

12 May 2022

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 - Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Pursuant to Regulation 30 and other applicable provisions of the Listing Regulations, please find enclosed press release on the Audited Financial Results and Performance of the Company for the fourth quarter and year ended 31 March 2022.

Kindly take the above intimation on record.

Thanking You,

Yours faithfully,

For Poonawalla Fincorp Limited
(Formerly, Magma Fincorp Limited)



Shabnum Zaman
Company Secretary
ACS-13918

Poonawalla Fincorp Limited
(Formerly known as Magma Fincorp Limited)
CIN: L51504PN1978PLC209007

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PRESS RELEASE

Poonawalla Fincorp Limited records consolidated PAT of ₹ 375 Cr in FY22

AUM up 17% | Net NPA down to 1.1% | NIM increases to 8.9%

Pune, May 12, 2022: The Board of Directors (Board) of Poonawalla Fincorp Limited (PFL), a non-deposit taking systemically important NBFC focusing on consumer and small business finance, today announced its audited results for the year ended Mar 31, 2022.

Performance Highlights (Consolidated)

- Assets Under Management (AUM) for FY22 increased to ₹ 16,579 Cr, recording a growth of 17% over FY21 while disbursements stood at ₹ 9,494 Cr, growing by 158% over FY21.
- Housing subsidiary Poonawalla Housing Finance Limited (PHFL) crossed the ₹ 5000 Cr AUM mark in Mar'22.
- NIM increased by 65 bps YoY to 8.9%.
- Consolidated PBT for FY22 stood at ₹ 492 Cr against a loss of ₹ 749 Cr in FY21. PAT for FY22 stood at ₹ 375 Cr.
- Collections continued to remain buoyant with collections efficiency of 108.4% in Mar'22.

Asset Quality (Consolidated)

Consequent to healthy collections in Q4FY22, Gross Stage 3 and Net Stage 3 assets decreased from 3.5% and 1.8% respectively as at Dec'21 to 2.7% and 1.1% respectively as at Mar'22. The Company has healthy provision coverage ratios across all three stages. Standard asset provision coverage ratio as of Mar'22 stands at 2.7%; Stage 3 provision coverage ratio stands at 58.9%.

Liquidity and Cost of Borrowings (Consolidated)

The Company continues to maintain a strong liquidity position with surplus of ₹3890 Cr. The repricing of all eligible term loans and new borrowing at competitive rates resulted in further bringing down the average cost of borrowing to 7.4% in Q4FY22, with overall reduction of 209 bps YoY. The company and its subsidiary PHFL continues to have long-term rating of 'AA+ / Stable' by CRISIL and CARE.

Business Update (Consolidated)

The Company continued its product focus on consumer and small business segments. The business gained momentum in Q4 of FY22, resulting in the company entering leadership board in the Pre-Owned Cars and Loan to Professionals segment. The consumer lending was strengthened further, and the company entered the digital

consumption space through partnership. The Direct, Digital and Partnership (DDP) model of origination accelerated further, registering 43.7% QoQ growth. The focus on capability building continued with deep investments in technology and people.

Dividend Pay

The Board has recommended a dividend payment of 20% subject to shareholders approval.

Capital raise for PHFL

The Board has accorded an in-principal approval to raise funds in Poonawalla Housing Finance Limited with raise not exceeding ₹1,000 crore with stake dilution of less than 15% in one or more tranches by way of preferential issue during the Financial Year 2022-23.

Commenting on Poonawalla Fincorp's performance, **CA Abhay Bhutada, Managing Director, Poonawalla Fincorp** said *"We are excited to enter the new financial year with momentum by our side. FY22 has been a year of consolidation for us, and we made considerable progress in line with our Consolidate, Grow and Lead strategy. We are well poised to grow as the execution excellence of consolidation phase propels us now into the growth orbit. As we grow the focus will continue to be on building a sustainable business on pillars of technology and digital first approach, customer centricity, risk management and the alternate distribution channels of Digital, Direct and Partnerships."*

Announcing the capital raise for PHFL, **CA Abhay Bhutada, Managing Director, Poonawalla Fincorp** said *"PHFL has grown at CAGR of ~29% over last 4 years and the disbursement growth for this fiscal has been ~57% over last year. Given the deep unserved potential of the affordable housing segment, favourable demographics and supportive government policies, the Company proposes to raise growth capital for its network expansion and to support AUM growth. We expect to double our book over the next 3 years and carve out our own niche and realize full potential."*

About Poonawalla Fincorp Limited

Poonawalla Fincorp Limited (Formerly known as Magma Fincorp Limited) 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 Bombay Stock Exchange (BSE) and the National Stock Exchange of India (NSE). Consequent to raising capital of Rs 3,456 Crore in May'21, the Company is now part of Poonawalla Group with majority stake owned by Rising Sun Holdings Private Limited, a company owned and controlled by Mr. Adar Poonawalla.

The Company's new identity "P" stands for Passion, Principles, Purpose, People and Possibilities. Poonawalla Fincorp Limited ("PFL") has a widespread coverage with 242 branches spread across 21 States. The Company has AUM of ₹ 16,579 crore and

employs more than 6,000 people. The Company focusses on consumer and small business finance through its diverse product offerings which include pre-owned car finance, personal loans, loan to professionals, business loans, SME LAP, medical equipment and affordable home loans with social responsibility in mind.

About Cyrus Poonawalla Group

The Cyrus Poonawalla Group, headquartered in Pune, is a diversified group with business interests that include Pharmaceuticals & Biotechnology, Financial Services, Clean Energy, Hospitality & Realty. Serum Institute of India Private Limited, the group's flagship company, is the world's largest manufacturer of vaccines, providing the same globally to over 170 countries. Cyrus Poonawalla, Chairman & Managing Director of Serum Institute of India is world's richest healthcare billionaire and has topped the Hurun Global Healthcare Rich list 2022.

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

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