

Avendus announces the launch of Future Leaders Fund III with a target AUM of USD 350 million

Mumbai, May 29, 2024

Avendus, one of India's leading financial services firms, announced the launch of its third fund under its Avendus Future Leaders Fund ("FLF", "Fund") platform – a late-stage fund focused on large cap investments in private markets.

FLF III, a SEBI Registered Category II Alternative Investment Fund (AIF), aims to raise a corpus of INR 3,000 crore (~USD 350 million), including a green-shoe option of up to INR 1,500 crore. The Fund intends to make 10-12 investments, with an average allocation of INR 200-300 crore per investment, targeting sectors poised for decadal growth such as financial services, consumption, digital & technology, healthcare, and manufacturing.

Building on the proven strategy of its preceding funds, FLF III aims to invest in leading businesses and companies that set industry benchmarks. The Fund typically targets companies known for their robust strategic competitive moats, consistent execution across market cycles, strong operational metrics, and dominant positions in the market. Its investments will span both primary transactions and secondary ones, focusing on companies with fragmented institutional investor ownership.

Ritesh Chandra, as the Managing Partner, continues to spearhead the Avendus Future Leaders Fund (FLF) platform, supported by a seasoned team. With deep-rooted relationships spanning over 25 years in the entrepreneurial and institutional investor ecosystem, coupled with unmatched industry insights and expertise, the Avendus network gives the Fund a significant strategic advantage. The Fund capitalizes on Avendus' extensive connections and deep understanding of capturable dynamics, accessing unique investment opportunities and employing multiple exit strategies, including secondary sales and public market disposals, to offer periodic liquidity to investors. With its high deal flow velocity, proprietary deal selection methodology, and thorough evaluation process, the Fund is ideally positioned to identify and seize lucrative investment opportunities.

On the launch, **Ritesh Chandra, Managing Partner, Avendus Future Leaders Fund** said, "With Avendus Future Leaders Fund III, our approach remains straightforward - harnessing the vast potential of late-stage private opportunities while co-opting the existing financial sponsor ecosystem. We continue to back differentiated, high-quality businesses with sustainable competitive moats and a clear roadmap to liquidity. The FLF platform aims to deliver consistent, predictable, and repeatable outcomes with reduced portfolio volatility. Our commitment to an investor-first approach, ensures a strong focus on liquidity with periodic distributions, a relatively shorter investment holding period, and best-in-class governance standards."

Recent achievements of FLF include attractive exits from two notable companies within its FLF I portfolio, **Lenskart Solutions Private Limited and the National Stock Exchange of India Limited** – both generating nearly 4x returns for the investors within **four** years. The first fund (FLF I) has returned the entire investor capital well ahead of schedule and is

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tracking attractive returns. The second fund has completed 11 investments to date and is planning to deploy its remaining capital over the next few months. Four of its portfolio companies are likely to list on the exchanges over the next 6-9 months.

The FLF platform has a diverse investor base that includes prominent Indian and U.S. family offices and HNIs, and domestic institutions.

FLF manages a consolidated AUM of over INR 1,850 crore across the last two funds. Portfolio companies include: Bikaji Foods, Ujjivan Small Finance Bank, Lenskart Solutions, National Stock Exchange, Delhivery, VerSe Innovation (Dailyhunt), SBI General Insurance, Licious, Juspay, Zeta, Indegene, Veritas Finance, FirstCry, Avanse Financial Services and Xpressbees.

About Avendus

Avendus Group is a leading financial services firm with a presence in the areas of Investment Banking, Institutional Equities, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 10 cities across India, US and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

The Asset Management business focusses on delivering consistent, sustainable, and long term risk-adjusted returns with the underlying principle of capital growth and capital preservation, across four differentiated and performance driven product offerings - private equity, private credit, long only and long short strategies. Each offering has a distinctive investment objective and an independent investment team, giving investors the ability to participate in growth areas of their choice.

For more information, please visit www.avendus.com