	26,627

Some figures may have been regrouped / reclassified for analysis purpose. Therefore, they may not reconcile with the reported figures.

Standalone Performance

"Delivering impact through financial strength"

1.

Highlights

Q1'27 in Perspective

Rs. 4,745 cr
Profit After tax for Q1'27

Compared to PAT of Rs. 4,502 cr. in Q1'26

Rs. 3.90 per share
Interim dividend declared

Compared to interim dividend of Rs. 3.70 per share in Q1'26

14%
Y-o-Y increase in net worth

Rs. 1,08,548 cr. as on 30.06.2026 vs Rs. 95,061 cr. as on 30.06.2025

23.35%
CRAR for Q1'27

CRAR at 23.35% for Q1'27 (vs regulatory requirement of 15%), with Tier 1 capital at 21.97%

RBI Swap Window Facility for PSUs

PFC became the first CPSU & the first NBFC to tap the international bond market under the RBI swap window

Raised around USD 650 mn till July 2026 under this window

2.

Earning Update

Revenue & Growth

(Rs.' crore)

PARTICULARS	Q1 FY 27	Q1 FY 26	FY 26
Interest Income	13,736	13,739	55,073
Interest expense	8,503	8,262	33,177
Net Interest Income	5,234	5,477	21,896
Profit After Tax	4,745	4,502	20,051
Total Comprehensive Income	5,946	4,092	17,189

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Key Ratios

(Ratios in %)

PARTICULARS	Q1 FY 27	FY 26	Q1 FY 26
Yield on Earning Assets	9.56	9.96	10.01
Cost of funds	7.07	7.50	7.40
Interest spread on earning assets	2.49	2.46	2.61
Net Interest Margin on earning assets	3.54	3.55	3.68
Net worth (Share capital + All reserves)	Rs. 1,08,548 cr.	Rs. 1,02,532 cr.	Rs. 95,061 cr.

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3.

Asset Quality

Asset Synopsis- Q1'27

Stage 3 book of Rs. 6,315 cr.

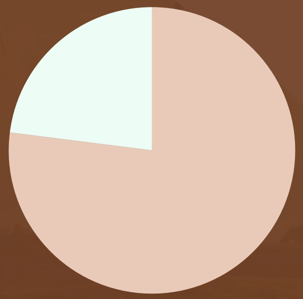
- *Under NCLT- 10 projects of Rs. 5,461 cr. with provisioning of 91%*
- *Outside NCLT- 9 projects of Rs. 854 cr. with 54% provisioning*

Renewable book

15%

of loan book

Majority Lending to Govt. Sector

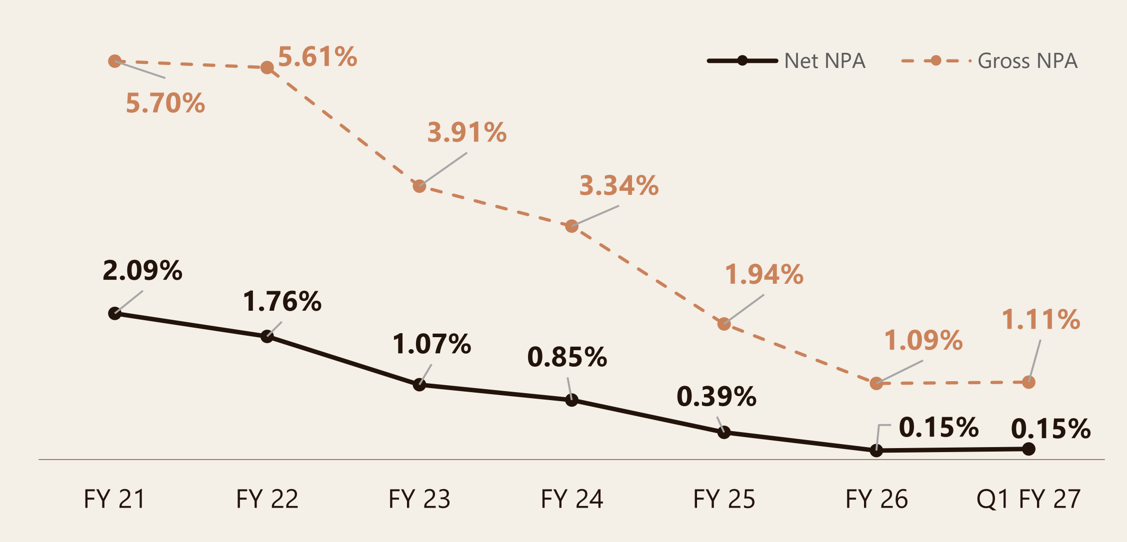


Government Sector

77%

Private Sector

23%



Net credit impaired asset Ratio

0.15%

Provisioning Snapshot- 30.06.2026

(Rs.' crore)

OUTSTANDING LOAN ASSETS	STAGE I & II	STAGE III	TOTAL LOAN ASSET
Government sector	4,36,836	-	**4,36,836**
Private sector	1,26,894	6,315	**1,33,209**
Total Outstanding	5,63,730	6,315	**5,70,045**
Total Provisioning	4,392	5,441	**9,833**
Total Provisioning (%)	0.78%	86%	**1.72%**
NET ASSETS	5,59,338	874	**5,60,212**

STAGE III
(as % of Gross Loan Assets)

OUTSTANDING STAGE III (IN %)

Government Sector	Private Sector	GROSS STAGE III (IN %)	TOTAL PROVISIONING (IN %)	NET STAGE III ASSETS (IN %)
NIL	1.11%	1.11%	86%	0.15%

Note - Provision has been made in respect of all loans assets as per Expected Credit Loss (ECL) methodology under Ind AS.

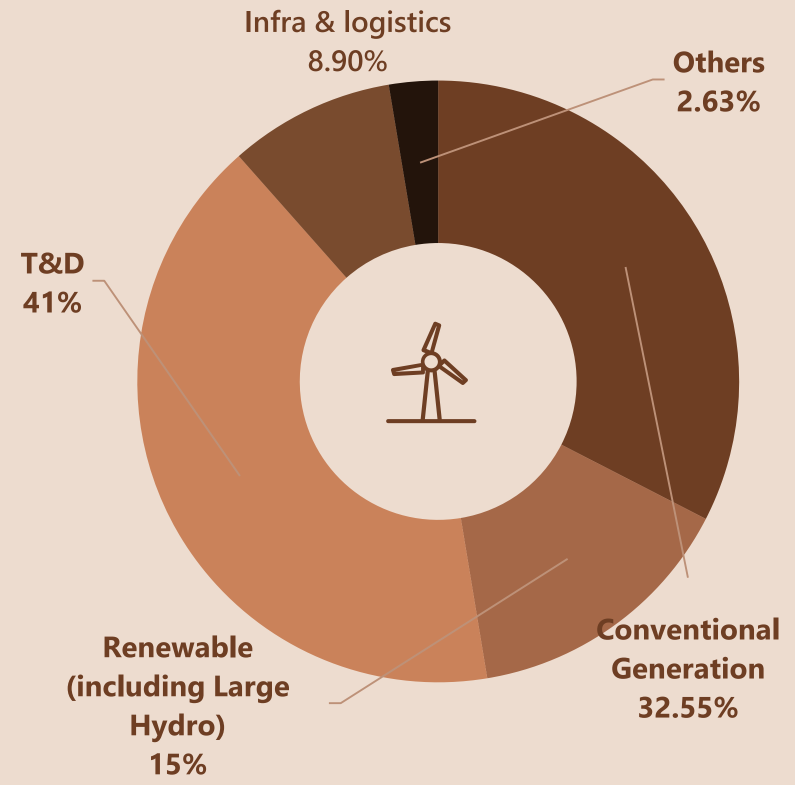
4. Operational Performance

Loan Asset-Composition

(Rs.' crore)

PARTICULARS	As on 30.06.2026	As on 30.06.2025
Gross Loan Assets	5,70,045	5,49,786
Scheme wise		
Generation	2,70,117	2,59,667
-Conventional Generation	1,85,529	1,78,162
-Renewable Generation	84,588	81,505
--Large Hydro Projects (>25MW)	19,109	16,418
--Solar/Wind & Other RE projects	65,479	65,087
Transmission	44,161	38,176
Distribution	1,90,021	1,94,092
Infra & Logistics	50,742	48,779
Others	15,004	9,072
Sector Wise		
Government Sector	4,36,836	4,21,751
Private Sector	1,33,209	1,28,036

Loan Asset Mix



* The figures w.r.t. funding of Electrical & Mechanical (E&M) component which were earlier classified under heads related to Power sector have now been re-classified under Infra & logistic sector for operational alignment . Previous year figures have also been re-classified for comparability.

Disbursement Composition

PARTICULARS	Q1 FY 27		Q1 FY 26		FY 26	
	Amt	%	Amt	%	Amt	%
Disbursements	20,176	100%	36,152	100%	1,65,414	100%
Scheme wise						
Generation	5,413	27%	11,125	31%	67,958	41%
Transmission	2,730	14%	1,364	4%	7,724	5%
Distribution	9,837	49%	22,794	63%	77,191	47%
Infra & logistics	1,008	5%	348	1%	6,581	4%
Others	1,189	6%	522	1%	5,959	4%
Sector wise						
Government sector	14,170	70%	28,195	78%	1,25,852	76%
Private sector	6,006	30%	7,958	22%	39,561	24%

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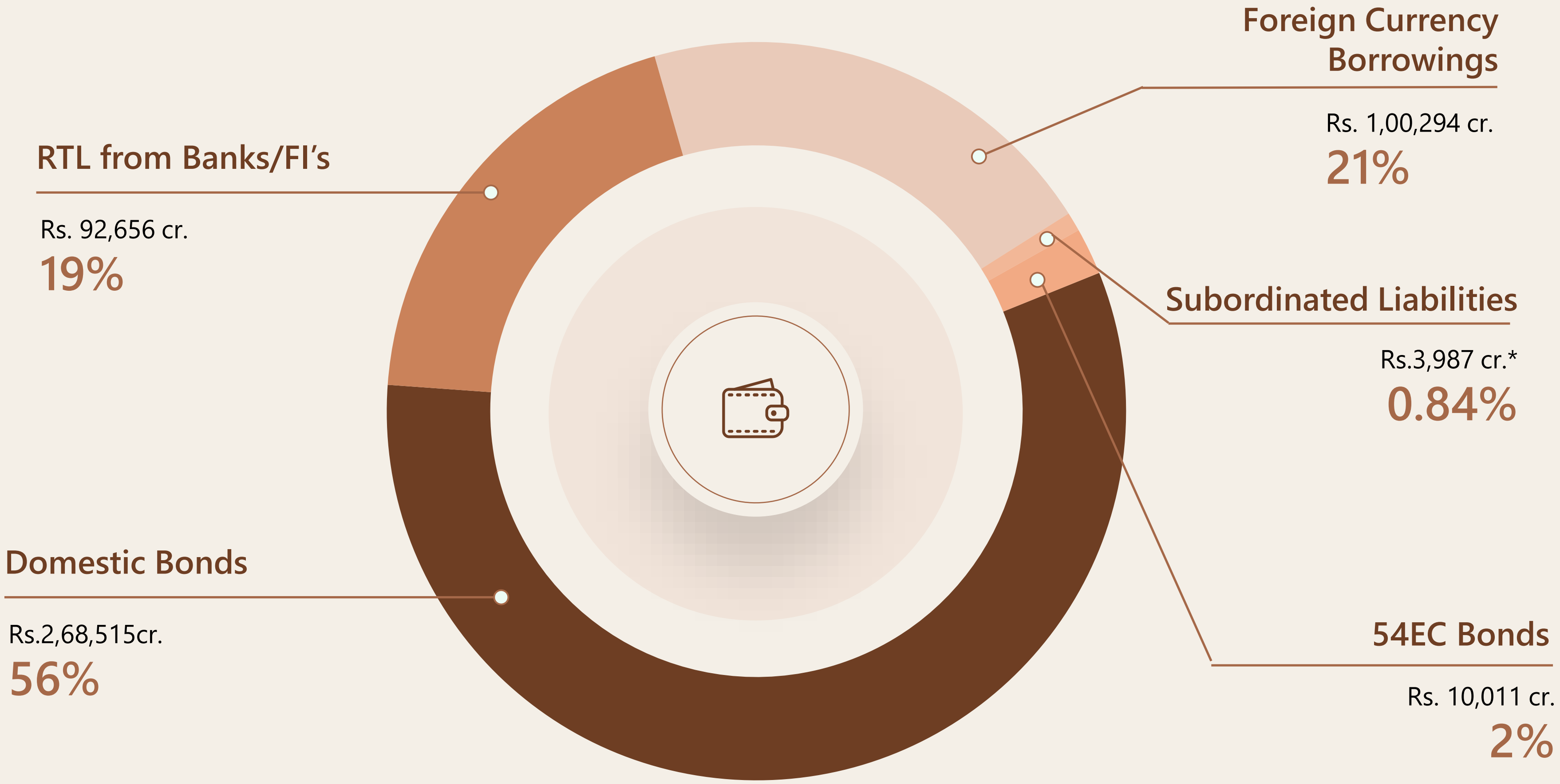
Borrowing Mix as on 30.06.2026



Rs. 4,75,462 cr.

Outstanding Borrowings as on 30.06.2026

97%

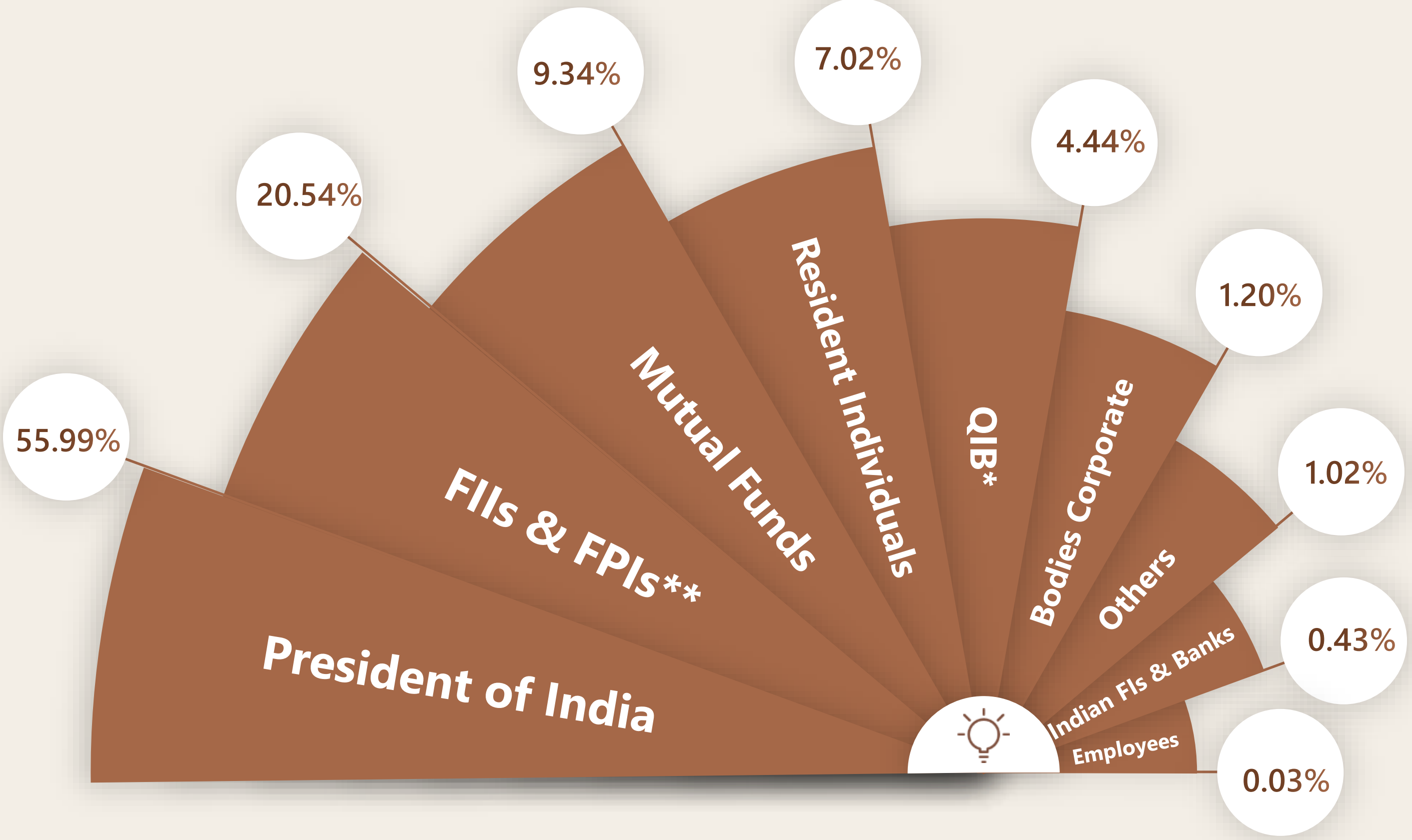
exchange risk hedged on total FCL portfolio

*Includes perpetual debt

5.

Shareholder Snapshot

Shareholder Snapshot as on 30.06.2026



EPS (Annualized)
Rs.57.52

Price to Earning Ratio
7.38

Book Value Per Share
Rs.328.92

Price to Book Value Ratio
1.29

Above ratios are for Q1'27 & are based on the last available closing share price from BSE as on the end of reporting period i.e. Rs. 424.45

** Qualified Institutional Buyers*

*** Foreign Institutional Buyers and Foreign Portfolio Investor*

ESG AT PFC

"Financing a Greener India "

ESG Vision of PFC

Powering Progress Through Sustainability

PFC is committed to playing a leading role in shaping a sustainable and resilient future for India.

PFC's ESG vision rests on **three pillars:**

Pillar I

Preserving the Planet

We are committed to lead by example in fostering a sustainable low-carbon economy & driving national growth by ensuring fair and sustainable financing solutions, while preserving the environment.

Pillar II

Promoting the Pathway towards Inclusive Society

We strive to make a meaningful impact not only for ourselves but also for our stakeholders. At the forefront of our corporate ethos is fostering adverse, inclusive, and engaged workforce, as well as enabling the community through our CSR efforts.

Pillar III

Pursuing Prudence

At our core, we prioritize upholding unwavering integrity, maintaining stakeholders' trust, and establishing transparency and accountability through robust corporate governance & risk management practices.

ESG Journey so far

2023 JULY

ESG Unit Established
Vision & Pillars Defined: "Powering Progress through Sustainability" with three pillars

2024 APRIL

ESG and Materiality assessment
Conducted first ESG and Materiality assessment workshop. Hosted ESG workshops for employees and management

2024 JULY

ESG Report
Published 1st ever ESG report

2025 MARCH

Climate Impact Assessment
Evaluated top 22 RE projects with 5.3 million tonnes of CO_2 equivalent emissions avoided annually

2025 JULY

2nd ESG Report
Developed our 2nd ESG report titled '***Powering Progress through Sustainability***' 'in reference to' GRI Universal Standards 2021

2026 JULY

3rd ESG Report
- Developed our 3rd ESG Report, "**Financing a Greener Tomorrow**", aligned with GRI Universal Standards 2021, TCFD*, SASB** frameworks
- Assessed emissions avoided on entire RE commissioned loan book

*Task Force on Climate-related Financial Disclosures
**Sustainability Accounting Standards Board

ESG Performance Snapshot for FY 2025-26

Environment

Carbon emissions avoided in FY 2026
1273 Lakh Tonnes

Total RE Capacity
66 GW

RE loan book FY 2026
₹ 90,135 Crores

Lowest GHG Emissions compared to peers
0.02 tCO_2e/INR Cr.

RE Loan Book Growth (Y-o-Y)
16%

Social

Training person days to employees
2589

CSR Expenditure
₹ 138 Crore

Lost Time Injury Frequency Rate (LTIFR)
Zero

Return to work after maternity/ paternity leave
100 %

Women Employee Ratio
~22 %

Gender Pay Gap at Grade Level
Zero

Governance

India's highest profit making NBFC
₹ 20,051 Crore

Vigilance training programs in FY26
171.5 Person days

Dividend Distribution in FY26
₹ 18.55 per share

Strong asset quality
0.15% NPA

Customer complaints registered in FY26
Zero

Assessing the climate outcomes enabled through our renewable energy financing

For the first time, PFC assessed the climate impact of its entire commissioned renewable energy portfolio (excluding large hydro)

Impact Highlights

100+
Commissioned renewable projects assessed

₹35,837
Crore outstanding renewable book

10.6 GW
Funded renewable capacity

10.39 Mn tCO_2e
Annual financed emissions avoided

2.26 Mn
Equivalent passenger vehicles removed from the road

While PFC's operational **Scope 1 and Scope 2 emissions were 1,257 tCO_2e** during FY 2025-26, the commissioned renewable energy assets financed by the Company are estimated **to avoid 10.39 million tCO_2e annually**

Improvements in ESG ratings driven by strengthened & enhanced sustainability reporting

Agency	Rating Type	Scale (Best to Worst)	Current Rating	Previous Rating
MORNINGSTAR SUSTAINALYTICS	ESG Risk Rating	**0 to 100**	**15.9 (Low Risk)**	**17.3**
Crisil a company of S&P Global	ESG Rating and Core ESG Rating	**100 to 0**	**62**	**57**
NSE	ESG Score (used in NIFTY100 ESG Indices)	**100 to 0**	**73**	**68**
S&P Global	S&P Global Corporate Sustainability Assessment (CSA)	**100 - 0**	**21 (medium data availability)**	**26**
MSCI	MSCI ESG Rating	**AAA–CCC (Best to Worst)**	**BBB**	**BB**

FTSE4Good

PFC's continued inclusion in the **FTSE4Good Index Series** in recent assessment periods reflects its sustained commitment to ESG principles and international sustainability benchmarks.

Investor Resources

Join us: @pfclindia

www.pfcindia.co.in

Annual Report	https://pfcindia.co.in/en/pages/investors/annual-reports
Financial results	https://pfcindia.co.in/en/pages/investors/financial-results
ESG Report	https://pfcindia.co.in/en/pages/investors/esg-report

Investor announcements	https://pfcindia.co.in/en/pages/investors/announcements
Investor FAQs	https://cms.pfcindia.co.in/media/documents/FAQ

Recent reports relevant to power sector

- https://mnre.gov.in/NEP
- https://pfcindia.co.in/ensite/Home/VS/25

Contact Information

Join us: @pfclindia

www.pfcindia.co.in

Investor Relations Team → investorrelations@pfcindia.com

Bond Queries → 54EC Bonds - 54ECinvestorcell@pfcindia.com
Other Bonds - bondsinvestorcell@pfcindia.com

Equity Share Queries → investorsgrievance@pfcindia.com

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Figures are regrouped / reclassified to make them comparable.

Analytical data' are best estimates to facilitate understanding of business and NOT meant to reconcile reported figures.

Answers will be given only to non-price sensitive questions.

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