

PRESS RELEASE dated 13 November 2021

MANAPPURAM Q2 NET PROFIT AT ₹370 CRORE

Declares interim dividend of ₹ 0.75 per share.

Valapad (Thrissur): Manappuram Finance Ltd. reported a consolidated net profit of ₹ 369.88 crore for the quarter ending September 30, 2021. The profit is lower by 8.8% compared to ₹ 405.44 crore reported in the year-ago quarter. However, the company's consolidated assets under management (AUM) grew by 5.7% to ₹28,421.63 crore from ₹26,902.73 crore a year ago, and by 14.8% in comparison to ₹24,755.99 crore reported in the preceding quarter (Q1).

Net profit for the standalone entity (which excludes subsidiaries) was at ₹355.00 crore as against ₹405.56 crore in the year-ago quarter. Total consolidated operating income for the quarter amounted to ₹1,531.92 crore compared to ₹1,565.58 crore in the year ago quarter.

The Board of Directors met at Mumbai 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, "The key takeaway is the robust growth recorded during the quarter in our business volumes, be it gold loans, microfinance, or our home and vehicle loans portfolio. It reflects the emerging recovery in the rural and unorganized sectors of the economy and going forward we expect to sustain the growth along with improved profitability."

The company's gold loan portfolio stood at ₹18,719.53 crore, registering a strong growth of 13.2% over ₹16,539.51 crore in the preceding quarter. The number of live gold loan customers increased from 24.1 lakh to 25.1 lakh in this period.

Manappuram's microfinance subsidiary, Asirvad Microfinance Ltd. ended the quarter with an AUM of ₹ 7,162.49 crore, a sharp increase of 44.1% in comparison to ₹4,971.03 crore in the year ago quarter. With 25.7 lakh customers and 1,334 branches across 23 states and UTs, Asirvad Microfinance is now India's fourth largest NBFC-MFI.

The company's home loans subsidiary, Manappuram Home Finance Ltd., reported an AUM of ₹ 732.19 crore (₹620.62 crore in Q2 of FY2021) while its Vehicles & Equipment Finance division posted an AUM of ₹1,267.08 crore (₹1,062.28 crore in Q2 of FY2021). In aggregate, the company's non-gold loan businesses account for a 34% share of its consolidated AUM.

Average borrowing costs for the standalone entity declined by 67 basis points to 7.94% during the quarter. The gross NPA (standalone) stood at 1.59% with net NPA reported at 1.30%. The company's consolidated net worth stood at ₹7,967.90 crore as of September 30, 2021. The book value per share was at ₹ 94.14 and its capital adequacy ratio (standalone) stood at 31.84%. On a consolidated basis, the total borrowings of the company stood at ₹25,024.14 crore while the total number of live customers

was 52.11 lakh as of September 30, 2021. In October 2021, International rating agency S&P upgraded the long-term issuer credit rating of Manappuram Finance Limited from “B+” to “BB-” with stable outlook. The rating agency also affirmed the ‘B’ short-term issuer credit rating on the company.

Results at a glance

Consolidated (₹ in Crore)

Particulars	Q2 FY 2022	Q2 FY 2021	YoY% Growth	Q1 FY 2022	QoQ% Growth	H1 FY 22	H1 FY 21	YoY% Growth
Income from operations	1,531.92	1,565.58	-2.15%	1,563.30	-2.01%	3,095.22	3,078.11	0.56%
Profit before tax	495.03	544.41	-9.07%	586.37	-15.58%	1,081.40	1,036.70	4.31%
Profit after tax (Before OCI & minority interest)	369.88	405.44	-8.77%	436.85	-15.33%	806.73	773.41	4.31%
AUM	28,421.63	26,902.73	5.65%	24,755.99	14.81%	28,421.63	26,902.73	5.65%
Net Worth	7,967.90	6,450.83	23.52%	7,662.38	3.99%	7,967.90	6,450.83	23.52%
Return on Assets (%)	4.68%	5.09%		5.81%		4.91%	4.86%	
Return on Equity (%)	18.90%	25.98%		23.36%		21.11%	24.63%	
No. of branches	4,931	4,611	6.94%	4,740	4.03%	4,931	4,611	6.94%
Total no. of employees	35,477	27,769	27.75%	32,754	8.31%	35,477	27,769	27.75%
Book value per share	94.14	76.24	23.48%	90.53	3.98%	94.14	76.24	23.48%
Total no. of customers (in Mn)	5.21	5.00	4.19%	4.96	5.12%	5.21	5.00	4.19%
Total borrowing	25,024.14	24,734.61	1.17%	19,742.88	26.75%	25,024.14	24,734.61	1.17%
EPS	4.37	4.80	-8.88%	5.16	-15.31%	9.53	9.15	4.15%

Standalone (₹ In crore)

Particulars	Q2 FY 2022	Q2 FY 2021	YoY% Growth	Q1 FY 2022	QoQ% Growth	H1 FY 22	H1 FY 21	YoY% Growth
Profit After Tax (Before OCI)	355.00	405.56	-12.47%	425.21	-16.51%	780.21	774.67	0.72%
AUM	20,526.95	21,311.07	-3.68%	18,035.21	13.82%	20,526.95	21,311.07	-3.68%
Gold loan AUM	18,719.53	19,736.02	-5.15%	16,539.51	13.18%	18,719.53	19,736.02	-5.15%
Gold Holding (Tonnes)	64.71	68.83	-6.00%	58.08	11.41%	64.71	68.83	-6.00%
Total Live gold loan customers (in mn.)	2.51	2.56	-1.90%	2.41	4.24%	2.51	2.56	-1.90%
Gold loans disbursed	34,783.12	93,368.17	-62.75%	35,419.36	-1.80%	70,202.48	161,757.95	-56.60%
Capital Adequacy Ratio	31.84%	24.80%		34.42%		31.84%	24.80%	
Cost of Fund	7.94%	9.13%		8.61%		7.94%	9.13%	
Gross NPA (%)	1.59%	1.11%		1.96%		1.59%	1.11%	
Net NPA (%)	1.30%	0.68%		1.62%		1.30%	0.68%	
Number of Branches	3,524	3,524		3,524		3,524	3,524	
Comm. Vehicle Loans Division AUM	1,267.08	1,062.28	19.28%	1,044.79	21.28%	1,267.08	1,062.28	19.28%
Subsidiaries								
Microfinance - AUM	7,162.49	4,971.03	44.08%	6,052.60	18.34%	7,162.49	4,971.03	44.08%
Microfinance - PAT (Before OCI)	12.28	(2.42)	606.97%	7.65	60.46%	19.94	(5.02)	497.35%
Microfinance - Total live customers (in mn.)	2.57	2.30	11.65%	2.42	6.20%	2.57	2.30	11.65%
Home Loans - AUM	732.19	620.62	17.98%	668.19	9.58%	732.19	620.62	17.98%
Home Loans - PAT	2.75	0.90	204.99%	2.17	26.58%	4.92	1.70	189.52%

About Manappuram Finance Ltd.

Manappuram Finance Ltd. is one of India’s leading gold loans NBFCs engaged in providing finance against used household gold ornaments. Incorporated in 1992, the company has been promoted by Mr. V.P. Nandakumar (current MD & CEO) whose family has been involved in gold loans since 1949. It is headquartered at Valapad in the Thrissur District of Kerala. The company went public in August 1995 and its shares are listed on the stock exchanges of Mumbai, Chennai, and Kochi. As of September 30, 2021, Manappuram Finance Ltd. had 4,931 branches across 24 states and 4 UTs with Assets under management (AUM) of ₹284.22 billion. The company’s net worth stood at ₹79.68 billion.

For more information, please contact:

<p>Bindhu A.L. Executive Vice President, CFO Manappuram Finance Limited bindhu@manappuram.com</p>	<p>Ranjan Sreedharan Senior General Manager – Corp. Communications Manappuram Finance Limited ranjan.sreedharan@manappuram.com 0487-3050206, 3050100, 3050108</p>
--	--