

PRESS RELEASE DATED 29 January 2021

MANAPPURAM REPORTS SMART RISE IN Q3 NET PROFIT, UP 17% TO ₹483 CRORE

Valapad (Thrissur): Manappuram Finance Ltd. has announced its results for the quarter ending on 31 December 2020. The company reported a consolidated net profit of ₹483.19 crore, a significant increase of 16.64 per cent over ₹414.26 crore recorded in the year ago quarter. Net profit of the standalone entity (which excludes subsidiaries) is reported at ₹465.29 crore.

Total consolidated operating income during the quarter stood at ₹1643.81 crore, a growth of 14.46 per cent over ₹1436.19 crore reported in Q3 of previous fiscal. Consolidated assets under management (AUM) grew by 14.70 per cent to ₹27,642.48 crore, from ₹24,099.95 crore a year ago.

The Board of Directors met at Valapad today to consider the results and approved payment of an interim dividend of ₹0.65 per share of the face value of ₹2.

Sharing the results with the media, Mr. V.P. Nandakumar, MD & CEO, said, “Once again, our results have been in line with our guidance. During this quarter, while gold loans did well, the turnaround in our microfinance subsidiary is particularly noteworthy. We are now confident that the pandemic related woes are behind us, and look forward to good growth in all our businesses in the coming days.”

The company’s Gold loan AUM increased by 24.43 per cent to ₹20,211.58 crore, from ₹16,242.95 crore in the year-ago quarter. Aggregate gold loan disbursement was at ₹57,445.14 crore while the number of live gold loan customers stood at 26.2 lakh (as of December 31, 2020).

Manappuram’s microfinance subsidiary, Asirvad Microfinance Ltd., ended the quarter with an AUM of ₹5,357.71 crore, a growth of 6.68 per cent in comparison to the AUM of ₹5,022.14 crore reported in the year-ago quarter. Its home loans subsidiary, Manappuram Home Finance Ltd., recorded an AUM of ₹633.44 crore while the Vehicles & Equipment Finance division reported an AUM of ₹988.04 crore. In aggregate, the company’s non-gold loan businesses have contributed 26.88 per cent of its total consolidated AUM.

The company’s consolidated net worth stood at ₹6,869.65 crore as on December 31, 2020. Book value per share was reported at ₹81.19 while the total borrowings of the company amounted to ₹ 23,374.38 crore. For the standalone entity, the average borrowing cost during the quarter decreased by 18 bps to 8.95 per cent. The capital adequacy ratio stood at 25.85 per cent while the Gross NPA was at 1.26 per cent and Net NPA was at 0.84 per cent for the standalone entity.

Results at a glance Consolidated (Rs. in Crore)

| Particulars | Q3 FY 2021 | Q3 FY 2020 | % Growth | Q2 FY 2021 | % Growth |
|--|------------|------------|----------|------------|----------|
| Income from operations | 1643.81 | 1,436.19 | 14.46% | 1,565.58 | 5.00% |
| Profit before tax | 657.25 | 560.43 | 17.28% | 544.41 | 20.73% |
| Profit after tax (After minority interest) | 483.19 | 414.26 | 16.64% | 405.44 | 19.18% |
| AUM | 27,642.48 | 24,099.95 | 14.70% | 26902.73 | 2.75% |
| Net Worth | 6,869.65 | 5,413.27 | 26.90% | 6,450.83 | 6.49% |
| Return on Assets (%) | 6.06% | 6.31% | | 5.09% | |
| Return on Equity (%) | 29.00% | 30.38% | | 25.98% | |
| No. of branches | 4622 | 4,623 | -0.02% | 4,611 | 0.24% |
| Total no. of employees | 28076 | 27,237 | 3.08% | 27,769 | 1.11% |
| Book value per share | 81.19 | 64.06 | 26.73% | 76.24 | 6.49% |
| Total no. of customers (in mn.) | 5.12 | 4.93 | 3.71% | 5.00 | 2.30% |
| Total borrowing | 23,374.38 | 19,781.28 | 18.16% | 24734.65 | -5.50% |
| EPS | 5.71 | 4.91 | 16.29% | 4.80 | 19.04% |

Standalone (Rs. In crore)

| Particulars | Q3 FY 2021 | Q3 FY 2020 | % Growth | Q2 FY 2021 | % Growth |
|--|------------|------------|----------|------------|----------|
| Profit after tax | 465.29 | 334.06 | 39.28% | 405.56 | 14.73% |
| AUM | 21,651.32 | 18,501.58 | 17.02% | 21311.07 | 1.60% |
| Gold loan AUM | 20,211.58 | 16,242.95 | 24.43% | 19736.02 | 2.41% |
| Gold Holding (Tonnes) | 68.24 | 73.52 | -7.18% | 68.83 | -0.86% |
| Total Live gold loan customers (in mn.) | 2.62 | 2.64 | -0.58% | 2.56 | 2.62% |
| Gold loans disbursed | 57,445.14 | 40,304.26 | 42.53% | 93368.17 | -38.47% |
| Capital Adequacy Ratio | 25.85% | 23.36% | | 24.80% | |
| Cost of Fund | 8.95% | 9.12% | | 9.13% | |
| Gross NPA (%) | 1.26% | 0.50% | | 1.11% | |
| Net NPA (%) | 0.84% | 0.22% | | 0.68% | |
| Number of Branches | 3,524 | 3,531 | -0.20% | 3,524 | 0.00% |
| Vehicle & Equipment Fin. Division AUM | 988.04 | 1,397.40 | -29.29% | 1,062.28 | -6.99% |
| Subsidiaries | | | | | |
| Microfinance - AUM | 5,357.71 | 5,022.14 | 6.68% | 4,971.03 | 7.78% |
| Microfinance - PAT (Before OCI) | 17.78 | 71.21 | -75.04% | (2.42) | 833.68% |
| Microfinance - Number of customers (in mn) | 2.36 | 2.14 | 10.25% | 2.30 | 2.40% |
| Home Loans - AUM | 633.44 | 601.23 | 5.36% | 620.62 | 2.07% |
| Home Loans - PAT | 3.16 | 6.17 | -48.86% | 0.93 | 239.46% |

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 BSE and NSE stock exchanges. As of December 31, 2020, the Company had 4,622 branches across 28 states and UTs with Assets under management (AUM) of ₹27,642.48 crore. The company's net worth stood at ₹6,869.65 crore.