

Fusion Finance Limited
Financial Results for Q4 & FY25

Fusion Reports Q4 & FY25 Results; AUM at INR 8,980 Crore

~Successfully completed Rights Issue, subscribed 1.5x~

Delhi, 23rd May 2025: Fusion Finance Limited (formerly Fusion Micro Finance Limited) [BSE (BOM: 543652) and NSE (NSE: FUSION)], today announced its audited and reviewed financial performance for the quarter and year ended March 31, 2025.

Business Highlights FY25

- AUM stands at INR 8,980 crore as on March 2025
- Total loan disbursements stood at INR 6,971 crore in FY25
- Active borrower base stood at 32.08 lakh as of March 2025
- 1,571 branches across 22 states including 3 Union Territories

Financial Highlights: FY25

- Total income stood at INR 2,369 crore in FY25 vs INR 2,412 crore in FY24
- Pre-provision Operating Profit stood at INR 736 crore in FY25 vs INR 1,028 crore in FY24
- Loss After Tax stood at INR 1,225 crore in FY25

Financial Highlights: Q4 FY25

- Total income stood at INR 476 crore in Q4 FY25 vs INR 483 crore in Q3 FY25
- Net interest income (NII) for Q4 FY25 increased to INR 268 crore from INR 223 crore in Q3 FY25
- Net Interest Margin (NIM) stood at 8.57% in Q4 FY25 vs 8.86% in Q3 FY25
- Cost of funds stood at 10.52% in Q4 FY25 vs 10.28% in Q3 FY25
- Pre-provision Operating Profit increased to INR 90 crore in Q4 FY25 from INR 65 crore in Q3 FY25
- Loss after tax stood at INR 165 crore in Q4 FY25
- Increased Stage 3 provision coverage to 96.53% in Q4FY25 vs 88% in Q3FY25
- Credit cost decreased to INR 253 crore in Q4FY25 from INR 571 crore in Q3FY25 despite higher provision coverage and accelerated write-offs
- Gross NPA decreased to 7.92% in Q4FY25 from 12.58% in Q3FY25; Net NPA at 0.3%
- Healthy capital adequacy position with CRAR of 22.42% (30%+ proforma for INR 800 crore Rights Issue)
- Robust liquidity of INR 798 crore aggregate of cash and cash equivalents and liquid assets, amounting to 9.63 % of the total assets

*Commenting on the FY25 results, **Mr. Devesh Sachdev, Managing Director**, said, “FY25 had been a challenging year for the industry. We were the first ones to recognize the stress and take early concrete steps to address the issues. Since then, we have witnessed many significant and encouraging results indicating that we are already on our path to recovery. Our Rights Issue was successfully completed in Q4FY25 with a subscription of 1.5x. This reflects the continued strong confidence of existing investors in Fusion while bolstering our capital adequacy.”*

*Sharing his views, **Mr. Sanjay Garyali, Chief Executive Officer**, said, “As I step into this role, I commend Fusion’s early recognition of portfolio stress and the timely, decisive actions that followed. This has set a strong foundation for a healthier, more resilient book. Our portfolio continues to rebalance toward stability, with new book collection efficiency reaching 99.67% in March 2025. We will continue to reinforce this momentum by maintaining robust guardrails across governance, data, and execution — ensuring growth remains disciplined and sustainable.”*

Financial Snapshot: Q4 & FY25

(₹ In cr)

Particulars	Q4 FY25	Q4 FY24	YoY	Q3 FY25	QoQ	FY25	FY24	YoY
Interest Income	448.68	576.06	(22.11%)	438.18	2.40%	2,134.22	2,091.90	2.02%
Total Income	475.99	675.14	(29.50%)	482.51	(1.35%)	2,368.89	2,412.42	(1.80%)
Finance Cost	179.41	214.88	(16.51%)	213.67	(16.03%)	843.85	790.83	6.70%
Profit/(loss) Before Tax	(164.56)	171.71	-	(507.52)	-	(1,133.01)	663.26	-
Profit/(loss) After Tax	(164.56)	132.69	-	(719.32)	-	(1,224.54)	505.29	-
EPS (Basic) (₹)	(14.97)	12.08		(65.44)		(111.41)	46.06	
EPS (Diluted) (₹)	(14.97)	12.04		(65.44)		(111.41)	45.89	

Key Metrics: Q4 & FY25

(₹ In cr)

Particulars	Q4 FY25	Q4 FY24	YoY	Q3 FY25	QoQ	FY25	FY24	YoY
AUM	8,979.92	11,476.08	(21.75%)	10,599.37	(15.28%)	8,979.92	11,476.08	(21.75%)
Borrowers	0.321	0.386	(16.84%)	0.366	(12.30%)	0.321	0.386	(16.84%)
Number of Branches	1571	1297	21.13%	1506	4.32%	1571	1297	21.13%
Net Interest Income (NII)	267.93	359.98	(25.57%)	223.35	19.96%	1,285.12	1,295.80	(0.82%)
Pre-Provision Operating Profit (PPOP)	90.12	290.68	(69.00%)	64.77	39.14%	736.48	1,028.12	(28.37%)
Key Ratios								
Net Interest Margin (NIM)	8.57%	11.59%	(26.06%)	8.86%	(3.27%)	10.21%	11.22%	(9.00%)
Cost/Income Ratio	69.61%	36.84%	88.95%	75.91%	(8.30%)	51.71%	36.60%	41.28%
Opex/Average AUM	8.44%	6.12%	37.91%	7.36%	14.67%	7.71%	5.71%	35.03%
Gross NPA	7.92%	2.89%	174.05%	12.58%	(37.04%)	7.92%	2.89%	174.05%
Expected Credit Loss (ECL)	886.93	354.54	150.16%	1,550.68	(42.80%)	886.93	354.54	150.16%
Return on Assets (ROA) (Annualised)	(7.45%)	4.65%	-	(27.58%)	-	(12.20%)	4.78%	-
Return on Equity (ROE) (Annualised)	(38.16%)	19.10%	-	(132.93%)	-	(54.53%)	19.55%	-

About Fusion Finance Limited (Formerly Fusion Micro Finance Limited):

Fusion Finance [BSE (BOM: 543652) and NSE (NSE: FUSION)], founded in 2010, is amongst India's leading Non-banking Financial Company-Microfinance Institutions (NBFC-MFIs), touching the lives of ~ 32 Lakh clients in the country. Fusion 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 with an Asset under Management (AUM) of INR 8,980 crore. The company has been growing consistently with an extensive network of 1,571 branches spread across 22 states including 3 Union Territories, as of 31st March 2025. 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.fusionfin.com or contact:

<u>Fusion Finance Limited</u> Mr. Deepak Madaan (Company Secretary & Compliance Officer) Email: investor.relations@fusionfin.com Ms. Pooja Chauhan (Head Corporate Communications) Email: Pooja.chauhan@fusionfin.com	<u>Adfactors PR Pvt Ltd</u> Ms. Maimuna Dhorajiwala (Public Relations) Email: maimuna.dhorajiwala@adfactorspr.com Mr. Smit Shah (Investor Relations) Email: smit.shah@adfactorspr.com
---	--