Edelweiss
Ideas create, values protect

EW/Sec/2019/62

March 5, 2019

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sirs,

Ref.:- Symbol - EDELWEISS

Sub: Press Release

Enclosed is the press release titled 'CDPQ to invest over INR 1800 crores (approximately US$250 million) in Edelweiss NBFC (ECL Finance Limited, the NBFC arm of Edelweiss)', for your information and record.

Thanking you,

Yours faithfully,
For Edelweiss Financial Services Limited

B. Renganathan
Executive Vice President & Company Secretary

Encl: a/a

PRESS RELEASE

CDPQ to invest over INR 1800 crores (approximately US$250 million) in Edelweiss NBFC

- **CDPQ enters into an agreement to invest into ECL Finance, the NBFC arm of Edelweiss**
- **CDPQ will partner in the long-term strategy to build a strong credit portfolio, with an increasing focus on the retail segment.**

MARCH 5, 2019 – Edelweiss Group announced today, that CDPQ Private Equity Asia Pte. Ltd., a wholly owned subsidiary of Caisse de dépôt et placement du Québec ("CDPQ"), one of North America's largest pension fund managers, has signed an agreement to invest over INR 1800 crores (approximately US$250 million) in ECL Finance Limited ("ECL Finance"), the non-banking financial company (NBFC) arm of Edelweiss Group. The planned investment by CDPQ would contribute towards establishing a large and diversified credit platform in India. This proposed investment will close after customary regulatory approvals.

Edelweiss Group has built a significant competitive position across businesses including the Credit segment. With a credit book of around INR 30,000 crores (approximately US$4.2 billion) (Q3FY19) that is spread across wholesale and retail finance segments, the business has both robust size and scalability. The agreement with CDPQ will enable ECL Finance to capitalize on opportunities in the credit market and confirm the capability of the Group to capture opportunities in the NBFC space. It provides thrust to the business for technology and digital investments. This investment also ensures that ECL Finance has the requisite resources to maintain strong organic growth, as well as take advantage of any market consolidation opportunities.

Speaking on the development, **Rashesh Shah, Chairman and CEO of Edelweiss Group** said, "Credit penetration in India will be the key to advancing India's economic gains, driven by the long-term trends in democratisation of credit, rising household incomes and increased consumption. I expect this partnership to deliver tremendous value towards deepening the market and we are encouraged by this investment by CDPQ to partner with us on this journey".

Michael Sabia, President and Chief Executive Officer at Caisse de depot et placement du Quebec, stated, "We are glad to strengthen and expand our partnership with Edelweiss Group, with whom we share a common mindset and who has one of the most innovative credit investing platforms in India. This new investment capitalizes on solid growth in the financing demand from SMEs and residential sectors, both of which being key drivers in sustaining India's future growth".

The CDPQ partnership with the Edelweiss Group began in 2016 with a significant investment in Edelweiss ARC, India's largest Asset Reconstruction Company.

Deepak Mittal, MD & CEO of ECL Finance added, "Credit has been our strength and we are well positioned to capitalize on the India opportunity. At this stage of our expansion, we are excited to join

hands with CDPQ to fuel our retail lending business across India. Our competitive edge will come from investments in the direct technology platform and next generation data analytics as we scale across SME, affordable housing, agri-loans and rural finance".

Edelweiss has built a diversified credit book catering to corporate and retail customers. This business has been a significant growth engine for the Group, driven by rapid scale up in retail credit book in the last few years. With an aim to be closer to customers, the business has now expanded to over 180 locations across the country with plans afoot to double this number in the near future. A string of innovative products and services are also lined up for launch in the latter half of the year. This investment and the deep focus on expanding credit to deserving and underserved markets will propel growth in this business for Edelweiss.

About Edelweiss Group

The Edelweiss Group is one of India's leading diversified financial services company providing a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. Edelweiss's products and services span multiple asset classes and consumer segments across domestic and global geographies. Its businesses are broadly divided into Credit Business (Wholesale & Retail Mortgages, SME and Business Loans, Agri and Rural Finance, Structured Collateralised Credit and Distressed Credit), Franchise & Advisory Business (Wealth Management, Asset Management and Capital Markets) and Insurance (life and general insurance). Edelweiss has an asset base of ~INR 55,800 cr, as of 31st December, 2018. The Group had a revenue of INR 8,623 cr and PAT of INR 890 cr for FY18. The group's research driven approach and proven history of innovation has enabled it to foster strong relationships across all client segments. The group has sizeable presence in large retail segment through its businesses such as Life Insurance, Housing Finance, Mutual Fund and Retail Financial Markets. Together with strong network of Sub-Brokers and Authorized Persons, Edelweiss group has presence across all major cities in India. For more information, visit www.edelweissfin.com

SOCIAL MEDIA ASSETS

Official hashtags: #CDPQ #Edelweiss #India #invest #Credit #Longtermpartnership
Keywords: CDPQ, Edelweiss, Invest, India, NBFC, Credit

Suggested tweet: CDPQ to invest over INR 1800 crores in Edelweiss Group as a long-term partnership

Suggested Facebook post: CDPQ enters into an agreement to invest into ECL Finance, the NBFC arm of Edelweiss Group

Edelweiss Social media handle:

@EdelweissFin | edelweissfinancialservicesltd | Linkedin.com/company/edelweissfin

About Caisse de dépôt et placement du Québec

Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans. As at December, 2018, it held CA$309.5 billion in net assets. As one of Canada's leading institutional fund managers, CDPQ invests globally in major financial markets, private equity, infrastructure, real estate and private debt. CDPQ is present in India through its subsidiary CDPQ India, located in New Delhi. For more information, visit cdpq.com, follow us on Twitter @LaCDPQ or consult our Facebook or LinkedIn pages.

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