

27 July 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 ("SEBI
Listing Regulations")**

Pursuant to Regulation 30 of the SEBI Listing Regulations, please find enclosed press release on the Unaudited Financial Results and Performance of the Company for the quarter ended 30 June 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 consolidated PAT jumps 118% to ₹ 141 Cr in Q1FY23

AUM up 22.4% YoY at ₹ 17,660 Cr | NS3 down to 0.95%

Pune, July 27, 2022: The Board of Directors (Board) of Poonawalla Fincorp Limited (Company), a non-deposit taking systemically important NBFC focusing on consumer and MSME finance, today announced its unaudited results for the quarter ended June 30, 2022.

Performance Highlights (Consolidated)

- Assets Under Management (AUM) for Q1FY23 increased to ₹ 17,660 Cr, recording a growth of 22.4% YoY and 6.5% QoQ respectively while disbursements stood at ₹3,436 Cr, growing by 98.3% YoY and 3% QoQ.
- Organic disbursements grew by 27% in Q1FY23 QoQ.
- NIM stood at 9.5% as of Q1FY23, an improvement of 155 Bps YoY.
- Consolidated PAT for Q1FY23 stood at ₹ 141 Cr up 118% YoY and 18.5% QoQ.

Asset Quality (Consolidated)

Gross Stage 3 and Net Stage 3 assets stood at 2.19% and 0.95% respectively as at June'22 down from 2.66% and 1.11% respectively as of March'22, the same stood at 5.38% and 2.71% respectively as of June'21. The Company has healthy Stage 3 provision coverage ratio at 57%.

Liquidity and Cost of Borrowings (Consolidated)

The Company continues to maintain a strong liquidity position with surplus of ₹ 4,654 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 6.9% in Q1FY23 from 7.4% in Q4FY22. The Company and its subsidiary PHFL continues to have long-term rating of 'AA+ / Stable' by CRISIL and CARE.

Business Update (Consolidated)

The product focus on pure retail segments of consumer and MSME finance continued. The Company leveraged the momentum gained in Q4FY22 in Q1FY23, resulting in it consolidating the leadership board position in the Pre-Owned Cars and Loan to Professionals segment. Also, the quarterly disbursements across product lines of Business Loans, Personal Loans, Loan to Professionals, Pre-Owned Cars and Loan Against Property were the highest in Q1FY23. This coupled with consistent increase in lending via the Direct, Digital and Partnership (DDP) model of origination has further strengthened and diversified the distribution. The Direct, Digital and Partnership (DDP) contribution increased to 34.1% in Q1FY23 up from 17.5% in Q4FY22. The Company

continued its focus on capability building with deep investments in technology and people. The Company's efforts led it to being recognized as one of the **"Most Preferred Workplaces 2022-2023"** by Team Marksmen in association with India Today.

Commenting on Poonawalla Fincorp's performance, **CA Abhay Bhutada, Managing Director, Poonawalla Fincorp** said *"We have had a great start to this financial year. Our execution excellence has ensured that this quarter(Q1FY23) has been better than last quarter(Q4FY22). Strong disbursements, on the back of excellent organic disbursement growth, is a validation of our business model. We have worked across the functions to get a multiplier effect on efforts, further leading to 'strengthening of our strengths' and 'weakening of our weaknesses'. The distribution is diversified, the processes are digitized, the credit underwriting stands strengthened along with best-in-class collection and risk management practices. With ticks on all the right boxes, we are now truly into the growth phase as per our 'Consolidate, Grow and Lead' strategy. We will continue our rigor on execution, investment in people, building technology and a strong retail consumer franchise. We are well on course to deliver an exceptional performance."*

About Poonawalla Fincorp

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 in India (NSE). Consequent to the capital raise of Rs 3,456 Crore in May'21, the Company is now part of the Cyrus 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 231 branches across 21 States. The Company along with its subsidiary has AUM of ₹17,660 crore and employs more than 5,000 people. Its financial services offerings include pre-owned car finance, personal loans, loan to professionals, business loans, SME LAP, supply chain finance, medical equipment, consumption loans and affordable home loans.

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

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