



Ref: SSFL/Stock Exchange/2023-24/110

Date: October 30, 2023

To
BSE Limited,
Department of Corporate Services
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai - 400001

To
National Stock Exchange of India Limited,
Listing Department
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

Dear Sir/Madam,

Sub: Press release on the financial and operational performance of the Company for the quarter and half year ended September 30, 2023.

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

Please find enclosed herewith the press release on the financial and operational performance of the Company for the quarter and half year ended September 30, 2023.

Kindly take the same on record.

Thanking you.

Yours sincerely,
For Spandana Sphoorty Financial Limited

Ramesh Periasamy
Company Secretary and Chief Compliance Officer

Encl: as above

Spandana Sphoorty Financial Limited

CIN - L65929TG2003PLC040648

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Spandana's PAT grows 127% YoY to ₹125 Cr in Q2FY24. Income up by 106%, AUM grows 69% to ₹9,784 Cr.

Hyderabad, Oct 30th, 2023: Spandana Sphoorty Financial Limited (NSE: SPANDANA, BSE: 542759) ("Spandana") announced its unaudited financial results for the quarter ended Sep 30, 2023 today. The growth reported across metrics is in-line with management's targets for the current year.

Highlights for Q2FY24:

• AUM	- ₹9,784 Cr; +69% over Q2FY23 (₹5,782 Cr)
• New Customer Acquisition	- 3.5 Lacs vs Q2 FY23 - 1.2 L, YoY growth 183%;
• Disbursement	- ₹2,513 Cr; +81% over Q2FY23 (₹1,391 Cr)
• GNPA	- 1.40% (1.63% in Q1FY24)
• NNPA	- 0.42% (0.49% in Q1FY24)
• Income	- ₹640 Cr; +106% over Q2FY23 (₹310 Cr)
• Net Income	- ₹412 Cr; +89% over Q2FY23 (₹219 Cr)
• NIM	- 14.1% vs. 13% in Q2FY23
• PAT	- ₹125 Cr; +127% over Q2FY23 (₹55 Cr)

Mr. Shalabh Saxena, CEO and Managing Director, while announcing the results stated, *"During the quarter our AUM grew 69% YoY to ₹9,784 Cr with disbursements at ₹2,513 Cr which was a growth of 81% YOY. We added 3.5L new borrowers taking our total borrower count to 27 Lakhs, a growth of 24%. All the financial parameters showed a positive trend with PAT increasing 127% to ₹125 Cr, GNPA and NNPA further improving to 1.40% and 0.42% respectively from 1.63% and 0.49% respectively at the end of Q1FY24. Asides, we have added 292 branches during the calendar year, taking the count of operational branches to 1,407. We will be operationalizing additional 110 branches in the next 3 months, thus taking the branch strength to over 1,500. During the quarter, we soft launched Nano enterprise loans for shopkeepers & retailers on the back of Loan Against Property which we launched in Q1. We have seen good demand for these products and we will scale up these business lines as we progress. As a management team, we are comfortable with the progress made thus far and are confident of achieving our goals as set under the Vision - 2025."*

Highlights for the Quarter 2, FY2024 are:

1. AUM – ₹9,784 Cr a 69% growth over Q2FY23 (₹5,782 Cr) and 11% growth over Q1FY24 (₹8,848 Cr).
2. Disbursement & New Customer Acquisition – New customer acquisition led growth continues with about 3.5 lakh new customers added during the quarter.
 - a. Disbursement was ₹2,513 Cr (Q2 FY23 – ₹1,391 Cr), YoY growth 81%; (Q1FY24 - ₹1,664 Cr), QoQ growth of 51%.
 - b. New customer addition during the quarter was 3.5 Lacs (Q2 FY23 – 1.2 L) a YoY growth of 183% and a QoQ growth of 34% (Q1FY24 - 2.6L)
 - c. The borrower count at the end of quarter was about 27L a growth of 24% over Q2FY23 (~22L); ~12% growth over Q1FY24 (~24L)
3. Borrowings-
 - a. ₹3,191 Cr was mobilized in Q2 FY24 v/s ₹1,080 Cr in Q2FY23, a growth of 195%.
4. Asset Quality –
 - a. GNPA – 1.40% (Q1 FY24 – 1.63%); & 7.37% as on 30-Sep-22
 - b. NNPA – 0.42% (Q1 FY24 – 0.49%); & 3.84% as on 30-Sep-22
 - c. PCR – Provision Coverage Ratio is 70.26%
5. Collection Efficiency-
 - a. Net collection efficiency was at 97.7% vs. 98.1% in Q1FY24.
 - b. Gross Collection Efficiency at 100.3%
6. Financial Performance YoY-
 - a. Income: ₹640 Cr (₹310 Cr in Q2FY23) – growth of 106% YoY
 - b. Net income: ₹412 Cr (₹219 Cr in Q2FY23) – growth of 89% YoY
 - c. Yield: 24.5% (19.5% in Q2FY23) – improvement of 496 bps
 - d. NIM of the portfolio is 14.1% improvement of 113 bps over Q2 of previous year.
 - e. Pre-Provision Operating Profit (PPOP): ₹258 Cr (₹110 Cr in Q2FY23) – growth of 134%
 - f. Profit after tax: ₹125 Cr (₹55 Cr – Q2FY23) – growth of 127%

About Spandana Sphoorty:

Spandana Sphoorty Financial Ltd. is a rural-focused non-banking financial company and a microfinance lender (NBFC-MFI) with a geographically diversified presence in India. The company offers income generating loans under the joint liability group (JLG) model, predominantly to women from low-income households in rural areas. Spandana was started as an NGO in 1998 in Guntur, which later converted to an NBFC in 2004. In 2015, it became an NBFC-MFI, licensed by the Reserve Bank of India.

Disclaimer

This press release is prepared for general information purposes only. The information contained herein is based on management information and estimates. It is only current as of its date, has not been independently verified and may be subject to change without notice. Spandana makes no representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness and completeness of the content hereof. Each recipient will be solely responsible for its own investigation, assessment and analysis of the market and the market position of Spandana. Spandana does not provide any guarantee or assurance with respect to any distribution or the trading price of its Shares.

This press release contains forward-looking statements based on the currently held beliefs, opinions and assumptions of the Management. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of Spandana or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, including the impact of COVID-19 on us, our borrowers and the Indian economy, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. Spandana disclaims any obligation to update these forward-looking statements to reflect future events or developments or the impact of events which cannot currently be ascertained, such as COVID-19. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward-looking statements.

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