

Ref. No.: AUSFB/SEC/2022-23/300
Date: August 10, 2022

To,

National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. NSE Symbol: AUBANK	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. Scrip Code: 540611
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Dear Sir/Madam,

Sub: Press Release regarding raising of total capital of Rs. 2,500 Crore comprising of Tier I equity capital of Rs. 2,000 Crore via Qualified Institutions Placement (QIP) and Tier II capital of Rs. 500 Crore by issuing 10-year subordinated bonds

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached press release regarding raising of total capital of Rs. 2,500 Crore comprising of Tier I Equity capital of Rs. 2,000 Crore via QIP route and Tier II capital of Rs. 500 Crore by issuing 10-year subordinated bonds in nature of Non-Convertible Debentures.

This is for your information and records.

Thanking You,

Yours faithfully,
For AU SMALL FINANCE BANK LIMITED



Manmohan Parnami
Company Secretary and Compliance Officer
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Encl.: As above



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For Immediate Release

AU Small Finance Bank raises total capital of ₹2,500 Crore comprising of Tier I equity capital of ₹2,000 Crore via QIP route and Tier II capital of ₹500 Crore by issuing 10-year subordinated bonds

- *Largest capital raise in the Bank's history was oversubscribed multiple times – Equity by 4x and Tier-II capital by 2x*
- *The fresh capital will be used to support the Bank's growth plans over the medium term and takes the Bank's capital adequacy ratio (CRAR) to over 25%*

Mumbai / Jaipur, 10th August 2022: AU Small Finance Bank Limited (AU Bank), India's largest small finance bank by assets, today announced the successful completion of a total capital raise of ₹2,500 Cr comprising of Tier I capital of ₹2,000 Cr and Tier II capital of ₹500 Cr. This takes the Bank's overall capital adequacy ratio (CRAR) from 19.4% to 25.7% (as on 30th Jun 2022 on pro-forma basis). The fresh capital will be used to support the Bank's growth plans over the medium term and will help maintain sufficient headroom over and above the regulatory capital adequacy requirements.

The QIP Issue of ₹2,000 Cr (~USD 253mn) was launched on 3rd August 2022 at a price band of ₹570 - ₹590 per share and witnessed strong demand from both Foreign Institutional Investors (FII) & Domestic Institutional Investors (DII), and the QIP issue was oversubscribed 4x with bids crossing USD 1.01Bn and strong interest from marquee investors like sovereign wealth funds, large foreign portfolio investors, global asset managers, domestic insurance companies and mutual funds. The Capital Raising Committee (CRC) of the Bank fixed the issue price at ₹580 per share and approved allotment of 3,44,82,758 (Three Crores Forty-Four Lakh Eighty-Two Thousand Seven Hundred and Fifty Eight) Equity Shares of face value ₹10 each to 67 (sixty seven) allotted bidders.

Post converting into a Small Finance Bank in April 2017, this is the third and the largest primary equity capital raise by the Bank after raising ₹1,000 Cr from Temasek in 2018 and 2019 via preferential issuance and ₹625.5 Cr through Bank's first QIP in March 2021.

AU Bank also raised Tier II capital via private placement of unsecured, subordinated, rated, listed, redeemable, non-convertible lower Tier II bonds in the form of Non-Convertible Debentures (NCD). The issue opened on 2nd August 2022 at a base size of ₹400 Cr with a Greenshoe option of ₹200 Cr and the issue witnessed strong reception from Qualified Institutional Buyers (QIBs) like mutual funds, insurance companies, banks, etc. resulting in 2x oversubscription with final bids of ₹1,110 Cr. The Bank eventually issued bonds for ₹500 Cr



retaining a Greenshoe option of ₹100 Cr. The issue was rated ‘AA/Stable’ by CRISIL & CARE Ratings.

Speaking on the occasion, Mr. Sanjay Agarwal, MD & CEO, AU Small Finance Bank said, *“I am overwhelmed and humbled by the response of investors to the successful completion of ₹2,500 Cr of capital raise with a mix of ₹2,000 Cr Tier I capital and ₹500 Cr of Tier II capital issuance amid the volatile market conditions. I am deeply grateful to all our existing shareholders for their participation in this issue and also welcome all the incoming newer investors – both FIIs and domestic investors, for their confidence in us and in supporting our growth plans. Our objective remains to build a best-in-class tech-led retail Bank in India with a very sustainable business model and the fresh capital will significantly help us in that journey. With a post-issue CRAR of over 25% (pro-forma basis) coupled with sustained demand from the segments we cater to, and stable asset quality, we are well positioned to grow and take advantage of the tremendous opportunity that market provides us with. I remain a strong believer that this decade will be India’s and hope that the success of our QIP and Tier II issue and the overwhelming demand from FIIs will augur well for the overall sector”.*

About AU Small Finance Bank:

AU Small Finance Bank Limited (AU Bank) is a scheduled commercial bank, a Fortune India 500 Company, and the largest Small Finance Bank in the country. Starting its journey from the hinterlands of Rajasthan, today AU Bank is the largest Small Finance Bank with a deep understanding of the rural and semi-urban markets that has enabled it build robust business model facilitating inclusive growth. With 27+ years legacy of being a retail focused and customer-centric institution, AU started its banking operations in April 2017 and as on 30th June 2022, it has established operations across 953 banking touchpoints while serving 30.7 Lakh customers in 20 States & 2 Union Territories with an employee base of 29,883 employees. The Bank has a net worth of ₹7,789 Cr, deposit base of ₹54,631 Cr and Assets Under Management (AUM) of ₹50,161 Cr as on 30th June 2022. AU Bank enjoys the trust of marquee investors and is listed on both the leading stock exchanges viz. NSE and BSE. It has consistently maintained a high external credit rating from all major rating agencies like CRISIL, CARE Ratings and India Ratings.

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