



Investor Presentation Q2 - FY2024



Gold
Finance



Vehicle
Finance



Home
Finance



Micro
Finance



MSME
Finance



04



05



16



29



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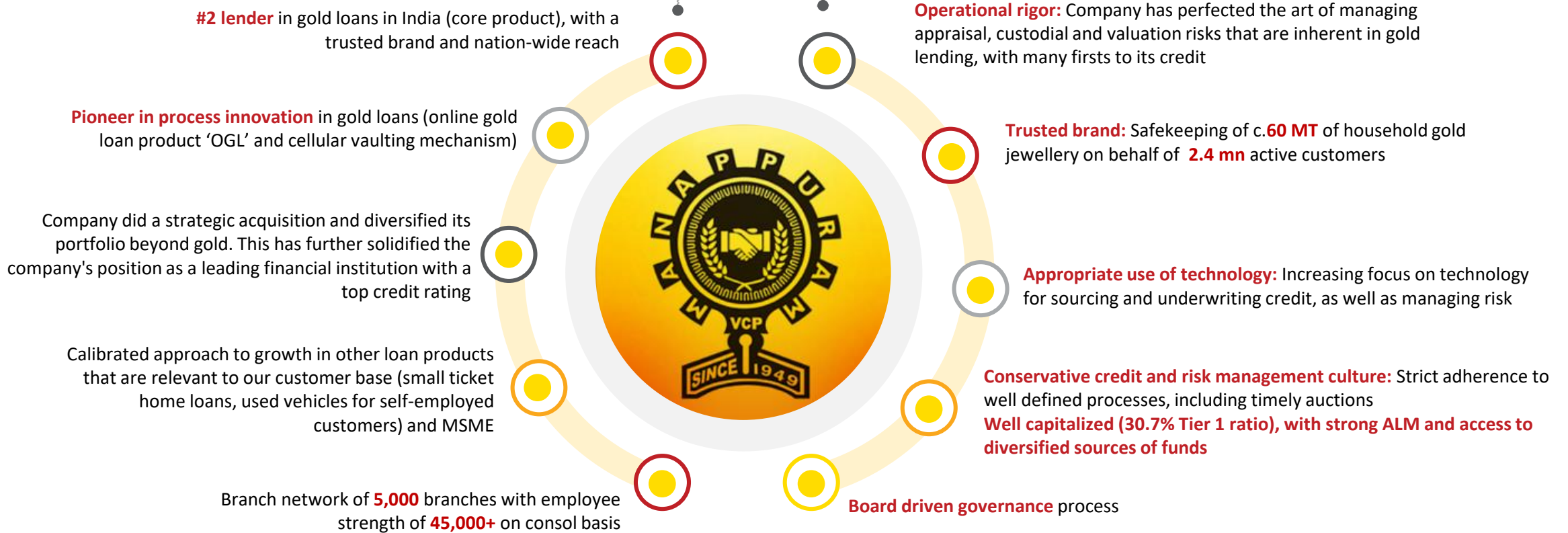


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VISION: TO BECOME FINANCIAL PARTNER OF CHOICE FOR UNDER-BANKED CUSTOMERS ACROSS THEIR LIFECYCLE

MANAPPURAM TODAY

COMPANY DNA



GROWTH STRATEGY

- Create market for gold loans as a mainstream, convenient and affordable product
- One stop shop for meeting customer's borrowing and protection needs (small ticket loans to underbanked customers)



FINANCIAL HIGHLIGHTS

Q2 - FY2024

KEY PERFORMANCE HIGHLIGHTS FOR Q2 FY2024



Consol business performance: 37% YoY increase in PAT, 27 % growth in AUM YoY and 21.6 % RoE

- Consolidated AUM for QE Sep'23 was INR 390 bn representing 5.1% growth sequentially and 27.0% YoY growth
- Consol Revenue from Operations was Rs 21,603 mn grew by 6.6% sequentially and 27.4% YoY growth
- Consol PAT was INR 5,607 mn grew by 12.6% sequentially and 37% YoY growth

Gold Loan Growth and Yields

- Gold Loan AUM has grown by 1% sequentially and grown by 8.4% YoY.
- Net yields on Gold Loans is at 22.1% during this quarter vs 21.6% in Q1FY24
- Gold Loan LTV is at 66% as on 30th Sep 2023 (vs. 64% in QE June'23)

Segment AUM and Asset Quality

- MSME and allied business AUM has grown by 13.8% sequentially and grown by 113.7% YoY
- VEF AUM has grown by 13.1% sequentially and grown by 66.7% YoY
- VEF – GNPA for this quarter is 2.5% whereas MSME and allied GNPA is 1.9%

Excellent liquidity

- Consol cost of borrowing has remain stable during this quarter at 8.85%
- Cash & Cash Equivalents on consol. basis at the end of QE Sep'23 stood at Rs 48,714 mn
- CRAR for Manappuram Finance stands at 30.71%. The company has maintained quarterly dividend payout at **85 paise** per share

CONSOLIDATED FINANCIAL OVERVIEW – Q2 FY2024



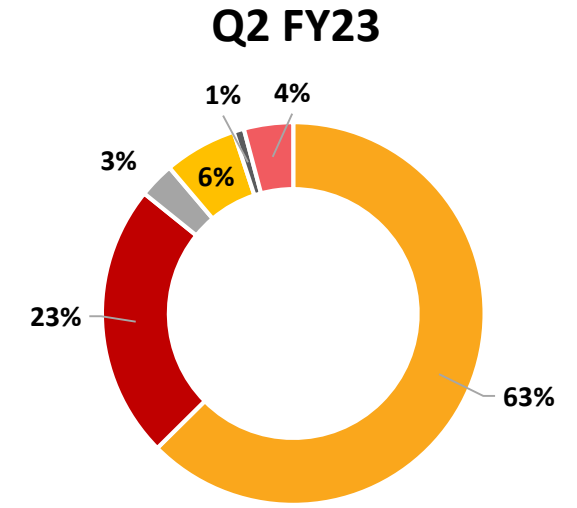
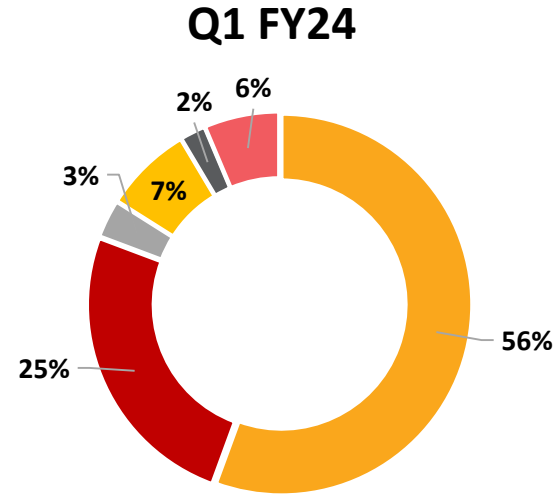
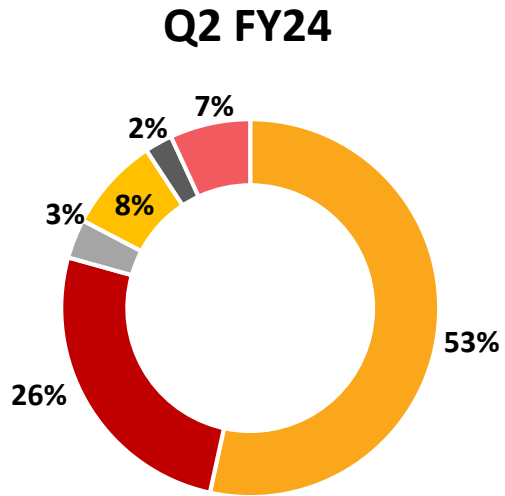
Particulars (Rs. Mn)	Q2 FY24	Q1 FY24	Q-o-Q	Q2 FY23	Y-o-Y	H1FY24	H1FY23	Y-o-Y
Consolidated AUM (Rs. Bn)	390	371	5.1%	307	27.0%	390	307	27.0%
Net Interest Income	14,673	13,779	6.5%	11,679	25.6%	28,451	21,653	31.4%
OPEX	6,182	6,068	1.9%	5,525	11.9%	12,249	10,415	17.6%
PPOP #	8,664	8,020	8.0%	6,332	36.8%	16,685	11,423	46.1%
PAT (Rs. Mn) **	5,607	4,980	12.6%	4,095	36.9%	10,587	6,914	53.1%
EPS *	26.5	23.5	12.6%	19.3	37.3%	25.0	16.3	53.3%
ROA %	5.3	5.0	6.2%	4.6	14.7%	5.0	3.9	29.0%
ROE %	21.6	20.1	7.5%	18.6	16.1%	20.9	15.9	30.9%
BVPS (In Rs.)	124.9	119.1	4.9%	105.8	18.0%	124.9	105.8	18.0%
Networth (Rs. Mn)	1,05,721	1,00,787	4.9%	89,577	18.0%	1,05,721	89,577	18.0%
Cost Of Funds %	8.9	8.9	-0.1%	8.1	10.0%	8.6	7.8	9.5%

AUM: Assets Under Management | ** Net Profit: PAT (Before OCI and MI) | # PPOP : (PBT+Provision) | *Annualised EPS

CONSOLIDATED OPERATIONAL OVERVIEW – Q2 FY2024



Particulars	Q2 FY24	Q1 FY24	Q-o-Q	Q2 FY23	Y-o-Y
Gold AUM (Rs. Bn)	208	206	1.0%	192	8.4%
Gold Tonnage	59	59	-0.2%	63	-5.3%
Gold Branches (Nos)	4,044	4,039	0.1%	3,897	3.8%
Gold Customers (In Mn)	2.5	2.4	2.0%	2.4	2.1%
Non-Gold AUM (Rs. Bn)	181	165	10.2%	115	58.1%
Non-Gold Branches (Nos)	1,242	1,242	0.0%	1,245	-0.2%
MFI Customers (In Mn)	3.6	3.4	5.1%	2.7	33.0%
VEF/SME Customers (In Mn)	0.4	0.4	18.2%	0.2	143.7%



Gold MFI HFC VEF Onlending MSME

Gold MFI HFC VEF Onlending MSME

Gold MFI HFC VEF Onlending MSME

Particulars (Rs. Mn)	Q2 FY24	Q1 FY24	Q-o-Q	Q2 FY23	Y-o-Y
Gold	2,08,085	2,06,032	1.0%	1,91,903	8.4%
MFI	1,00,889	93,104	8.4%	71,181	41.7%
HFC	13,049	12,026	8.5%	9,216	41.6%
VEF	31,432	27,792	13.1%	18,855	66.7%
On-lending	9,206	8,050	14.4%	2,723	238.1%
MSME and Allied	26,846	23,601	13.7%	12,771	110.2%
Total	3,89,507	3,70,606	5.1%	3,06,650	27.0%

CONSOLIDATED PROFIT & LOSS STATEMENT FOR Q2 FY2024 and H1 FY24



Particulars (Rs. Mn)	Q2 FY24	Q1 FY24	Q-o-Q	Q2 FY23	Y-o-Y	H1 FY24	H1 FY23	Y-o-Y
Closing AUM (Rs. Bn)	390	371	5.1%	307	27.0%	390	307	27.0%
Income from Operations	21,567	20,263	6.4%	16,963	27.1%	41,830	31,982	30.8%
Finance expenses	6,894	6,484	6.3%	5,284	30.5%	13,378	10,330	29.5%
Net interest income	14,673	13,779	6.5%	11,679	25.6%	28,451	21,653	31.4%
Employee expenses	3,745	3,940	-4.9%	3,642	2.8%	7,685	6,780	13.3%
Other operating expenses	2,436	2,128	14.5%	1,883	29.4%	4,564	3,635	25.5%
Pre provision profit	8,491	7,711	10.1%	6,154	38.0%	16,202	11,237	44.2%
Provisions/Bad debts	1,197	1,212	-1.2%	805	48.7%	2,409	2,088	15.4%
Other Income	173	309	-44.0%	179	-3.0%	482	186	159.2%
Profit before Tax	7,467	6,808	9.7%	5,527	35.1%	14,276	9,335	52.9%
Tax	1,861	1,828	1.8%	1,432	29.9%	3,689	2,421	52.4%
PAT before OCI	5,607	4,980	12.6%	4,095	36.9%	10,587	6,914	53.1%

CONSOLIDATED BALANCE SHEET FOR Q2 FY2024



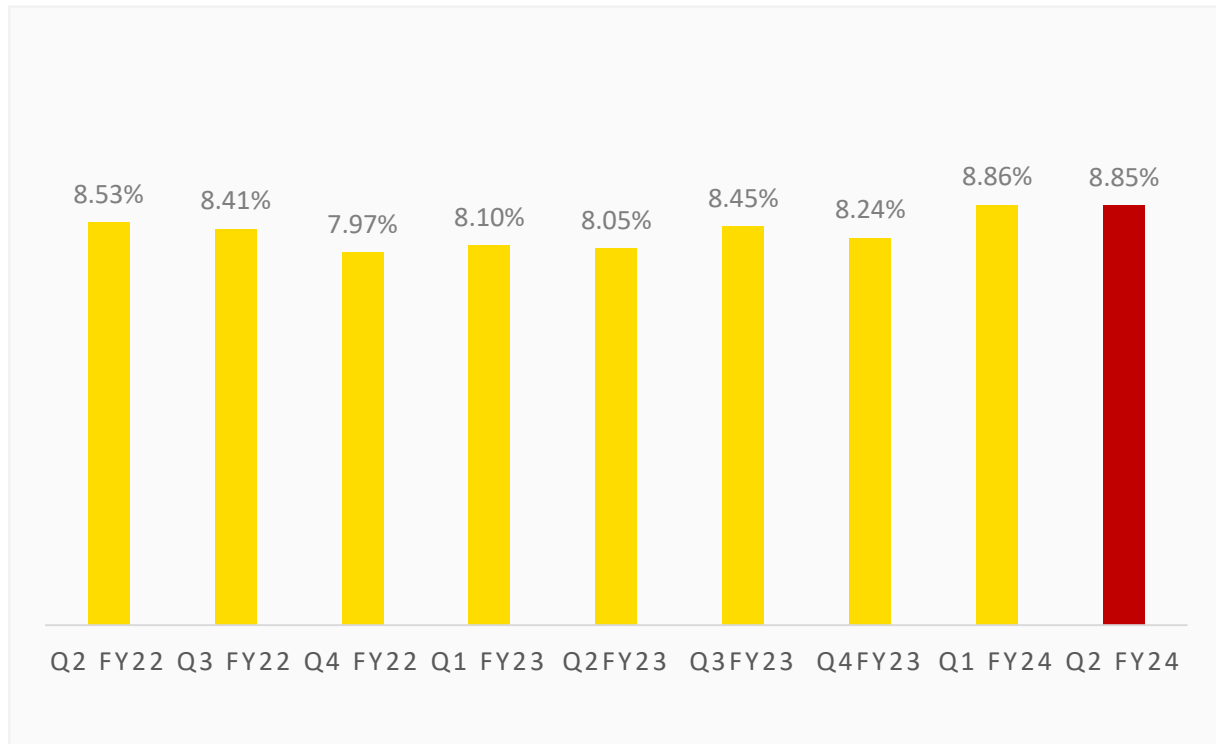
Particulars (Rs. Mn)	Sep-23	Jun-23	Q-o-Q	Sep-22	Y-o-Y
Cash & Bank Balances	48,714	24,520	98.7%	56,339	-13.5%
Investments	5,427	5,506	-1.4%	4,156	30.6%
Loans & Advances	3,70,199	3,53,569	4.7%	2,90,762	27.3%
Fixed Assets	4,626	4,588	0.8%	3,815	21.3%
Other Assets	14,110	13,809	2.2%	14,959	-5.7%
Total Assets	4,43,076	4,01,992	10.2%	3,70,032	19.7%
Share Capital	1,693	1,693	0.0%	1,693	0.0%
Reserves & Surplus	1,04,028	99,094	5.0%	87,884	18.4%
Borrowings	3,22,372	2,85,334	13.0%	2,67,567	20.5%
Other Liabilities & Provisions	14,738	15,649	-5.8%	12,716	15.9%
Minority Interest	245	222	10.3%	171	42.9%
Total Liabilities	4,43,076	4,01,992	10.2%	3,70,032	19.7%

WELL CAPITALIZED, PRUDENT LIABILITIES STRATEGY WITH REDUCING COF



Access to diversified sources of funding (Consolidated Rs. Mn)						
Borrowing Mix	Q2 FY23		Q1 FY24		Q2 FY24	
	Amount	%	Amount	%	Amount	%
WCDL / CC	61,792	23.1%	76,918	27.0%	88,733	27.5%
Term Loan	1,03,140	38.5%	1,41,165	49.5%	1,61,983	50.2%
NCD & Bond	67,980	25.4%	57,849	20.3%	58,735	18.2%
ECB	27,919	10.4%	9,401	3.3%	6,502	2.0%
Commercial Paper	6,720	2.5%	0	0.0%	6,419	2.0%
Others	16	0.0%	1	0.0%	1	0.0%
Total	2,67,567	100.0%	2,85,334	100.0%	3,22,372	100.0%

Cost of borrowing (Consolidated)



Received rating upgrade from S&P to BB- from B+ in Oct 2021

Received rating upgrade from CRISIL to AA in Sep 2019

Raised \$100 mn Debt from IFC in July, 2022

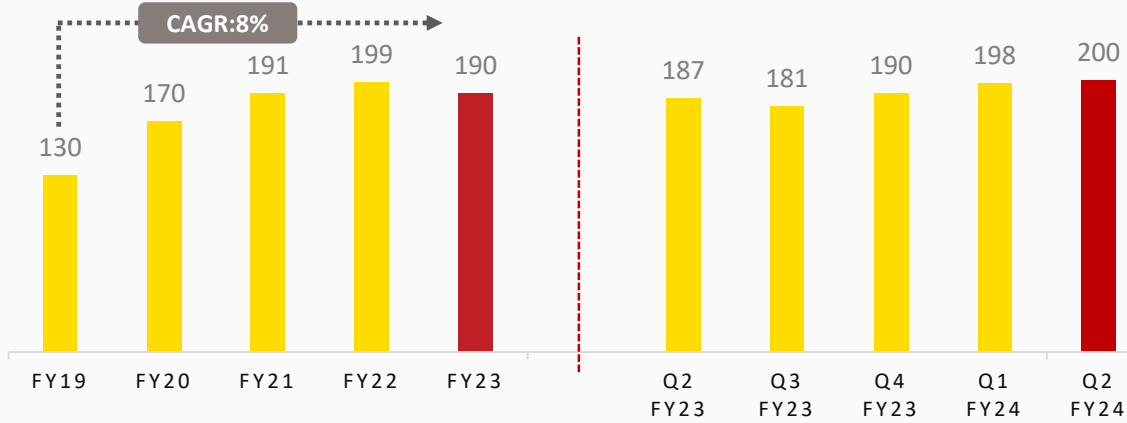
Rated BB- by S&P and Fitch

Subsidiary credit rating of CRISIL AA- for HFC

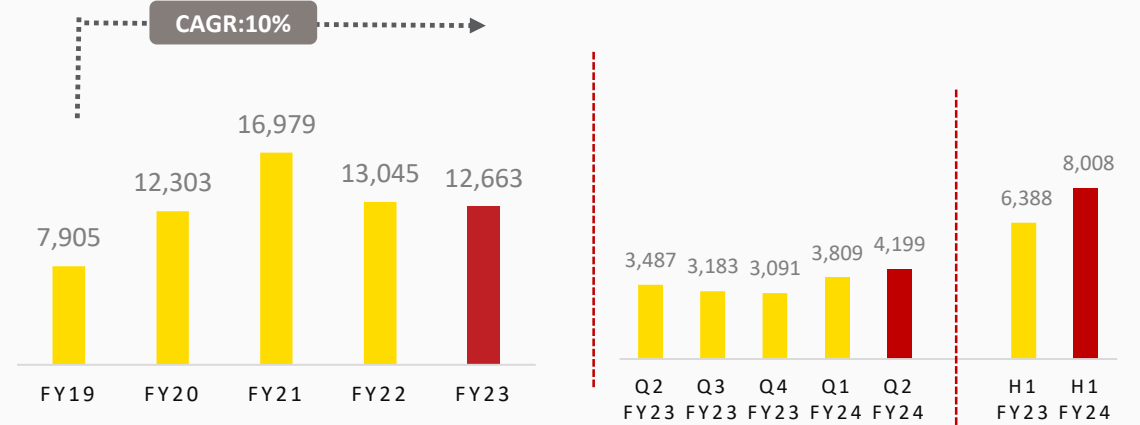
STANDALONE RESULT ANALYSIS Q2 FY2024



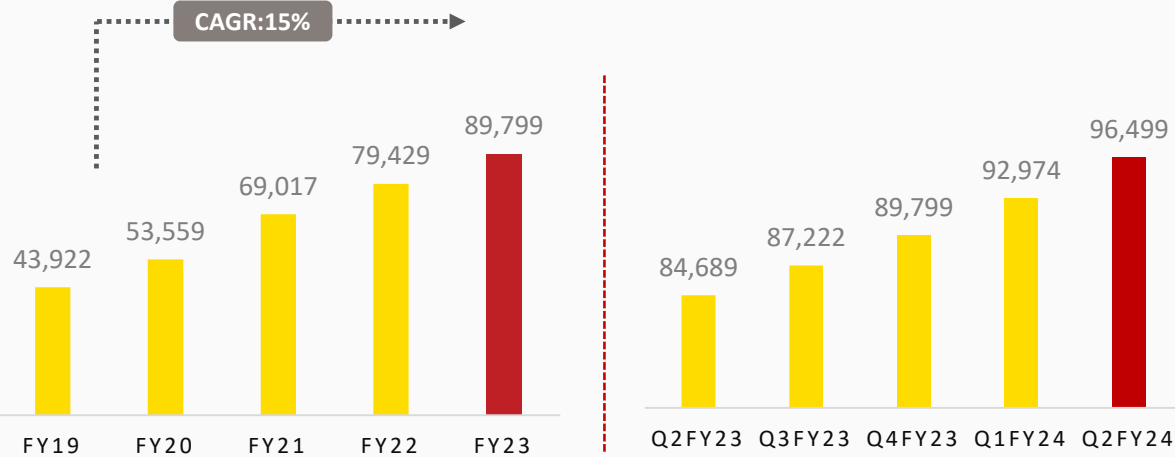
GOLD LOAN AUM (Rs. Bn)



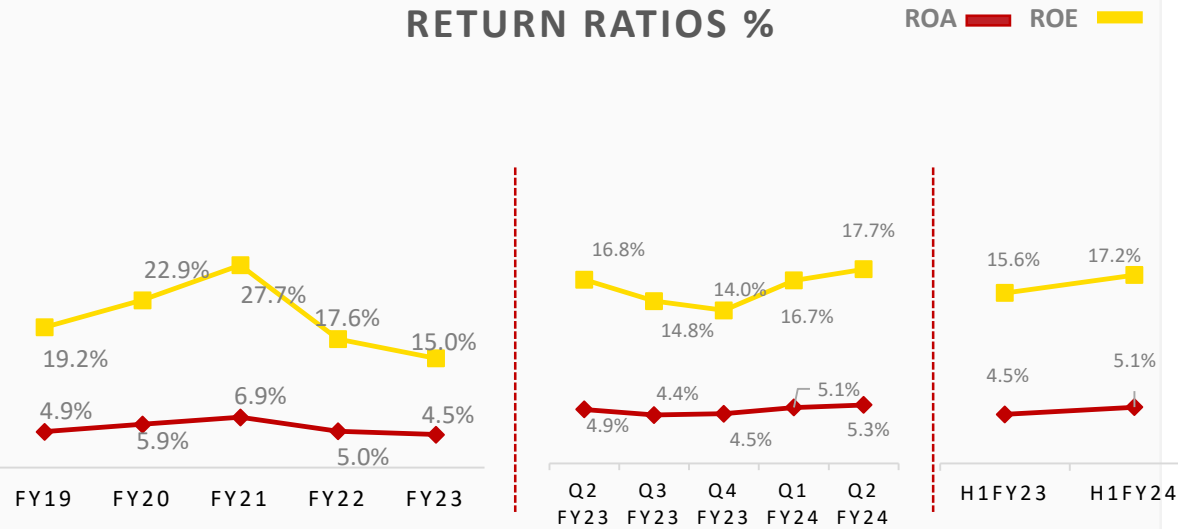
NET PROFIT (Rs. Mn)



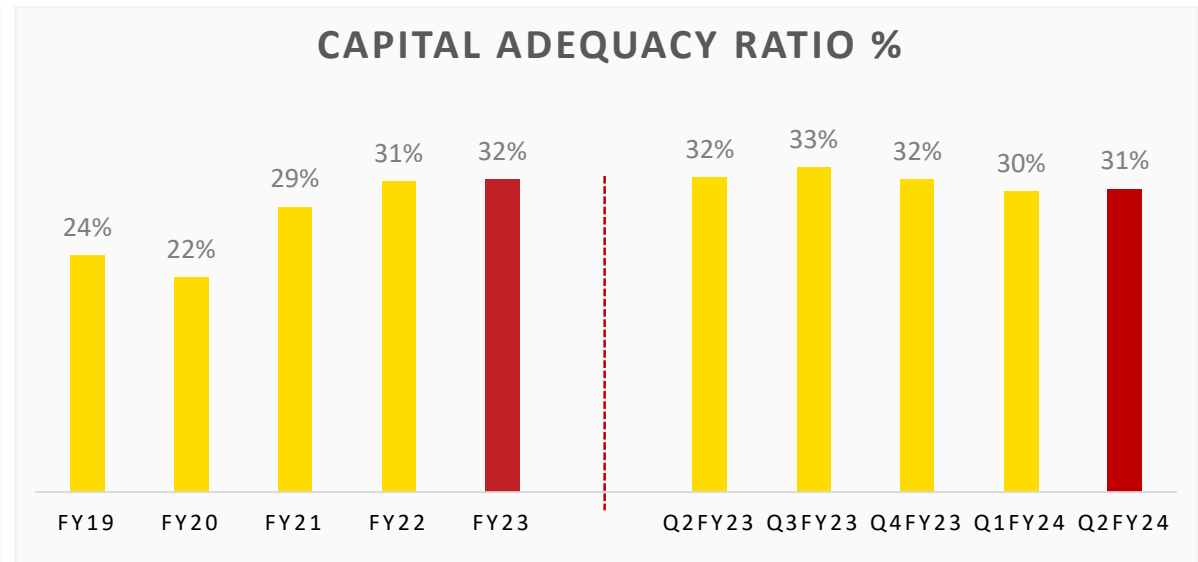
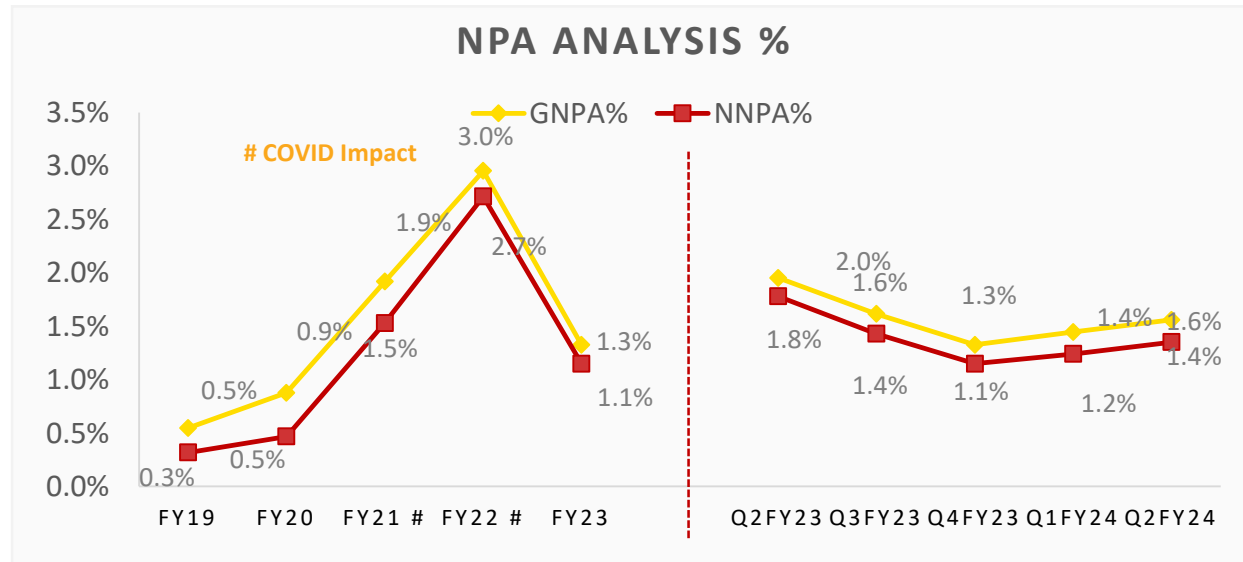
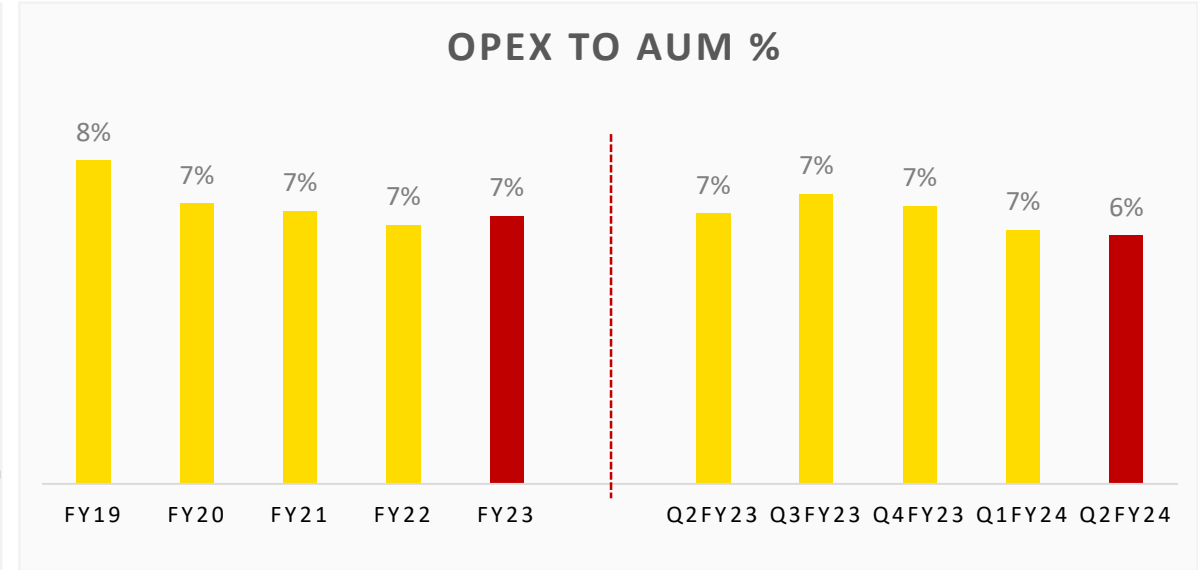
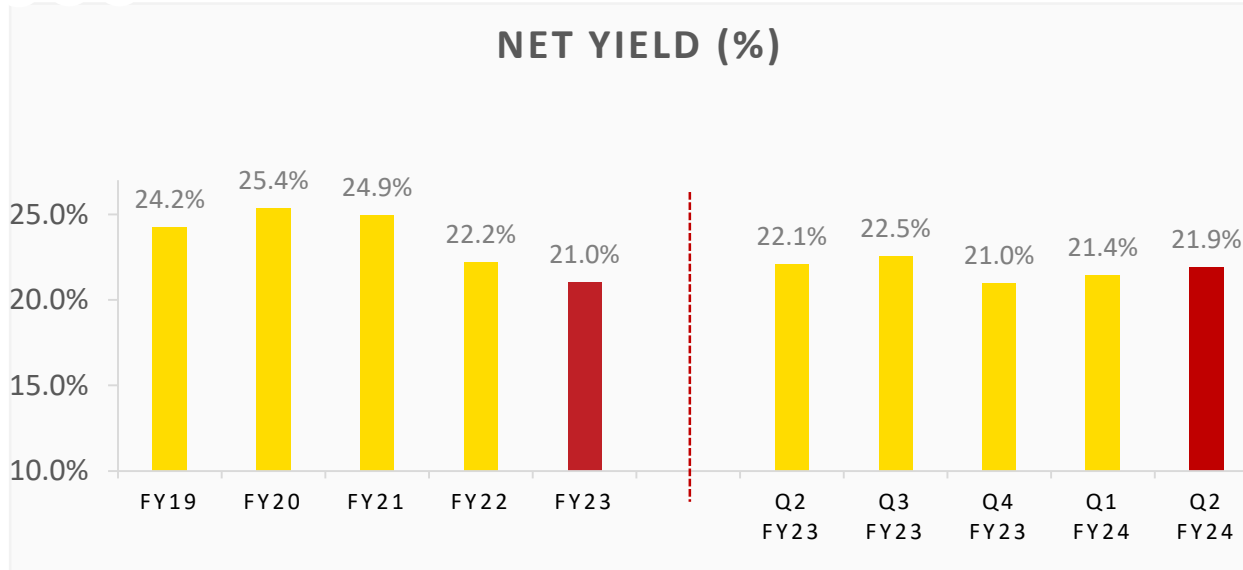
NETWORTH (Rs. Mn)



RETURN RATIOS %



STANDALONE RESULT ANALYSIS Q2 FY2024



Note- -GNPA as per RBI Circular dated Nov 12,2021 on IRACP norms

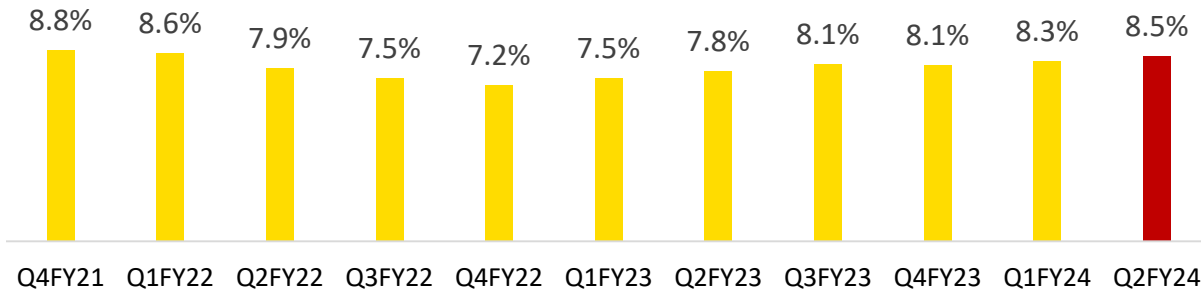
STANDALONE BORROWING PROFILE FOR Q2 FY2024



Access to diversified sources of funding (Standalone, Rs Mn)

Borrowing Mix	Q2FY23		Q1FY24		Q2FY24	
	Amount	%	Amount	%	Amount	%
WCDL/CC	61,497	41.3%	76,504	38.7	88,404	39.6%
Term Loan	62,957	18.5%	76,469	38.7	83,477	37.4%
NCD & Bonds	51,262	25.2%	44,644	22.6	45,030	20.2%
ECB	24,666	13.9%	0	0.0	0	0.0%
Commercial Paper	4,976	1.1%	0	0.0	6,419	2.9%
Others	15	0.0%	0	0.0	0	0.0%
Total	2,05,372	100%	1,97,617	100.0	2,23,330	100.0%

COST OF BORROWING %



DOMESTIC RATING



INTERNATIONAL RATING

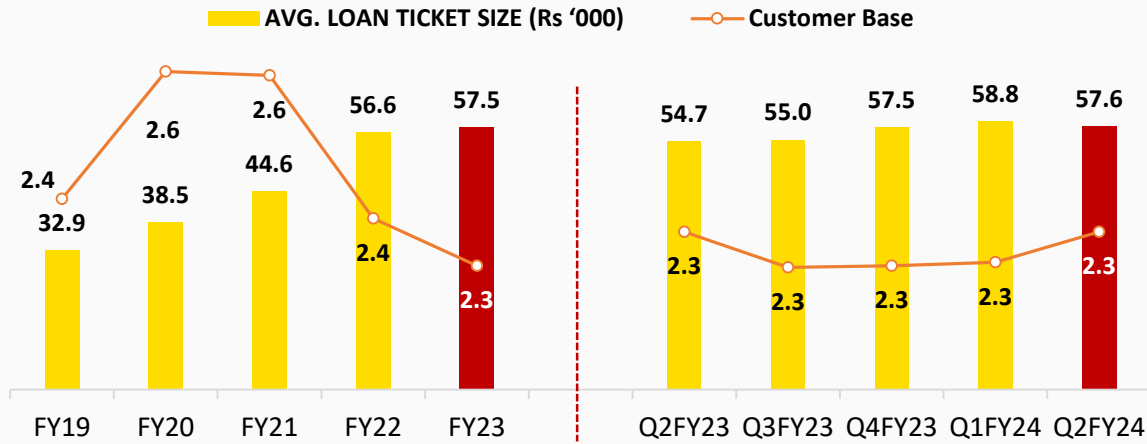


SEGMENTAL PERFORMANCE

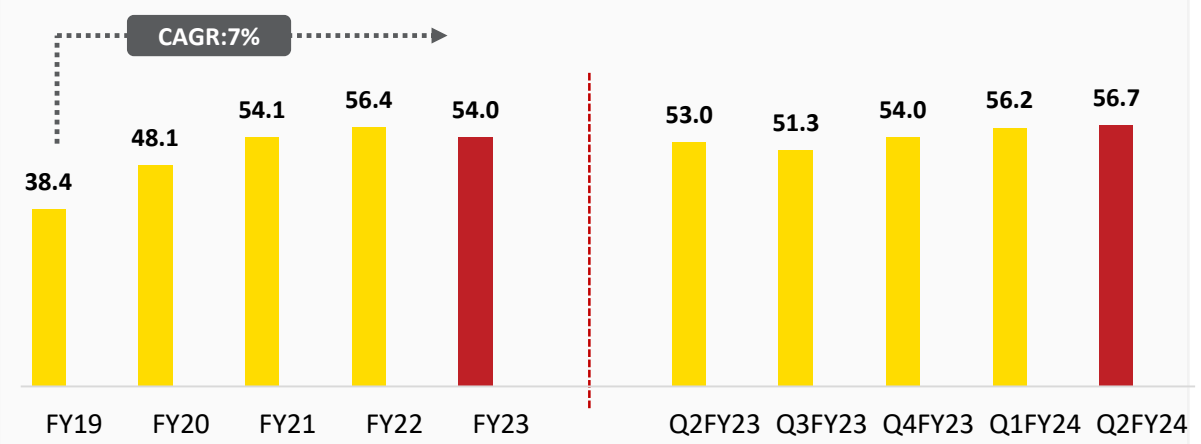




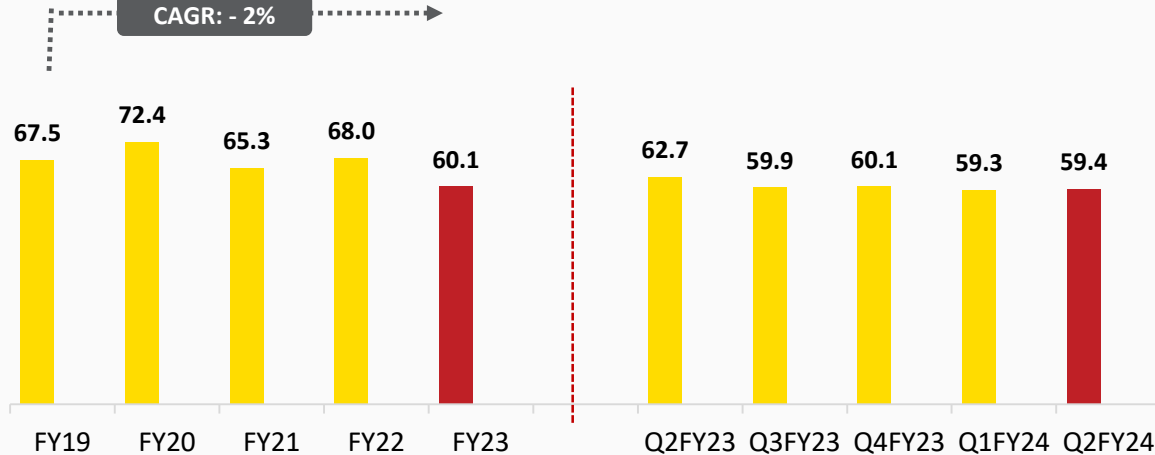
AVG. LOAN TICKET SIZE (Rs '000) CUSTOMER BASE (Mn)



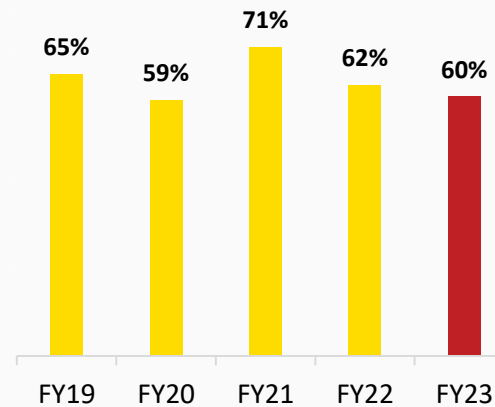
GOLD AUM PER BRANCH (Rs. Mn)



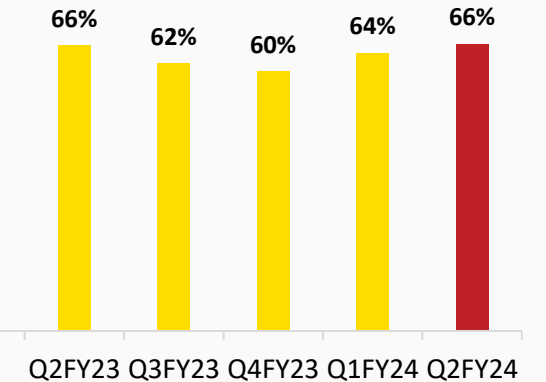
GOLD HOLDINGS (TONNAGE)



LTV (%)



QUARTERLY LTV (%)



GOLD LOAN GROWTH LEVERS



**Online
Gold Loan**



**Digital
Marketing**



**Local Marketing
Activities**



**Celebrity
Endorsement**



**Business
Associates /
DSA Channel
Business**



**Doorstep
Gold Loan**



**Relocation &
Revitalization of
Non-performing
branches**

- Low interest rate sensitivity given small ticket size, short tenor and convenience of product



- Significant operating expense leverage as new branches mature
- Manappuram has undertaken various cost rationalization initiatives

GOLD LOAN PAN INDIA PRESENCE Q2 FY2024



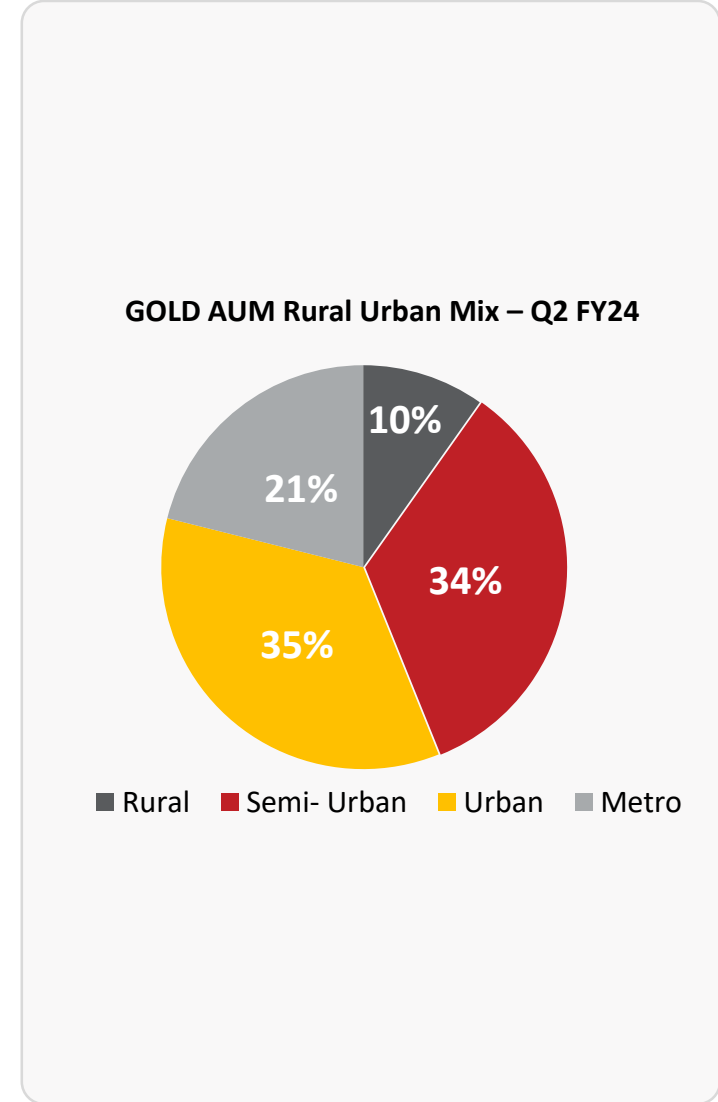
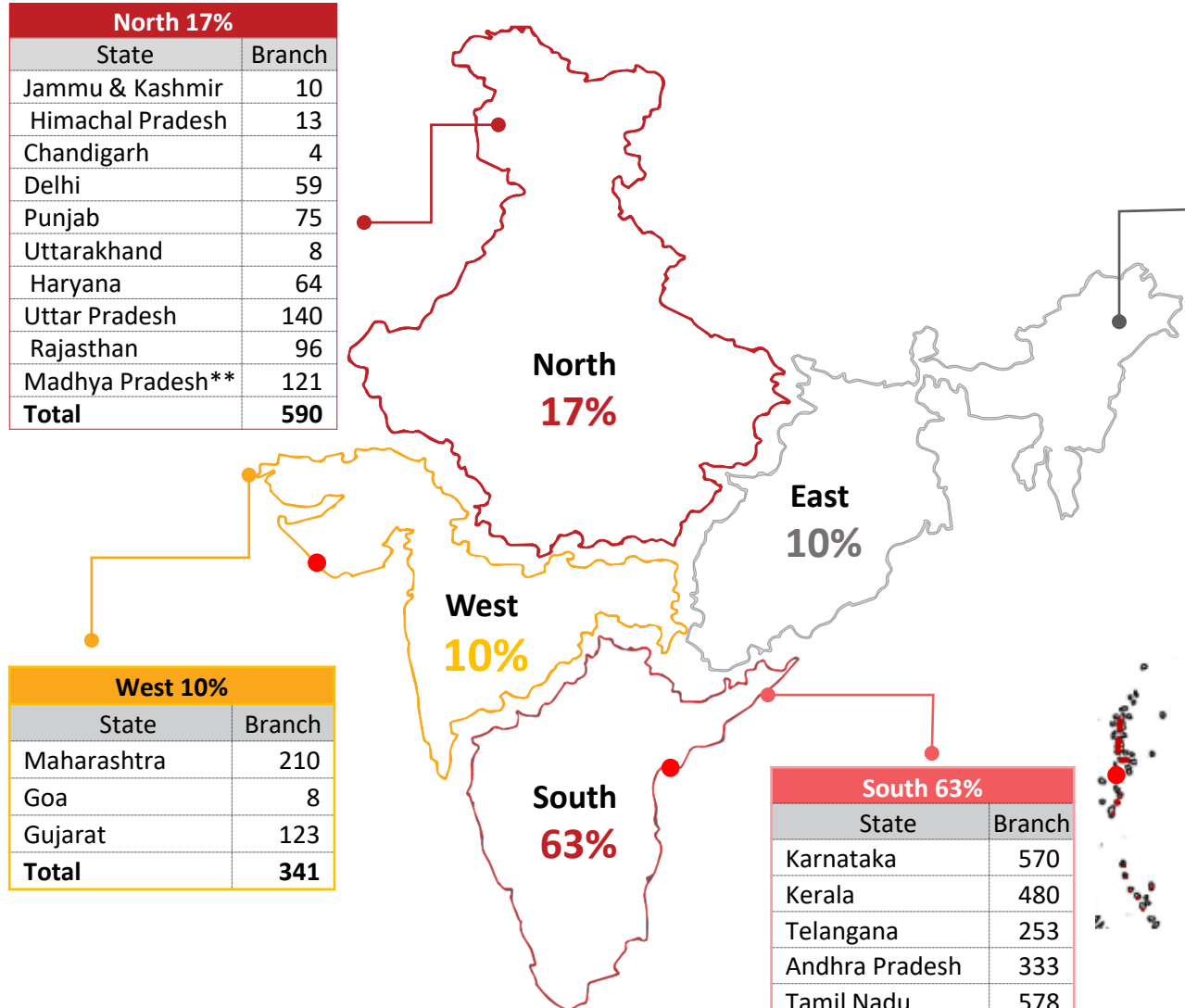
North 17%	
State	Branch
Jammu & Kashmir	10
Himachal Pradesh	13
Chandigarh	4
Delhi	59
Punjab	75
Uttarakhand	8
Haryana	64
Uttar Pradesh	140
Rajasthan	96
Madhya Pradesh**	121
Total	590

West 10%	
State	Branch
Maharashtra	210
Goa	8
Gujarat	123
Total	341

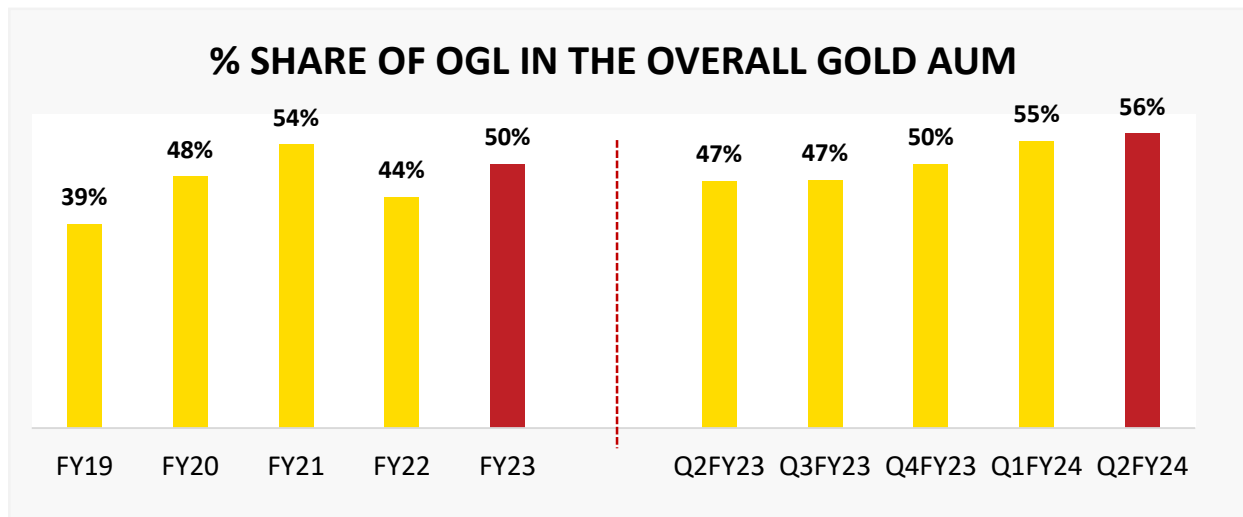
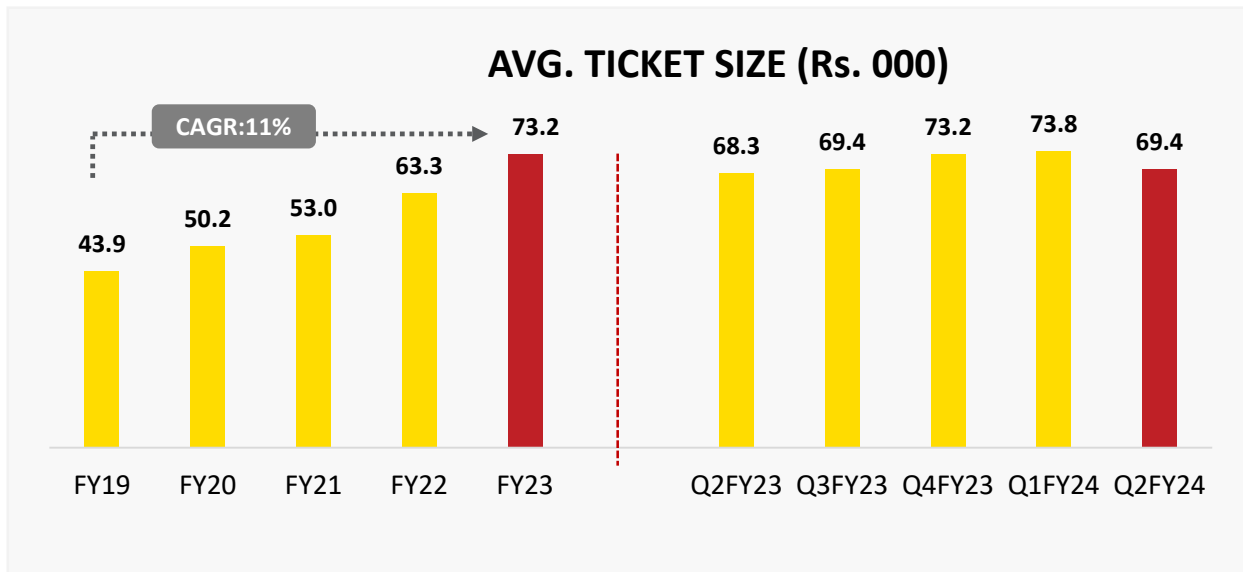
South 63%	
State	Branch
Karnataka	570
Kerala	480
Telangana	253
Andhra Pradesh	333
Tamil Nadu	578
Total	2,214

East 10%	
State	Branch
Assam	18
Bihar	24
Tripura	2
Jharkhand	12
West Bengal	105
Chhattisgarh	51
Odisha	150
Total	362

Union Territories	
State	Branch
Daman Diu	3
Andaman & Nicobar	5
Puducherry	9
Total	17



** Considering Madhya Pradesh in North Region



ONLINE GOLD LOANS SUPERIOR FOR CUSTOMERS

- 1 First NBFC to launch Online Gold Loan (OGL) in September 2015
- 2 Facility enables customers to avail a gold loan anytime, from anywhere in the world against gold stored in Manappuram branch
- 3 Instant fund transfer upto pre-approved limits
- 4 Online APP is available in different regional languages for ease of customers
- 5 Easy documentation, instant approval, convenient 24x7 online repayment
- 6 Hassle-free, paper-less transactions online

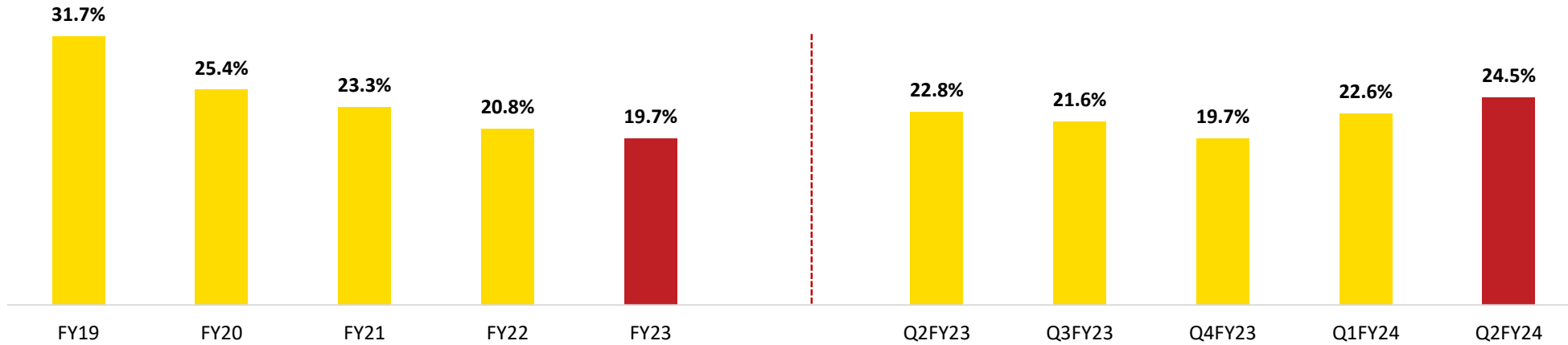
ASIRVAD MICROFINANCE RESULTS FOR Q2 FY2024



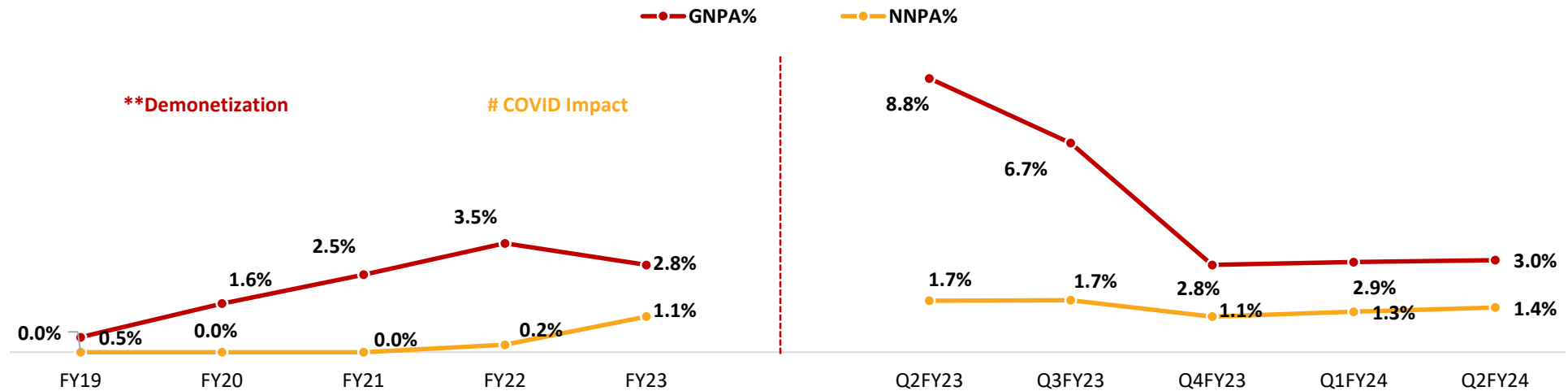
Particulars (Rs in Mn)	Q2 FY24	Q1 FY24	Q-o-Q %	Q2 FY23	Y-o-Y %	H1 FY 2024	H1 FY 2023	Y-o-Y %
Total Revenue from Operations	6,243	6,371	-2.0%	4,055	54.0%	12,614	7,662	64.6%
Finance Cost	2,272	2,172	4.6%	1,462	55.4%	4,445	2,856	55.6%
Net Interest income	3,971	4,198	-5.4%	2,593	53.1%	8,169	4,805	70.0%
Employee Benefit expenses	1,111	1,210	-8.2%	1,043	6.5%	2,321	1,816	27.8%
Depreciation and amortisation expense	129	103	25.5%	27	380.2%	233	153	51.9%
Other expenses	411	464	-11.5%	322	27.6%	875	566	54.6%
Pre provision profit	2,319	2,421	-4.2%	1,201	93.2%	4,741	2,270	108.8%
Impairment of financial instruments	918	961	-4.4%	575	59.7%	1,879	1,762	6.6%
Other Income	125	146	-14.7%	108	15.3%	271	115	134.6%
Profit before Tax	1,526	1,607	-5.1%	734	107.9%	3,133	624	402.3%
Tax	343	495	-30.7%	168	104.5%	838	140	496.6%
PAT before OCI	1,183	1,112	6.4%	566	108.9%	2,295	483	374.8%



CAPITAL ADEQUACY RATIO %

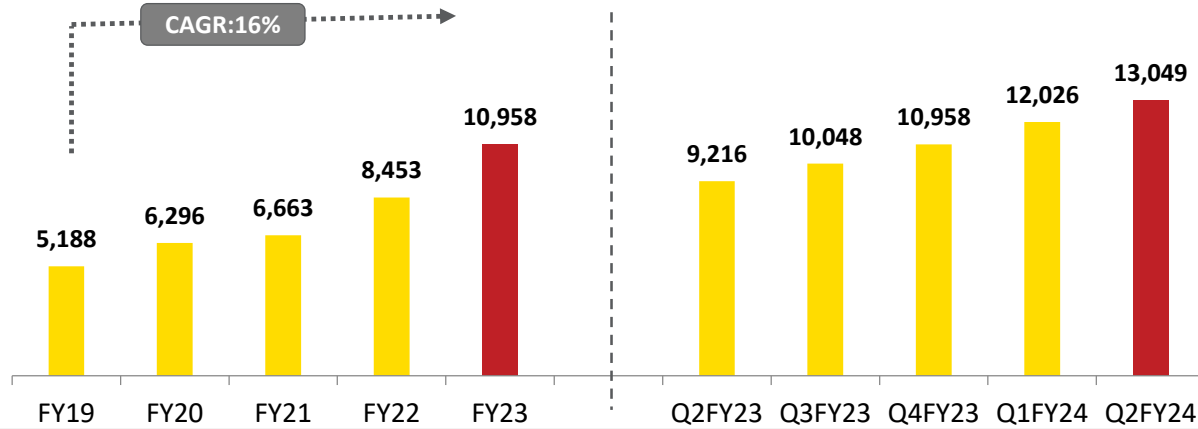


NPA ANALYSIS % *

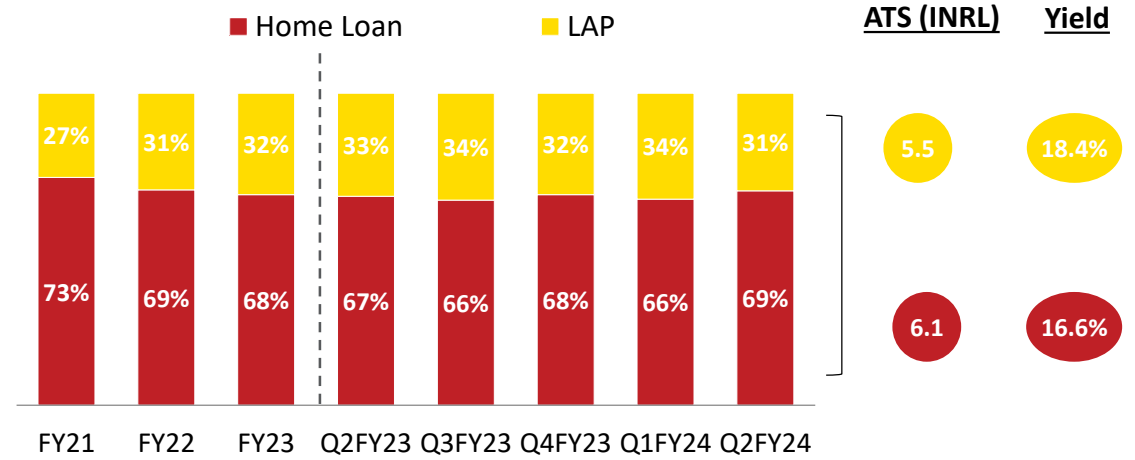


HOUSING FINANCE BUSINESS UPDATE FOR Q2 FY2024

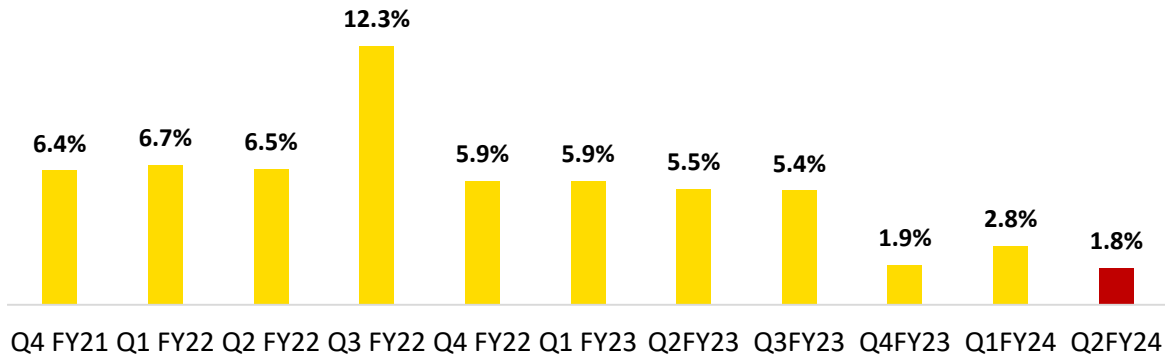
AUM EVOLUTION (Rs. Mn)



AUM MIX (%)



GNPA %



OPERATING OVERVIEW

- Started commercial operations in January 2015
- Focus on Affordable Housing for Mid to Low income self-employed customers (92% self-employed)
- Focus on South and West India, 65 branches; 85% self sourced business
- Rated AA - /Stable (Long Term) & A1+ (Short Term) by CRISIL
- Rated AA - /(Stable) (Long Term) by CARE

Note- Q3 FY22 onwards -GNPA as per RBI Circular dated Nov 12,2021 on IRACP norms



Growth drivers for future expansion

- Riding on the parent's brand equity and pan India presence for scaling up the business
- Low-cost operation model based on co-location with parent branches
- Investment in training and development of human resource through online mode

Customer Servicing and Collection management

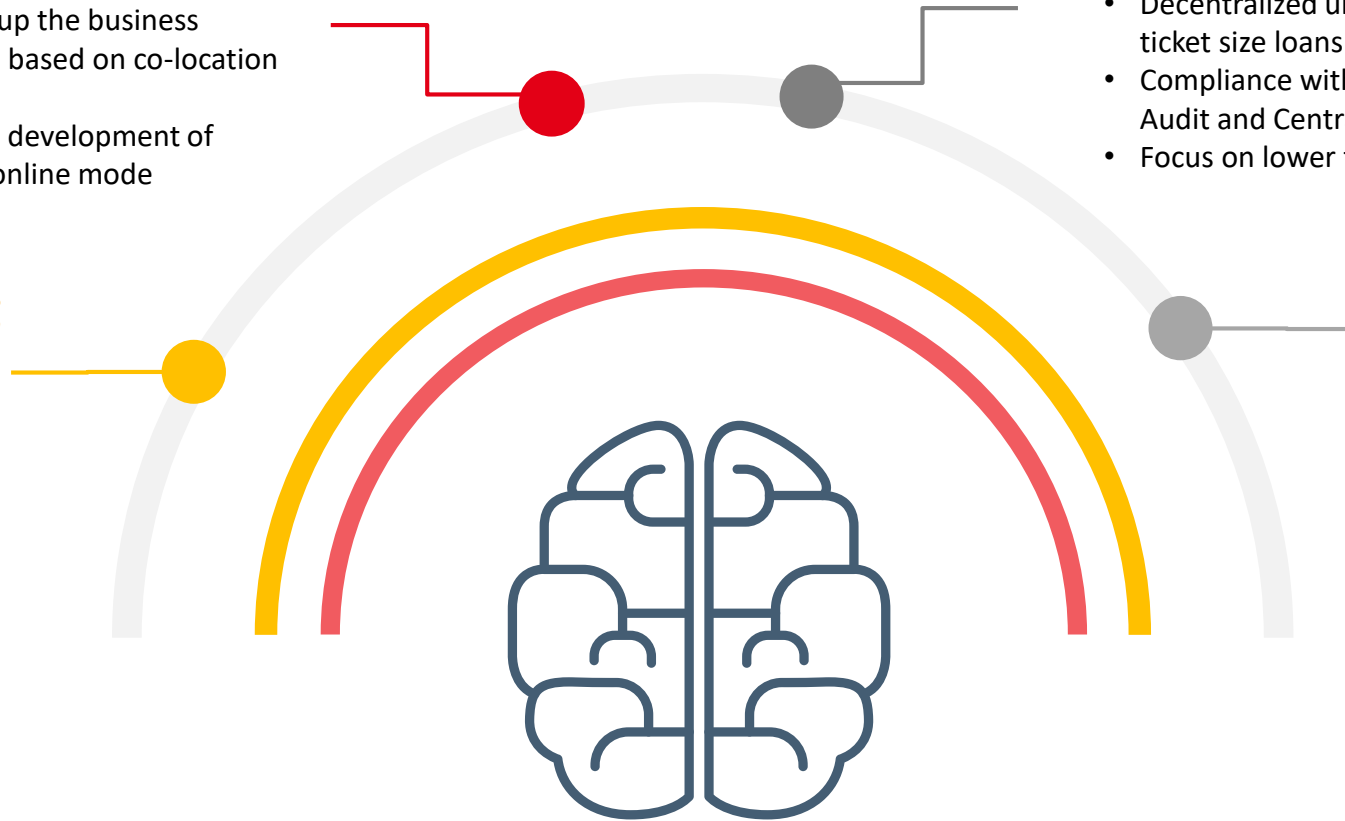
- A Strong Customer Relationship Management Team
- Adopting digital payment platforms for managing EMI collections efficiently
- A dedicated in-house local collection team

Underwriting

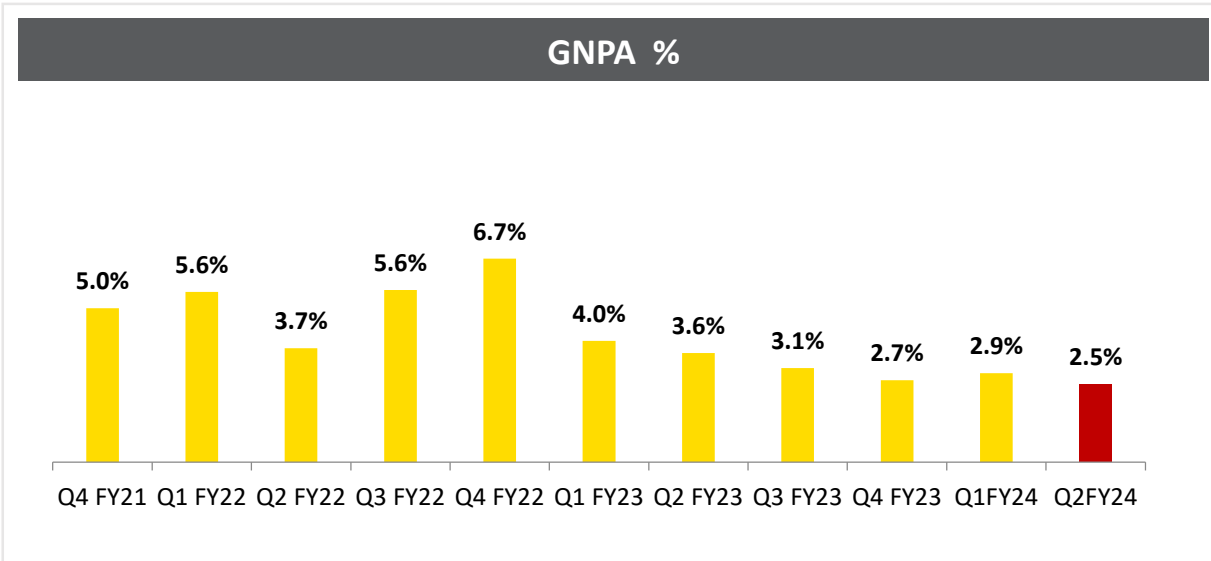
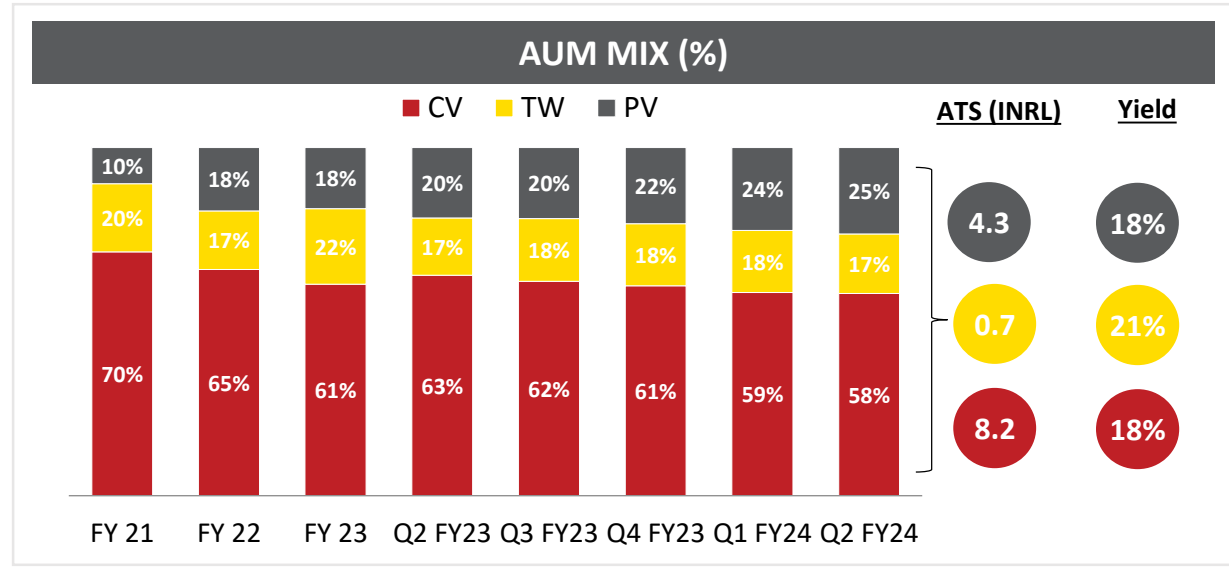
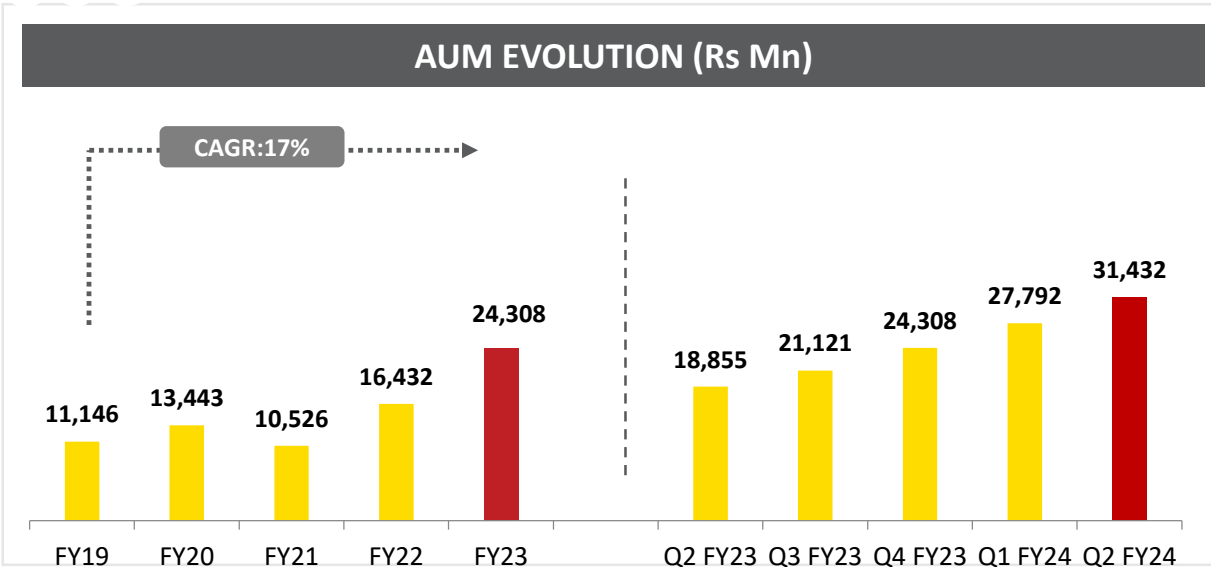
- Decentralized underwriting and disbursement for lower ticket size loans
- Compliance with policy parameters via ground-level Credit Audit and Centralized credit monitoring
- Focus on lower ticket size loans across all products

Origination and Sourcing

- Better penetration in 3-tier and 4-tier towns
- Increased emphasis on direct sourcing through ground-level marketing
- Prioritizing the marketing of PMAY scheme (Government Subsidy Scheme)
- Diverse product portfolio – Express loan and Mahila loan with significant benefits



VEHICLE AND EQUIPMENT FINANCE BUSINESS UPDATE FOR Q2 FY2024

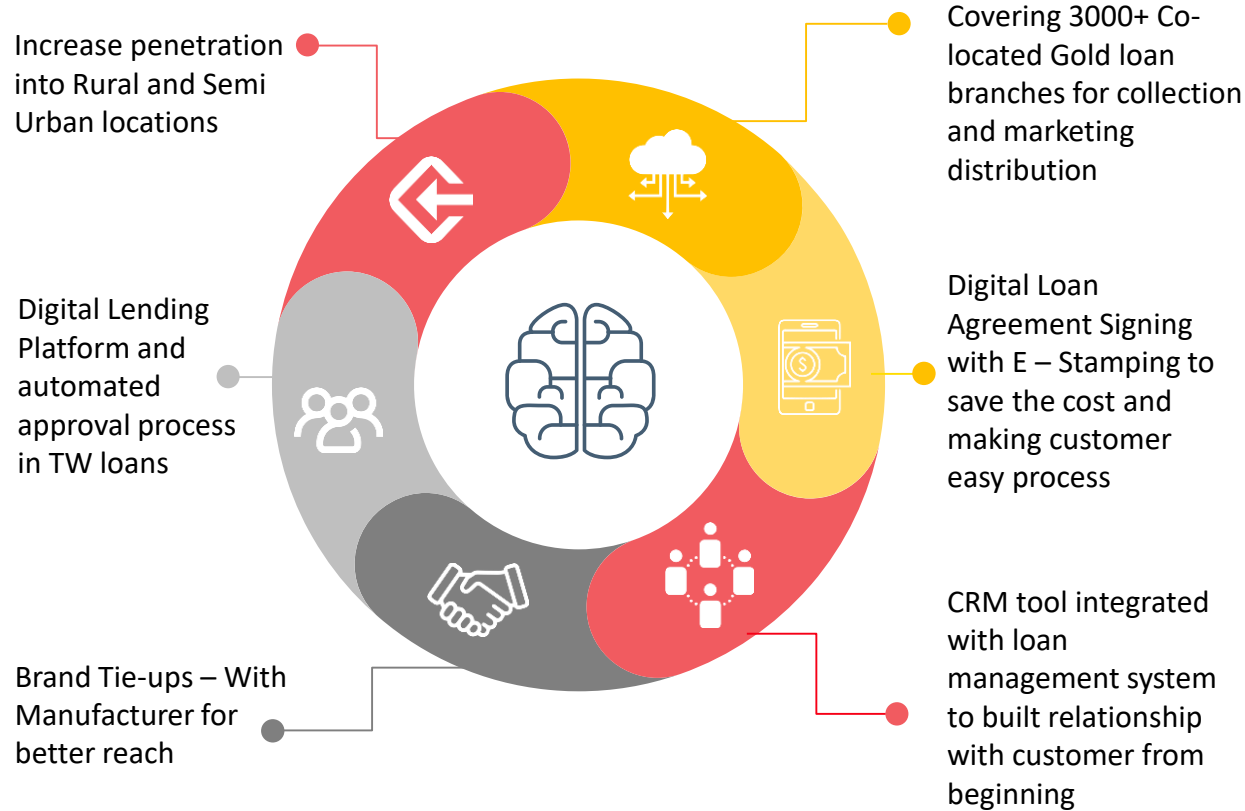


OPERATING OVERVIEW


- Started commercial operations in January 2015.
- The operations are a part of Manappuram Finance Ltd and are carried out from existing gold loan branches (280 branches)
- Focus on used commercial vehicles in Semi urban and rural locations
- Moving customers into digital payment platforms for better operational efficiency


Note- Q3 FY22 onwards -GNPA as per RBI Circular dated Nov 12,2021 on IRACP norms


VEHICLE AND EQUIPMENT FINANCE BUSINESS STRATEGY



PROFIT OPTIMIZERS


- 


Analytics
Use of Analytics for quicker decision making process leading to lesser sourcing cost
- 


Mobility Solution
On the go solution with m-CAS/ m-Collect to reduce collection cost
- 

Deep Penetration
Deeper penetration in existing location and Use of MAFIL (GL) branches as sourcing / collection point helping in cost optimization

SCALE & STABILITY

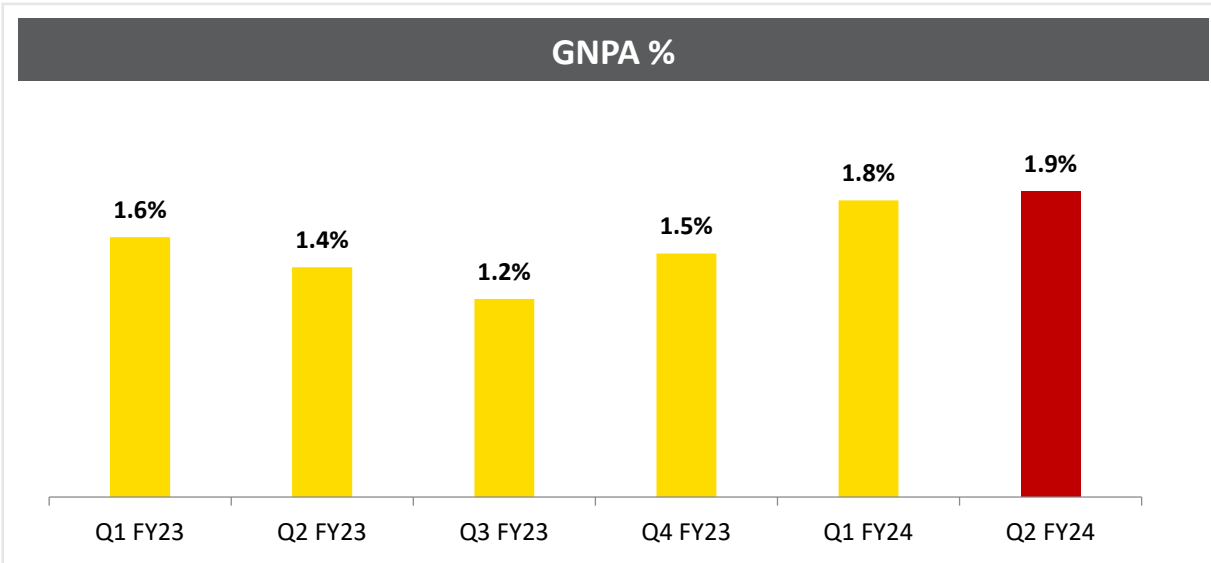
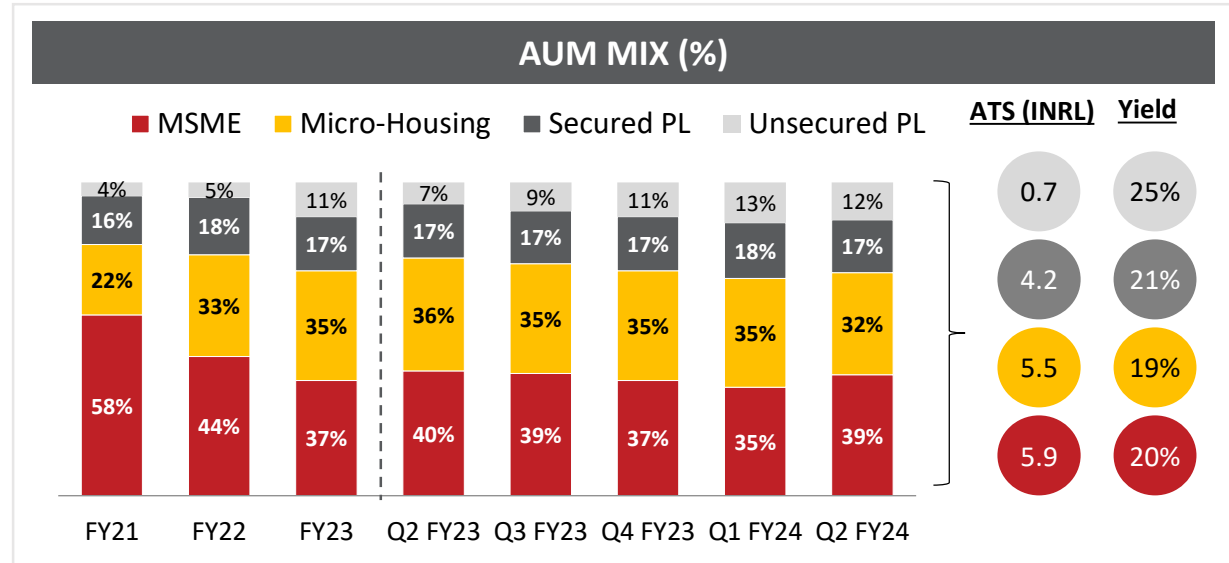
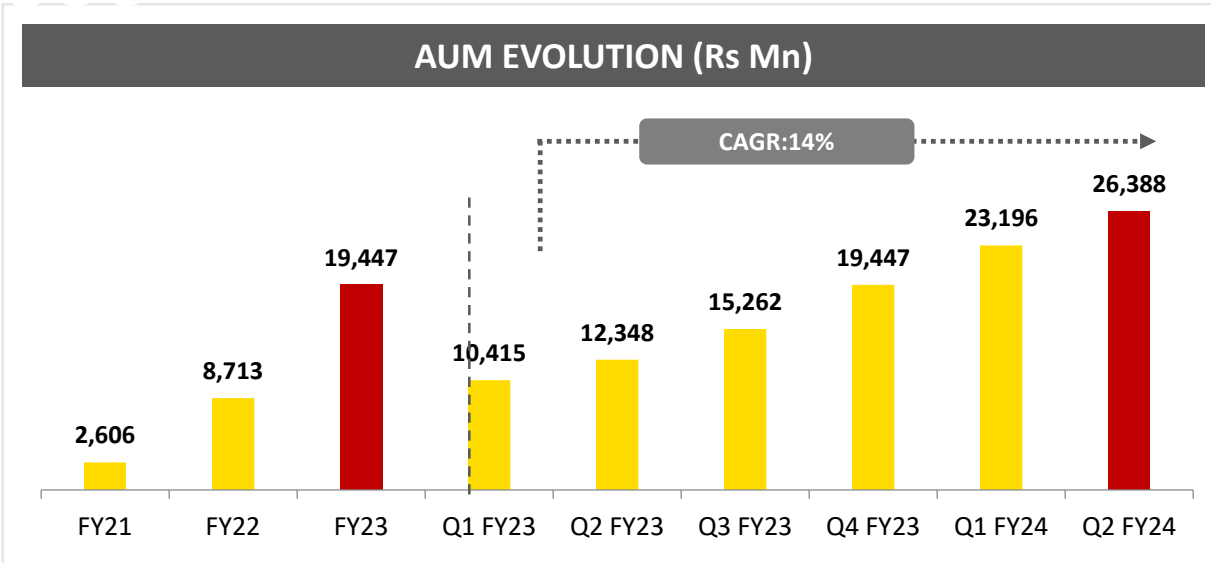
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Balance Takeover
Dedicated Team managing External Balance Takeover cases
- 

Top Up Loan
As a part of customer retention policy, focus on internal customers where MOB is higher than 18 months without overdue
- 

Used Business
Dedicated Team for Used Business with lower ticket size and higher yield

STANDALONE MSME AND PERSONAL LOANS BUSINESS UPDATE FOR Q2 FY2024



- ### OPERATING OVERVIEW
- Portfolio is an amalgamation of multiple products started over 2019-2020
 - The operations are a part of Manappuram Finance Ltd and are carried out from existing gold loan branches (currently c.50+ branches for MSME, Housing Loans, Personal Loans; potential to scale further)
 - Growing portfolio with stable asset quality (c.1.9% GNPA)
 - Unsecured loan book includes “Digital Personal Loans”, disbursed through mobile app, leveraging proprietary gold loan data & available customer info



Stronger in Rural and Semi Urban locations (tier-3 / 4); scope to increase penetration across additional branches



Different products are disbursed in 40-45 branches across states at present; ramp-up across branches underway



Predominantly digital collections (73% overall) with 85% and 88% for secured and unsecured PL



Diverse product portfolio covering secured & unsecured loans for both salaried and self-employed customers (c.65% self-employed)



Huge cross-sell potential with existing gold loan customers; proprietary gold loan data used as input for underwriting



CRM tool integrated with loan management system to built relationship with customer from beginning



1: Origination and Sourcing

- Better penetration in 3-tier and 4-tier towns
- Direct sourcing through field-level marketing, digital marketing and cross selling (gold loan customers)



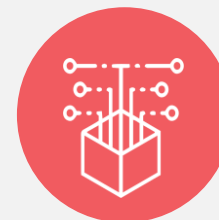
2: Underwriting

- Decentralized underwriting and disbursement for lower ticket size loans in branch level
- Compliance with policy parameters via ground - level Credit Audit & Centralized credit monitoring.



3: Customer Servicing, Collections

- Strong Customer Relationship Management Team
- Digital payment platforms for managing EMI collections efficiently
- A dedicated in -house local collection team



4: Growth drivers for future expansion

- Geo expansion to existing gold loan branches pan-India, along with introduction of new schemes
- Low-cost operation model based on co-location with parent branches
- Investment in training and development of human resource through online mode

CREATING A DIFFERENCE



- Donated Rs 10,00,000/- to 100 children who lost one or both parents due to covid-19 as part of Thrissur District Collector's 'Together For Thrissur' program.
- 100 children who lost their one or both parents due to covid-19 are benefited.



- Financial assistance to BPL/economically backward patients, 37 cheques through Manappuram Chikitsa Sahaya Padhathi
- 37 BPL / economically backward patients benefited



- 50% reimbursement to BPL category (last 3 months):192 BPL patients benefited
- Total accident cases attended free of cost (last 3 months) :2



- Manappuram Foundation extended its support to Adapt Society, Thrissur which works for differently abled people by providing them vocational training.
- 58 Differently abled students of this institution are benefited.



- Manappuram Foundation organized a mega quiz event in at St Thomas Autonomous College.
- About 500 students from various parts of Kerala attended the quiz program.



- Manappuram Foundation extended its support to APJ Abdul International Residential Tribal School, Attapady managed by Santhi Medical Information Centre.
- 151 students studying in this school benefited.



Thank You

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