

Kora Management to invest US\$ 125 million (~INR 875 crores) in Edelweiss

- Existing Edelweiss shareholder, Kora Management to invest US\$ 75 million (~INR 525 crores) in Edelweiss Global Investment Advisors (EGIA)
- Plans to invest a further US\$ 50 million (~INR 350 crores) in the Edelweiss Group

Mumbai, August 14, 2019: One of India's leading diversified Financial Services conglomerates, Edelweiss Group, today announced that US-based Kora Management will be investing up to US\$ 125 million (~INR 875 crores) in the Group. Kora Management, an investment firm focused on the financial and technology sectors across emerging markets, and an existing long-term investor in Edelweiss, has committed to invest US\$ 75 million (~INR 525 crores) in the advisory business, Edelweiss Global Investment Advisors (EGIA) subject to structuring-related milestones.

EGIA includes the businesses of Asset Reconstruction, Wealth & Asset Management and Institutional Client Group, together contributing to nearly 50% of the Group's profits. The proposed investment in the business is subject to customary regulatory approvals. In addition to this investment, Kora plans to make a further investment of US\$ 50 million (~INR 350 crores) in Edelweiss, the timing and structuring of which is being finalized. The Edelweiss Group is also in talks with investors to join this first external investment round in EGIA, which will be limited to US\$ 200 million (~INR 1,400 crores) in total.

The commitment by Kora Management is a validation of the strength of the Edelweiss platform and continues the strategic growth plans initiated in 2017 by the Group to separate its three businesses (Credit, Advisory and Insurance) into distinct entities based on synergistic business needs, aligned consumer segments and complementary platforms. Each business group will have its own set of investors, a ring-fenced capital base, and an Independent Board. The Credit and Life Insurance businesses have already established long term partnerships, with a strategic investment of US\$ 250 million by CDPQ in the former and Tokio Marine's 49% holding in the latter. Kora Management's proposed investment will initiate the third and final process for the Advisory business.

Speaking on the development, **Mr. Rashesh Shah, Chairman and CEO of Edelweiss Group, said** "Kora Management is directly aligned with the strategic goals of the business, and we are very happy to strengthen our already long association. Our customers will benefit immensely from Kora's acumen in technology and financial services across emerging markets, and their investment will help us scale our businesses in a competitive market environment. "

Nitin Jain, CEO, Edelweiss Global Investment Advisors said “Our advisory businesses have shown tremendous growth and contribute significantly to the Group’s profits. We are very enthusiastic about the partnership with Kora Management, as it will support our expansion plans and investments in technology platforms to deliver a superior customer experience, drive cost efficiencies as well as maintain a strong position in each of our advisory businesses”.

Kora’s founder and Chief Investment Officer, Nitin Saigal, said “We look forward to deepening our long-standing relationship with Edelweiss. Over the years, the Group has successfully built a diversified financial services franchise in India, with multiple scalable platforms. Today, EGIA is well positioned in Asset & Wealth Management and Distressed Debt, two very exciting sub-segments in Indian financial services, with the potential to grow multi fold in the years to come. We work to be constructive partners to our portfolio companies and welcome the opportunity to partner with Edelweiss”.

In recent years, the Edelweiss Group has cemented several partnerships with leading global institutions including Caisse de depot et placement du Quebec (One of North America’s largest pension funds), Allianz Investment Management (Part of the Allianz Group, one of the world’s largest insurers), Bank of Singapore and Arthur J Gallagher across market leading platforms, in its NBFC ECL Finance, Private Debt, Wealth Management and Insurance Broking businesses respectively.

About EGIA

With over INR 2 lac crores in customer assets, EGIA today enjoys market leadership in each of its advisory businesses. Edelweiss Wealth Management is amongst the top three wealth managers in India while Edelweiss Alternative Asset Advisors (EAAA) is a pioneer in Private Debt in India, with the most diverse alternatives platform in the country. Edelweiss is the largest player in distressed credit in India and has reintegrated temporarily non-productive assets back into the economy, reviving companies, helping banks with higher recoveries and protecting thousands of jobs of employees and SME suppliers. Edelweiss Mutual Fund has grown at a CAGR of 94% since FY15 while the Institutional Client Group business, one of the oldest businesses of the group continues to enjoy a significant market share in the capital markets arena.

EGIA businesses have won several awards in recent years including Asia Money, Asian Private Banker and The Asset award for Wealth Management in 2018. EISAF II (distressed fund) topped Preqin’s 2019 “Global Private Debt League Table” as the Largest in Asia-Focused Private Debt Fund in 2018. Edelweiss Mutual Fund won the prestigious mandate to manage India’s 1st CPSE Debt ETF, expected to go afloat later this year.

About Kora Management

Kora Management is an investment firm focused on financial services and internet businesses. Headquartered in New York, the firm invests globally, leveraging its research infrastructure in Asia, Latin America, and Russia to develop insight on companies in emerging markets. With a concentrated portfolio, Kora Management seeks to partner with exceptional entrepreneurs and management teams focused on creating long-term value. For more information, please visit www.koracap.com.

About Edelweiss Financial Services

The Edelweiss Group is one of India's leading diversified financial services companies, 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** (**Retail Credit** comprises of **Retail Mortgages, SME and Business Loans, ESOP and Margin Financing, Agri and Rural Finance, Corporate Credit** comprises of **Structured Collateralised Credit** to Corporates and **Wholesale Mortgages**); **Advisory Business** (**ARC, Wealth Management, Asset Management and Institutional Client Group**) and **Insurance** (**Life and General Insurance**).

To learn more about the Edelweiss Group, please visit www.edelweissfin.com

For further details please contact

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