PRESS RELEASE dated 12 November 2022

MANAPPURAM Q2 results: Consolidated PAT increases 10.70% YoY to Rs 409 crore

Declares interim dividend of 0.75 per share.

Valapad (Thrissur):

Manappuram Finance Ltd. reported a consolidated net profit of ₹ 409.48 crore for the quarter ended September 30, 2022. The profit is higher by 10.70% compared to ₹ 369.88 crore reported in the year-ago quarter and 45.25% compared with the previous quarter. The company’s consolidated assets under management (AUM) also grew by 7.89% to ₹30,664.96 crore from ₹28,421.63 crore a year ago, and marginally went down by 0.31% in comparison to ₹30,759.52 crore reported in the preceding quarter (Q1).

Net profit for the standalone entity (which excludes subsidiaries) was at ₹348.71 crore as against ₹355 crore in the year-ago quarter but registered an increase of 20.20% sequentially. Total consolidated operating income for the quarter amounted to ₹1,696.26 crore compared to ₹1,531.92 crore in the year-ago quarter.

The Board of Directors met at the company’s headquarters in Valapad today to consider the results, and approved payment of interim dividend of 0.75 per share with face value of ₹2. Sharing the results with the media, Mr. V.P. Nandakumar, MD & CEO, said, “I am pleased to note that we have posted a sequential increase in profit of 45%. It is in line with our commitment to maintain operational efficiency even as we target growth.” Mr Nandakumar also expressed happiness with the improved financials of Asirvad, the microfinance subsidiary.

The company’s gold loan portfolio remained at ₹19190 crore while the number of live gold loan customers reached 24.1 lakh in this period. Manappuram’s microfinance business, ended the quarter with an AUM of ₹ 7,118.10 crore, an increase of 1.25% in comparison to ₹7029.90 crore in the year-ago quarter and 8.74% Q-o-Q.

The company’s home loans subsidiary, Manappuram Home Finance Ltd., reported an AUM of ₹921.58 crore (₹732.19 crore in Q2 of FY2022) registering a Y-o-Y growth of 25.87% while its Vehicles & Equipment Finance division posted an AUM of ₹1,885.53 crore (₹1,267.08 crore in Q2 of FY2022) with a Y-o-Y growth of 48.81%.

In aggregate, the company’s non-gold loan businesses account for a 37% share of its consolidated AUM. Average borrowing costs for the standalone entity declined by 38 basis points to 7.56% during the quarter(Y-o-Y). The gross NPA (standalone) stood at 1.95% while net NPA reported at 1.77%. The company’s consolidated net worth stood at ₹8,957.69 crore as of September 30, 2022. The book value per share was at ₹ 105.83 and its capital adequacy ratio (standalone) stood at 31.92%. On a consolidated basis, the total borrowings of the company stood at ₹26,756.69 crore while the number of live customers was 52.8 lakh as of September 30, 2022.

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| --- | --- | --- | --- | --- | --- |
| **Consolidated( Rs. in Crore)** |  |  |  |  |  |
| **Particulars** | **Q2 FY 2023** | **Q2 FY 2022** | **YoY % Growth** | **Q1 FY 2023** | **QoQ % Growth** |
| Income from operations | 1,696.26 | 1,531.92 | 10.73% | 1,501.98 | 12.93% |
| Profit before tax | 552.72 | 495.03 | 11.65% | 380.79 | 45.15% |
| Profit after tax (Before OCI & minority interest) | 409.48 | 369.88 | 10.70% | 281.92 | 45.25% |
| AUM | 30,664.96 | 28,421.63 | 7.89% | 30,759.52 | -0.31% |
| Net Worth | 8,957.69 | 7,967.90 | 12.42% | 8,576.02 | 4.45% |
| Return on Assets (%) | 4.6% | 4.7% |  | 3.3% |  |
| Return on Equity (%) | 18.6% | 18.9% |  | 13.3% |  |
| No. of branches | 5,142 | 4,858 | 5.85% | 5,087 | 1.08% |
| Total no. of employees | 46,714 | 35,477 | 31.68% | 40,763 | 14.60% |
| Book value per share | 105.83 | 94.14 | 12.42% | 101.32 | 4.45% |
| Total no. of customers (in mn.) | 5.28 | 5.21 | 1.26% | 5.17 | 2.06% |
| Total borrowing | 26,756.69 | 25,024.14 | 6.92% | 23,970.85 | 11.62% |
| EPS | 4.84 | 4.37 | 10.70% | 3.33 | 45.25% |
|  |  |  |  |  |  |
| **Standalone (Rs. In crore)** |  |  |  |  |  |
| **Particulars** | **Q2 FY 2023** | **Q2 FY 2022** | **YoY % Growth** | **Q1 FY 2023** | **QoQ % Growth** |
| Profit After Tax (Before OCI) | 348.71 | 355.00 | -1.77% | 290.12 | 20.20% |
| AUM | 22,212.73 | 20,526.95 | 8.21% | 22,887.23 | -2.95% |
| Gold loan AUM | 18,690.17 | 18,719.53 | -0.16% | 20,050.00 | -6.78% |
| Gold Holding (Tonnes) | 61.13 | 64.71 | -5.53% | 65.88 | -7.22% |
| Total Live gold loan customers (in mn.) | 2.35 | 2.51 | -6.40% | 2.40 | -2.20% |
| Gold loans disbursed | 32,509.27 | 34,783.12 | -6.54% | 27,751.46 | 17.14% |
| Capital Adequacy Ratio (%) | 31.92% | 31.84% |  | 31.45% |  |
| Cost of Fund (%) | 7.56% | 7.94% |  | 7.47% |  |
| Gross NPA (%) | 1.95% | 1.59% |  | 1.43% |  |
| Net NPA (%) | 1.77% | 1.30% |  | 1.25% |  |
| Number of Branches | 3524 | 3524 | 0.00% | 3524 | 0.00% |
| Comm. Vehicle Loans Division AUM | 1,885.53 | 1,267.08 | 48.81% | 1,755.05 | 7.43% |
| **Subsidiaries** |  |  |  |  |  |
| Microfinance - AUM (incl Gold Loan) | 7,660.64 | 7,162.49 | 6.96% | 7012.53 | 9.24% |
| Microfinance - PAT (Before OCI) | 56.61 | 12.28 | 360.88% | -8.29 | 783.18% |
| Microfinance - Number of customers (in mn) | 2.74 | 2.57 | 6.58% | 2.60 | 5.51% |
| Home Loans - AUM | 921.58 | 732.19 | 25.87% | 874.75 | 5.35% |
| Home Loans – PAT (Before OCI) | 4.18 | 2.74 | 52.67% | 5.29 | -20.96% |