

**Poonawalla Fincorp Q2FY22 Consolidated Profit Before Tax up 151% YoY to ₹ 126 Cr;
Long-term credit rating upgraded by two notches to 'AA+; Stable' by Care Ratings**

Pune, October 27, 2021: The Board of Directors of Poonawalla Fincorp Limited (PFL), a non-deposit taking systemically important NBFC focusing on consumer and small business finance, today announced its un-audited results for the quarter ended September 30, 2021 (Q2FY22). The consolidated results include the performance of PFL's wholly-owned housing finance subsidiary, Poonawalla Housing Finance Limited (PHFL) and its joint venture, Magma HDI General Insurance Company Limited (MHDI).

Performance Highlights (Consolidated)

- Assets Under Management grew by ~6% QoQ to ₹ 15,275 crore
- NIM increased by 104 bps YoY to 9.1% in Q2FY22 (8.0% in Q2FY21), driven largely by reduction in interest expenses
- Consolidated PBT was up 151% YoY, increasing from ₹ 50 crore in Q2FY21 to ₹ 126 crore in Q2FY22, driven largely by reduction in interest expenses and credit costs
- Collections showed an improving trend from 93.1% in Jun'21 to 98.0% in Jul'21 and further to 99.9% in Sep'21

Asset Quality

Consequent to improvement in collections in Q2FY22, Gross Stage 3 and Net Stage 3 assets decreased from 5.4% and 2.7% respectively as at Jun'21 to 4.1% and 2.0% respectively as at Sep'21 on a consolidated basis. The Company has one of the best provision coverage ratios across all three stages. Standard asset coverage ratio as at Sep'21 stands at 3.4% (3.0% in Sep'20); Stage 3 asset coverage ratio stands at 52% (38% in Sep'20).

Liquidity and Cost of Borrowings

The Company continues to maintain a strong liquidity position with around ₹ 1,700 crore of surplus liquidity, with additional term loan sanctions in hand of ₹ 1750 crore. Significant amount of existing loans were repriced in Q2FY22, with reduction of over 120 bps. New sanctions received at sub-6.5%.

The company's long-term rating was upgraded by two notches to 'AA+; Stable' by Care Ratings following its review process. The short-term rating was retained at the highest level of 'A1+'.

Revised Product Focus

Pursuant to the capital infusion and rebranding, the Company launched new products like Personal loans, Loans to Professionals and SME LAP. Other products at an advanced stage of roll out are medical equipment loan, small ticket LAP and co-lending/fintech partnerships.

About Poonawalla Fincorp

Poonawalla Fincorp Limited (earlier known as Magma Fincorp Limited) is a Cyrus Poonawalla group promoted NBFC-ND-SI that focuses on consumer and small business financing. The Company started operations nearly three decades back and is listed on the Bombay Stock Exchange and the National Stock Exchange in India.

The Company's financial services offerings include pre-owned car finance, personal loans, loan to professionals, business loans, SME LAP, affordable home loans and general insurance. The Company has AUM of ₹15,275 crore and employs more than 7,000 people. The Company operates through 285 branches across 21 states, focusing on the urban and semi-urban geographies.

About Cyrus Poonawalla Group

The Cyrus Poonawalla Group of Companies, headquartered in Pune, are a diversified group with business interests that include Pharmaceuticals & Biotechnology, Financial Services, Clean Energy, Hospitality & Realty and Aviation. Serum Institute of India Private Limited, the group's flagship company, is the world's largest manufacturer of vaccines, supplying to Indian as well as global markets.

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

For media queries contact:

Poonawalla Fincorp Limited	AdFactors PR Private Limited
Amarjeet Kaur	Darshan Mankad
Email: amarjeet.kaur@poonawallafincorp.com	Email: darshan.mankad@adfactorspr.com