

Poonawalla Fincorp Limited

(Formerly known as Magma Fincorp Limited)

Investor Presentation Q4FY22

Agenda



1	Overview	▶	3-10
2	Executive Summary & Business Update	▶	11-21
3	Business and Financial Highlights: Consolidated	▶	22-30
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We started our journey when there were industry headwinds of pandemic but we *thrived* by focussing on the basics, thereby delivering on our stated objectives.

We strengthened during covid and are now better placed by building digitized processes, granular portfolio and inherent resilience.

What defines us

“Young and resilient NBFC which rebooted itself in the most trying times of pandemic”

“Catering to the financing needs of young India, both consumer and small business”

“Offering diversified products to have a sustainable business growth”

“Agility of a fintech along with best-in-class risk management and customer experience”

“Technology enabled to foster innovation and differentiation and lead in chosen segments”

“Focussed on creating value for its customers, shareholders and employees”



AUM

₹ 16,579 cr

+17% YoY



Disbursement

₹ 9,494 cr

+158% YoY



RoA

2.5%

-3.7% (FY21)



Net stage 3

1.1%

-8 bps YoY



Debt / Equity

1.6x

4.8x (FY21)



Network

₹ 6,058 cr

+176% YoY

And having weathered the headwinds we now have structural tailwinds which are helping us accelerate.

The Acceleration is Driven by...



Gen Z

Large millennial and
GenZ base



Formalization of
MSMEs



Growing acceptance of
credit



Rising smartphone
penetration



Housing for all and other
initiatives by Govt.



Resilience shown by
MSMEs



Visible Demonstration
effect



CONSOLIDATION

Industry
Consolidation

We have a *True Retail Lending* strategy.

- Focusing on granular portfolio
- Healthy mix of asset classes
- Risk based pricing
- Focus on asset quality

Inherent Strengths...

Brand Strength

- **Flagship** financing arm of Cyrus Poonawalla Group
- Shared brand identity

Digital Focus and Technology Led

- **Agility** in partnering with ecosystem
- Reduction in turn-around-time (TAT)
- Reduction in customer acquisition cost
- **Superior customer experience**

Retail Franchise

- Focused on retail and small business segment with diversified product suite
- **Pan-India pure play affordable housing entity**
- Granular book | Risk based pricing

Robust Balance Sheet

- **Low leverage:** Post capital infusion of Rs 3,456 cr in May21, D/E stands at 1.6x as on 31st Mar22
- **Ample headroom for growth**

Distribution Aligned with Target Market

- Moving towards **optimum distribution mix of direct, digital and partnership**
- Digital distribution capabilities **well supplemented** by Pan-India physical presence
- **Establishing trust** with the marketplace stakeholders & **cementing leadership**

Efficiently Managed Liability Book

- Flagship group company Serum Institute of India rated 'AAA / Stable' by CRISIL & CARE
- **PFL & PHFL long term (LT) credit rating** at AA+/Stable by CRISIL & CARE

...to capture market opportunities and address challenges

Untapped credit needs of MSMEs & Consumers

Upward trend of digital adoption, favorable demographic dividend & financialization of spending

Shift towards ecosystem play

Management Vision 2025

FY22 performance in line with the long-term guidance



Vision 2025

To be amongst **Top 3 NBFCs in consumer and small business finance**

Risk-calibrated accelerated growth **~3x of FY21 AUM**

Amongst the lowest COF in the industry **~250 bps reduction in Borrowing Cost**

Best-in-class Asset Quality; **Net Stage 3 < 1%**

Accelerate the growth trajectory of PHFL followed by **value unlocking through IPO**

Our journey till FY22 is on track

Entered **digital loan consumption space** & achieved **leadership position in Pre-Owned Car and Loan to Professionals segments** on monthly disbursement basis

215 bps reduction in average cost of borrowing between Q1FY22 and Q4FY22

Net Stage 3 at 1.1% as on 31st Mar 22

PHFL reached ₹ 5,000 cr AUM; Initiated fund raise of upto ₹1,000 cr on preferential basis for value unlocking and future growth

Proposed Capital Raise of upto ₹ 1,000 cr in PHFL



The Board of Directors of the Company at its meeting held on May 12, 2022, has accorded an in-principle approval to raise funds in Poonawalla Housing Finance Limited.

Nature of Transaction

- Onboard investor/s with a view of long-term business partnership
- Raise not exceeding ₹1,000 crore with stake dilution of less than 15% in one or more tranches by way of preferential issue during the Financial Year 2022-23

Rationale

- **Opportunity:** Given the deep unserved potential of the affordable housing segment, favourable demographics and supportive government policies, the Company proposes to raise growth capital for network expansion and to support AUM growth
- **Proven track record:** PHFL has achieved remarkable disbursement growth of 57% in FY22 ; AUM has shown 2x growth in last 3 years
- **Future Growth Capital:** PHFL AUM is projected to grow at a CAGR of 25% from ₹ 5,060 cr in FY22 to more than ₹10,000 cr by FY25
- **Value unlocking of PHFL:** Kickstarting fund raise to be followed with an IPO in future

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Consolidation isn't a new concept but needs to be done for the right reasons and in the right manner to set up the organisation for sustainable growth.

We have built a strong foundation that is propelling us into the growth orbit.

FY2022

Consolidate

- Realign and revamp products portfolio and branches
- Build digital and data analytics capabilities
- Fortify the risk management framework
- Strengthen human capital and centralise operations

FY2023

Growth trajectory

- Build scale with new products and expand cross-sell / up-sell
- Move towards a D2C model – branch-light with enhanced digital capabilities
- Strengthen process automation and data-analytics
- Robust risk management system

FY2025

Market Leadership

- Lead in chosen products and geographies
- Lead in process automation and data analytics usage
- Amongst the lowest cost of borrowing

Convergence of Calibration, Growth, Scale, Quality and Profitability with technology as backbone

Executive Summary - Consolidated

Consolidation phase is now propelling us into growth orbit for FY23



Strong business momentum



- Sequential QoQ rise in disbursement for all product verticals | Disbursement in Q4FY22 was **1.8x** of that in Q3FY22
- **Highest ever monthly disbursement** in Mar22 | New products steadily scaling up
- Focused AUM growth robust at **64.0% YoY** and **17.3% QoQ** | Total AUM growth **16.5% YoY** and **8.9% QoQ**
- **Poonawalla Housing Finance Limited (Subsidiary) crossed ₹ 5,000 cr AUM milestone in Q4FY22**

Value added product proposition



- **Leading player in pre-owned car financing segment** | Well placed to ride the rising trend of digital marketplace consolidation
- Unique product offering '**Loan to Professional**' | SME LAP offering now captures ~75% of MSME industry clusters
- **100% Digital Journey** in personal, business & professional loans for **superior customer experience**
- **Pan India Affordable housing loan player**

Growth in customer acquisition



- Loans underwritten in Q4FY22 rose to **2.0x of that in Q3FY22** | Partnerships starting to **accelerate customer acquisition**
- Digital customer acquisition has picked up | **~ 10x rise** in leads generated through digital medium
- Focus on cross sell / up sell | **Algorithms sharpened for cross-sell & pre-approved offers**

Executive Summary - Consolidated

Consolidation phase is now propelling us into growth orbit for FY23



Borrowing book at competitive rates



- **215 bps reduction in avg. Cost of Borrowing (CoB)** between Q1FY22 and Q4FY22 | **62 bps** reduction in Q4FY22
- Adequate **liquidity buffer of ₹ 3,890 cr** as on 31st Mar22
- CRISIL and CARE assigned '**AA+/Stable**' long term rating to **both PFL and PHFL**

Asset quality Improvement



- NS3 book at **1.1% on Mar22** vs 1.8% on Dec21
- GS3 book at **2.7% on Mar22** vs 3.5% on Dec21
- Collection efficiency at **108.4% in Mar22** vis-a-vis 99.1% in Dec21

Rise in profitability



- Q4FY22 NIM **↑ 33 bps** YoY and **↑ 77 bps** QoQ | **FY22 NIM ↑ 65 bps**
- Q4FY22 RoA at 3.1% with **QoQ rise in each quarter during FY22**
- **Q4FY22 PAT increased by 23.2% QoQ**

Business Transformation Yielding Results

Digital | Distribution | People



Digital transformation



- Significant increase in **digital NACH** mandate and **digital collections**
- **100%** digital onboarding of **channel partners** initiated with **<1 day turnaround time**
- **100% digital journey** for unsecured products with E-KYC, E-mandate & E signing
- **Automated** BRE for quick decisioning
- Policy optimization & rationalization done through portfolio **deep dive using advanced analytics**

Strengthened distribution – Digital, Direct and Partnership (DDP)



- Entered **digital consumption loan space** through partnership
- **DDP contributed 17.5%** to the total Q4FY22 disbursement
- **43.7% QoQ growth in DDP disbursement** in Q4FY22 | Cross sell disbursement increased 28.3% QoQ

People & operations consolidation



- **Enhanced the ESOP coverage to include middle management:** To help build meritocratic culture, retain top talent, and employee stake in growth of the company
- Started **'Future ready' human capital initiatives:** Competency framework, L&D initiatives, Productivity enhancement
- Registered office moved from Kolkata to Pune

Building a Tech Led Play



Customers

Self service online web application
Contact center led digital onboarding
Contactless customer service through Bots

Partners

Extended API Infrastructure
CRM Extension
Market Place Partnerships

Digitized Operating Layer with controls inbuilt

Sales Team Digitization

Credit Decision Automation

Robotic Process Automation

Digitized Collections

Modular || Scalable || Secure || Analytics Driven || Plug & Play Technology

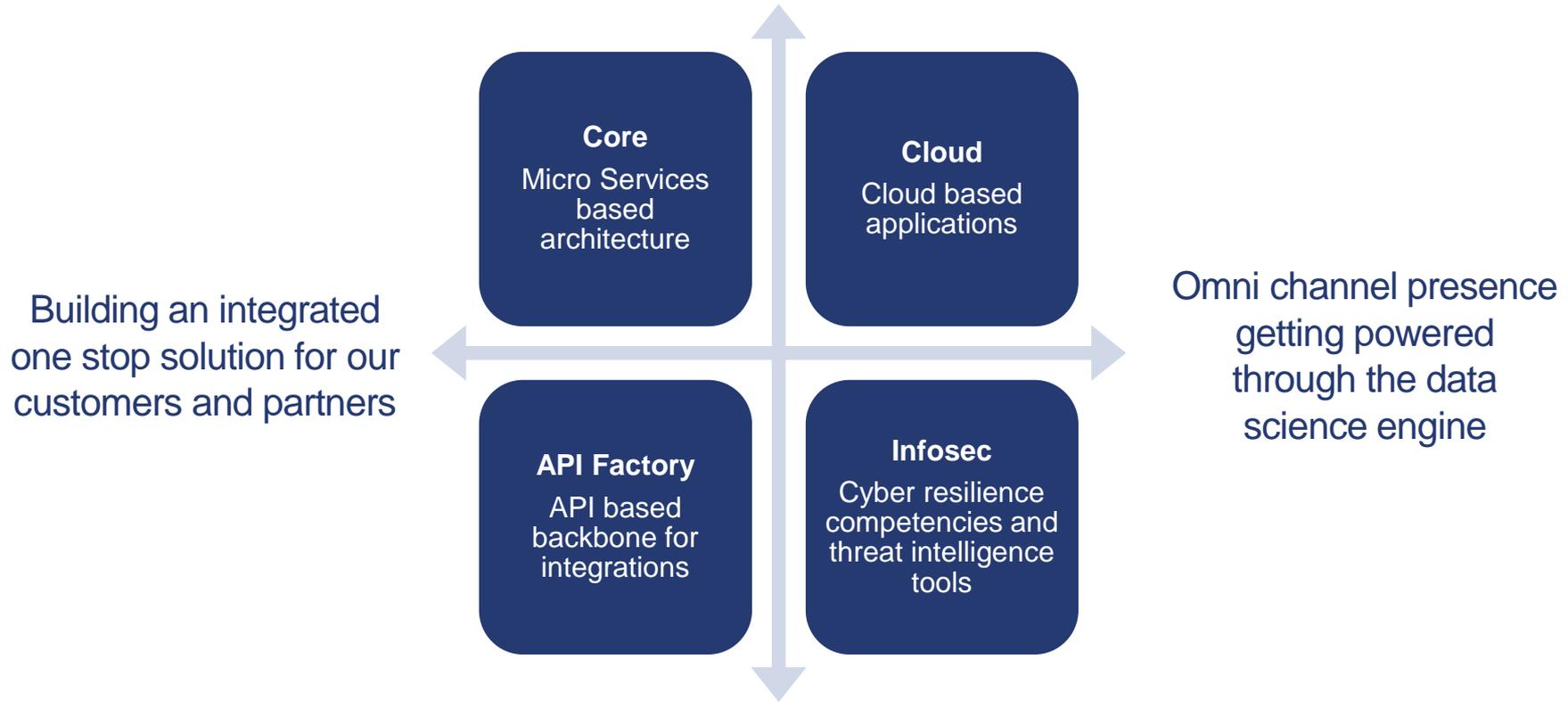
API Backbone

Cloud Ready Infrastructure

Best-in-Class Infosec

Data Analytics Driven

Deep Investments in Technology



Digital to the Core

Digitalizing end to end journey



Sales & Onboarding

Digital KYC

TAT
Reduction

- CKYC
- EKYC
- VKYC

Smart Contract & Digital EMIs

- Digital Onboarding & Digital NACH
- E-Application & E-Sign
- E-Agreement
- E-NACH

Operational & Collection Efficiency

Digital Collections

Efficient
Collections

- Bharat Bill Pay, UPI
- Payment Gateway, Wallets
- Reduce Non EMI Collection Cost

Unified Payments Platform

Payment
platforms

- Integrated across journeys
- Realtime Payment posting
- Smart Reconciliation with Automation

Distributor Advocacy

System
Driven
Payouts

- Enabling Rewards & Incentive Campaigns
- Configurable Rule-Based calculation

Digital Onboarding for Partners

Digital
Onboarding

- Unified Channel Partner Portal
- WhatsApp & Chatbot support
- Instant Reports, Payment Reconciliation

Digital to the Core

Digitalizing end to end journey



Customer
Engagement
& Service

24X7 Digital Service

- Multilingual Digital Interactions**
- WhatsApp, Chat & Email Bot
 - IVR Bot, AV Bot (Voice biometric)
 - WhatsApp for interactions

Customer Advocacy

- Digitising Touchpoint VOCs**
- Outbound Audio-Visual Bot
 - Omnichannel platform for top-up & cross sell offers
 - Co-browsing/Video Assist

Portal & Mobile App

- Increase Portal Usage**
- Digital Lodgment & Workflow Integrations
 - Enable Top QRCs on Portal and Mobile App

Straight Through Processing (STP)

- STP Ratio Improvement**
- Maximum Services on Digital Channels
 - Email BOT - Increase Auto reply %
 - RPAs & Intelligent OCR

Product Suite

Tailored for the target segment identified



Existing products

Pre-owned Cars

Digital Business Loans

Affordable Home Loan

Digital Personal Loan

Affordable LAP

Digital Loan to Professionals

Medical Equipment Loan

Digital SME LAP

Auto Lease

Digital Consumption Loan

Upcoming products

Supply Chain Finance

Merchant Cash Advance

Consumer Finance

EMI Card & Credit Card

Machinery Loan

Focus on consumer and small business finance to aid further growth

Granular portfolio

Focus on credit tested customers

Data analytics driven approach

Cross-sell

Digital First approach across product lines

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Q4FY22 Performance Highlights - Consolidated

On path to achieve 2025 vision



AUM

16,579

YoY | QoQ
+16.5% | **+8.9%**

CoB

7.4%

YoY | QoQ*
-209 bps | **-110 bps**

NIM

9.5%

YoY | QoQ
+33 bps | **+77 bps**

RoA

3.1%

YoY | QoQ
- | **+53 bps**

Disbursement

3,336

YoY | QoQ
+133.9% | **+80.8%**

GS3

2.7%

YoY | QoQ
-103 bps | **-84 bps**

NS3

1.1%

YoY | QoQ
-8 bps | **-67 bps**

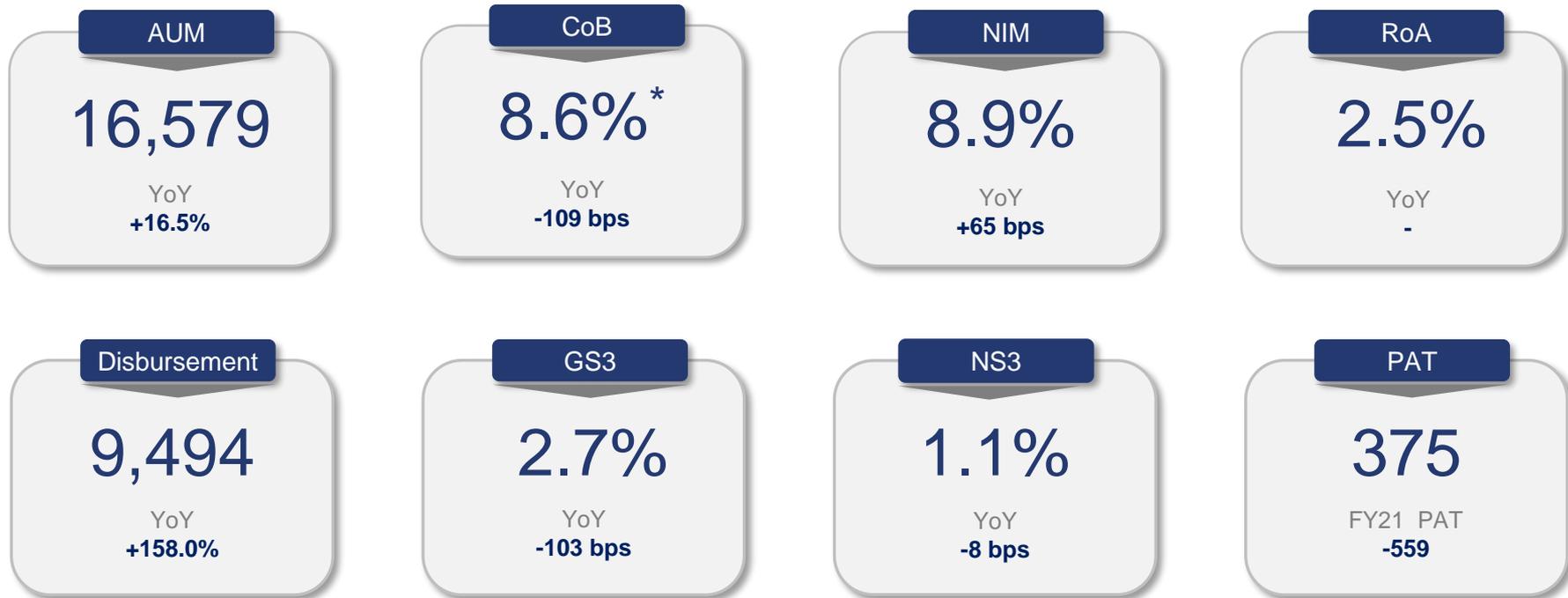
PAT

119

Q4FY21 PAT | QoQ
-648 | **+23.2%**

FY22 Performance Highlights - Consolidated

On path to achieve 2025 vision



Business Update

Portfolio attuned for growth and superior risk-adjusted returns



Pre-Owned Car

- Highest ever monthly disbursement in Mar22
- Entered leaderboard
- Q4FY22 disbursement up 45.0% QoQ
- Disbursement via partnership contributed 17.4% in Q4FY22 vs 7.3% in Q3FY22

Digital BL | Digital PL | Digital LTP

- Highest ever monthly disbursement in Mar22
- Entered leaderboard for LTP
- Q4FY22 disbursement up 32.4% QoQ
- Entered digital consumption loans space via partnership

SME LAP

- Achieved ₹ 100 cr disbursement in Mar22
- Significant strengthening of distribution channel
- Focus on end-to-end digital platform

Affordable HL | LAP

- Highest ever monthly disbursement of HL in Mar22
- Q4FY22 disbursement up 49.0% QoQ
- Focus on direct sourcing through branch led model
- Presence increased to 128 branches in Mar22 (113 in Dec21)

Consolidated AUM mix of North : West : South : East was 31%: 27%: 28%: 15% as on 31st Mar 22



Strengthen
distribution



Digital
First



Granular
portfolio



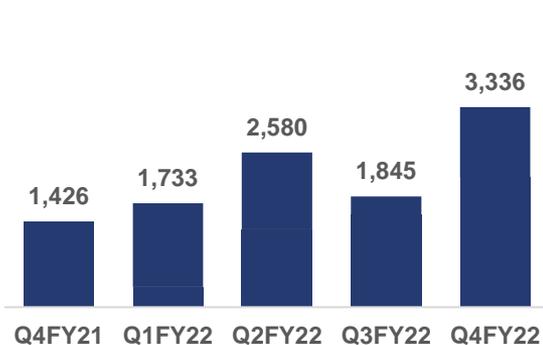
Asset quality
focus

Performance Parameters – Q4FY22

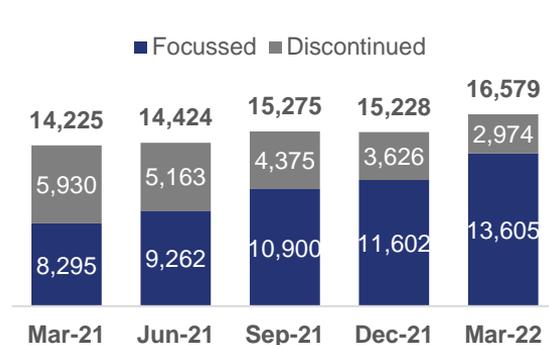
Robust Growth | Significant Reduction in CoB, GS3 and NS3



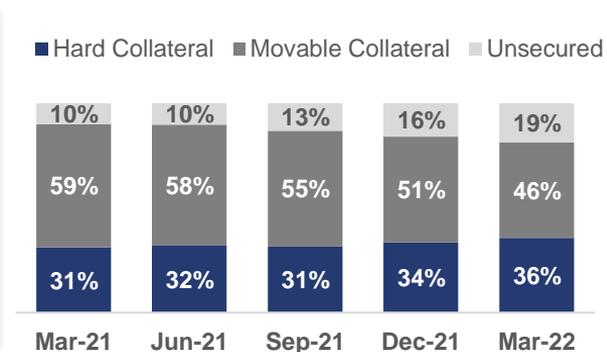
Disbursement



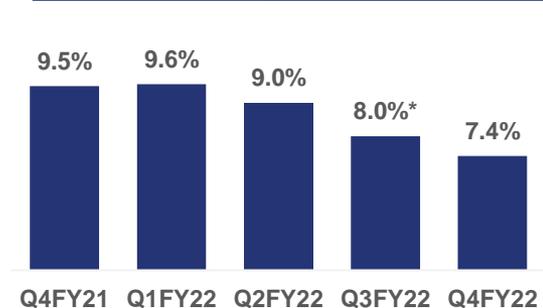
AUM



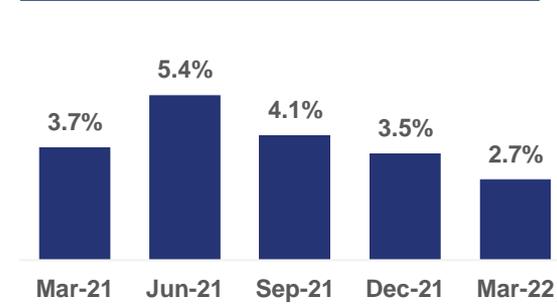
AUM Mix



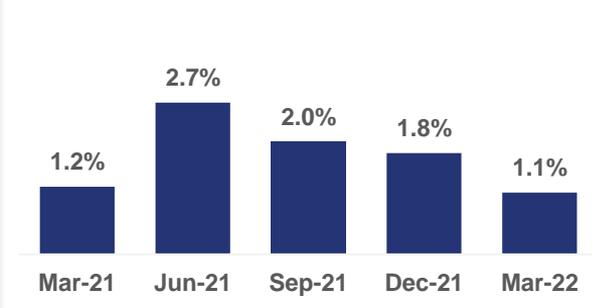
Cost of Borrowing



GS3



NS3



* Normalized for one time prepayment charge made in Q3FY22

Asset Quality

Reduction in Stage 2 & Stage 3 assets | Collection efficiency | Restructured Book



	PFL			PHFL			Consolidated		
	Mar-21	Dec-21	Mar-22	Mar-21	Dec-21	Mar-22	Mar-21	Dec-21	Mar-22
Stage 1 Assets	81.8%	82.4%	86.7%	89.7%	87.3%	90.8%	83.6%	83.7%	87.8%
Stage 2 Assets	13.9%	13.5%	10.1%	8.7%	10.8%	8.3%	12.7%	12.8%	9.6%
Stage 1 PCR	4.9%	1.7%	1.8%	1.0%	0.5%	0.3%	4.0%	1.4%	1.4%
Stage 2 PCR	29.7%	16.9%	15.8%	21.8%	11.7%	12.8%	28.4%	15.7%	15.1%
Stage 1 & 2 PCR	8.5%	3.8%	3.2%	2.8%	1.7%	1.4%	7.2%	3.3%	2.7%
Gross Stage 3 (₹ cr)	419	420	372	46	72	41	465	492	413
Net Stage 3 (₹ cr)	124	200	144	22	45	26	146	245	170
Gross Stage 3	4.3%	4.0%	3.3%	1.6%	1.9%	1.0%	3.7%	3.5%	2.7%
Net Stage 3	1.3%	2.0%	1.3%	0.8%	1.2%	0.6%	1.2%	1.8%	1.1%
Stage 3 PCR	70.4%	52.4%	61.2%	51.8%	36.7%	37.4%	68.6%	50.1%	58.9%
ECL Provision on Total Loan Book	11.2%	5.8%	5.1%	3.6%	2.4%	1.7%	9.5%	4.9%	4.2%

% of on book AUM

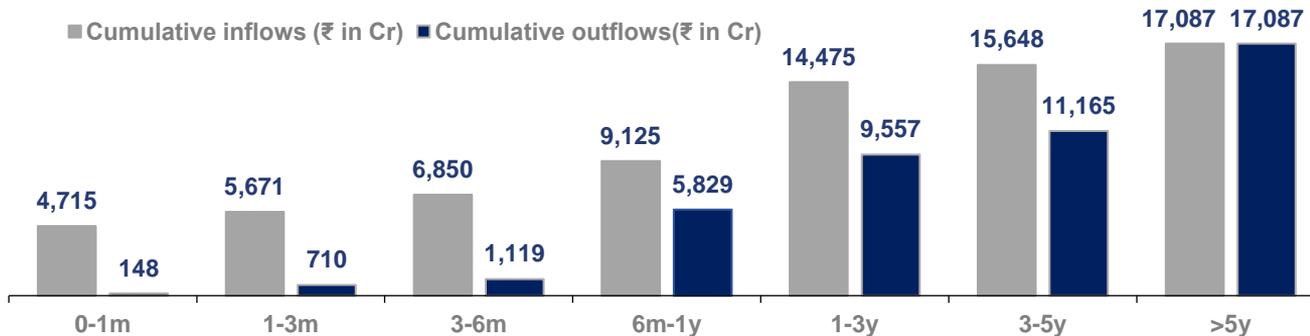
- Collection efficiency for Mar22 stood at 108.4% vis-à-vis 99.1% in Dec21
- The restructured book as on Mar'22 was ₹ 786 cr (4.7% of AUM) vis-à-vis ₹ 864 cr (5.7% of AUM) as on Dec'21
- Restructured book in 0 bucket was ₹ 376 cr (48% of total restructured assets). However, for the purpose of asset classification and provisioning ₹ 595 cr (76% of total restructured assets) have been classified under stage 2
- Provision on restructured portfolio (excluding management overlay provisions for COVID wave 2) stands at ₹ 154 cr (19.6%) as on 31st Mar22

ALM statement and Liquidity – PFL Standalone

Ample liquidity | Well positioned for rise in rates



Structural Liquidity Statement as on 31st Mar 22



Cumulative Positive Gap	4,567	4,961	5,731	3,295	4,918	4,483	0
Cumulative (%)	3093%	698%	512%	57%	51%	40%	0%

Based on PFL standalone numbers

- Liquidity as on 31st Mar 22 for PFL standalone is ₹ 2,791 cr in the form of cash, cash equivalents and undrawn bank lines
- Significant reduction achieved in average cost of borrowing | Well positioned to manage expected rise in interest rates
- Widened relationships with Private sector & Foreign banks and strengthened relationships with PSU banks

Profit & Loss Statement – Consolidated



Particulars	Amounts in ₹ cr					As % of average AUM				
	Q4FY21	Q3FY22	Q4FY22	FY21	FY22	Q4FY21	Q3FY22	Q4FY22	FY21	FY22
NIM¹ (including fee income)	337	334	371	1,252	1,325	9.2%	8.8%	9.5%	8.2%	8.9%
Opex²	145	196	214	542	742	4.0%	5.1%	5.5%	3.6%	5.0%
Pre Provision Operating Profit	191	138	157	710	583	5.2%	3.6%	4.0%	4.7%	3.9%
Credit cost³	1,053	2	3	1,464	93	28.8%	0.0%	0.1%	9.6%	0.6%
Share of profit in JV	(2)	(6)	0	5	2	(0.0%)	(0.2%)	0.0%	0.0%	0.0%
Profit Before Tax	(864)	130	154	(749)	492	(23.6%)	3.4%	4.0%	(4.9%)	3.3%
Profit After Tax	(648)	96	119	(559)	375	(17.7%)	2.5%	3.1%	(3.7%)	2.5%

¹ Normalized NIM for Q3FY22 is 9.0% and FY22 is 9.0% after excluding one-time prepayment charges incurred for prepayment of high-cost debt

² Opex / Avg AUM after adjusting for ESOP charge is 3.9% for Q4FY21, 5.0% for Q3FY22, 5.2% for Q4FY22, 3.5% for FY21 & 4.9% for FY22

³ Credit guarantee scheme premium has been included in the credit cost

Profit & Loss Statement – Standalone



Particulars	Amounts in ₹ cr					As % of average AUM				
	Q4FY21	Q3FY22	Q4FY22	FY21	FY22	Q4FY21	Q3FY22	Q4FY22	FY21	FY22
NIM (including fee income)	256	270	288	1,002	1,058	9.2%	9.8%	10.4%	8.4%	9.8%
Opex¹	115	154	169	440	595	4.1%	5.6%	6.1%	3.7%	5.5%
Pre Provision Operating Profit	140	116	119	562	463	5.1%	4.2%	4.3%	4.7%	4.3%
Credit cost²	976	10	3	1,335	78	35.2%	0.3%	0.1%	11.2%	0.7%
Profit Before Tax	(835)	107	117	(773)	385	(30.1%)	3.9%	4.2%	(6.5%)	3.5%
Profit After Tax	(626)	80	89	(578)	293	(22.6%)	2.9%	3.2%	(4.9%)	2.7%

¹ Normalized Opex / Avg AUM after adjusting for ESOP charge is 4.1% for Q4FY21, 5.4% for Q3FY22, 5.6% for Q4FY22, 3.7% for FY21 & 5.3% for FY22

² Credit guarantee scheme premium has been included in the credit cost

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Poonawalla Housing Finance Limited

(Formerly known as Magma Housing Finance Limited)

(Subsidiary)



Poonawalla Housing Finance – At a glance



- Poonawalla Housing Finance Limited (PHFL), subsidiary of PFL, is a **national scale affordable segment HFC** with 128 branches across 20 states across India
- **AUM crossed ₹ 5,000 crores** milestone during Q4FY22
- Direct relationship model with the customers
'Go Direct' strategy: 77% of loans through direct sourcing
- **Driving financial inclusion** by serving new to credit customers having limited access to formal credit
- Committed to '**Housing for All**' objective of government
Enabled 11,500+ customers (>40% of HL) to avail PMAY subsidy and 4,500+ customers (>15% of HL) to avail AHF refinance benefit



AUM

₹ **5,060** cr
+27% YoY



Disbursement

₹ **1,970** cr
+57% YoY



RoA

1.8%
+149 bps YoY



Net stage 3

0.6%
-17 bps YoY



Debt / Equity

3.0x
5.1x (FY21)



Networth

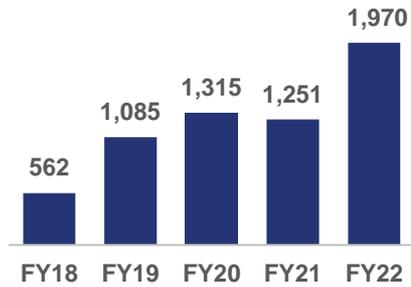
₹ **1,082** cr
+118% YoY

Historical Performance - PHFL

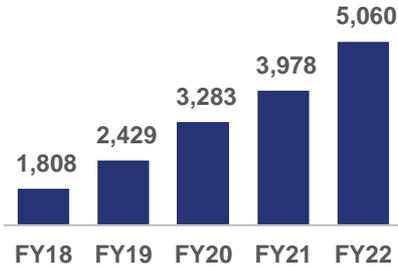
Poised for sustainable growth – Directly sourced, Granular, Home loan focus book



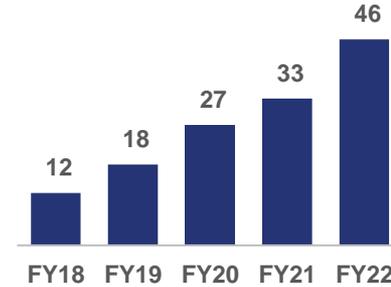
Disbursement



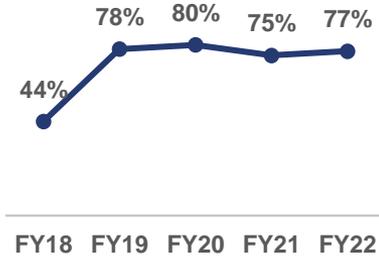
AUM



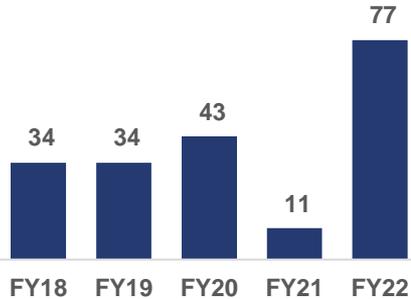
Live Customers (in 000s)



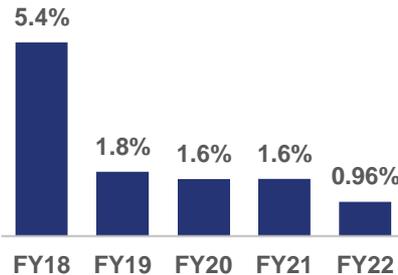
Direct Ratio (Units)



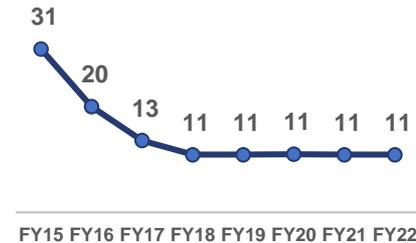
PAT



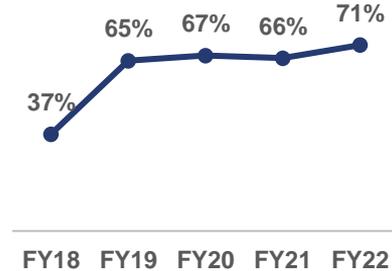
GS3



ATS



HL Ratio (Units)



Executive Summary - PHFL



Key Highlights FY22

Highest ever AUM of ₹ 5,060 cr as on Mar22;
↑ 27% YoY

Lowest ever Gross Stage 3 Assets of 0.96%;
↓ 63 bps YoY

Highest ever disbursement of ₹ 1,970 cr in FY22;
↑ 57% YoY

Geo expansion to 128 branches in 20 states as on Mar22

Significant reduction in average CoB; 7.1% for Q4FY22;
↓ 113 bps QoQ

Raised ₹ 725 cr from NHB with fungible limit between
AHF and regular refinance

Highest ever PBT of ₹ 101 cr in FY22;
↑ 605% YoY

Credit rating of 'AA+ / Stable' by CRISIL and CARE

State of the art, cloud-hosted LOS, LMS & CRM
Implemented digital onboarding journey for customers

AUM mix of North : West : South : East was
33%: 34%: 26%: 7% as on Mar22

Q4FY22 Performance Highlights - PHFL

On path to achieve 2025 vision



AUM

5,060

YoY | QoQ
+27.2% | **+10.6%**

CoB

7.1%

YoY | QoQ
-232 bps | **-113 bps**

NIM

6.9%

YoY* | QoQ
-153 bps | **+126 bps**

RoA

2.5%

YoY | QoQ
- | **+56 bps**

Disbursement

797

YoY | QoQ
+64.7% | **+49.0%**

GS3

0.96%

YoY | QoQ
-63 bps | **-98 bps**

NS3

0.6%

YoY | QoQ
-17 bps | **-64 bps**

PAT

29

Q4FY21 PAT | QoQ
-20 | **+38.7%**

FY22 Performance Highlights - PHFL

On path to achieve 2025 vision



AUM

5,060

YoY
+27.2%

CoB

8.7%#

YoY
-92 bps

NIM

6.1%*

YoY
-72 bps

RoA

1.8%

YoY
+149 bps

Disbursement

1,970

YoY
+57.5%

GS3

0.96%

YoY
-63 bps

NS3

0.6%

YoY
-17 bps

PAT

77

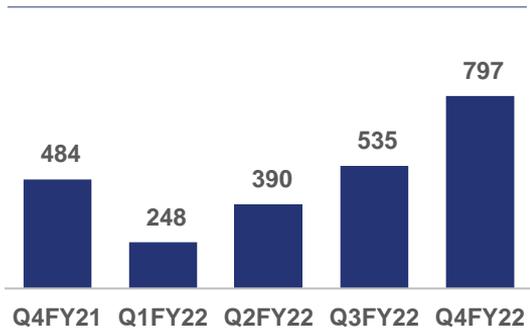
YoY
610.7%

Performance Parameters - PHFL

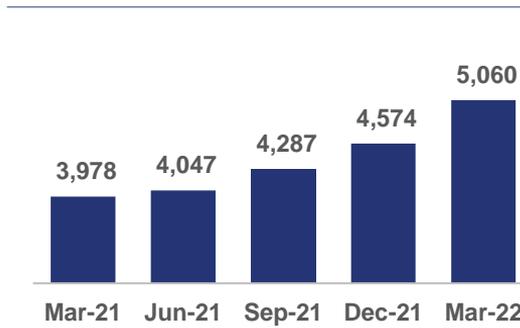
AUM crossed 5,000 cr milestone | Significant reduction in CoB, GS3 and NS3



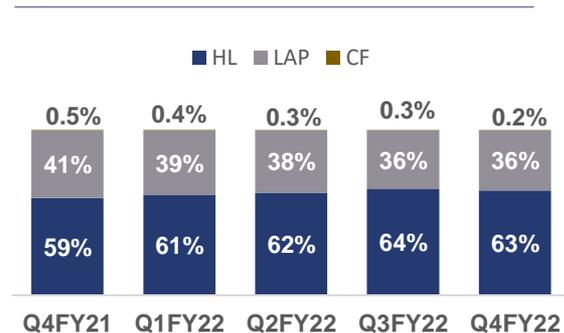
Disbursement



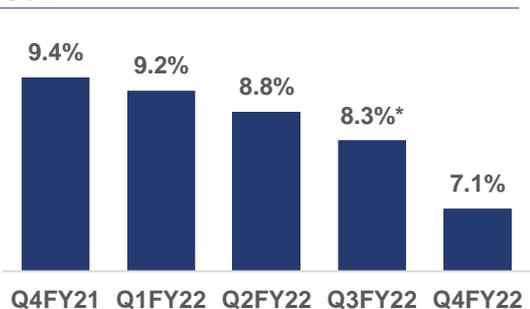
AUM



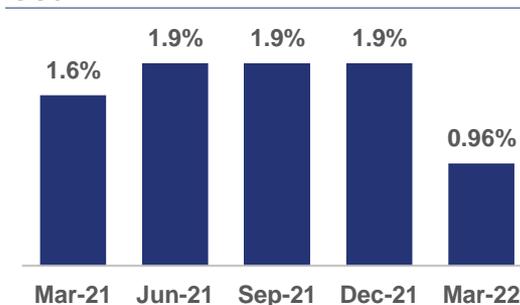
AUM Mix



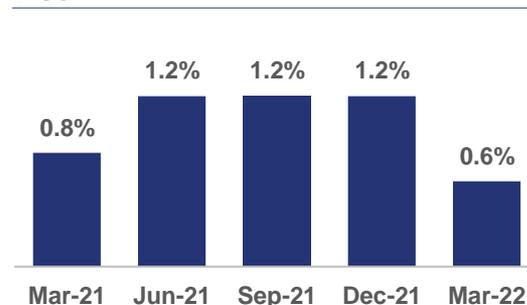
CoB



GS3



NS3



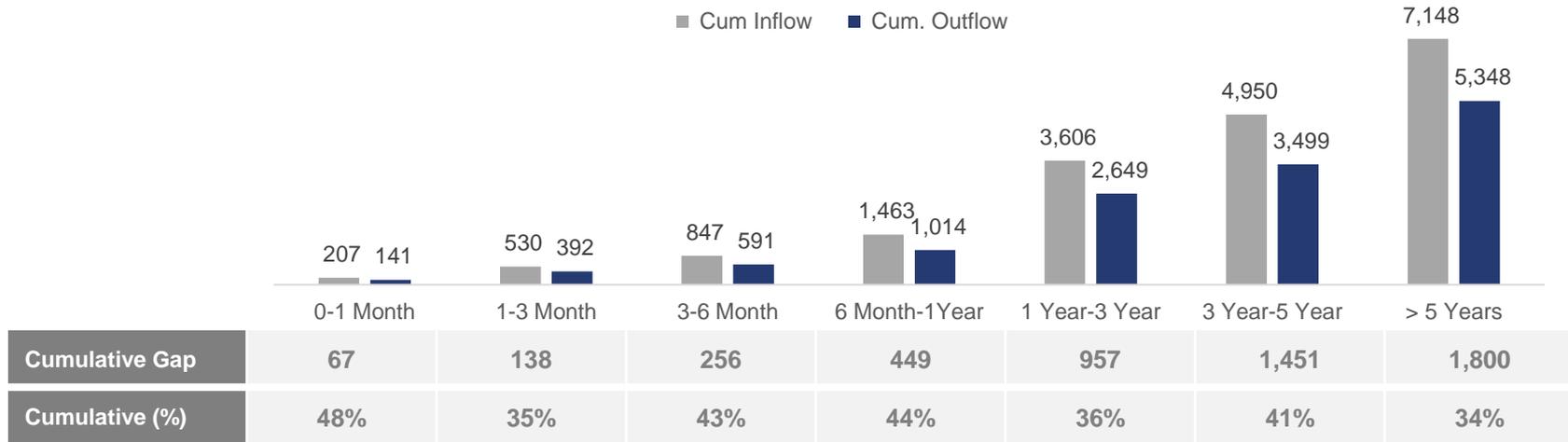
* Normalized Cost of borrowing excluding one time prepayment charges

ALM statement and Liquidity – PHFL

Well Matched ALM Profile | Adequate Liquidity



Structural Liquidity Statement as on 31-Mar-22



- Liquidity as on 31st Mar 22 was ₹ 1,098 Cr in form of cash and cash equivalents and undrawn bank lines
- Significant reduction achieved in existing borrowings rates. There has been significant reduction in Exit Cost of Borrowings from 9.09% on 31st Mar 21, to 6.77% on 31st Mar 22
- Reduced reliance on short-term debt; carrying well matched ALM in line with asset maturity profile

The above statement has been prepared in compliance with NHB requirements

Profit & Loss Statement – PHFL



Particulars	Amounts in ₹ cr					As % of average AUM				
	Q4FY21	Q3FY22	Q4FY22	FY21	FY22	Q4FY21	Q3FY22	Q4FY22	FY21	FY22
NIM¹ (including fee income)	81	63	82	247	263	8.4%	5.7%	6.9%	6.8%	6.1%
Opex	30	42	45	102	147	3.1%	3.8%	3.8%	2.8%	3.4%
Pre Provision Operating Profit	51	20	37	145	116	5.3%	1.8%	3.1%	4.0%	2.7%
Credit cost	78	(8)	1	130	14	8.1%	(0.7%)	0.1%	3.6%	0.3%
Profit Before Tax	(27)	28	36	14	101	(2.8%)	2.5%	3.1%	0.4%	2.3%
Profit After Tax	(20)	21	29	11	77	(2.1%)	1.9%	2.5%	0.3%	1.8%

¹ Normalized NIM for Q3FY22 is 6.4% and FY22 is 6.3% after excluding one-time prepayment charges incurred for prepayment of high-cost debt

Magma HDI General Insurance Limited



Executive Summary - MHDI



Extensive network of **IRDAI approved intermediaries ~10,000** across the country

One of the **highest GDPI growth of 37%** for FY2021-22 vis-a-vis 12% & 11% growth for private sector and Industry respectively

Moved up by **2 positions** in Industry ranking vis-à-vis private sector general insurance players

One of the **lowest Capital burn ratio** as at Q3FY22* amongst the 2nd wave private sector players

One of the **highest Investment Leverage ratio of 8.0** as at Q3FY22* amongst the 2nd Wave private sector players

Profit & Loss Statement (Ind AS) - MHDI



Amounts in ₹ cr

Particulars	Q4FY21	Q3FY22	Q4FY22	FY21	FY22
Gross Written Premium	438	488	604	1,349	1,815
Net Written Premium	237	321	351	798	1122
Net Earned Premium	192	232	256	762	914
Net Claims Incurred	150	151	167	607	628
Net Commission	-17	-4	-5	-55	-22
Management Expenses	114	172	266	382	664
Impairment loss	3	0	0	28	-16
Underwriting Profit	-58	-87	-172	-200	-339
Investment & Other Income	52	61	156	219	323
Profit Before Tax	-6	-26	-16	19	-16
Profit After Tax	-5	-20	-12	15	-12

Agenda



- 1 Overview ▶ 3-10
- 2 Executive Summary & Business Strategy ▶ 11-21
- 3 Business and Financial highlights: Consolidated ▶ 22-30
- 4 Business and Financial highlights: PHFL / MHDl ▶ 31-43
- 5 Board Members | Shareholding pattern ▶ 44-46



Board of Directors – Poonawalla Fincorp

Experienced & Diversified Board



Mr. Adar Poonawalla
*Chairman &
Non-Executive Director*



Mr. Abhay Bhutada
Managing Director



Mr. Amar Deshpande
Non-Executive Director



Mr. Sajid Fazalbhoj
Non-Executive Director



Mr. Atul Kumar Gupta
Non-Executive Director



Ms. Vijayalakshmi R. Iyer
Independent Director



Mr. Prabhakar Dalal
Independent Director



Mr. Bontha Prasad Rao
Independent Director

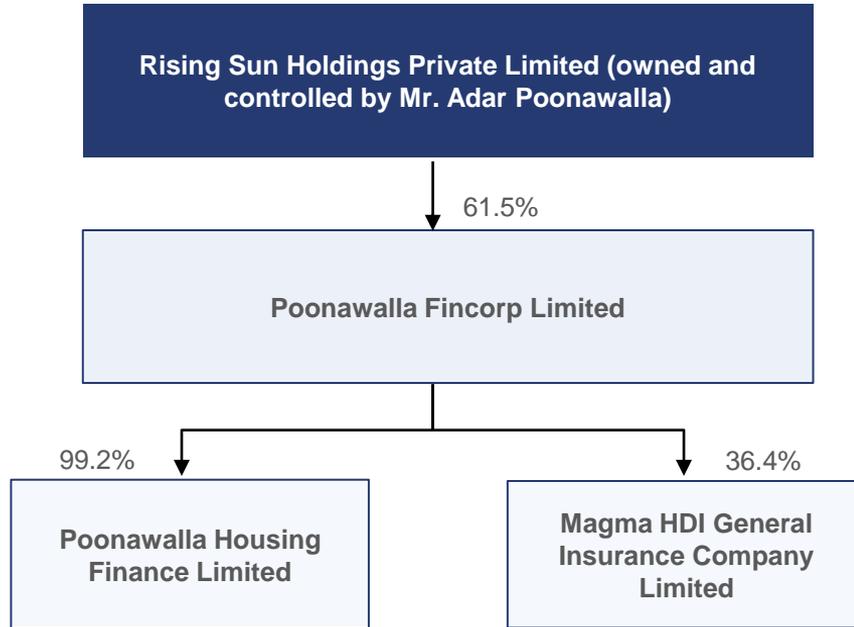


Mr. G. Jagan Mohan Rao
Independent Director

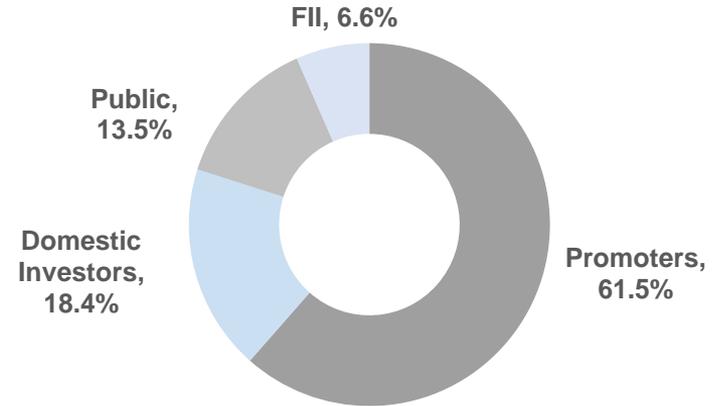


Mr. Sanjay Kumar
Independent Director

Shareholding pattern & Holding structure - PFL



Shareholding (31st Mar22)



Note: On 16 March 2022, the Company received approval from BSE Limited and National Stock Exchange of India Limited for re-classification of Mr. Sanjay Chamria, Mr. Mayank Poddar and other associates ('Original Promoters') from the 'Promoter/Promoter Group' category to the 'Public' category of shareholders of the Company. Post reclassification as on 31 March 2022, the Promoters shareholding stands at 61.5%.

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Annexure



Balance Sheet Statement – Consolidated



Amounts in ₹ cr

Particulars	31-Mar-21	31-Mar-22
Cash & Bank balances	775	597
Receivables	13	14
Loans (Net of provision)	11,361	14,851
Investments	177	0
Other Financial Assets	259	235
Non Financial Assets	627	746
Total Assets	13,212	16,443
Borrowings	10,433	9,909
Other Liabilities	585	476
Share Capital	54	153
Reserves & Surplus	2,140	5,905
Total Liabilities	13,212	16,443

JV Consolidation has been done upto 13 December, 2021, the date of shareholder approval for sale of investment in shares of JV; The investment in the JV companies has been designated as 'Asset held for sale' and clubbed in 'Non Financial Assets' for FY22

Balance Sheet Statement – Standalone



Amounts in ₹ cr

Particulars	31-Mar-21	31-Mar-22
Cash & Bank balances	612	537
Receivables	13	14
Loans (Net of provision)	8,565	10,678
Investments	429	820
Other Financial Assets	134	144
Non Financial Assets	588	616
Total Assets	10,342	12,810
Borrowings	7,915	6,726
Other Liabilities	485	369
Share Capital	54	153
Reserves & Surplus	1,888	5,562
Total Liabilities	10,342	12,810

JV Consolidation has been done upto 13 December, 2021, the date of shareholder approval for sale of investment in shares of JV; The investment in the JV companies has been designated as 'Asset held for sale' and clubbed in 'Non Financial Assets' for FY22

Balance Sheet Statement – PHFL



Amounts in ₹ cr

Particulars	31-Mar-21	31-Mar-22
Cash & Bank balances	164	61
Loans (Net of provision)	2,807	4,177
Other Financial Assets	130	86
Non Financial Assets	33	62
Total Assets	3,134	4,387
Borrowings	2,542	3,198
Other Liabilities	95	108
Share Capital	166	252
Reserves & Surplus	331	830
Total Liabilities	3,134	4,387

THANK YOU