

HDFC Ltd announces sale of 10% equity in HDFC Capital (its wholly-owned subsidiary) to ADIA

April 20, 2022, Mumbai, India:

HDFC Ltd has entered into binding agreements to sell 10% of the fully diluted paid-up share capital of HDFC Capital Advisors Ltd (HDFC Capital) to a wholly-owned subsidiary of the Abu Dhabi Investment Authority (ADIA) for approx. INR 184 crores. ADIA is also the primary investor in the alternative investment funds managed by HDFC Capital.

Set up in 2016, HDFC Capital is the investment manager to HDFC Capital Affordable Real Estate Funds 1, 2 & 3; and is aligned with the Government of India's goal to increase housing supply and support the Pradhan Mantri Awas Yojana - 'Housing for All' initiative. HDFC Capital manages an approximately US\$3 billion funding platform which has recently been rated as one of the world's largest private finance platforms focused on development of affordable housing.

The funds managed by HDFC Capital provide long-term, flexible funding across the lifecycle of affordable and mid-income housing projects including early-stage funding. In addition, the funds will also invest in technology companies (construction technology, fin-tech, clean-tech etc.) engaged in the affordable housing ecosystem.

HDFC Capital's target is to finance the development of one million affordable homes in India through a combination of innovative financing, partnerships and technology, whilst focusing on sustainability. In order to achieve this objective, the company is in active discussions with leading global investors to raise additional funds to be invested in development of affordable & mid-income housing projects in India.

Mr. Deepak Parekh, Chairman – HDFC Ltd, said, "Six years ago we set up HDFC Capital with a vision of progressing in sync with the government's 'Housing For All' goal by increasing the supply of affordable homes in India. Supported by marquee global investors like ADIA, the funds managed by HDFC Capital have grown to create one of the world's largest private financing platforms for the development of affordable housing. This investment by ADIA will enable HDFC Capital to leverage ADIA's global expertise and experience to further propel HDFC Capital towards becoming a leading investment platform for global and local investors across multiple strategies and asset classes in the real estate and technology ecosystem."

Mr. Mohamed AlQubaisi, Executive Director of the Real Estate Department, ADIA, said: "HDFC Capital is one of India's leading providers of affordable housing project finance, with an established track record of supporting the development of new residential stock across the country. This agreement builds on our successful investments in the H-CARE funds and underlines our belief in the positive long term outlook for affordable and mid-market housing in India."

About HDFC Capital Advisors Limited

HDFC Capital is a wholly owned subsidiary of Housing Development Finance Corporation Ltd and is in the business of managing private equity funds focused on real estate sector in India. HDFC Capital also seeks to promote innovation and the adoption of new technologies within the real estate sector by investing in and partnering with technology companies.

HDFC Capital is the investment manager to HDFC Capital Affordable Real Estate Fund 1 (H-CARE 1), HDFC Capital Affordable Real Estate Fund 2 (H-CARE 2) and HDFC Capital Affordable Real Estate Fund 3 (H-CARE 3), which are registered with SEBI as a Category II Alternative Investment Funds. These funds combine to create a US\$ 3 billion platform targeting the development of affordable and mid-income housing in India.

About HDFC Ltd:

Housing Development Finance Corporation Ltd (HDFC), the pioneer of retail housing finance in India has assisted over 90 lakh families to own their house. HDFC's strength has been its value-added services, delivered through a specialist team of trained and experienced professionals. HDFC has consistently had an impeccable record of customer friendly services.

HDFC has been described as a model housing finance company providing technical assistance and consultancy assignments for developing countries across Asia, Africa and East Europe.

HDFC provides home loans for affordable housing and continues to have the largest number of home loan customers at over 270,000 who have availed benefits under the government's Credit Linked Subsidy Scheme.

About ADIA:

Established in 1976, the Abu Dhabi Investment Authority is a globally-diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation. For more information: <https://www.adia.ae>

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