

Warburg Pincus invests INR 700Cr to acquire equity stake in True North-backed Home First One of India's leading affordable housing finance companies

Mumbai, 2nd October, 2020 - Home First Finance Company India Ltd ("Home First") announced today that it has entered into definitive agreements with Orange Clove Investments BV an affiliate of Warburg Pincus LLC ("Warburg Pincus"), a leading global private equity firm focused on growth investing for an investment of approximately INR 700 crore through a combination of primary fund raise and secondary sales by existing shareholders. Warburg Pincus joins existing marquee PE firm shareholders True North and Bessemer Venture Partners.

Home First is a technology driven, affordable housing finance company providing home loans to customers from low- and middle-income segments, who are building or buying their first homes. Over the last 10 years, Home First has sanctioned home loans to more than 50,000 customers in 60 districts, across 11 states and a union territory. Coming at a time when the whole world is navigating an unprecedented crisis, this transaction is a huge vote of confidence for the affordable housing segment in general and more specifically for the performance of Home First in the face of the crisis.

Divya Sehgal, Partner, True North said, *"Home First is one of the fastest growing affordable housing finance companies in India and has built strong underwriting capabilities for its new-to-credit customer base. We are proud of the way the company has utilised technology to its advantage, adopting a digital first approach in navigating Covid-19. We welcome Warburg Pincus and look forward to partnering with them in the upcoming journey of Home First."*

Narendra Ostawal, Managing Director, Warburg Pincus said, *"Home First has had a remarkable journey to become a leading affordable housing finance company in a relatively short span of 10 years. It is helmed by a very talented team and robust operating processes that continue to steer the company to do well through the pandemic and to leverage the growth potential of the affordable segment. Warburg Pincus looks forward to the partnership with True North and towards backing Manoj and the management team in its next phase of expansion."*

"Warburg Pincus' investment in Home First at this juncture, is an acknowledgement of Home First's inherent strengths. Our strong focus on the salaried customer segment, our investments in technology and our deep belief in digital processes and payment mechanisms, have netted excellent dividends through multiple disruptive events. True North has been a strong partner over the last few years and has supported the company in its business in tight market conditions. We look forward to partnering with our shareholders and offering industry leading solutions to our customers." **said Manoj Viswanathan, Chief Executive Officer, Home First.**

About Home First Finance Company:

Home First was founded in 2010 and over the last 10 years has established its presence in 60 districts across 11 states and a union territory with a significant presence in the urbanized regions of Gujarat, Maharashtra, Karnataka and Tamil Nadu. The company targets first time home buyers and leverages technology to deliver the service with minimum disruption to the work routines of its customers. The company's customers are typically salaried customers who work in small firms or self-employed customers who run small businesses. The company deploys proprietary machine learning and customer scoring models for underwriting and delivers quick turnaround times to its customers. As of

March 31, 2020, Home First had an AUM of INR 3618 cr with a Net worth of INR 933 cr and GNPA of 0.87%

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$53 billion in private equity assets under management. The firm's active portfolio of more than 185 companies is highly diversified by stage, sector, and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 19 private equity funds, which have invested more than \$84 billion in over 900 companies in more than 40 countries. The firm is headquartered in New York with offices in Amsterdam, Beijing, Berlin, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information please visit www.warburgpincus.com.

About True North

Founded in 1999, True North is India's leading home-grown private equity firm with a focus on investing in and transforming mid-sized profitable businesses into large well-established businesses that are valuable, enduring and socially responsible. True North has successfully launched six separate investment funds with a combined corpus of ~ USD 3 billion including co-investments. True North's deep insights and understanding of India has added value to more than 50 businesses over the last 20 years.

Ambit Capital was the lead advisor on the transaction and Axis Capital was the co-advisor.

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Disclaimer:

Home First Finance Company India Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its equity shares and has filed a draft red herring prospectus dated November 28, 2019 (“DRHP”) with the Securities and Exchange Board of India on November 29, 2019. The DRHP is available on the website of the SEBI at www.sebi.gov.in, the respective websites of the book running lead managers, i.e., Axis Capital Limited, Credit Suisse Securities (India) Private Limited, ICICI Securities Limited and Kotak Mahindra Capital Company Limited at www.axiscapital.co.in, <https://www.creditsuisse.com/in/en/investmentbanking/regionalpresence/asiapacific/india/ipo.html>, www.icicisecurities.com and <http://investmentbank.kotak.com>, respectively, the website of the National Stock Exchange of India Limited at www.nseindia.com and the website of BSE Limited at www.bseindia.com. Investors should note that investment in



equity shares involves a high degree of risk and for details relating to such risk, see “Risk Factors” of the DRHP. Potential investors should not rely on the DRHP for any investment decision.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.