

PNB HOUSING FINANCE LIMITED

CIN: L65922DL1988PLC033856

Registered Office: 9th Floor, Antriksh Bhawan, 22 K G Marg, New Delhi, India 110001

This announcement ("Withdrawal Announcement") is being issued by HSBC Securities and Capital Markets (India) Private Limited ("Manager") under Regulation 23(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended) ("SEBI (SAST) Regulations") in connection with withdrawal of the open offer ("Open Offer") made by Pluto Investments S.à r.l. ("Acquirer"), together with Salisbury Investments Private Limited ("PAC 1"), Carlyle Asia Partners IV, S.C.Sp. ("PAC 2"), Carlyle Asia Partners V, S.C.Sp. ("PAC 3"), Quality Investment Holdings ("PAC 4") and CAP IV AIV Mauritius Limited ("PAC 5"), in their capacity as persons acting in concert with the Acquirer, to the shareholders of PNB Housing Finance Limited ("Target Company").

For the purpose of this Withdrawal Announcement, "PACs" means PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 collectively.

A. Background for Withdrawal of the Open Offer

- The public announcement for the Open Offer was made on May 31, 2021 by the Manager. The detailed public statement ("DPS") in relation to the Open Offer was published in the following newspapers on June 7, 2021: Financial Express (all editions), Jansatta (all editions) and Navshakti (Mumbai edition). The draft letter of offer ("DLOF") in relation to the Open Offer was submitted to the Securities and Exchange Board of India ("SEBI") on June 14, 2021.
- The Open Offer was triggered pursuant to the decision of the board of directors of the Target Company at their meeting held on May 31, 2021 to approve, subject to *inter alia* approval by the shareholders of the Target Company and receipt of necessary regulatory approvals, the preferential issue of: (i) 65,333,333 equity shares and 16,333,333 share warrants of the Target Company to the Acquirer; and (ii) 512,820 equity shares and 128,205 share warrants of the Target Company to PAC 1; and the subsequent execution of separate share subscription agreements between the Target Company and the Acquirer and PAC 1 on May 31, 2021 in relation to subscription of the aforesaid securities (the agreements are hereinafter referred to as the "Acquirer SSA" and "PAC 1 SSA" respectively).
- Thereafter, a notice for an extra-ordinary general meeting of the Target Company to be held on June 22, 2021 ("EGM") was issued by the Target Company, in order to take approval of the shareholders of the Target Company for the proposed preferential issue of securities, among other items. On June 18, 2021, SEBI issued a letter directing the Target Company ("SEBI Letter") *inter alia* that: "The current resolution bearing item no. 1 (Issue of Securities of the company and matters related therewith) of EGM notice dated May 31, 2021 is ultra-vires of AOA and shall not be acted upon until the company undertakes the valuation of shares as prescribed under 19(2) of AOA, for purpose of preferential allotment, from a independent registered valuer as per the provisions of the applicable laws. The said report shall be considered by the Company's Board while deciding on the preferential issue of shares and warrants."
- The Target Company preferred an appeal in relation to the SEBI Letter ("SAT Appeal") before the Securities Appellate Tribunal ("Tribunal"), challenging the directions under the SEBI Letter. On June 21, 2021, an interim order was passed by the Tribunal in the SAT Appeal, pursuant to which the EGM was held on June 22, 2021 however the results of the voting on item nos. 1 and 2 of the EGM notice were not declared by the Target Company and are being held in a sealed cover. On August 9, 2021, a split verdict was announced by the Tribunal, whereby the Presiding Member of the Tribunal issued an order in favour of the Target Company and set aside the SEBI Letter, while the order of the Judicial Member of the Tribunal upheld the SEBI Letter. Further, the Tribunal ordered that the interim order of the Tribunal dated June 21, 2021 was to continue until further orders of the Tribunal. In the meanwhile, SEBI has preferred an appeal against the order of the Presiding Member of the Tribunal before the Supreme Court of India on August 28, 2021, which is currently pending.
- Given the developments set out above, and various other factors considered by it, including in particular that this has led to the Target Company's capital raising plans being held up for over four months (after already having taken over two years) and there being no clarity on the timeline and/or the certainty for possible completion being detrimental to the Target Company and all its stakeholders, the board of directors of the Target Company, at its meeting held on October 14, 2021, has decided to not proceed with the preferential issue. Pursuant to this, basis a request from the Target Company in this regard, the Acquirer SSA and the PAC 1 SSA have been terminated.
- Basis the public disclosure made by the Target Company on October 14, 2021 we understand that the Target Company shall evaluate other alternatives to raise capital.

B. Grounds and Reasons for Withdrawal of the Open Offer

- Pursuant to Regulation 23(1)(a) of the SEBI (SAST) Regulations, the Acquirer and the PACs hereby withdraw the Open Offer *inter alia* in light of:
 - the statutory approval required from the shareholders of the Target Company for effecting the acquisition (being the preferential issue to the Acquirer and PAC 1) attracting the obligation to make the Open Offer (which has been specifically disclosed in the DPS and DLOF - please refer to VI(1)(d) of the DPS and Para VI(C)(1)(iv) at page 45 of the DLOF), as agreed through the Acquirer SSA and the PAC 1 SSA, having been rendered incapable of being received vide the SEBI Letter and the board of directors of the Target Company, at its meeting held on October 14, 2021, having decided to not proceed with the preferential issue as set out in paragraph 5 above (effectively rescinding the approval granted by the board of directors on May 31, 2021); and
 - the statutory approval required from the stock exchanges pursuant to Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (which has been specifically disclosed in the DPS and DLOF - please refer to VI(1)(c) of the DPS and Para VI(C)(1)(iii) at page 45 of the DLOF) having been rendered incapable of being received (owing to the reasons set forth under (a) above).
- This announcement of the withdrawal of the Open Offer is accordingly being made in accordance with Regulation 23(2)(a) of the SEBI (SAST) Regulations. The intimations required to be provided to SEBI, the Target Company and the stock exchanges on which the shares of the Target Company are listed under Regulation 23(2)(b) of the SEBI (SAST) Regulations have been made simultaneously with this Withdrawal Announcement.

Issued by the Manager:



HSBC Securities and Capital Markets (India) Private Limited

52 / 60, MG Road, Fort, Mumbai, 400 001

Tel: +91 22 2268 1712 / +91 22 6628 3700

Fax: +91 22 6653 6207

Email: pnbhf@hsbc.co.in

Contact Person: Mr. Ramakrishna Rao Chappidi / Mr. Dhananjay Sureka

SEBI Registration Number: INM000010353

On behalf of the Acquirer and PACs

Acquirer Authorised Signatory Pluto Investments S.à r.l.	PAC 1 Authorised Signatory Salisbury Investments Private Limited	PAC 2 Authorised Signatory Carlyle Asia Partners IV, S.C.Sp.	PAC 3 Authorised Signatory Carlyle Asia Partners V, S.C.Sp.	PAC 4 Authorised Signatory Quality Investment Holdings	PAC 5 Authorised Signatory CAP IV AIV Mauritius Limited
---	---	---	--	---	--

Date: October 19, 2021

Place: Mumbai