

May 22, 2022

The Secretary
BSE Limited
Pheeroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai - 400 001
Scrip Code: 531595

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No- 'C' Block, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051
Scrip Code: CGCL

Sub: Press Release - Capri Global Capital Ltd Q4 FY22 Results

Dear Sir and Madam,

Please find enclosed herewith Press Release titled “Capri Global Capital Ltd Q4 FY22 Results” regarding the announcement of Financial Results for the quarter and year ended March 31, 2022.

You are requested to kindly take the same on records.

Thanking you,

Yours faithfully,
for **Capri Global Capital Limited**

Yashesh Bhatt
Company Secretary & Compliance Officer

Encl.: As above

Capri Global Capital Limited

Registered Office:

CIN: L65921MH1994PLC173469 Regd. Off: 502, Tower A, Peninsula Business Park, Lower Parel, Mumbai – 400013.

☎ +9122 4088 8100/4354 8200 ✉ contact@capriglobal.in 🌐 www.capriglobal.in

CAPRIGLOBAL

Capri Global Capital Limited

Press Release : Q4 FY22 Results

22nd May 2022

AUM

INR 66,325 Mn

36.8% YoY / 14.9% QoQ

Disbursements

INR 10,406 Mn

12.0% YoY / 14.8% QoQ

Gross Stage 3

2.4%

PCR 115.2% / Restr. Ass. 3.3%

Consolidated PAT

INR 418 Mn

53.6% YoY / -35.6% QoQ

Consolidated Q4 FY22 PAT Up 54% YoY

(Rs. Mn.)

CONSOLIDATED FINANCIALS	Q4FY22	Q4FY21	Y-o-Y	Q3FY22	Q-o-Q
AUM	66,325	48,479	36.8%	57,736	14.9%
MSME	31,911	25,114	27.1%	29,322	8.8%
Construction Finance	12,662	8,734	45.0%	11,189	13.2%
Affordable Housing	17,474	11,552	51.3%	15,089	15.8%
Indirect Retail Lending	3,128	3,079	1.6%	2,094	49.4%
Disbursement	10,406	9,287	12.0%	9,064	1.1 x
Total Income	1,977	1,114	77.5%	1,716	15.2%
PAT	418	272	53.6%	649	-35.6%
Spread	6.3%	6.8%	-46 bps	6.7%	-39 bps
Cost-to-income	43.1%	45.0%	-198 bps	38.4%	466 bps
RoA	2.5%	2.0%	48 bps	4.2%	-176 bps
RoE	8.8%	6.4%	241 bps	14.1%	-529 bps
Gross Stage 3	2.4%	3.3%	-92 bps	3.0%	-59 bps
PCR	115.2%	73.4%	4187 bps	84.6%	3057 bps

Consolidated Key Performance Highlights for Q4 and FY22

Mumbai, May 22nd, 2022: The Board of Directors of Capri Global Capital Ltd. (CGCL), a non-deposit taking and systemically important NBFC (NBFC-ND-SI) on Saturday, May 21st, 2022 announced the audited financial results for the quarter and year ended March 31, 2022.

Earnings

CGCL reported a Consolidated Profit after Tax of Rs418mn, up by a sharp 54% YoY but lower by 36% over a stronger Q3 FY22 PAT Rs649mn. One-off elevated credit cost driven by write-offs as well as proactive provisioning caused the sequential dent in quarterly profit. However, the core earnings performance was robust with an operating profit growth of 84% YoY and 7% QoQ. This cushioned the impact of higher credit costs and is also indicative of the earnings strength of CGCL.

Net interest margin for Q4FY22, excluding spreads on co-lending AUM, was 9.7%. Adjusted for one-off spreads in Q3 FY22, the NIMs declined 43bps QoQ. The Company believes NIM is bottoming out and going ahead, a reversal to upward trajectory shall happen.

The FY22 Consolidated RoE was 11.3% while RoA closed at 3.3%. The company maintains its +15% RoE guidance for medium term.

Balance Sheet

Quarterly disbursements crossed Rs10bn for the first time to touch Rs10,406mn, up 12% YoY and 15% QoQ. The full year disbursement increased 2.8x to touch Rs42.9bn. The strong disbursement growth translated into a robust 37% YoY AUM growth. The growth was balanced driven by MSME, Affordable Housing, and Construction Finance segments. The company commenced co-lending arrangement with State Bank of India and Union Bank of India during Dec'21 and had a co-lending portfolio of Rs1.2bn as of Q4 FY22. The co-lending momentum is expected to further pick-up momentum in the next six months.

Liability Management

Outstanding borrowings increased 27% YoY to touch Rs48,084mn. Borrowings were long term and well-diversified across 18 lending institutions. The cost of funds was 8.26%, lower 10bps YoY and up 7bps QoQ. CGCL is well-funded and maintains a well-matched asset liability profile.

Asset Quality

Gross Stage 3 ratio was 2.4%, lower by 92bps YoY and 59bps QoQ. The Consolidated Gross Stage 3 assets at Rs1,562mn were lower on YoY as well as QoQ basis.

Strong Capital Adequacy

Both CGCL and its housing finance subsidiary CGHFL are well capitalized with overall capital adequacy ratio at 29.5% and 49.6% respectively as of Q4 FY22. CGHFL received an equity infusion of Rs1,500mn from parent CGCL on 31st March 2022.

Founder & Managing Director Mr. Rajesh Sharma Commented:

"At CGCL, we are happy to have sustained in a very robust manner the post-Covid19 growth momentum, which restarted from Q4 FY21. As we continue on this growth journey, we shall continue to drive penetration of existing products even as we diversify our growth story. We are geared up to shortly launch the Gold Loan product. In FY23, we shall also look to bolster our growth capability aided by our revamped tech suite. We are confident of delivering amongst the best balance sheet growth rates in our peer group.

We are also cognizant of the rapidly changing macro environment and the tightening interest rate scenario. At CGCL, we have been through multiple interest rate cycles successfully and profitably. We shall navigate the interest rate scenario through a proactive balance sheet management."

Disclaimer:

This press release is for information purposes only and does not constitute an offer, solicitation or advertisement with respect to the purchase or sale of any security of Capri Global Capital Limited (the "Company") and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. This press release is not a complete description of the Company. Certain statements in this release contain words or phrases that are forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Any opinion, estimate or projection herein constitutes a judgment as of the date of this press release, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. All information contained in this press release has been prepared solely by the Company. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this press release. Neither the Company nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this press release comes should inform themselves about, and observe, any such restrictions.

For further information, please get in touch with:

Ravikant Bhat
ravikant.bhat@capriglobal.in
T: +91 72089 52880

Rajat Gupta
rajat@GoIndiaAdvisors.com
M:+91 9971897739

Sheetal Khanduja
sheetal@GoIndiaAdvisors.com
M:+91 97693 64166