

December 23, 2021

National Stock Exchange of India Limited

Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

BSE Limited

Corporate Relations Department,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street,
Mumbai - 400 001.

Symbol: L&TFH

Security Code No.: 533519

Kind Attn: Head – Listing Department / Dept. of Corporate Communications

Sub: Disclosure of events under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, we hereby inform you that the Board of Directors of L&T Finance Holdings Limited (“**Company**”) at its Meeting held today i.e. on Thursday, December 23, 2021 which commenced at 3:18 p.m. and concluded at 4:09 p.m., inter alia, considered the sale of 100% of the paid-up share capital of L&T Investment Management Limited (“**LTIML**”), a wholly owned subsidiary of the Company and the asset manager of L&T Mutual Fund, to HSBC Asset Management (India) Private Limited (“**HSBC AMC**”), which sale will be subject to receipt of requisite regulatory approvals (“**Proposed Transaction**”).

Simultaneously with the sale, the schemes managed by LTIML will be managed by HSBC AMC, the board of trustees of HSBC Mutual Fund will be appointed as the trustee of the schemes of L&T Mutual Fund and certain schemes of L&T Mutual Fund will be merged and consolidated with HSBC schemes in accordance with the SEBI (Mutual Funds), Regulations, 1996. In this regard, the Board has approved the following:

- (i) Proposed Transaction; and
- (ii) Execution of definitive agreements to be entered into between the parties thereto, recording the terms and conditions of the Proposed Transaction and related matters.

The Proposed Transaction is subject to completion of customary condition precedents and regulatory approvals.

Further, the details as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in Annexure A.

A press release by the Company in relation to the Proposed Transaction is also enclosed as Annexure B.

L&T Finance Holdings Limited

Registered Office

Brindavan, Plot No. 177, C.S.T Road
Kalina, Santacruz (East)
Mumbai 400 098, Maharashtra, India
CIN: L67120MH2008PLC181833

T +91 22 6212 5000
F +91 22 6212 5553
E igr@ltps.com

www.ltps.com

The aforementioned information will also be available on the website of the Company i.e., www.ltfs.com/investors.html.

Further, as per the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Securities Dealing Code of the Company, the trading window for dealing in the securities of the Company is closed for the Connected Persons/Designated Persons/Directors of the Company from December 22, 2021 till December 26, 2021.

We request you to take the aforesaid on your record.

Yours faithfully,

For L&T Finance Holdings limited



Apurva Rathod
Company Secretary and Compliance Officer

Encl.: As above

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Annexure A

| Items to be disclosed | Details | | | | | | | | | |
|--|--|------------------------------------|--------------------------|------------|--------------|--------|------------------------------------|-----------|--------|---------------------------------|
| The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year | Name of Company: L&T Investment Management Limited | | | | | | | | | |
| | <i>As on March 31, 2021</i> | | | | | | | | | |
| | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Particulars</th> <th style="text-align: center;">Amount (in INR crore)</th> <th style="text-align: center;">Percentage</th> </tr> </thead> <tbody> <tr> <td>Total income</td> <td style="text-align: center;">347.88</td> <td style="text-align: center;">2.47% of consolidated total income</td> </tr> <tr> <td>Net worth</td> <td style="text-align: center;">643.01</td> <td style="text-align: center;">3.43% of consolidated net worth</td> </tr> </tbody> </table> | Particulars | Amount (in INR crore) | Percentage | Total income | 347.88 | 2.47% of consolidated total income | Net worth | 643.01 | 3.43% of consolidated net worth |
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| Total income | 347.88 | 2.47% of consolidated total income | | | | | | | | |
| Net worth | 643.01 | 3.43% of consolidated net worth | | | | | | | | |
| | | | | | | | | | | |
| The date on which the agreement for sale has been entered into | Transfer Agreement has been executed on December 23, 2021. | | | | | | | | | |
| The expected date of completion of sale/disposal | Subject to the completion of condition precedents, including obtaining regulatory approvals, by the parties, and in accordance with the provisions of the definitive documents, the Proposed Transaction is expected to be completed by December 31, 2022. | | | | | | | | | |
| Consideration received from such sale/disposal | Aggregate purchase consideration of INR equivalent of USD 425 million, subject to adjustments as set out in the definitive documents. | | | | | | | | | |
| Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof | <p>HSBC Asset Management (India) Private Limited, a private company incorporated under the Companies Act, 1956, having its registered office is at 9-11 Floors, NESCO IT Park, Building No.3, Western Express Highway, Goregaon (East), Mumbai, India, 400 063 and having corporate identification number U74140MH2001PTC134220. The Buyer is the asset management company of HSBC Mutual Fund, and it is a wholly owned subsidiary of HSBC Securities and Capital Markets (India) Private Limited.</p> <p>The Buyer is not a part of the Promoter/Promoter Group/ Group Companies.</p> | | | | | | | | | |
| Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length" | Not applicable. This is not a related party transaction. | | | | | | | | | |
| Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale. | Nil | | | | | | | | | |

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Annexure B

Press Release

L&T Finance Holdings to divest its Mutual Fund business

Mumbai, December 23, 2021: L&T Finance Holdings Limited (“LTFH”) and HSBC Asset Management (India) Private Limited (“HSBC AMC”) today entered into a definitive agreement whereby HSBC AMC shall acquire 100% equity shares of L&T Investment Management Limited (“LTIM”), a wholly owned subsidiary of LTFH, which is the investment manager of L&T Mutual Fund, for an aggregate purchase consideration of USD 425 million (subject to adjustments as set out in the definitive agreements). In addition, LTFH will also be entitled to excess cash in LTIM until the completion of the acquisition. The transaction is subject to the requisite regulatory approvals. Both LTIM and HSBC AMC will work to ensure that there will be continuity of services to their investors and counter-parties in the interim.

The divestment of Mutual Fund business is in line with the strategic objective of L&T Finance Holdings of unlocking value from its subsidiaries to strengthen its balance sheet. Further, the acquisition of LTIM is in line with the strategic growth plans of HSBC in India. HSBC stands to gain from an experienced team, diversified assets, strong retail customer base and the vast geographical reach that L&T Mutual Fund has built over the years.

Mr. Dinanath Dubhashi, Managing Director & CEO, L&T Finance Holdings Ltd. commented: “The transaction with HSBC is in line with our strategic objective of unlocking value from our subsidiaries which will help us to strengthen our balance sheet for our lending business. When seen alongside the recent capital raise it provides us with enough ammunition to increase the pace of retailisation in our lending portfolio, which is one of our long-term goals”

He further added “Over the past 10 years, L&T Mutual Fund has garnered the trust of stakeholders across the spectrum, backed by steady and stable performance. The journey from an AUM of a few thousand crores to over Rs. 80,000 Cr this year speaks of the strength of the L&T Brand.”

LTIM is today the 12th largest Asset Management Company (AMC) in India and offers a basket of equity, fixed income and hybrid schemes to both retail and institutional investors. With a technologically advanced and robust risk monitoring and management framework, together with an experienced investment team, the company has built a long-term, stable and strong retail investor base that comprises 64% of its overall AUM. L&T MF has an established and well-diversified distribution channel mix of Banks, Private Wealth Firms, National Distributors and Mutual Fund Distributors (MFDs) across India.

HSBC intends to merge the operations of LTIM with that of its existing asset management business in India, which had assets under management (AUM) of INR117bn (US\$1.6bn) as of September 2021.

J.P. Morgan and Citi were the financial advisors to LTFH. Cyril Amarchand Mangaldas acted as the legal advisors and PwC acted as due diligence and tax advisors to LTFH.

Editors Notes:

L&T Finance Holdings Limited (LTFH):

LTFH (www.lfhs.com) is one of India’s leading Non-Banking Financial Company (NBFC) that offers a range of financial products and services through its wholly owned subsidiaries. L&T Financial Services (LTFS) is the brand name of L&T Finance Holdings Limited and its subsidiaries. Headquartered in Mumbai, LTFH has been rated AAA — the highest credit rating for NBFCs — by four leading rating

agencies. L&T Financial Services has been certified as a constituent company in the FTSE4Good Index Series, for its ESG standards. LTFS was recognised as the ‘*Socially Aware Corporate of the Year*’ in the Business Standard Social Excellence Awards 2019 and was awarded FICCI’s Corporate Social Responsibility Award for “*Women Empowerment*” for Digital Sakhi, its flagship CSR program.



HSBC Holdings plc

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,969bn at 30 September 2021, HSBC is one of the world’s largest banking and financial services organisations.

HSBC Bank India

The Hongkong and Shanghai Banking Corporation Limited in India offers a full range of banking and financial services through 26 branches across 14 cities. HSBC is one of India’s leading financial services groups, with around 39,000 employees in its banking, investment banking and capital markets, asset management, insurance, software development and global resourcing operations in the country. It is a leading custodian in India. The Bank is at the forefront in arranging deals for Indian companies investing overseas and foreign investments into the country.

HSBC Asset Management

HSBC Asset Management, the investment management business of the HSBC Group, invests on behalf of HSBC’s worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled funds. HSBC Asset Management connects HSBC’s clients with investment opportunities around the world through an international network of offices in 25 countries and territories, delivering global capabilities with local market insight. As at 30 September 2021, HSBC Asset Management managed assets totaling US\$619bn on behalf of its clients.

For further information, please contact:

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| <p><u>L&T Financial Services</u></p> <p>Mona Kwatra, Sporshita Goswami</p> <p>monakwatra@lfs.com, sporshitagoswami@lfs.com</p> <p>Ph: +91 98202 10441 / +91 9920883234</p> | <p><u>Ketchum Sampark</u></p> <p>Girish Dikey, Khushal Devera</p> <p>girish.dikey@ketchumsampark.com, khushal.devera@ketchumsampark.com</p> <p>Ph: +91 98922 00260, +91 98196 66376</p> |
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