

June 01, 2024

BSE Limited

Corporate Relationship Department 25th
Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

BSE Scrip Code: 524000

National Stock Exchange of India Limited

The Listing Department, Exchange Plaza,
Bandra- Kurla Complex, Bandra (East),
Mumbai - 400 051.

NSE Symbol: POONAWALLA

Dear Sir / Madam,

Subject: Press Release

Reference: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

Pursuant to Regulation 30 of the SEBI Listing Regulations, we are enclosing herewith a press release dated June 01, 2024, titled Poonawalla Fincorp achieves significant milestone of GNPA below 1% and NNPA below 0.5% as on 31st May 2024.

Kindly take the above intimation on record.

Thanking You,

Yours faithfully,

For Poonawalla Fincorp Limited

Shabnum Zaman

Company Secretary

ACS:13918

Poonawalla Fincorp Limited

CIN: L51504PN1978PLC209007

Registered Office: 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036

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Poonawalla Fincorp achieves significant milestone of GNPA below 1% and NNPA below 0.5% as on 31st May 2024

Pune, June 01, 2024: Poonawalla Fincorp Limited, a non-deposit taking systemically important NBFC focusing on consumer and MSME finance, has achieved a significant milestone of Gross NPA below 1% and Net NPA below 0.5% as on 31st May 2024. It continued to register robust financial performance, demonstrating strong growth in AUM, profitability, and superior asset quality.

Management Commentary:

“Under the dynamic leadership of our Managing Director, Mr. Abhay Bhutada, the company has successfully changed its trajectory to emerge as a leader in the lending space with the biggest transformation over the last 3 years witnessed in the NBFC space, with AUM crossing Rs. 25,000 crore and PAT crossing Rs, 1,000 crore in FY2024. At the time of acquisition in 2021, as per management stated Vision 2025, the target was to achieve Net NPA below 1% in 2025, however, the company achieved Gross NPA below 1% and Net NPA below 0.5% as at 31st May 2024. The company has been able to give stellar results, with pristine asset quality due to its strategic business model, robust risk & governance practices, and improvement in collection efficiency.”

Biggest & Successful Transformation in NBFC sector at a glance

Parameters (Standalone)	Dec-20 (Legacy Magma) (Pre-Acquisition)	Mar-24 (Poonawalla Fincorp) (Post-Acquisition)
Assets Under Management (AUM)	₹ 11,631 crore	₹ 25,003 crore
Cost of Borrowing (%)	9.64%	8.17%
GS3/Gross NPA (%)	8.23%	1.16% *
NS3/Net NPA (%)	5.35%	0.59% *
Return on Assets (%)	0.04%	5.73%
AUM per Employee	₹ 2.14 crore	₹ 11 crore
PBT Per Employee	₹ 0.12 lacs	₹ 68 lacs
Collection	Cash	Digital
Branches	255	102
Lending Methodology	Physical	Digital
New to Credit	Yes	No
Data Driven Lending	No	Yes
Credit Rating	AA- (CARE)	AAA (CRISIL & CARE)
Direct & Digital Business (%)	~10%	81%
Digital First Approach	No	Yes

* With combined efforts of business growth, prudent credit policies & improved collection efficiency, the **GNPA and NNPA** numbers have further improved to **less than 1% and 0.5%** respectively, as of 31st May 2024.

Long Term Guidance on Financial Metrics (achieved across all parameters)

The company's performance on the key financial metrics as against its long-term guidance is as under:

S/N.	Metrics	Range	Actual (Mar'24)
1.	AUM Growth	35-40%	55%
2.	Profit Growth	30-35%	84%
3.	GNPA	1.3-1.8%	1.16% *
4.	NNPA	0.5-0.9%	0.59% *
5.	Return on Assets	4-4.5%	5.73%

* With combined efforts of business growth, prudent credit policies & improved collection efficiency, the **GNPA and NNPA** numbers have further improved to **less than 1% and 0.5%** respectively, as of 31st May 2024.

About Poonawalla Fincorp Limited

Poonawalla Fincorp Limited ("the Company") is a Cyrus Poonawalla group promoted non-deposit taking systemically important non-banking finance company (ND-SI-NBFC), registered with the Reserve Bank of India (RBI). The Company started operations nearly three decades back and is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company's identity "P" stands for Passion, Principles, Purpose, People and Possibilities. The Company has widespread coverage across 19 states. The Company has standalone AUM of ₹25,003 crore as on March 31, 2024, and employs around 2300 people. The Company's offerings include pre-owned car finance, personal loans, loan to professionals, business loans, loan against property, co-branded credit card, machinery loans, medical equipment loans and consumer loans.

For more information, please log on to: www.poonawallafincorp.com

For media queries contact: corporatecommunications@poonawallafincorp.com