



Fusion Micro Finance Limited – Financial Results for Q2 FY24

Profit After Tax (PAT): ₹ 125.69 Crores ↑ 32.22%

Asset under Management (AUM): ₹ 10,026.43 Crores ↑ 24.60%

Pre-provision Operating Profit (PPOP): ₹ 241.79 Crores ↑ 29.11%

Delhi, 6th November 2023: Fusion Micro Finance Limited [BSE (BOM: 543652) and NSE (NSE: FUSION)], one of the leading NBFC-MFIs in India, today announced its unaudited and limited reviewed financial performance for the second quarter of the financial year 2023-2024.

Special Highlights: Q2 FY24

- Crossed a significant milestone of INR 10,000 Crores AUM
- CRISIL has upgraded the credit rating to 'CRISIL A+/Stable'. This is the second rating upgrade in the last 11 months.

Business Highlights: Q2 FY24

- Asset under Management (AUM) grew 24.60% YoY from INR 8,047.18 Crores to INR 10,026.43 Crores
- Disbursements grew 14.22% YoY to INR 2,343.77 Crores
- Net NPA 0.65%
- Borrower base increased to 36.9 lakhs
- 61 branches added in Q2 FY24, increasing the total branch network to 1,164 across 22 States, including 3 Union Territories

Financial Highlights: Q2 FY24

- Total income increased 26.29% YoY from INR 452.33 Crores to INR 571.26 Crores
- Net interest income (NII) increased 26.33% YoY from INR 241.07 Crores to INR 304.54 Crores
- Pre-provision operating profit (PPOP) increased 29.11% YoY from INR 187.27 Crores to INR 241.79 Crores
- Total Expected Credit Loss (ECL) is INR 300.24 Crores (3.34%) (includes management overlay of INR 61.48 Crores), GNPA of INR 241.10 Crores (2.68%) and NNPA reduced to 0.65% from 0.78% (QoQ)
- Write-offs were INR 103.42 Crores
- Profit After Tax (PAT) increased by 32.22% YoY to INR 125.69 Crores from INR 95.06 Crores
- Healthy capital position with CRAR of 28.78%.
- Robust liquidity of INR 1,400.43 Crores of cash & cash equivalents, amounting to 13.42% of the total assets

Commenting on the performance, **Devesh Sachdev, Managing Director and CEO, Fusion Micro Finance Ltd.** said, *"We continue to deliver good set of numbers and are confident of strong performance in FY24. In this quarter, we achieved two very significant milestones of crossing INR 10,000 Crores Asset Under Management and a rating upgrade to 'CRISIL A+/Stable'. This is a second upgrade in less than 11 months. We added ~2.4 lakh new clients in H1, YOY growth of 17.69 %. We have clocked INR 125.69 Crores Profit After Tax (PAT), up by 32.22 % YOY. We are navigating the elevated cost of funds environment very well with Marginal Cost of Borrowing at 10.55 % which is lowest in the last 4 quarters. Our key strategic focus remains delivering long term sustainable growth".*

Financial Snapshot: Q2 FY24

(₹ in crore)

Particulars	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	YoY%
Interest Income	496.80	399.76	24.27%	479.00	3.72%	975.80	729.12	33.83%
Total Income	571.26	452.33	26.29%	552.78	3.34%	1,124.04	812.78	38.30%
Finance Cost	191.01	157.33	21.41%	183.48	4.10%	374.49	300.52	24.61%
Profit Before Tax	165.59	126.08	31.34%	159.46	3.84%	325.05	226.21	43.69%
Profit After Tax	125.69	95.06	32.22%	120.46	4.34%	246.15	170.16	44.66%
EPS (Basic) (Rs)	12.52	11.48		12.00		24.52	20.56	
EPS (Diluted) (Rs)	12.43	11.36		11.93		24.35	20.33	

Key Metrics: Q2 FY24

(₹ in crore)

Particulars	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	YoY%
AUM	10,026.43	8,047.18	24.60%	9,711.75	3.24%	10,026.43	8,047.18	24.60%
Borrowers	0.37	0.32	15.67%	0.36	1.37%	0.37	0.32	15.67%
Number of Branches	1,164	1,031	12.90%	1,103	5.53%	1,164	1,031	12.90%
Particulars	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	YoY%
Net Interest Income (NII)	304.54	241.07	26.33%	294.07	3.56%	598.61	425.74	40.60%
Pre-Provision Operating Profit (PPOP)	241.79	187.27	29.11%	235.39	2.72%	477.18	307.46	55.20%
Key Ratios	Q2 FY24	Q2 FY23	YoY%	Q1 FY24	QoQ%	H1 FY24	H1 FY23	YoY%
Net Interest Margin (NIM)	11.12%	10.21%	8.91%	10.89%	2.11%	10.95%	9.79%	11.85%
Cost/Income Ratio	36.41%	36.52%	(0.30%)	36.26%	0.41%	36.34%	39.98%	(9.10%)
Opex/Average AUM	5.61%	5.58%	0.54%	5.64%	(0.53%)	5.64%	5.52%	2.17%
Gross NPA	2.68%	3.83%	(30.03%)	3.20%	(16.25%)	2.68%	3.83%	(30.03%)
Expected Credit Loss (ECL)	300.24	285.08	5.32%	328.38	(8.57%)	300.24	285.08	5.32%
Return on Assets (ROA) (Annualised)	4.94%	4.78%	3.35%	4.99%	(1.00%)	4.97%	4.37%	13.73%
Return on equity (ROE) (Annualised)	20.02%	25.95%	(22.85%)	20.21%	(0.94%)	20.10%	23.87%	(15.79%)

About Fusion Micro Finance Limited:

Fusion Micro Finance [BSE (BOM: 543652) and NSE (NSE: FUSION)] founded in 2010, is amongst India's leading NBFC-MFIs, touching the lives of ~36.9 lakh rural clients in the country. Fusion Micro Finance was established with the core idea of creating 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 an extensive network of 1,164 branches spread across 22 states including 3 Union Territories, as of 30th Sept 2023. Fusion believes in robust business practices and transparent policies as expressed in its customer-centric efforts toward clients and is committed to creating sustained and balanced stakeholder value.

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

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