



Fusion Microfinance Limited

(Formerly known as Fusion Micro Finance Private Limited)

Date: 11.02.2023

Letter No. FMFL/SEC/2022-23/SE-120

The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip Code: FUSION	The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Scrip Code: 543652
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Sub: Submission of Press Release

Dear Sir/Ma'am,

Pursuant to Regulation 30, Regulation 51 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Press Release issued by the Company in regards to Financial Results for Quarter and Nine Months Period ended on December 31, 2022. The same is also available on the website of company i.e. www.fusionmicrofinance.com.

Request you to take the same on records.

Thanking you

For Fusion Micro Finance Limited
(Formerly Fusion Micro Finance Private Limited)

Deepak Madaan
Company Secretary & Compliance Officer
Membership No. A24811
Place: Gurugram



Fusion Micro Finance Limited – Q3 FY23 results press release
Asset under Management (AUM) grew 44.51% YoY to INR 86,535.56 million
Pre-provision Operating Profit (PPOP) grew 91.77% YoY to INR 1,837.78 million
Profit After Tax (PAT) grew YoY from INR 9.37 million to INR 1,024.62 million
ROA of 4.74% (Annualised) and ROE of 22.04% (Annualised)

Delhi, 11th February 2023: Fusion Micro Finance Limited [BSE (BOM: 543652) and NSE (NSE: FUSION)], India's second largest NBFC-MFI, today announced its unaudited and limited reviewed financial performance for the third quarter of the financial year 2022-23. The company continues to demonstrate robust growth and strong operating metrics posting its highest profit since inception.

Business Highlights: Q3 FY23

- Asset under Management (AUM) grew 44.51% YoY from INR 59,882.18 million to INR 86,535.56 million
- Disbursements grew 22.16% YoY to INR 21,882.78 million
- Net NPA 0.98%
- Borrower base increased to 3.4 million in Q3, up from 3.2 million in Q2
- 26 branches added in Q3, up from 1,031 branches in Q2 across 20 States, including 2 Union Territories

Financial Highlights: Q3 FY23

- Total income increased 57.22% YoY from INR 2,967.23 million to INR 4,665.03 million
- Net interest income (NII) increased 57.79% YoY from INR 1,569.90 million to INR 2,447.19 million
- Pre-provision operating profit (PPOP) increased 91.77% YoY from INR 958.33 million to INR 1,837.78 million
- Impairment of financial instruments declined 47.87% YoY from INR 957.82 million to INR 499.28 million
 - Total Expected Credit Loss (ECL) is INR 2,894.37 million (3.69%) (includes management overlay of INR 252.5 million) against GNPA of INR 2,894.37 million (3.69%) and NNPA further reduced to 0.98% from 1.12% in QoQ
 - Write-offs were INR 450.42 million
- Profit After Tax (PAT) increased YoY from INR 9.37 million to INR 1,024.62 million
- Healthy capital position with CRAR of 28.15%.
- Robust liquidity of INR 11,031.82 million as cash & cash equivalents, amounting to 12.24% of the total assets

Highlights – Q3 FY23

- **Fusion Micro Finance won “Microfinance Organization of the Year Award in the Large category”** at Inclusive Finance India Awards 2022, a joint initiative of ACCESS Development Services and NITI Aayog. The award was presented by Dr. V. Anantha Nageswaran, Chief Economic Advisor, Government of India to Mr. Devesh Sachdev, MD & CEO, Fusion Micro Finance for exceptional performance in the field of providing microfinance.

Financial Snapshot: Q3 FY2022-23

(Rs. in millions unless otherwise stated)

Particulars	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ%	9M FY23	9M FY22	YoY%
Interest Income	4,202.45	2,769.30	51.75%	3,997.58	5.12%	11,493.64	7,571.32	51.80%
Total Income	4,665.03	2,967.23	57.22%	4,523.28	3.13%	12,792.78	8,287.94	54.35%
Finance Cost	1,680.21	1,182.95	42.04%	1,573.31	6.79%	4,685.41	3,594.10	30.36%
Profit Before Tax	1,338.50	0.51		1,260.78	6.16%	3,600.57	87.91	
Profit After Tax	1,024.62	9.37		950.57	7.79%	2,726.21	85.60	
EPS (Basic) (Rs)	11.14	0.11		11.48		31.75	1.06	
EPS (Diluted) (Rs)	11.10	0.11		11.36		31.64	1.04	



Key Metrics: Q3 FY 2022-23

(Rs. in millions unless otherwise stated)

Particulars	Q3 FY23	Q3 FY22	YoY %	Q2 FY23	QoQ %
AUM	86,535.56	59,882.18	44.51%	80,471.78	7.54%
Branches	1057	859	23.05%	1031	2.52%
Particulars	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ %
Net Interest Income (NII)	2,477.19	1569.90	57.79%	2,410.71	2.76%
Pre-Provision Operating Profit (PPOP)	1,837.78	958.33	91.77%	1,872.59	-1.86%
Profit After Tax (PAT)	1024.62	9.37		950.57	7.79%
Key Ratios	Q3 FY23	Q3 FY22	YoY%	Q2 FY23	QoQ %
Net Interest Margin (NIM)	10.31%	8.72%	18.23%	10.21%	0.98%
Cost/Income Ratio	38.43%	46.29%	-16.98%	36.52%	5.23%
Opex/Average AUM	5.49%	5.90%	-6.95%	5.58%	-1.61%
Gross NPA	3.69%	5.52%	-33.15%	3.83%	-3.71%
Expected Credit Loss (ECL)	2894.37	2737.12	5.75%	2850.83	1.53%
Return on Assets (ROA) (Annualised)	4.74%	0.06%		4.78%	-0.84%
Return on equity (ROE) (Annualised)	22.04%	0.28%		25.95%	-15.07%

Commenting on the performance, **Devesh Sachdev, Managing Director and CEO, Fusion Micro Finance Ltd.** said, *“We have posted strong numbers in this quarter as well, wherein our Profit After Tax (PAT) increased YoY from INR 9.37 million to INR 1,024.62 million, delivering the highest quarterly PAT till date. Our Asset under Management (AUM) grew 44.51% YoY from INR 59,882.18 million to INR 86,535.56 million and our borrower base grew to 3.4 million in Q3 FY23 from 3.2 million in Q2 FY23, across our well diversified network of 1,057 branches in 20 states including 2 Union Territories.*

“We expect to close FY23 on a strong note. The recent Budgetary allocations for rural India will further create more opportunities at the bottom of pyramid thus enabling us to keep on growing consistently.” he added.

About Fusion Micro Finance Limited:

Fusion Micro Finance [BSE (BOM: 543652) and NSE (NSE: FUSION)] founded in 2010, is the second largest NBFC-MFI in India, touching the lives of 3.4 million rural clients in the country. Fusion Micro Finance was established with the core idea to create opportunities at the bottom of the pyramid by providing financial services to the underserved and unserved women entrepreneurs in rural areas. It is one of the youngest companies to be among the top NBFC MFIs in the country, growing consistently with a strong network of 1,057 branches spread across in 20 states including 2 Union Territories, as of December 31st, 2022. Fusion believes in robust business practices and transparent policies as expressed in its customer centric efforts towards clients and is committed to creating sustained and balanced stakeholder value.

For further information, please visit www.fusionmicrofinance.com OR contact:

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