

Advisor to Fino in Transaction with HSBC Bank, Intel Capital, and the International Finance Corporation.

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DEAL VALUE	USD 20 mn
SERVICE	Private Equity
SECTOR	Enterprise Technology & Services, Digital, Technology & Consumer

FINO, India's leading end-to-end Financial Inclusion solution and services provider for unbanked & under-served rural markets, has raised growth funding of INR 70 Crore from wholly owned subsidiary of the HSBC Asian Ventures Fund 3 (HSBC) a fund advised by HSBC Private Equity Asia Limited (HPEA) Group and its existing shareholders Intel Capital (Intel) and International Finance Corporation (IFC). HSBC and Intel have also purchased the entire of Legatum Ventures' (existing investor) stake in the company.

| Avendus Capital was the exclusive financial advisor for the transaction.

Commenting on the investment, **Manish Khera, CEO of FINO** said, "The new equity in FINO has come at an opportune time when Financial Inclusion is being seen not as desirable but as a necessity for growth and stability of social fabric in the country. The capital will help FINO further the cause of financial inclusion. FINO is privileged to be a sectoral entity with its existing set of banking and insurance investors which is further augmented with the entry of HSBC as one of its key investors".

Rishi Gupta, CFO of FINO said, "I must thank all our existing investors in reinstating their support for the FINO model which has gained strength in the last 3 years with over 8 million customers. The fresh inflow from HSBC, IFC and Intel will help FINO meet its financial need for building a scalable technology platform for 25 million customers and expanding its Business Correspondent network to over 25,000 locations over the next 3 years."

Gaurav Deepak, Managing Director of Avendus said, "Fino has created a viable business model that can help financial institutions reach the underserved and unbanked rural markets. This influx of capital is at the correct time given that the markets are growing rapidly with the government providing impetus to schemes like NREGA and RSBY which also helps in building FINO's brand equity by enhancing its social capital in the Indian Market."

Lakshmi Nambiar, Vice President of Avendus said, "The fresh infusion of capital will further cement Fino's position as a market leader in the Financial inclusion space and provide a thrust to increase its growth

momentum. The capital will be used to strengthen Fino's scalable business model, upgrade its technology platform and to expand its reach for rural banking and growth- projects like NREGA and RSBY."

| About Financial Information Network and Operations Ltd (FINO)

FINO provides technology solution and services to enable financial institutions reach out to the under-served & the unbanked sector of India. The company provides end-to-end solutions right from the technology back end support to the sourcing and disbursement of cash on the front end through its established field agent network. The Company has a comprehensive product suite ranging from savings bank accounts, loan products, recurring deposits, remittances, insurance products, government disbursements etc. FINO is also involved in governmentfunded schemes such as the National Rural Employment Guarantee Act and the Rashtriya Swasthya Bima Yojana through ICICI Lombard. Please visit www.fino.co.in for more information.

| About HPEA

HSBC's Asian private equity operations were established in 1988 in the Hong Kong SAR by HPEA, the Asian private equity arm of the HSBC Group. HPEA advises both expansion capital and buyout focused private equity funds as well as venture funds. The venture funds focus on small and mid-sized technology and consumer focused companies with significant interests in Asia. Please visit www.hsbcnet.com/pi/asia for more information.

| About Intel Capital

Intel Capital, Intel's global investment organization, makes equity investments in innovative technology start-ups and companies worldwide. Since 1991, Intel Capital has invested more than US\$9.5 billion in over 1,050 companies in 47 countries. Please visit www.intelcapital.com for more information.

| About International Finance Corporation(IFC)

IFC, a member of the World Bank Group, fosters sustainable economic growth in developing countries by financing private sector investment, mobilizing capital in the international financial markets, and providing advisory services to businesses and governments. For more information, visit www.ifc.org

| About Avendus

Avendus Capital is a leading financial services firm which provides customised solutions in the areas of financial advisory, equity capital markets and wealth management. The firm relies on its extensive track record, in-depth domain understanding and knowledge of the economic and regulatory environment, to offer research based solutions to its clients that include institutional investors, corporates and high net worth families. Avendus Capital has consistently been ranked among the top-five corporate finance advisors in India and has emerged as the advisor of choice for cross-border M&A deals and has closed 35 crossborder transactions in the past 4 years. Avendus Securities through its Institutional Equities practice is able to offer clients best-in-class research-driven advice to help them take investment decisions, while Avendus PE Investment Advisors manages funds raised from its investors by investing in public markets and private equity. Headquartered in Mumbai, the firm has offices in New Delhi and Bangalore. Avendus Capital, Inc (US) and Avendus Capital (UK) Pvt. Ltd. located in New York and London respectively, are wholly owned subsidiaries offering M&A and Private Equity syndication services to clients in the respective regions. For more information, please visit www.avendus.com

Deal Release

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