

Muthoot Finance

Financial Results Q3 FY 2021

December 2020

MUTHOOT FINANCE LIMITED

SAFE HARBOUR STATEMENT

This presentation may include statements, which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

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Any person/ party intending to provide finance / invest in the shares/businesses of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. In no event shall the company be liable for any damages whatsoever, whether direct, incidental, indirect, consequential or special damages of any kind or including, without limitation, those resulting from loss of profit, loss of contracts, goodwill, data, information, income, expected savings or business relationships arising out of or in connection with the use of this presentation.

Diversified business of the Group

| | Primary Business | Shareholding of holding company (%) |
|---|--------------------------------------|-------------------------------------|
| Muthoot Finance Limited | Gold Loans | Holding Company |
| Muthoot Homefin (India) Limited | Affordable Housing Finance | 100.00 |
| Belstar Microfinance Limited | Microfinance | 70.01 |
| Muthoot Money Limited | Vehicle Finance | 100.00 |
| Asia Asset Finance PLC | Listed Diversified NBFC in Sri Lanka | 72.92 |
| Muthoot Insurance Brokers Private Limited | Insurance Broking | 100.00 |
| Muthoot Asset Management Private Limited | - | 100.00 |
| Muthoot Trustee Private Limited | - | 100.00 |

Snapshot of performance

| | 9M FY 2021 | 9M FY 2020 | H1 FY 2021 | Q1 FY 2021 | YoY(%) | FY 2020 |
|---|---------------|---------------|---------------|---------------|--------|---------|
| Group Branch Network (Nos) | 5,417 | 5,268 | 5,381 | 5,330 | 3 | 5,330 |
| Consolidated Gross Loan Assets* of the Group (₹ in million) | 557,995 | 434,357 | 522,863 | 465,008 | 28 | 468,705 |
| Consolidated Profit of the Group (₹ in million) | 27,951 | 23,329 | 17,885 | 8,577 | 20 | 31,687 |
| Contribution in the Consolidated Gross Loan Assets* of the Group | | | | | | |
| Muthoot Finance (%) | 90 | 88 | 89 | 88 | 2 | 88 |
| Subsidiaries (%) | 10 | 12 | 11 | 12 | (17) | 12 |
| Contribution in the Consolidated Profit of the Group | | | | | | |
| Muthoot Finance (%) | 97 | 94 | 97 | 98 | 3 | 95 |
| Subsidiaries (%) | 3 | 6 | 3 | 2 | (50) | 5 |

*Principal amount of Loan assets

Gross Loan Assets* of the Group

(₹ in millions)

| | 9M FY 2021 | H1 FY 2021 | Q1 FY 2021 | FY 2020 | 9M FY 2020 | YoY (%) |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|-----------|
| Muthoot Finance Limited | 503,907 | 470,162 | 412,957 | 416,106 | 384,982 | 31 |
| Muthoot Homefin (India) Limited | 18,807 | 19,377 | 19,787 | 19,769 | 20,248 | (7) |
| Belstar Microfinance Limited | 28,856 | 26,867 | 25,754 | 26,310 | 22,849 | 26 |
| Muthoot Money Limited | 4,210 | 4,633 | 4,966 | 5,090 | 4,915 | (14) |
| Asia Asset Finance PLC | 5,245 | 5,204 | 5,444 | 5,380 | 5,113 | 3 |
| Less: Intra-Group Loan Assets | 3,030 | 3,380 | 3,900 | 3,950 | 3,750 | (19) |
| Total | 557,995 | 522,863 | 465,008 | 468,705 | 434,357 | 28 |

*Principal amount of Loan assets

Standalone Profit of Group Companies

(₹ in millions)

| | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q3 FY 2020 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|------------|
| Muthoot Finance Limited | 27,265 | 22,032 | 9,914 | 8,152 | 8,944 | 8,408 | 30,183 |
| Muthoot Homefin (India) Limited | 75 | 306 | 18 | 104 | 53 | 4 | 318 |
| Muthoot Insurance Brokers Private Limited | 219 | 118 | 86 | 53 | 91 | 42 | 104 |
| Belstar Microfinance Limited | 350 | 769 | 54 | 260 | 151 | 145 | 990 |
| Muthoot Money Limited | 33 | 43 | (15) | 11 | 73 | (25) | 27 |
| Asia Asset Finance PLC | 7 | 36 | 6 | 15 | 7 | (7) | 28 |
| Muthoot Asset Management Private Limited | 17 | 39 | 2 | 16 | 5 | 10 | 51 |
| Muthoot Trustee Private Limited | (0.04) | (0.16) | (0.08) | (0.17) | (0.01) | 0.05 | (0.13) |

**Consolidated Statement of Assets and Liabilities**

(₹ in millions)

| Particulars | 9M FY 2021 | H1 FY 2021 | Q1 FY 2021 | FY 2020 |
|----------------------------------|----------------|----------------|----------------|----------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | 90,014 | 61,669 | 66,710 | 58,348 |
| Bank Balance other than above | 2,604 | 2,259 | 2,376 | 2,959 |
| Derivative Financial Instruments | 252 | 159 | 1,490 | 3,449 |
| Trade Receivables | 127 | 149 | 114 | 90 |
| Loans | 560,113 | 521,399 | 469,195 | 470,677 |
| Investments | 13,394 | 26,480 | 28,024 | 6,302 |
| Other Financial Assets | 3,280 | 2,320 | 2,202 | 2,449 |
| Non-Financial Assets | | | | |
| Current Tax Assets(Net) | 24 | 39 | 62 | 94 |
| Deferred Tax Assets(Net) | 690 | 409 | 269 | 171 |
| Investment Property | 157 | 159 | 162 | 156 |
| Property ,Plant and Equipment | 2,573 | 2,425 | 2,386 | 2,427 |
| Right to use Asset | 159 | 154 | 155 | 168 |
| Capitla Work- In- Progress | 360 | 329 | 302 | 287 |
| Goodwill | 300 | 300 | 300 | 300 |
| Other Intangible Assets | 78 | 83 | 81 | 85 |
| Other Non Financial Assets | 1,430 | 1,321 | 1,272 | 854 |
| Total- Assets | 675,555 | 619,654 | 575,100 | 548,816 |

**Consolidated Statement of Assets and Liabilities**

(₹ in millions)

| Particulars | 9M FY 2021 | H1 FY 2021 | Q1 FY 2021 | FY 2020 |
|--|----------------|----------------|----------------|----------------|
| LIABILITIES | | | | |
| Financial Liabilities | | | | |
| Derivative Financial Instruments | 3,151 | 1,749 | - | - |
| Trade Payables | 2,516 | 3,052 | 2,716 | 2,220 |
| Debt Securities | 143,550 | 118,129 | 97,596 | 102,660 |
| Borrowings(other than Debt securities) | 355,845 | 337,221 | 324,981 | 300,115 |
| Deposits | 2,554 | 2,596 | 2,720 | 2,560 |
| Subordinated Liabilities | 4,030 | 4,426 | 3,964 | 4,017 |
| Lease Liability | 166 | 163 | 160 | 168 |
| Other Financial Liabilities | 11,857 | 10,102 | 8,992 | 11,885 |
| Non-Financial Liabilities | | | | |
| Current Tax Liabilities(net) | 1,156 | 1,442 | 2,101 | 808 |
| Provisions | 3,552 | 3,518 | 3,801 | 3,712 |
| Deferred Tax Liabilities(net) | 83 | 86 | 93 | 151 |
| Other Non-Financial Liabilities | 341 | 369 | 311 | 507 |
| EQUITY | | | | |
| Equity attributable to equity owners of the company | 144,933 | 134,994 | 125,891 | 118,292 |
| Non-Controlling Interest | 1,821 | 1,807 | 1,774 | 1,721 |
| Total Liabilities and Equity | 675,555 | 619,654 | 575,100 | 548,816 |



Consolidated Financial Results

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q3 FY 2020 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Income | | | | | | | |
| Interest Income | 82,017 | 68,548 | 29,438 | 24,971 | 27,290 | 25,289 | 94,177 |
| Service Charges | 730 | 676 | 274 | 254 | 318 | 137 | 943 |
| Sale of Services | 85 | 150 | 36 | 46 | 31 | 18 | 191 |
| Other Income | 211 | 202 | 157 | 67 | 32 | 23 | 233 |
| Income other than above | 1,431 | 1,161 | 259 | 613 | 571 | 601 | 1,528 |
| Total Income | 84,474 | 70,737 | 30,164 | 25,951 | 28,242 | 26,068 | 97,072 |
| Expenses | | | | | | | |
| Finance Cost | 30,488 | 23,086 | 10,486 | 8,103 | 10,282 | 9,720 | 31,728 |
| Impairment of Financial Instruments | 1,721 | 1,664 | 1,009 | 976 | 281 | 431 | 1,871 |
| Employee Benefit Expenses | 8,665 | 8,555 | 2,889 | 3,089 | 2,976 | 2,800 | 12,085 |
| Depreciation, Amortisation and Impairment | 471 | 420 | 174 | 162 | 156 | 140 | 592 |
| Other Expenses | 5,667 | 5,687 | 2,101 | 2,094 | 2,104 | 1,462 | 8,192 |
| Total Expenses | 47,011 | 39,412 | 16,659 | 14,423 | 15,799 | 14,553 | 54,468 |
| Profit before tax | 37,463 | 31,325 | 13,506 | 11,528 | 12,443 | 11,515 | 42,604 |
| Tax expense | 9,512 | 7,996 | 3,439 | 2,918 | 3,136 | 2,938 | 10,917 |
| Profit after Tax | 27,951 | 23,329 | 10,067 | 8,610 | 9,307 | 8,577 | 31,687 |
| Earnings per share –Basic (₹) | 69.42 | 57.62 | 25.15 | 21.28 | 23.09 | 21.28 | 78.30 |
| Earnings per share –Diluted (₹) | 69.35 | 57.52 | 25.02 | 21.25 | 23.08 | 21.25 | 78.20 |



MUTHOOT FINANCE: DRIVING INCLUSIVE GROWTH

- India's largest gold financing company (by loan portfolio)
- Trusted pan-India brand in the gold loans sector; revolutionised India's gold banking
- Our intervention has empowered millions of people across the social pyramid

Multiple service offerings

CORE SERVICE



Gold Loans

OTHER SERVICES



Money Transfer Services



Collection Services



National Pension Scheme



Personal Loans

29

States/Union territory presence

166 tonnes

Gold jewellery kept as security

4,600+

Pan-India branches

100,000+

Retail investor base across debenture and subordinated debt portfolio

25,000+

Team members

200,000+

Customers served every day

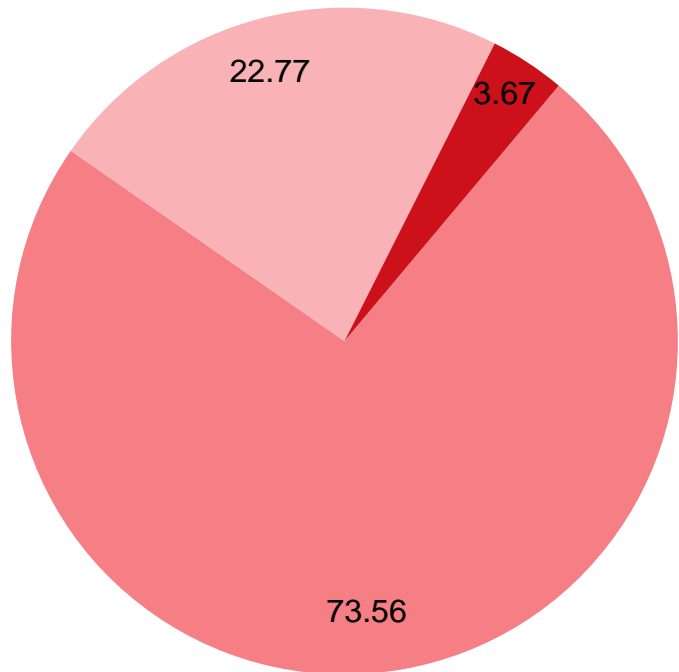
₹ 503,907 mn

Loan Assets Under Management

(As of December 31, 2020)

SHAREHOLDING PATTERN

Strong promoter interest in business with 74% stake



(%) Shareholding as on December 31, 2020

- Promoters & Relatives
- FII, FC, MF & Others
- Public

NSE Ticker

MUTHOOTFIN

BSE Ticker

533398

Market Capitalisation

(as on December 31, 2020)

₹ 485,659 million



BOARD OF DIRECTORS



M.G. George Muthoot
Chairman



George Alexander Muthoot
Managing Director



George Thomas Muthoot
Wholetime Director



George Jacob Muthoot
Wholetime Director



Alexander M George
Wholetime Director



Jacob Benjamin Koshy
Independent Director



Jose K Mathew
Independent Director



Ravindra Pisharody
Independent Director



V. A. George
Independent Director



Pratip Chaudhuri
Independent Director



Usha Sunny
Independent Director

DIVIDEND PAYOUT

Delivering consistent returns to stakeholders

(%)

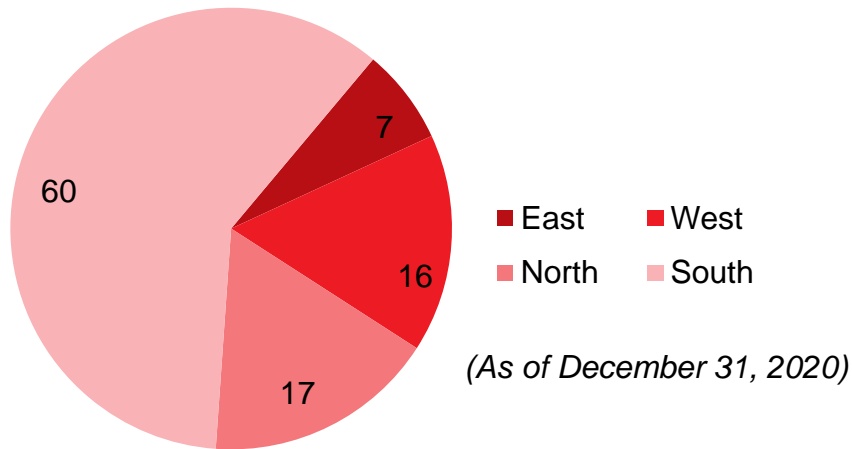
| | FY 2020 | FY 2019 | FY 2018 | FY 2017 | FY 2016 | FY 2015 |
|-----------------------------|---------|---------|---------|---------|---------|---------|
| Dividend (%)* | 150 | 120 | 100 | 60 | 60 | 60 |
| First Interim Dividend (%) | 150 | 120 | 100 | 60 | 40 | 40 |
| Second Interim Dividend (%) | - | - | - | - | 20 | - |
| Final Dividend (%) | - | - | - | - | - | 20 |
| Dividend Payout Ratio (%) | 19.91 | 24.36 | 22.48 | 20.30 | 29.50 | 35.36 |

* On face value of ₹ 10 per equity share

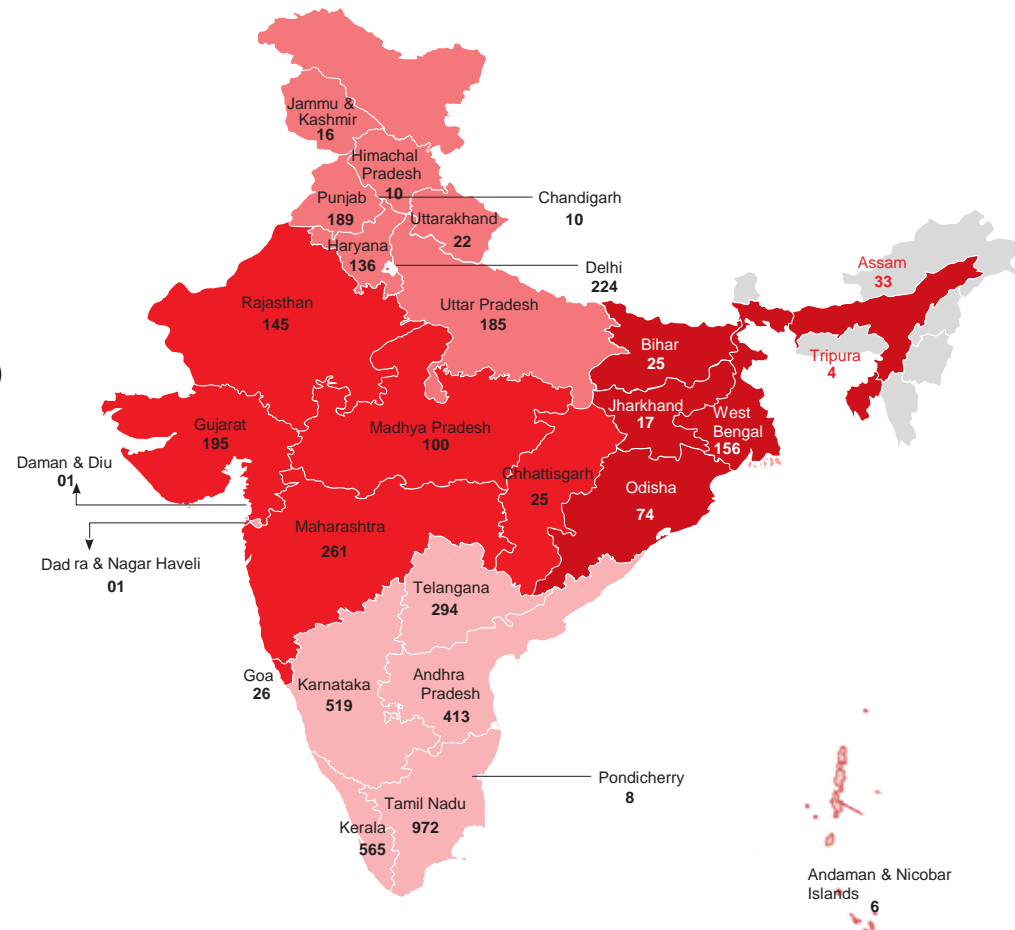
GEOGRAPHICAL PRESENCE

A strong presence of 4632 branches across India

(%) Branches region wise



State wise Branch Network



- Rural India accounts for about 65% of total gold stock in the country
- Large portion of the rural population has limited credit access
- Catering to under-served rural and semi-urban markets through strong presence

Digital convenience for new gen & Millennium Customer acquisition

Direct Credit Facility



- Loan proceeds credited to bank account
- NEFT/RTGS/IMPS mode of bank transfer
- Less cash handling at branch
- Instant credit to customer bank account



PoS Terminals

- Enables swiping of Debit cards issued by banks
- Swiping charges for Interest payments waived off



Loan repayment option through



- Paytm
- PhonePay

Online Gold Loan (OGL)

- 20.3 % of gold loan customers are transacting online.

Muthoot Online



- Our online services has now been re-branded to Muthoot Online, from WebPay earlier.
- Customers can now make payment of interest and principal re-payments using Debit Card/Net Banking.
- Withdraw available loan amount and renew eligible loans through our Online Gold Loan (OGL) facility.
- To facilitate this service, we have partnered with leading Banks and online payment gateway service providers.
- e-Sign facility has been launched in September'17.
- Bank account online linking feature introduced.

iMuthoot App



Mobile App

- Launched in Nov'16 has about 29.5 lakhs downloads.
- Online Gold Loan (OGL) facility available to withdraw loan amount and renewal, apart from payments.
- Rs.4,432 Crs payments from 1.33 Cr successful transactions so far.
- Updated scheme details available with loan calculator.
- Google maps integrated for easy location of nearest branch and fix appointment.
- UPI facility has been introduced in Feb'19.
- Paytm Payment gateway has been introduced in June'19.
- e-Sign facility has been introduced in Jan'18.
- Along with gold loans, lead creation for PL, HL, AL also introduced.
- Bank account online linking feature introduced.

Loan at Home

Loan at Home App



Mobile App



- Launched in July'20 has about 10K + downloads.
- The loan at home is an app-based digital service, with which a customer can apply for a gold loan through the 'Loan@Home' mobile app and web portal
- After which an appointment is made for the visit by Muthoot Finance executives, to visit the customer's home. Now the customer can avail of a gold loan from the comfort of their home without having to visit the branch at any stage of the procedure.
- Loan top-up and repayment facilities are also available in this application

**Standalone Statement of Assets and Liabilities**

(₹ in millions)

| Particulars | 9M FY 2021 | H1 FY 2021 | Q1 FY 2021 | FY 2020 |
|----------------------------------|----------------|----------------|----------------|----------------|
| ASSETS | | | | |
| Financial assets | | | | |
| Cash and cash equivalents | 85,174 | 55,557 | 58,786 | 55,046 |
| Bank Balance other than above | 720 | 529 | 741 | 1,360 |
| Derivative Financial Instruments | 252 | 159 | 1,490 | 3,449 |
| Trade Receivables | 83 | 81 | 83 | 47 |
| Loans | 513,588 | 476,478 | 425,620 | 426,042 |
| Investments | 20,606 | 34,387 | 36,130 | 14,383 |
| Other Financial Assets | 2,204 | 1,208 | 1,136 | 1,057 |
| Non-Financial Assets | | | | |
| Deferred Tax Assets(Net) | 419 | 201 | 127 | - |
| Property ,Plant and Equipment | 2,411 | 2,259 | 2,202 | 2,227 |
| Capital Work- In- Progress | 360 | 329 | 302 | 287 |
| Other Intangible Assets | 50 | 52 | 48 | 51 |
| Other Non Financial Assets | 1,165 | 1,126 | 1,060 | 648 |
| Total- Assets | 627,032 | 572,366 | 527,723 | 504,597 |

**Standalone Statement of Assets and Liabilities**

(₹ in millions)

| Particulars | 9M FY 2021 | H1 FY 2021 | Q1 FY 2021 | FY 2020 |
|--|----------------|----------------|----------------|----------------|
| LIABILITIES | | | | |
| Financial Liabilities | | | | |
| Derivative Financial Instruments | 3,151 | 1,749 | - | - |
| Trade Payables | 2,415 | 3,009 | 2,620 | 2,185 |
| Debt Securities | 135,162 | 110,791 | 92,808 | 99,619 |
| Borrowings(other than Debt securities) | 327,170 | 308,017 | 292,075 | 268,706 |
| Subordinated Liabilities | 2,400 | 2,763 | 2,956 | 2,976 |
| Other Financial Liabilities | 10,153 | 8,994 | 8,110 | 10,617 |
| Non-Financial Liabilities | | | | |
| Current Tax Liabilities(net) | 1,097 | 1,384 | 2,065 | 782 |
| Provisions | 3,492 | 3,464 | 3,716 | 3,633 |
| Deferred Tax Liabilities(net) | - | - | - | 40 |
| Other Non-Financial Liabilities | 212 | 229 | 212 | 321 |
| EQUITY | | | | |
| Equity Share Capital | 4,012 | 4,012 | 4,010 | 4,010 |
| Other Equity | 137,768 | 127,954 | 119,151 | 111,708 |
| Total Liabilities | 627,032 | 572,366 | 527,723 | 504,597 |



REVENUE & PROFIT

Standalone Financial Results

(₹ in millions)

| | 9M FY 2021 | 9M FY 2020 | YoY Growth (%) | Q3 FY 2021 | Q3 FY 2020 | YoY Growth (%) | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|--|---------------|---------------|----------------------|---------------|---------------|----------------------|---------------|---------------|---------------|
| INCOME | | | | | | | | | |
| Interest Income | 75,395 | 62,138 | 21 | 27,169 | 22,806 | 19 | 25,066 | 23,160 | 85,644 |
| Other than Interest Income | 2,068 | 1,064 | 94 | 596 | 403 | 48 | 778 | 694 | 1,584 |
| Total | 77,463 | 63,202 | 23 | 27,765 | 23,209 | 20 | 25,844 | 23,854 | 87,228 |
| EXPENSES | | | | | | | | | |
| Finance Cost | 27,411 | 20,209 | 36 | 9,455 | 7,094 | 33 | 9,241 | 8,715 | 27,909 |
| Employee benefit Expense | 7,060 | 6,987 | 1 | 2,329 | 2,509 | (7) | 2,450 | 2,282 | 9,657 |
| Administrative & Other expenses | 4,988 | 4,973 | 0 | 1,858 | 1,852 | 0 | 1,853 | 1,277 | 7,067 |
| Impairment on Financial Instruments | 838 | 909 | (8) | 585 | 612 | (4) | 107 | 146 | 957 |
| Directors Remuneration | 242 | 214 | 13 | 81 | 71 | 14 | 80 | 80 | 633 |
| Depreciation & Amortisation | 353 | 308 | 15 | 140 | 110 | 28 | 114 | 99 | 431 |
| Total | 40,894 | 33,601 | 22 | 14,450 | 12,248 | 18 | 13,845 | 12,599 | 46,654 |
| PROFIT | | | | | | | | | |
| Profit Before Tax | 36,569 | 29,601 | 24 | 13,315 | 10,961 | 21 | 11,999 | 11,255 | 40,574 |
| Profit After Tax | 27,265 | 22,032 | 24 | 9,914 | 8,152 | 22 | 8,943 | 8,408 | 30,183 |

Strong Capital Base

Networth

(₹ in millions)

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 |
|----------------------|----------------|----------------|----------------|----------------|----------------|
| Equity Share Capital | 4,012 | 4,012 | 4,010 | 4,010 | 4,010 |
| Other Equity | 137,768 | 127,954 | 119,151 | 111,708 | 110,004 |
| Total | 141,780 | 131,966 | 123,161 | 115,718 | 114,014 |

Core focus continues to be gold loan

Gross Loan Assets under management*

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 | Growth | Growth |
|---|----------------|----------------|----------------|----------------|----------------|---------|---------|
| | (₹ in million) | (₹ in million) | (₹ in million) | (₹ in million) | (₹ in million) | YoY (%) | QoQ (%) |
| Gross loan assets under management | 503,907 | 470,163 | 412,957 | 416,106 | 384,982 | 31 | 7 |
| Break-up of Gross Loan Assets under management | | | | | | | |
| Gold Loans under management | 496,225 | 462,339 | 404,949 | 407,724 | 377,245 | 32 | 7 |
| Other loans | 7,682 | 7,824 | 8,008 | 8,382 | 7,737 | (1) | (2) |

*Principal amount of Loan assets

LIABILITIES

Stable sources of funding*

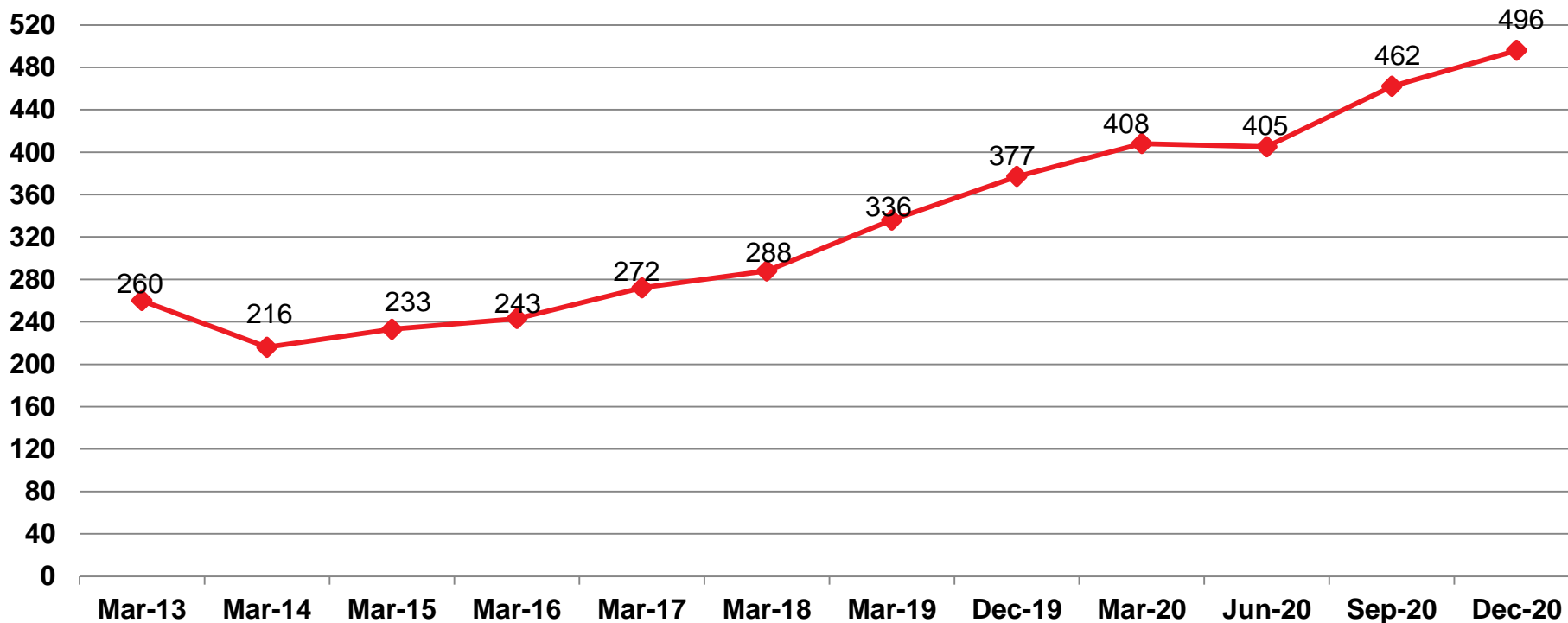
| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 | Growth | Growth |
|---|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
| | (₹ in million) | (₹ in million) | (₹ in million) | (₹ in million) | (₹ in million) | YoY (%) | QoQ (%) |
| Secured Non-Convertible Debentures (Muthoot Gold Bonds) | 2,775 | 2,896 | 3,023 | 3,160 | 3,394 | (18) | (4) |
| Secured Non-Convertible Debentures-Listed | 132,758 | 108,190 | 90,110 | 96,840 | 103,919 | 28 | 23 |
| Borrowings from Banks/FIs | 194,851 | 177,364 | 156,452 | 145,775 | 129,038 | 51 | 10 |
| External Commercial Borrowings- Senior secured Notes | 73,305 | 73,853 | 75,583 | 75,665 | 32,091 | 128 | (1) |
| Subordinated Debt | - | - | - | 21 | 21 | (100) | - |
| Subordinated Debt -Listed | 2,411 | 2,775 | 2,969 | 2,969 | 3,406 | (29) | (13) |
| Commercial Paper | 49,572 | 47,290 | 49,288 | 35,954 | 46,102 | 8 | 5 |
| Other Loans | 9,845 | 9,956 | 11,268 | 11,880 | 7,852 | 25 | (1) |
| Total | 465,517 | 422,324 | 388,693 | 372,264 | 325,823 | 43 | 10 |

*Principal amount of Borrowings

Gaining scale over the years

Gold Loan Assets Under Management*

(₹ in billions)

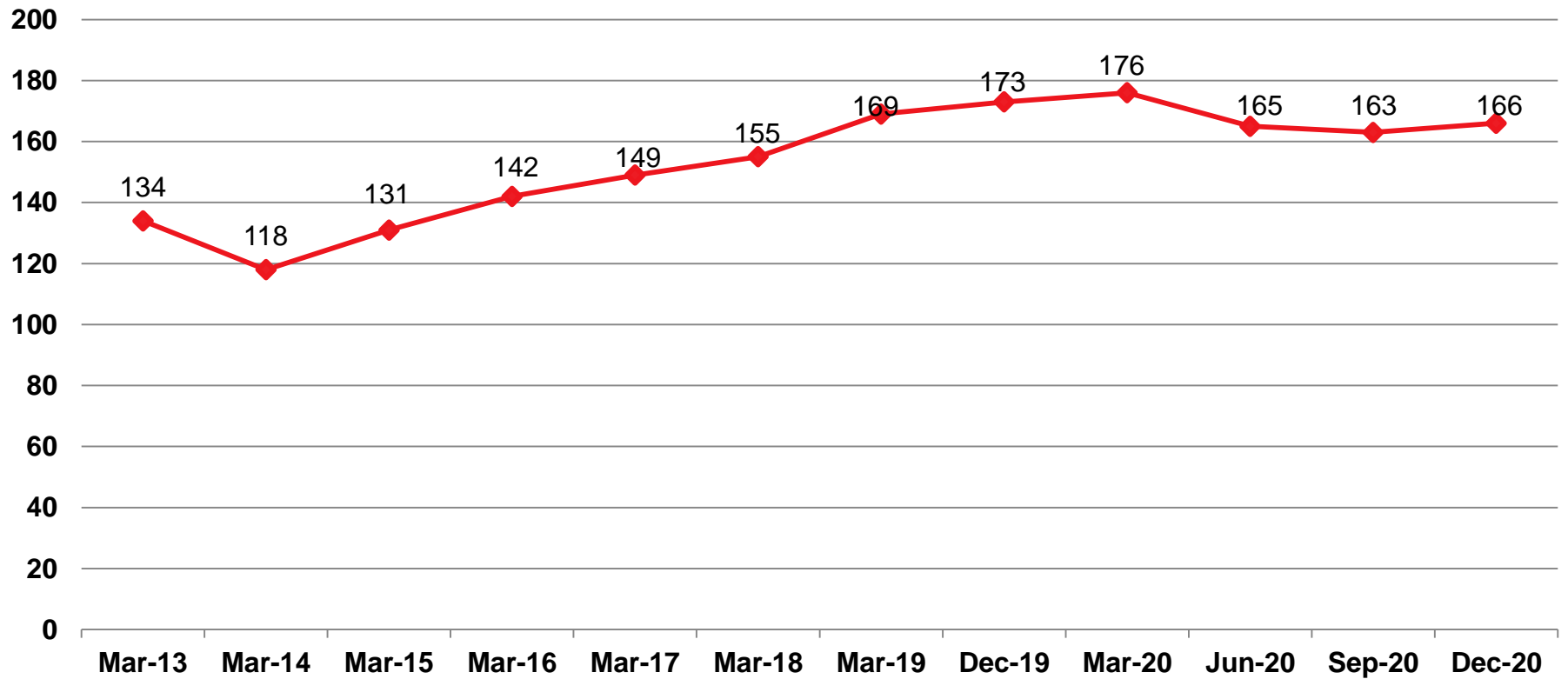


*Principal amount of gold Loan assets

Carrying the trust of millions of our customers

Gold jewellery kept as security

(In tonnes)

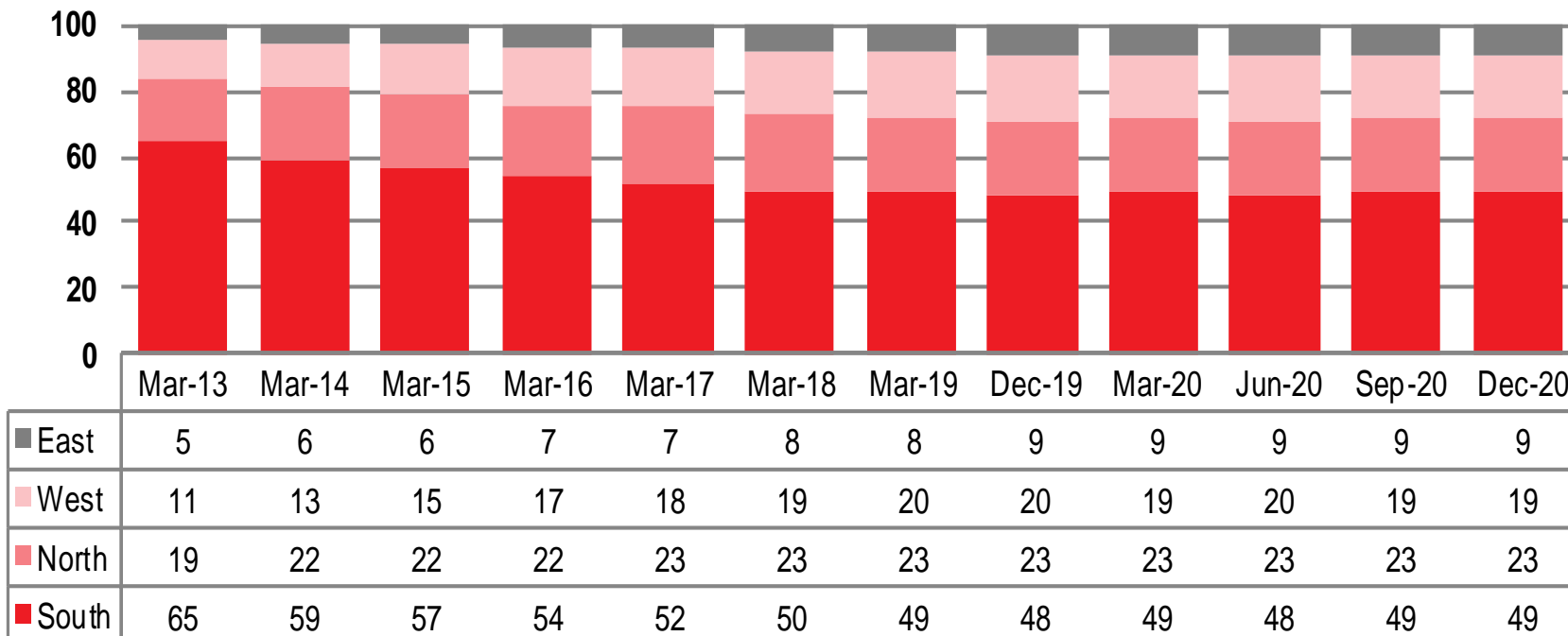




GEOGRAPHICAL SPREAD OF GOLD LOAN PORTFOLIO *Muthoot Finance*

Diversified gold loan portfolio across India

(%)



Gold Loan Assets Under Management *

(₹ in billions)

| | Mar-13 | Mar-14 | Mar-15 | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Dec-19 | Mar-20 | Jun-20 | Sep-20 | Dec-20 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 260 | 216 | 233 | 243 | 272 | 288 | 336 | 377 | 408 | 405 | 462 | 496 |

*Principal amount of Gold Loan Assets

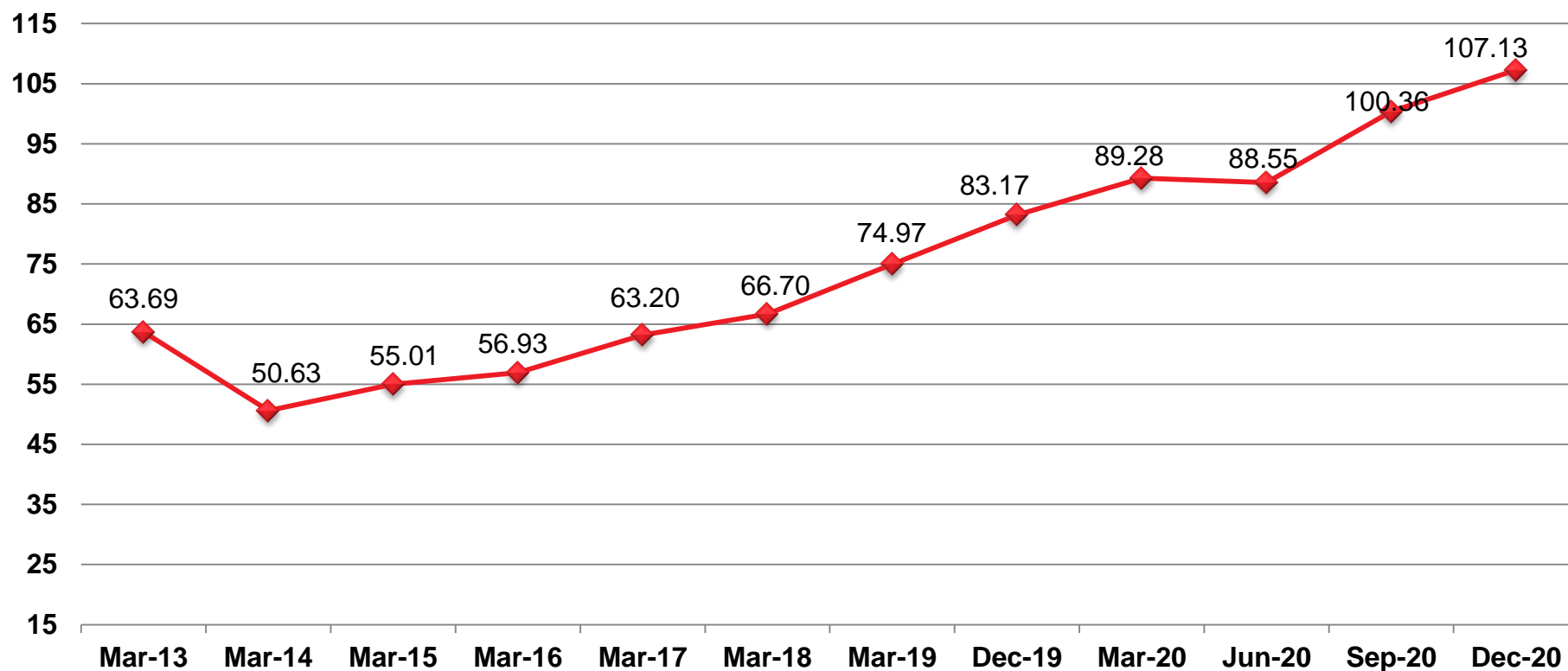


PRODUCTIVITY

Widening presence with increasing gold loan business per branch

Average Gold Loan Per Branch *

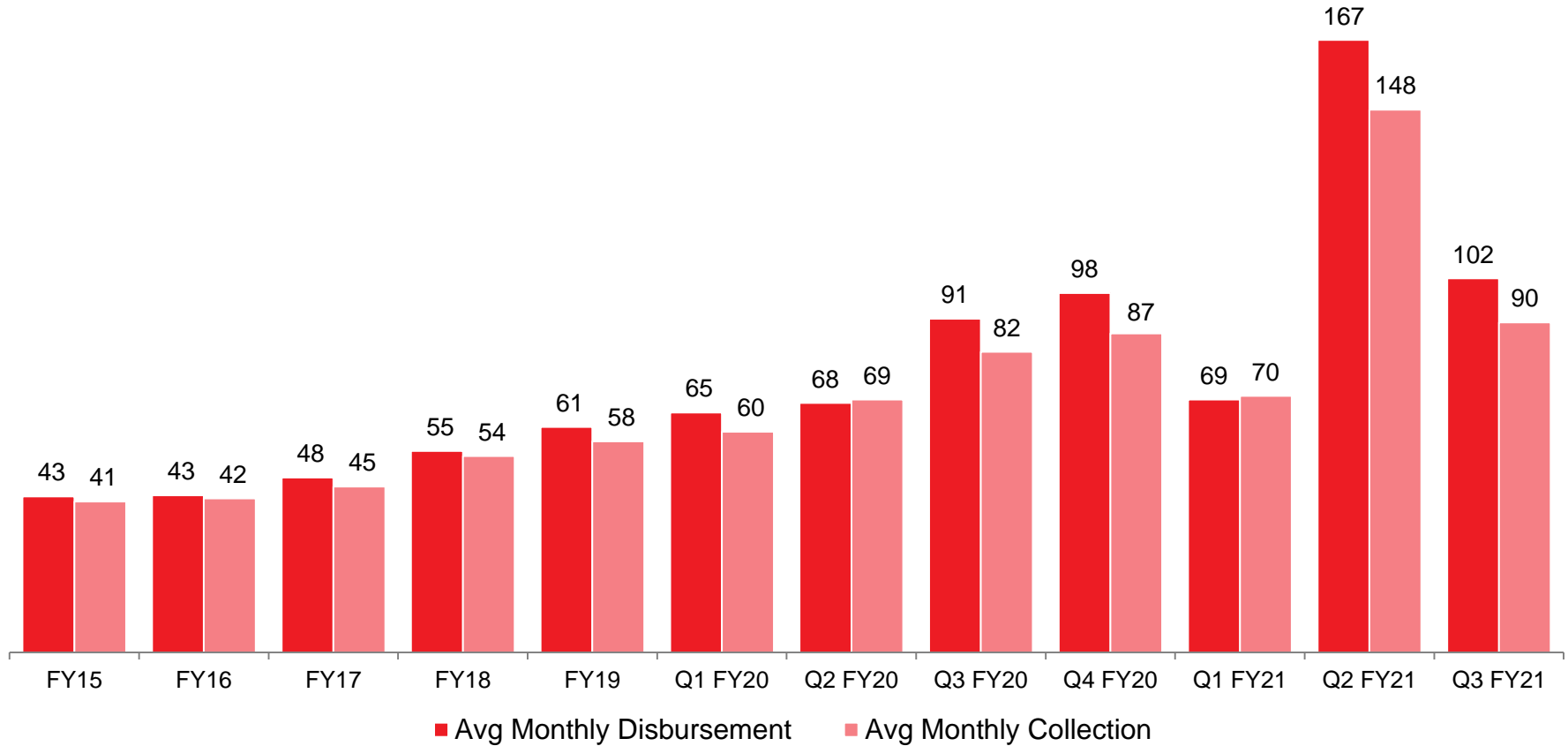
(₹ in millions)



*Principal amount of Gold Loan Assets

Disbursements and Collections

(₹ in billions)

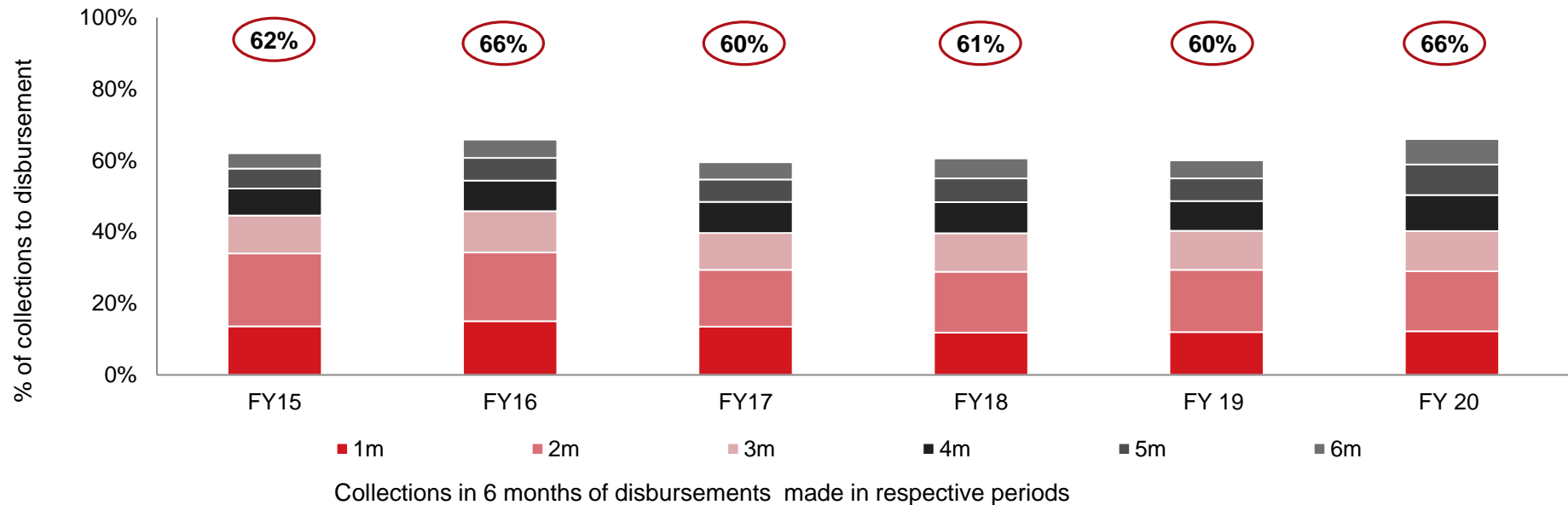


- Strong level of disbursements and collections



HIGHLY LIQUID PORTFOLIO (2/2)

Efficient Collection



- A high proportion of gold loan is repaid within first 6 months



SAFETY OF OUR GOLD LOAN PORTFOLIO

Lender's Perspective & Borrower's Perspective

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 | Mar-19 | Mar-18 | Mar-17 | Mar-16 | Mar-15 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Gold Loan assets (₹ in Billions) | 497 | 462 | 405 | 407 | 377 | 336 | 288 | 272 | 243 | 233 |
| Quantity of Gold content in Ornaments held as Security (Tonnes) | 166 | 163 | 165 | 176 | 173 | 169 | 155 | 149 | 142 | 131 |
| Gold Price/gm (₹) | 4,599 | 4,621 | 4,448 | 3,955 | 3,594 | 2,910 | 2,824 | 2,725 | 2,670 | 2,470 |
| Lender's Perspective | | | | | | | | | | |
| Market Price of Gold Content in Ornaments (₹ in Billions) | 763 | 753 | 734 | 696 | 622 | 492 | 438 | 406 | 379 | 324 |
| Margin of safety on loans | 35% | 39% | 45% | 42% | 39% | 32% | 34% | 33% | 36% | 28% |
| Borrower's Perspective | | | | | | | | | | |
| Market Value of Gold Ornaments (₹ in Billions) with 20% additional value towards making charges etc | 916 | 904 | 881 | 835 | 746 | 590 | 526 | 487 | 455 | 389 |
| Equity of Borrower in the Gold Ornaments net of loans availed | 46% | 49% | 54% | 51% | 49% | 43% | 45% | 44% | 47% | 40% |

* Above calculations are made on overall portfolio and excludes interest accrued on loans

Highly churning customer base (1/2)

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Gold Loan AUM (₹ in Millions) | 496,892 | 462,339 | 404,949 | 407,724 | 377,245 | 349,419 | 351,708 | 335,853 |
| QoQ % change in Gold Loan AUM | 7 | 14 | (1) | 8 | 8 | (1) | 5 | - |
| No. of Loan Accounts | 80,32,610 | 76,24,105 | 75,79,640 | 80,22,325 | 80,25,103 | 81,03,274 | 82,35,723 | 80,62,139 |
| QoQ % change in no. of loan accounts | 5 | 1 | (6) | - | (1) | (2) | 2 | - |
| No. of Active customers | 50,15,666 | 48,28,505 | 47,45,491 | 49,33,886 | 48,95,029 | 48,57,129 | 48,51,024 | 47,21,243 |
| QoQ % change in no. of customers | 4 | 2 | (4) | 1 | 1 | - | 3 | - |

Highly churning customer base (2/2)

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 | Sep-19 | Jun-19 | Mar-19 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Above Gold Loan AUM and No. of customers includes: | | | | | | | | |
| Fresh loans to inactive customers during the quarter in Gold Loan AUM | | | | | | | | |
| No. of customers | 438,173 | 395,800 | 185,351 | 352,036 | 400,888 | 367,872 | 414,527 | 380,171 |
| % of customers | 9 | 8 | 4 | 7 | 8 | 8 | 9 | 8 |
| O/s Loan Amount (₹ in Millions) | 29,600 | 27,268 | 10,547 | 21,806 | 23,608 | 17,549 | 21,226 | 20,023 |
| Fresh loans to New Customers during the quarter in Gold Loan AUM | | | | | | | | |
| No. of customers | 388,391 | 409,037 | 160,123 | 346,626 | 376,036 | 347,848 | 387,384 | 360,251 |
| % of customers | 8 | 8 | 3 | 7 | 8 | 7 | 8 | 8 |
| O/s Loan Amount (₹ in Millions) | 29,759 | 33,388 | 10,807 | 25,622 | 25,583 | 19,241 | 23,487 | 23,148 |
| Fresh loans with new collateral to existing active customers during the quarter in Gold Loan AUM | | | | | | | | |
| No. of customers | 720,583 | 644,535 | 364,964 | 702,566 | 802,024 | 799,453 | 845,482 | 779,363 |
| % of customers | 14 | 13 | 8 | 14 | 16 | 16 | 17 | 17 |
| O/s Loan Amount (₹ in Millions) | 46,175 | 43,390 | 20,576 | 42,368 | 49,661 | 41,281 | 48,079 | 42,751 |

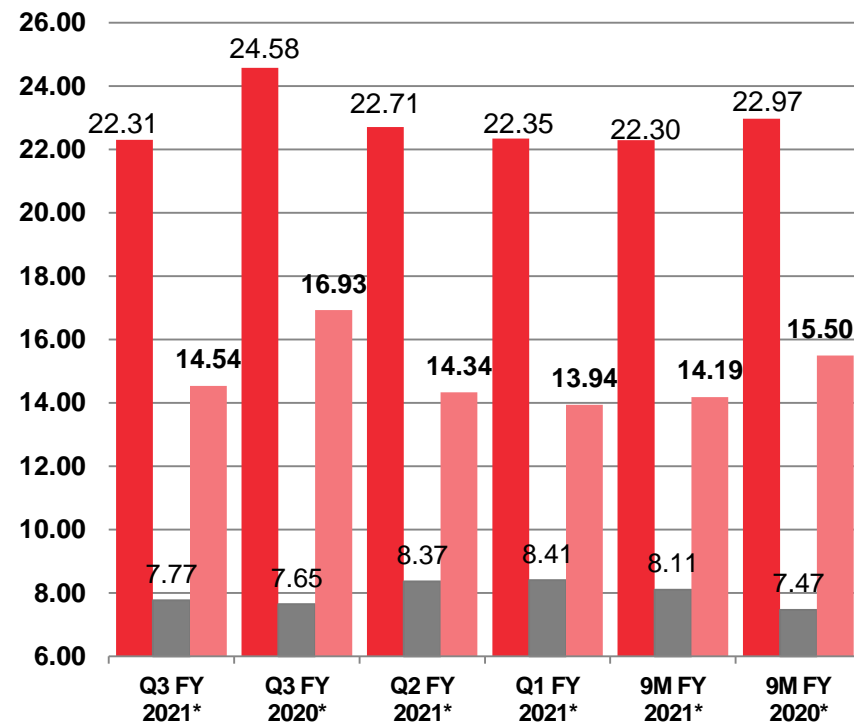
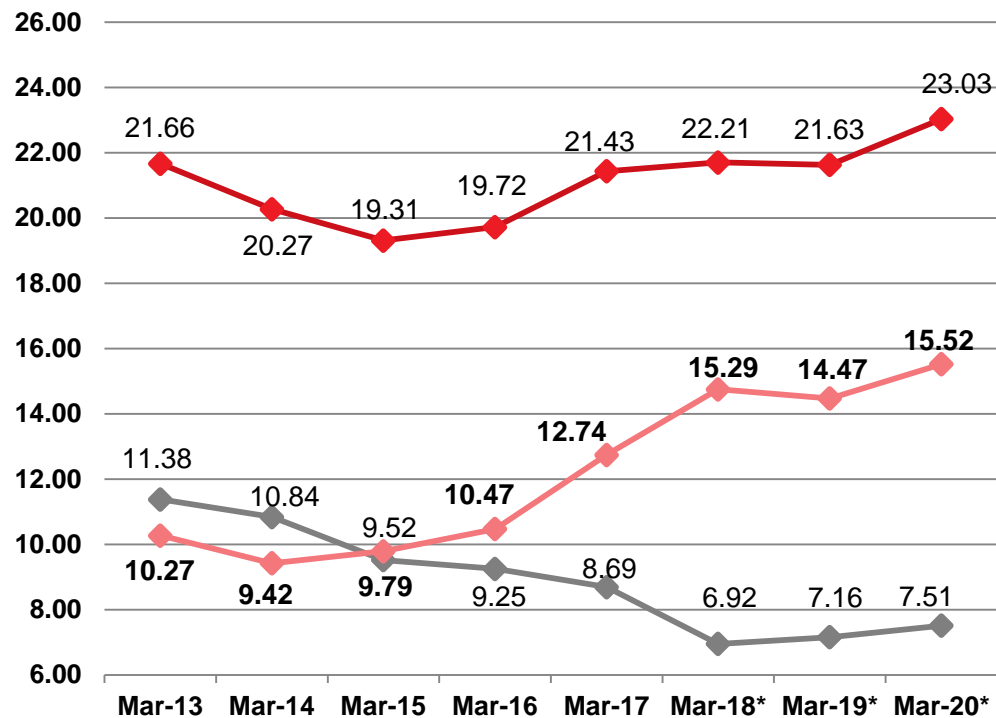
YIELD ON LOAN ASSETS AND NIM

Yearly

(%)

Quarterly

(%)



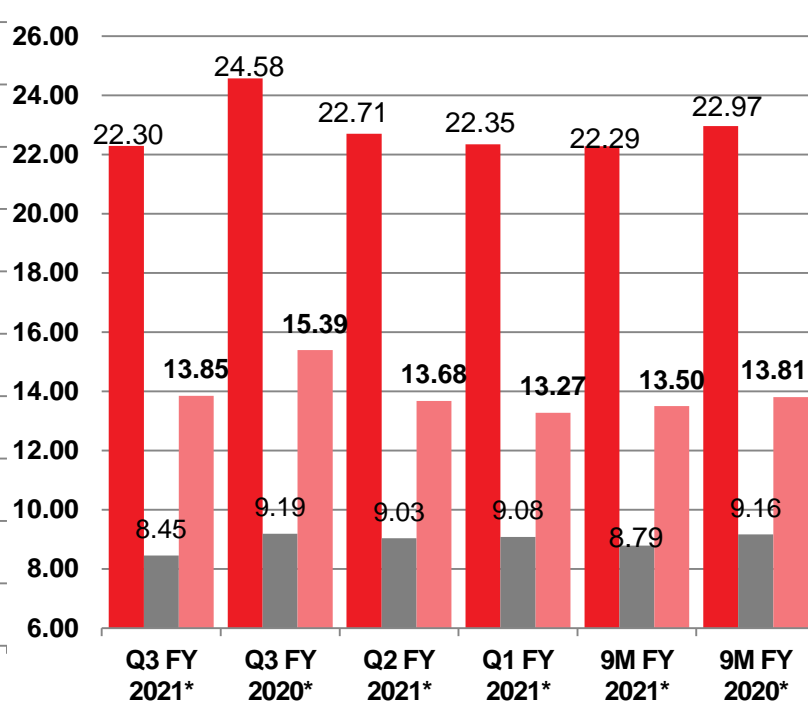
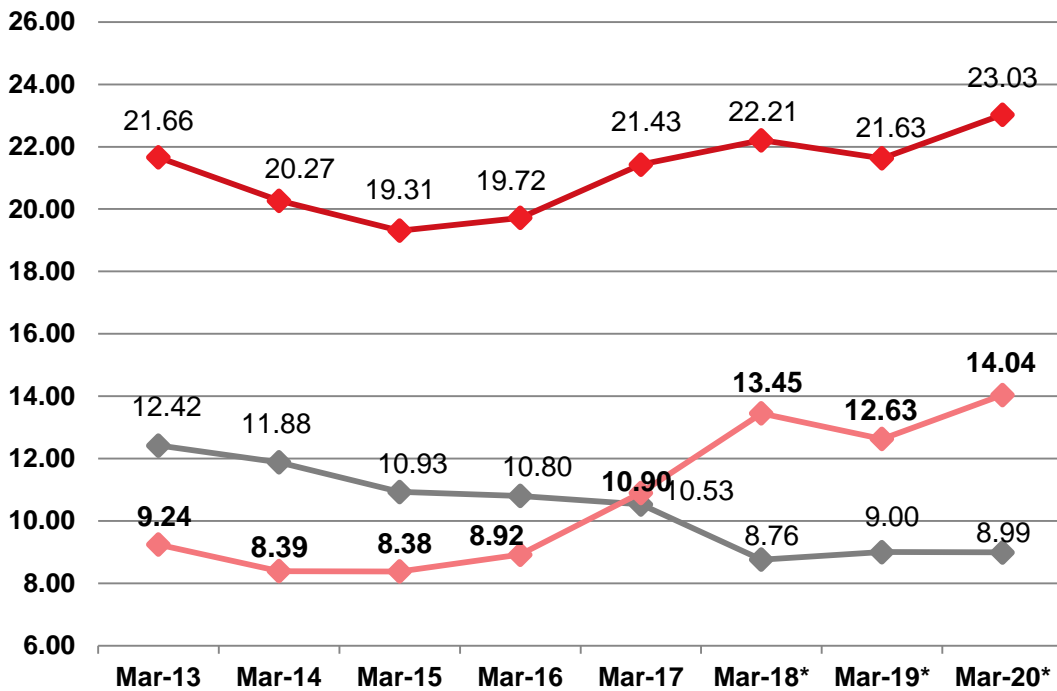
*Under IND -AS

- Interest Income on Average Loan Assets
- Interest Expense on Average Loan Assets
- Net Interest Margin



INTEREST SPREAD

| | |
|------------|---------------|
| Yearly (%) | Quarterly (%) |
|------------|---------------|



*Under IND-AS

- Interest Income on Average Loan Assets
- Interest Expenses on Average Outside Liabilities
- Interest Spread

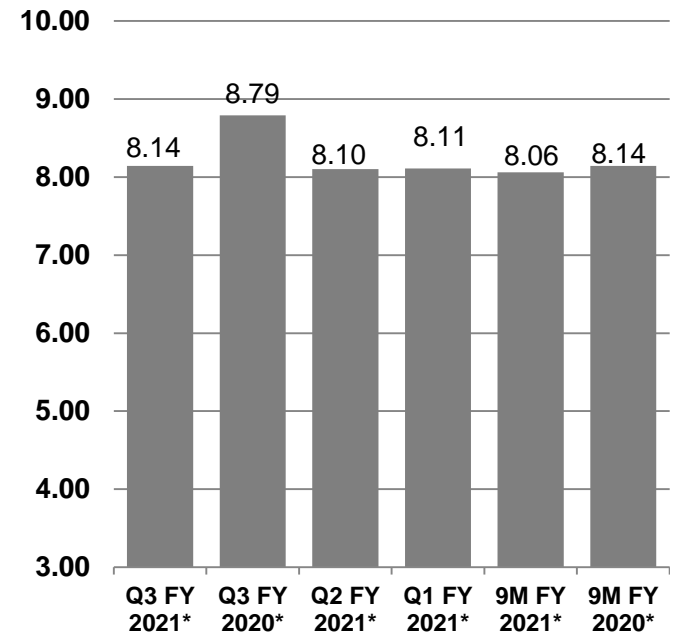
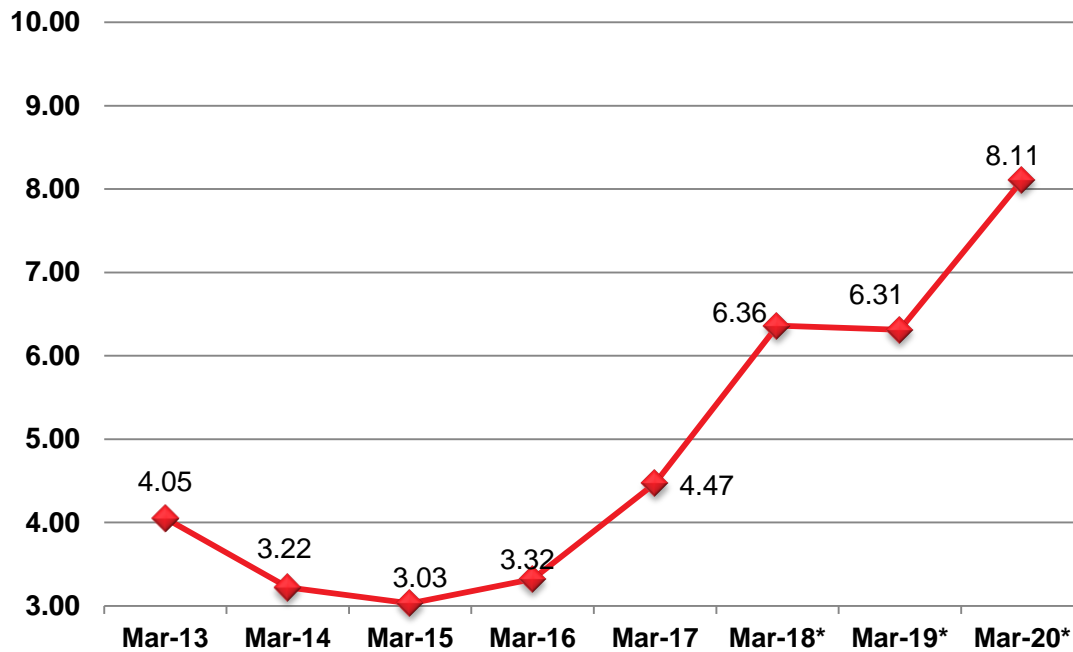


RETURN ON AVERAGE LOAN ASSETS

Attractive returns over the years

Yearly (%)

Quarterly (%)



*Under IND-AS

IMPAIRMENT OF LOAN ASSETS



Muthoot Finance

Stage III Loans Assets and ECL Provision

(₹ in millions)

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 |
|---|--------|--------|--------|--------|--------|
| Stage III Loan Assets | 6,568 | 5,920 | 10,553 | 8,992 | 9,769 |
| % Stage III Assets on Gross Loan Assets | 1.30 | 1.26 | 2.56 | 2.16 | 2.54 |
| ECL Provision on Gross Loan Assets | 6,208 | 5,636 | 5,538 | 5,427 | 7,178 |
| ECL Provision as % of Gross Loan Assets | 1.23 | 1.20 | 1.34 | 1.30 | 1.86 |
| Excess Provision outstanding in books | 2,954 | 2,954 | 2,954 | 2,954 | 1,191 |

Staging Criteria

| Stage | Description | Provision Mechanism |
|---------|------------------------|----------------------------|
| Stage 1 | 0-30 days past due | PD x LGD x Stage 1 Asset |
| Stage 2 | > 30 to <= 90 past due | PD x LGD x Stage 2 Asset |
| Stage 3 | > 90 days past due | LGD x EAD of Stage 3 Asset |

PD-Probability of default

LGD-Loss given default

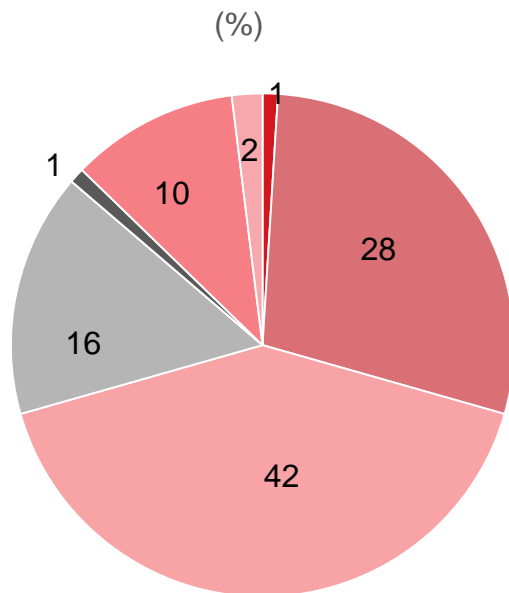
EAD-Exposure at Default

Bad Debts

(₹ in millions)

| | Q3 FY 2021 | Q3 FY 2020 | Q2 FY 2021 | Q1 FY 2021 | 9M FY 2021 | 9M FY 2020 | FY 2020 |
|---|------------|------------|------------|------------|------------|------------|---------|
| Bad Debts Written Off | 27 | 329 | 10 | 28 | 65 | 495 | 599 |
| % of Bad Debts written off to Gross Loan Assets | 0.005 | 0.09 | 0.002 | 0.01 | 0.01 | 0.13 | 0.14 |

Maintaining a diversified funding profile*



- Secured Non-Convertible Debentures (Muthoot Gold Bonds) – ₹ 2,775 mn (1%)
- Secured Non-Convertible Debentures – Listed – ₹132,758 mn (28%)
- Borrowings from Banks/Fis - ₹ 194,851 mn (42%)
- External Commercial Borrowings- Senior secured Notes – ₹ 73,305 mn (16%)
- Subordinated Debt – ₹ 0 mn (0%)
- Subordinated Debt – Listed - ₹ 2,411 mn (1%)
- Commercial Paper – ₹ 49,572 mn (10%)
- Other Loans – ₹ 9,845 mn (2%)

*Principal amount of Borrowings

(As of December 31, 2020)



DOMESTIC CREDIT RATINGS

Highest Rating among gold loan companies

Short-term Rating

| | Rating | Indicates |
|-------------------------|------------|---|
| COMMERCIAL PAPER | | |
| CRISIL RATINGS | CRISIL A1+ | Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk |
| ICRA LIMITED | ICRA A1+ | Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk |
| BANK LOANS | | |
| ICRA LIMITED | ICRA A1+ | Very strong degree of safety with regard to timely payment of financial obligation and carry lowest credit risk |

Long-term Rating

| | Rating | Indicates |
|----------------------------------|--------------------|---|
| SUBORDINATED DEBT | | |
| CRISIL RATINGS | CRISIL AA/Positive | High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk |
| ICRA LIMITED | ICRA AA(Stable) | High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk |
| NON CONVERTIBLE DEBENTURE | | |
| CRISIL RATINGS | CRISIL AA/Positive | High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk |
| ICRA LIMITED | ICRA AA(Stable) | High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk |
| BANK LOANS | | |
| ICRA LIMITED | ICRA AA(Stable) | High Degree of safety with regard to timely servicing of financial obligations and carry very low credit risk |

INTERNATIONAL CREDIT RATINGS

Long-term Rating

| Rating Agencies | Rating | Indicates |
|---------------------------|--------------|---|
| FITCH RATINGS | BB(Stable) | An elevated vulnerability to default risk, particularly in the event of adverse change in business or economic condition over time, however, business or financial flexibility exists that supports the servicing of financial commitments. |
| S&P GLOBAL RATINGS | BB(Negative) | Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions. |
| MOODY'S INVESTORS SERVICE | Ba2 (Stable) | Obiligations are judged to be speculative and are subject to substantial credit risk. The modifier 2 indicates a midrange ranking |

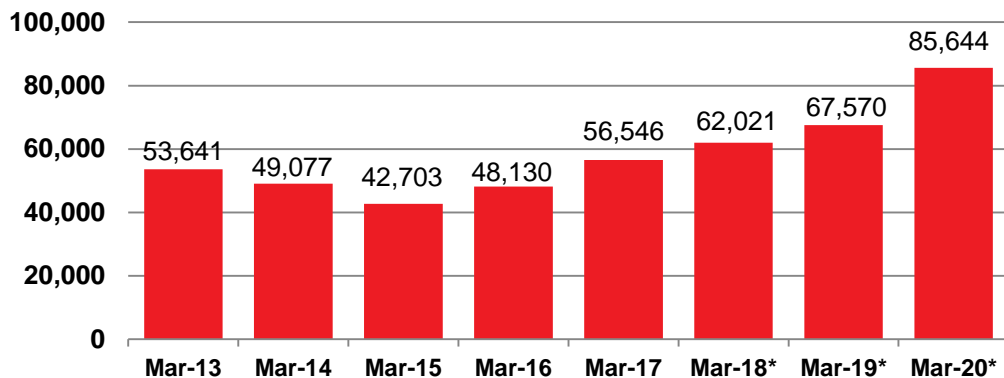


BREAK-UP OF TOTAL INCOME

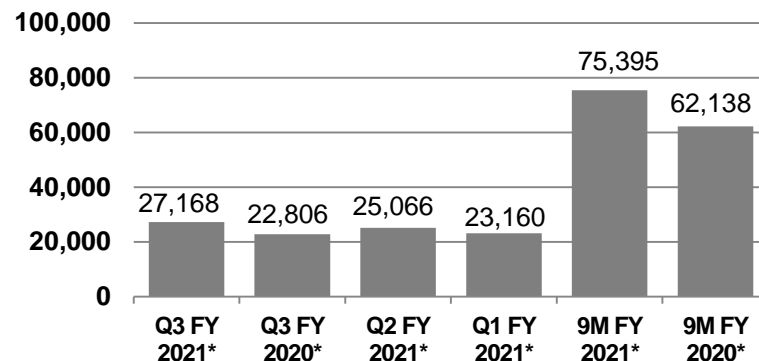
Interest Income

(₹ in millions)

Yearly



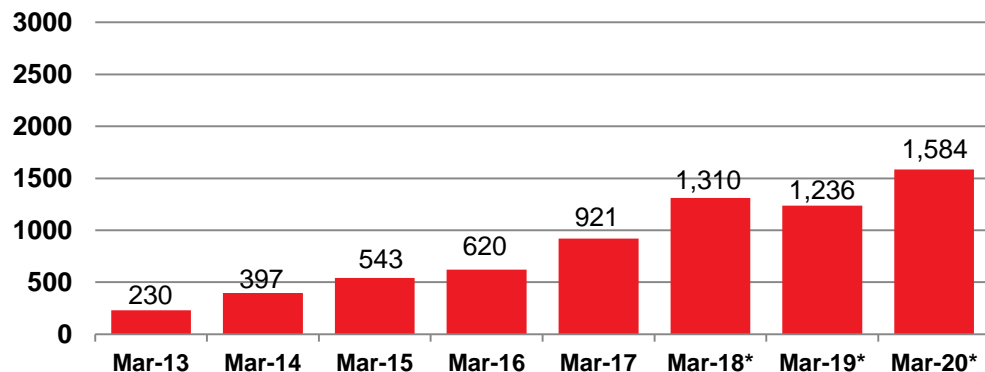
Quarterly



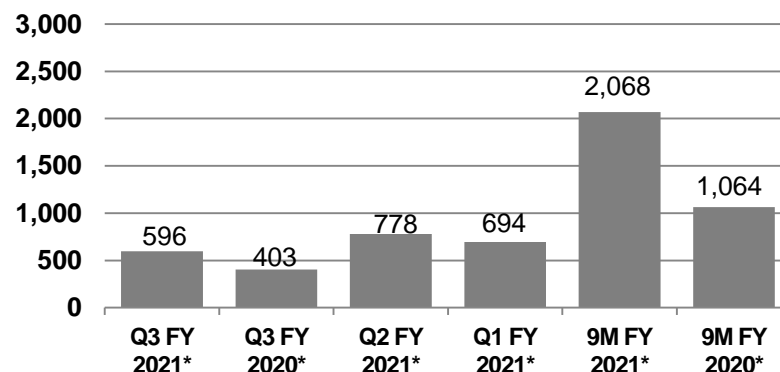
Other Than Interest Income

(₹ in millions)

Yearly



Quarterly



*Under IND-AS

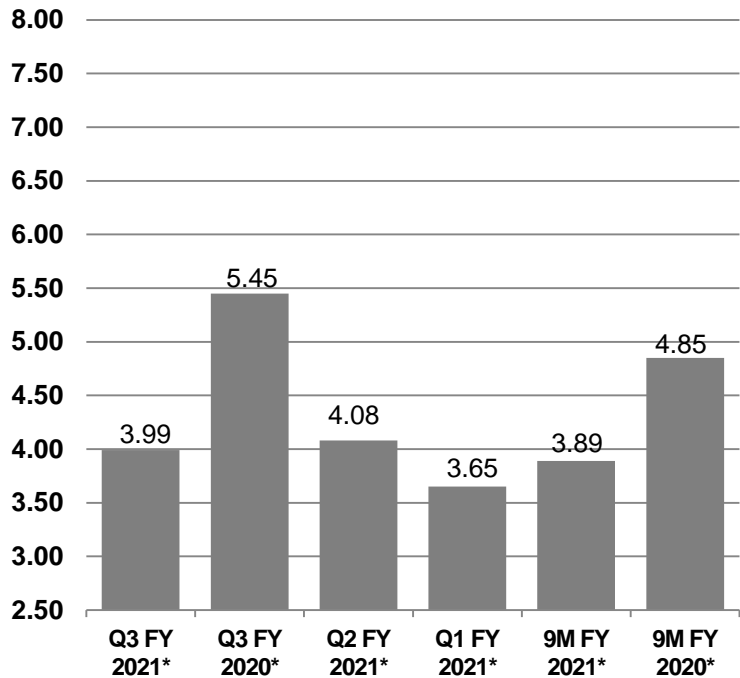
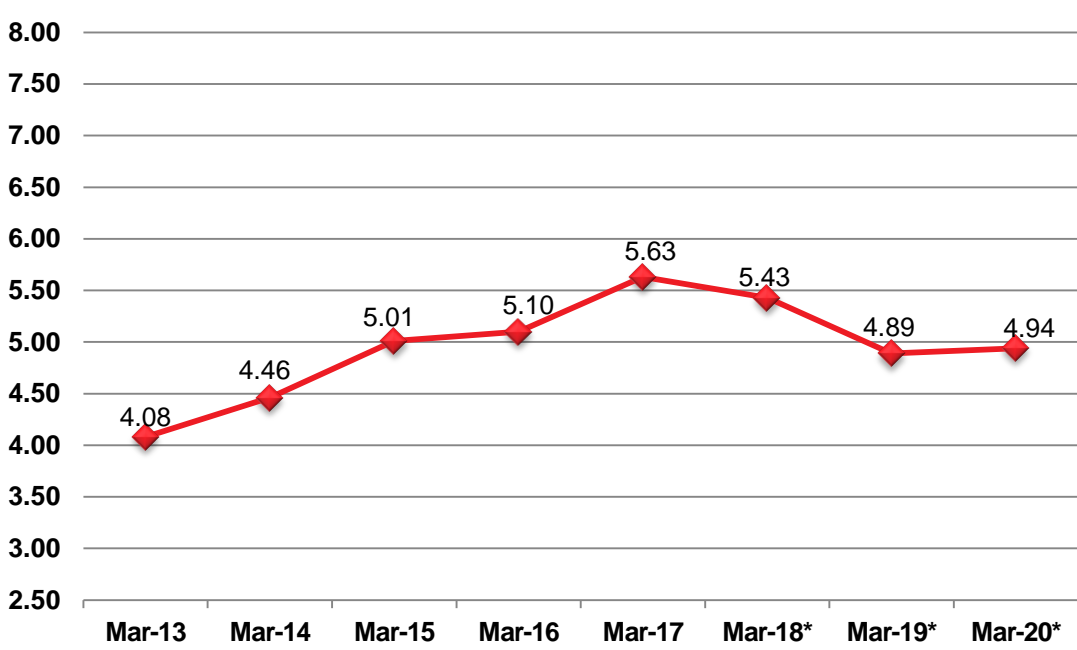


OPERATING EXPENSES TO AVERAGE LOAN ASSETS

Operational efficiency over the years

Yearly (%)

Quarterly (%)



*Under IND AS



BREAK-UP OF OPERATING EXPENSES

Yearly

(₹ in million)

Quarterly

(₹ in millions)

| | Mar-20* | Mar-19* | Mar-18* | Mar-17 | Mar-16 | Mar-15 | Mar-14 | Mar-13 | Q3 FY 2021* | Q3 FY 2020* | Q2 FY 2021* | Q1 FY 2021* | 9M FY 2021* | 9M FY 2020* |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Employee Benefit Expenses | 9,657 | 8,415 | 7,393 | 7,280 | 6,418 | 6,304 | 5,917 | 5,453 | 2,329 | 2,509 | 2,450 | 2,282 | 7,060 | 6,987 |
| Rent | 2,158 | 1,974 | 1,913 | 1,808 | 1,713 | 1,650 | 1,542 | 1,309 | 560 | 548 | 592 | 429 | 1,581 | 1,607 |
| Advertisement & Publicity | 1,163 | 1,056 | 720 | 531 | 626 | 651 | 702 | 579 | 264 | 442 | 404 | 142 | 810 | 869 |
| Communication Costs | 355 | 368 | 404 | 372 | 378 | 371 | 364 | 243 | 113 | 85 | 101 | 75 | 289 | 258 |
| Traveling and Conveyance | 273 | 240 | 182 | 186 | 187 | 212 | 190 | 175 | 58 | 73 | 49 | 32 | 139 | 210 |
| Printing and Stationery | 177 | 153 | 136 | 129 | 144 | 160 | 185 | 168 | 49 | 40 | 40 | 22 | 111 | 123 |
| Repairs and Maintenance | 283 | 280 | 304 | 362 | 290 | 281 | 272 | 256 | 84 | 73 | 76 | 58 | 218 | 220 |
| Legal and Professional Charges | 260 | 203 | 154 | 124 | 93 | 189 | 216 | 86 | 127 | 60 | 67 | 122 | 316 | 199 |
| Business Promotion Expenses | 720 | 481 | 209 | 201 | 149 | 140 | 279 | 332 | 41 | 145 | 129 | 115 | 285 | 543 |
| Directors Remuneration | 633 | 561 | 431 | 362 | 196 | 192 | 192 | 192 | 81 | 71 | 80 | 80 | 242 | 214 |
| Depreciation and Amortisation Expenses | 431 | 421 | 439 | 482 | 575 | 841 | 475 | 454 | 140 | 110 | 114 | 99 | 353 | 308 |
| Others | 1,677 | 1,260 | 2,970 | 835 | 1,014 | 733 | 731 | 550 | 562 | 386 | 395 | 282 | 1,239 | 944 |
| Provision For Standard & NPA Assets | - | - | - | 2,647 | 1,223 | 180 | 214 | 765 | - | - | - | - | - | - |
| Impairment on Financial instruments | 957 | 259 | 316 | - | - | - | - | - | 585 | 612 | 107 | 146 | 838 | 909 |
| Total | 18,744 | 15,670 | 15,571 | 15,319 | 13,006 | 11,904 | 11,279 | 10,562 | 4,994 | 5,154 | 4,604 | 3,884 | 13,482 | 13,392 |

*Under IND-AS



BREAK-UP OF OPERATING EXPENSES

| Yearly | Quarterly | | | | | | | | Quarterly | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | (%) | | | | | | | | (%) | | | | | |
| | Mar-20* | Mar-19* | Mar-18* | Mar-17 | Mar-16 | Mar-15 | Mar-14 | Mar-13 | Q3 FY 2021* | Q3 FY 2020* | Q2 FY 2021* | Q1 FY 2021* | 9M FY 2021* | 9M FY 2020* |
| Employee Benefit Expenses | 52 | 54 | 47 | 48 | 49 | 53 | 52 | 52 | 47 | 49 | 53 | 59 | 52 | 52 |
| Rent | 12 | 13 | 12 | 12 | 13 | 14 | 14 | 12 | 11 | 11 | 13 | 11 | 12 | 12 |
| Advertisement & Publicity | 6 | 7 | 5 | 3 | 5 | 5 | 6 | 5 | 5 | 9 | 9 | 4 | 6 | 6 |
| Communication Costs | 2 | 2 | 3 | 2 | 3 | 3 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Traveling and Conveyance | 1 | 2 | 1 | 1 | 1 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 2 |
| Printing and Stationery | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 |
| Repairs and Maintenance | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 2 | 1 | 2 | 2 |
| Legal and Professional Charges | 1 | 1 | 1 | 1 | 1 | 2 | 2 | 1 | 3 | 1 | 1 | 3 | 2 | 1 |
| Business Promotion Expenses | 4 | 3 | 1 | 1 | 1 | 1 | 2 | 3 | 1 | 3 | 3 | 3 | 2 | 4 |
| Directors Remuneration | 3 | 4 | 3 | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 2 | 2 |
| Depreciation and Amortisation Expenses | 2 | 3 | 3 | 3 | 4 | 7 | 4 | 4 | 3 | 2 | 2 | 3 | 3 | 2 |
| Others | 9 | 8 | 19 | 5 | 8 | 6 | 6 | 5 | 11 | 7 | 9 | 7 | 9 | 7 |
| Provision For Standard & NPA Assets | - | - | - | 17 | 9 | 2 | 2 | 7 | - | - | - | - | - | - |
| Impairment on Financial instruments | 5 | 2 | 2 | - | - | - | - | - | 12 | 12 | 2 | 4 | 6 | 7 |
| Total | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

*Under IND-AS



PROFITABILITY RATIOS

| Yearly | (%) | | | | | | | | Quarterly | | | | | | (%) |
|--|---------|---------|---------|--------|--------|--------|--------|--------|-------------|-------------|-------------|-------------|-------------|-------------|-----|
| (Based on Income) | Mar-20* | Mar-19* | Mar-18* | Mar-17 | Mar-16 | Mar-15 | Mar-14 | Mar-13 | Q3 FY 2021* | Q3 FY 2020* | Q2 FY 2021* | Q1 FY 2021* | 9M FY 2021* | 9M FY 2020* | |
| Interest expense to Gross Income | 32.00 | 32.51 | 30.50 | 39.92 | 46.31 | 48.71 | 53.08 | 52.34 | 34.06 | 30.57 | 35.76 | 36.53 | 35.39 | 31.98 | |
| Selling, general and administrative expenses to Net Income | 29.26 | 32.24 | 28.93 | 34.88 | 41.36 | 48.26 | 44.66 | 35.89 | 23.32 | 27.50 | 26.40 | 24.04 | 24.56 | 28.32 | |
| Provisions & Write Offs to Net Income | 1.61 | 0.59 | 5.44 | 8.16 | 6.20 | 1.67 | 1.89 | 3.49 | 3.20 | 3.80 | 0.64 | 0.96 | 1.68 | 2.12 | |
| Operational expenses to Net Income | 30.87 | 32.84 | 34.38 | 43.03 | 47.56 | 49.93 | 46.55 | 39.37 | 26.51 | 31.30 | 27.04 | 25.00 | 26.23 | 30.43 | |
| OPBDT / Net Income | 69.13 | 67.16 | 65.62 | 56.97 | 52.44 | 50.06 | 53.45 | 60.62 | 73.49 | 68.70 | 72.96 | 75.00 | 73.77 | 69.57 | |
| Depreciation to Net Income | 0.73 | 0.90 | 1.00 | 1.33 | 2.13 | 3.72 | 2.03 | 1.76 | 0.77 | 0.68 | 0.69 | 0.65 | 0.71 | 0.72 | |
| OPBT / Net Income | 68.40 | 66.26 | 64.63 | 55.63 | 50.31 | 46.34 | 51.42 | 58.86 | 72.72 | 68.02 | 72.27 | 74.34 | 73.06 | 68.85 | |
| PBT / Net Income | 68.40 | 66.26 | 64.63 | 55.63 | 50.31 | 46.34 | 51.42 | 58.86 | 72.72 | 68.02 | 72.27 | 74.34 | 73.06 | 68.85 | |
| PAT / Net Income | 50.88 | 42.47 | 40.38 | 34.17 | 30.93 | 30.23 | 33.60 | 39.11 | 54.15 | 50.59 | 53.86 | 55.54 | 54.47 | 51.24 | |

*Under IND-AS



PROFITABILITY RATIOS

| Yearly (%) (Based on Average Loan Assets) | Quarterly | | | | | | | | | (%) | | | | |
|--|-----------|---------|---------|--------|--------|--------|--------|--------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Mar-20* | Mar-19* | Mar-18* | Mar-17 | Mar-16 | Mar-15 | Mar-14 | Mar-13 | Q3 FY 2021* | Q3 FY 2020* | Q2 FY 2021* | Q1 FY 2021* | 9M FY 2021* | 9M FY 2020* |
| Interest income to avg. loan assets | 23.03 | 21.63 | 22.21 | 21.43 | 19.72 | 19.30 | 20.27 | 21.66 | 22.31 | 24.58 | 22.71 | 22.35 | 22.30 | 22.97 |
| Interest expense to avg. loan assets | 7.51 | 7.16 | 6.92 | 8.69 | 9.25 | 9.52 | 10.84 | 11.38 | 7.77 | 7.65 | 8.37 | 8.41 | 8.11 | 7.47 |
| Net Interest Margin | 15.52 | 14.47 | 15.29 | 12.74 | 10.47 | 9.78 | 9.42 | 10.27 | 14.54 | 16.93 | 14.34 | 13.94 | 14.19 | 15.50 |
| Other income to avg. loan assets | 0.43 | 0.40 | 0.47 | 0.35 | 0.25 | 0.25 | 0.16 | 0.09 | 0.49 | 0.43 | 0.71 | 0.67 | 0.61 | 0.39 |
| Net Income Including Other Income | 15.95 | 14.87 | 15.76 | 13.09 | 10.72 | 10.03 | 9.59 | 10.37 | 15.03 | 17.37 | 15.04 | 14.61 | 14.80 | 15.89 |
| Selling, general and administrative expenses to avg. loan assets | 4.68 | 4.81 | 5.32 | 4.56 | 4.43 | 4.84 | 4.28 | 3.72 | 3.51 | 4.79 | 3.98 | 3.51 | 3.64 | 4.51 |
| Provisions and write offs to avg. loan assets | 0.26 | 0.08 | 0.11 | 1.07 | 0.67 | 0.17 | 0.18 | 0.36 | 0.48 | 0.66 | 0.10 | 0.14 | 0.25 | 0.34 |
| PBDT to avg. loan assets | 11.01 | 9.98 | 10.33 | 7.45 | 5.62 | 5.02 | 5.12 | 6.28 | 11.04 | 11.92 | 10.96 | 10.96 | 10.91 | 11.05 |
| Depreciation to avg. loan assets | 0.11 | 0.12 | 0.15 | 0.17 | 0.23 | 0.37 | 0.20 | 0.18 | 0.11 | 0.11 | 0.09 | 0.10 | 0.10 | 0.11 |
| PBT to avg. loan assets | 10.90 | 9.85 | 10.19 | 7.28 | 5.39 | 4.65 | 4.93 | 6.10 | 10.93 | 11.81 | 10.87 | 10.86 | 10.81 | 10.94 |
| Tax to avg. loan assets | 2.79 | 3.54 | 3.82 | 2.81 | 2.08 | 1.62 | 1.71 | 2.05 | 2.79 | 3.03 | 2.77 | 2.75 | 2.75 | 2.80 |
| PAT to avg. loan assets | 8.11 | 6.31 | 6.36 | 4.47 | 3.32 | 3.03 | 3.22 | 4.05 | 8.14 | 8.79 | 8.10 | 8.11 | 8.06 | 8.14 |
| Cash Profit to avg. loan assets | 8.22 | 6.44 | 6.51 | 4.65 | 3.54 | 3.40 | 3.42 | 4.24 | 8.25 | 8.90 | 8.19 | 8.21 | 8.16 | 8.25 |

*Under IND-AS



PROFITABILITY

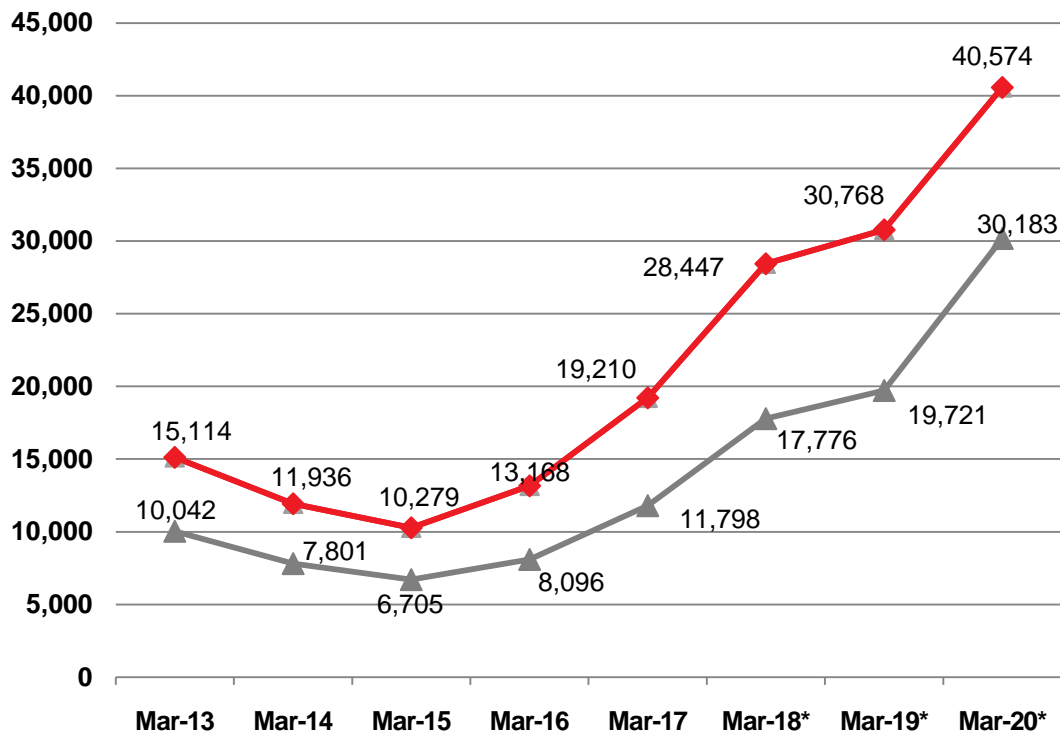
Efforts getting rewarded

Profitability at a glance

(₹ in millions)

Yearly

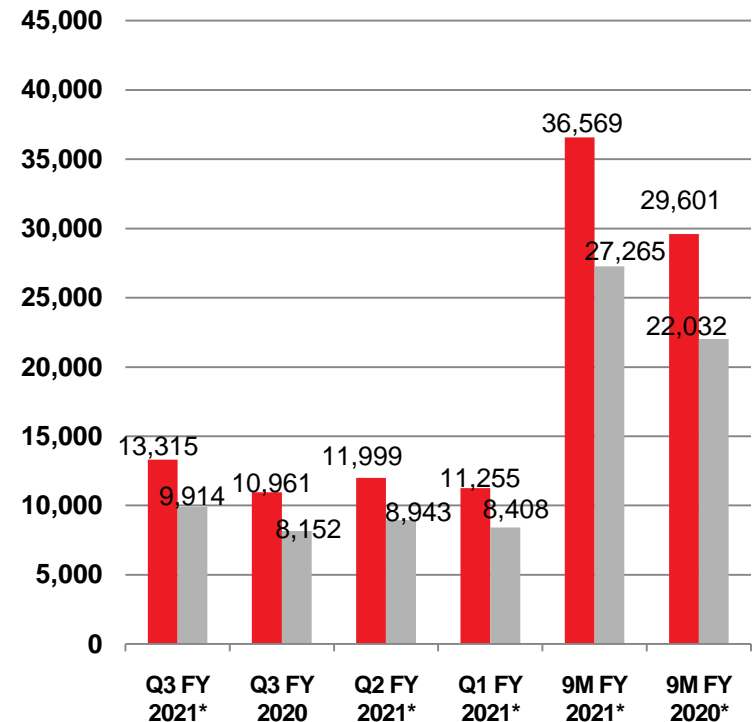
◆ PBT ▲ PAT



*Under IND-AS

Quarterly

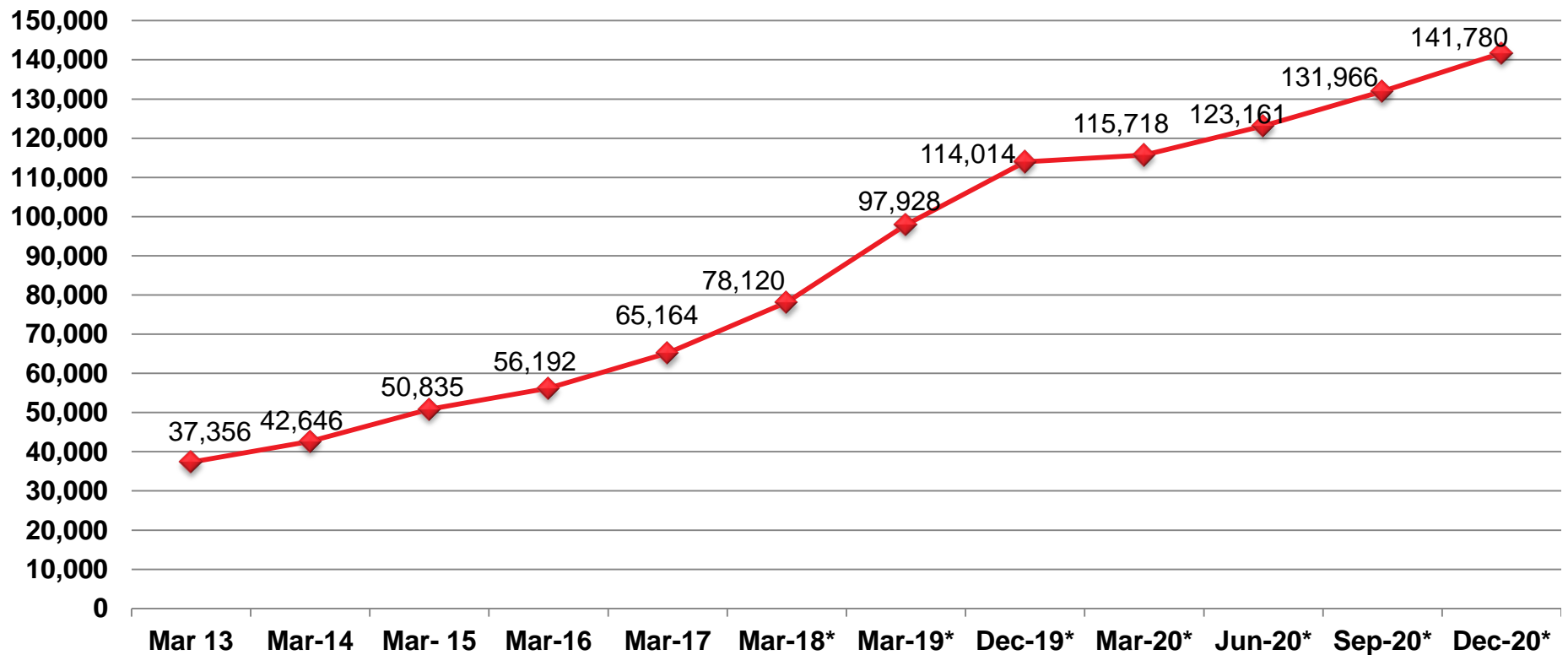
■ PBT ■ PAT



Steady capital position

Share Capital and Reserves & Surplus

(₹ in millions)



*Under IND-AS



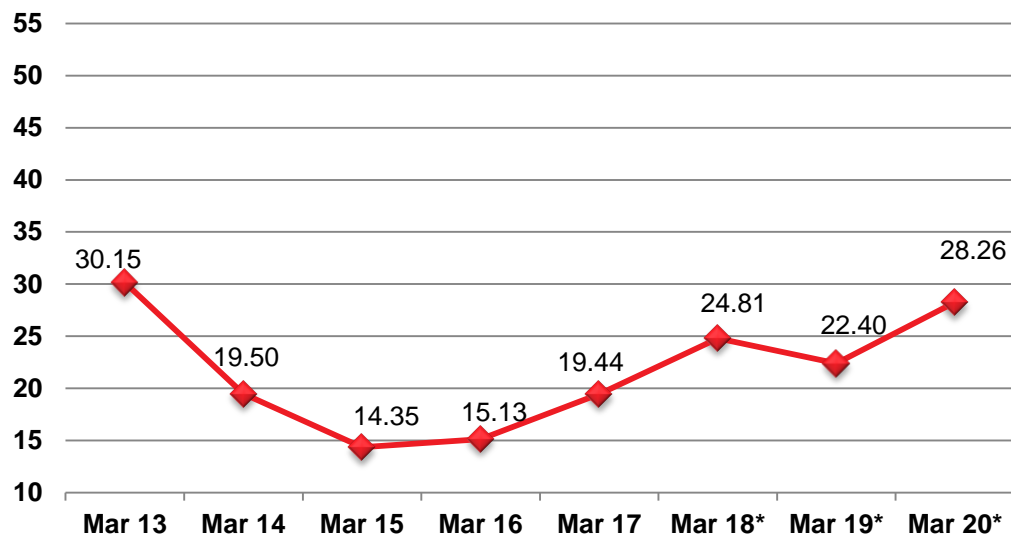
RETURN ON EQUITY

Stable shareholder value creation

Return on Average Equity

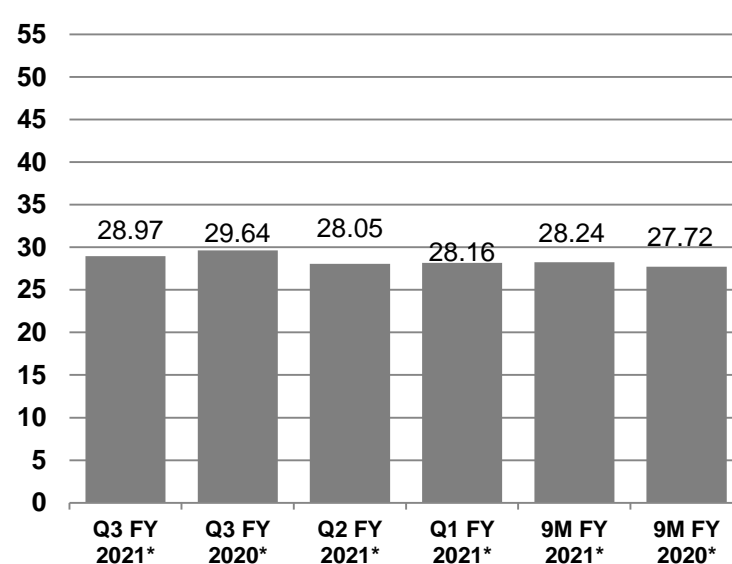
Yearly

(%)



Quarterly

(%)



*Under IND-AS

Maintaining capital well above the statutory requirement

Capital Adequacy Ratio

(%)

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 |
|------------------------|---------------|---------------|---------------|---------------|---------------|
| Capital Adequacy Ratio | 26.38 | 25.73 | 26.30 | 25.47 | 26.51 |
| Tier-I | 25.28 | 24.62 | 25.20 | 24.30 | 26.18 |
| Tier-II | 1.10 | 1.11 | 1.10 | 1.17 | 0.33 |



MARKET VALUE RATIO

Equity market valuation ratios indicate potential for upside

| | Q3 FY 2021 | Q3 FY 2020 | Q2 FY 2021 | Q1 FY 2021 | 9M FY 2021 | 9M FY 2020 | FY 2020 |
|------------------------|------------|------------|------------|------------|------------|------------|---------|
| Earnings per share (₹) | | | | | | | |
| - Basic | 24.72 | 20.34 | 22.30 | 20.96 | 67.98 | 54.98 | 75.31 |
| - Diluted | 24.69 | 20.32 | 22.28 | 20.94 | 67.91 | 54.89 | 75.21 |

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 |
|------------------------------|----------|----------|----------|--------|--------|
| Book Value per share (₹) | 353.28 | 328.82 | 306.99 | 288.43 | 284.40 |
| Market price per share (₹)** | 1,210.55 | 1,132.10 | 1,086.05 | 613.15 | 761.45 |
| Price to Earnings ratio*** | 13.71 | 13.49 | 13.08 | 8.14 | 11.29 |
| Price to Book Value ratio | 3.43 | 3.44 | 3.54 | 2.13 | 2.68 |

**Source: www.nseindia.com

***Based on trailing 12 months EPS



CAPITALISATION RATIOS

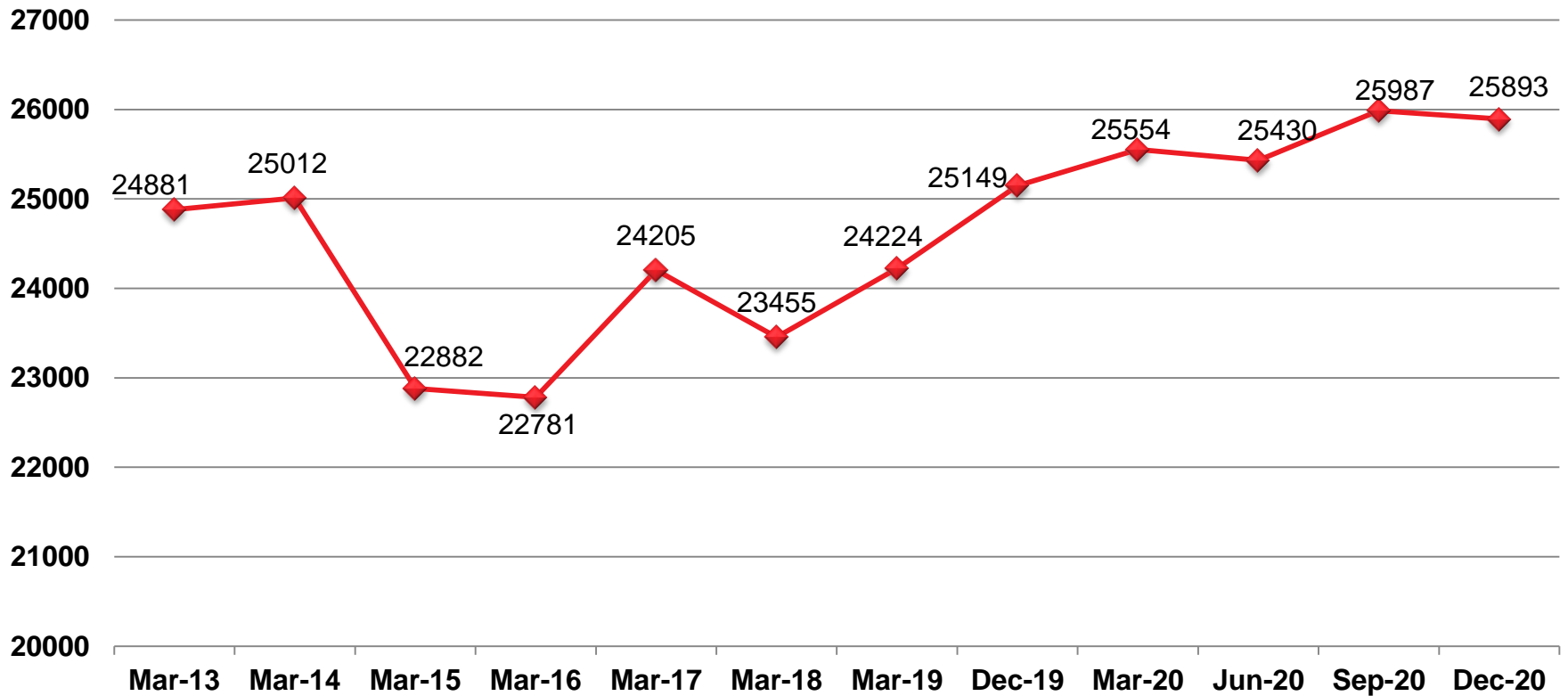
Headroom for further leveraging

(₹ In millions)

| | Dec-20 | Sep-20 | Jun-20 | Mar-20 | Dec-19 |
|--|---------------|---------------|---------------|---------------|---------------|
| Outside Liabilities | 485,252 | 440,401 | 404,561 | 388,878 | 339,678 |
| Cash & Bank Balances & Investment in MF liquid Funds | 95,502 | 79,465 | 84,769 | 59,253 | 47,869 |
| Tangible Networth | 141,731 | 131,914 | 123,113 | 115,668 | 113,957 |
| Capital Gearing | 2.75 | 2.74 | 2.60 | 2.85 | 2.56 |

Groomed human capital over the years to meet growing business requirements

(No. of Employees)





ASIA ASSET

FINANCE PLC

The unconventional finance company

ASIA ASSET FINANCE PLC – AN OVERVIEW



Asia Asset Finance PLC, (AAF) Colombo, Sri Lanka became a foreign subsidiary of Muthoot Finance on December 31, 2014. As on December 31, 2020, total holding in AAF stood at 91 million equity shares representing 72.92% of their total capital. The loan portfolio stands at LKR 13,309 million as on December 31, 2020

AAF is a Registered Financial Company based in Sri Lanka a fully licensed, deposit-taking institution registered with the Central Bank of Sri Lanka and listed in the Colombo Stock Exchange

AAF is in lending business since 1970. At present the company is involved in Retail Finance, Hire Purchase & Business Loans and has 40 branches across Sri Lanka.

The company formerly known as Finance and Land Sales has been in operation for over 49 years, evolving to serve the growing needs of people of Sri Lanka.

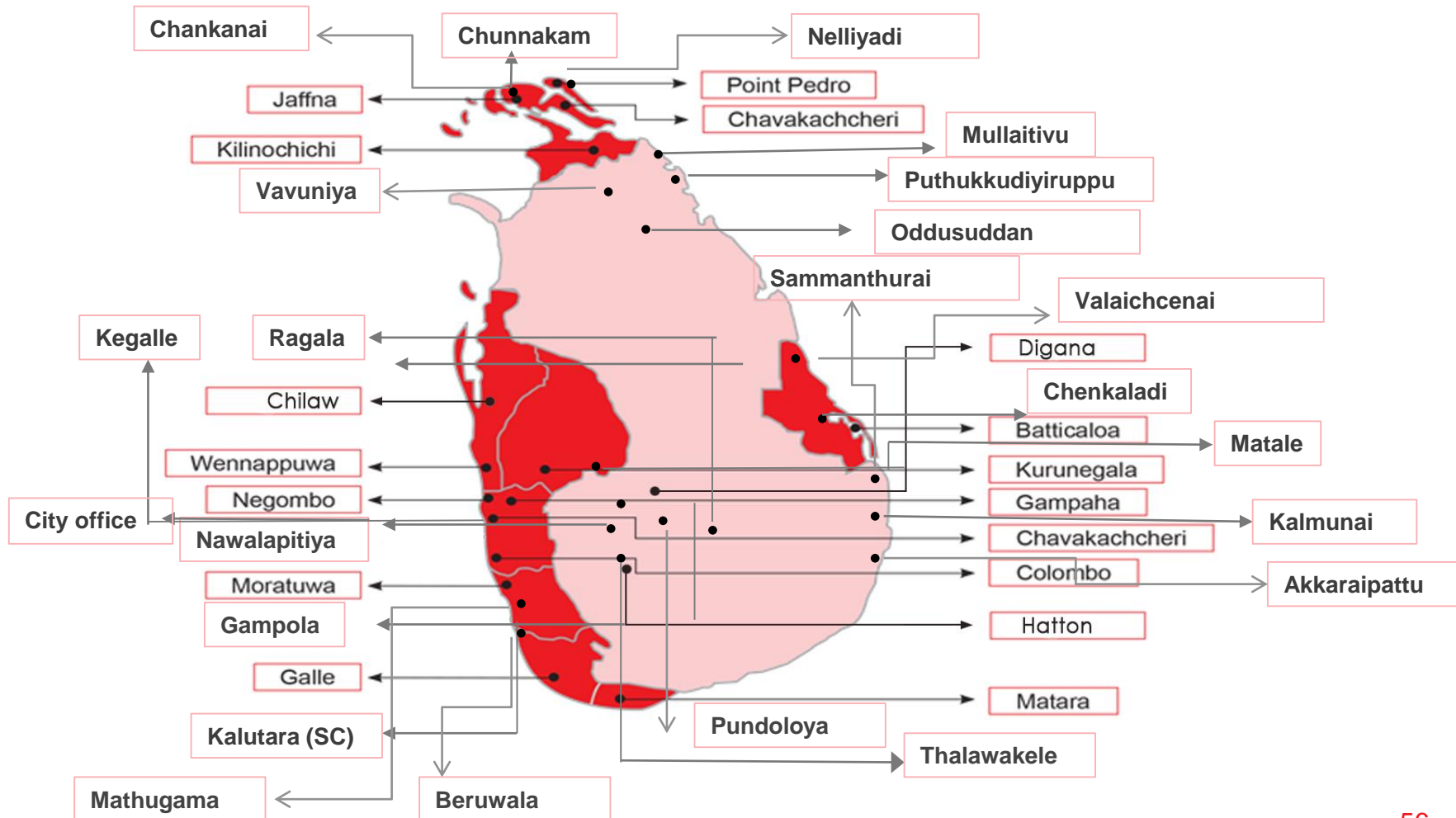
PRODUCTS



- Fixed Deposits
- Leasing
- Business Loan
- Personal Loan
- Group Personal Loan
- Corporate Loans
- Mortgage Loans
- Factoring
- Short Term Loans
- Micro Finance
- Loan against Gold Jewellery

BRANCH NETWORK

AAF has operations in various parts of Sri Lanka providing the best services and easy access to clients



Key Financial Parameters

(LKR in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|---------------------------------|------------|------------|------------|------------|------------|----------|
| INR/LKR | 0.39408 | 0.39286 | 0.39408 | 0.40086 | 0.40386 | 0.388758 |
| Number of branches | 40 | 28 | 40 | 30 | 29 | 29 |
| Number of Employees | 423 | 531 | 423 | 424 | 461 | 495 |
| Loan AUM (LKR) | 13,309 | 13,014 | 13,309 | 12,982 | 13,481 | 13,839 |
| Capital Adequacy Ratio (%) | 16 | 15 | 16 | 17 | 16 | 17 |
| Total Revenue (LKR) | 2,167 | 2,515 | 710 | 760 | 697 | 3,332 |
| Total Expense (LKR) | 2,122 | 2,410 | 686 | 722 | 714 | 3,239 |
| Profit Before Tax (LKR) | 45 | 105 | 24 | 38 | (17) | 93 |
| Profit After Tax (LKR) | 18 | 90 | 16 | 18 | (17) | 70 |
| Shareholders Funds (LKR) | 2,189 | 2,194 | 2,189 | 2,173 | 2,155 | 2,172 |
| Total Outside Liabilities (LKR) | 13,143 | 12,532 | 13,143 | 12,476 | 12,501 | 12,983 |
| Total Assets (LKR) | 15,332 | 14,726 | 15,332 | 14,649 | 14,656 | 15,155 |

OUR SUBSIDIARY





Muthoot Homefin (India) Limited is a Housing Finance Company registered with The National Housing Bank (NHB). It became a wholly owned subsidiary of Muthoot Finance Ltd in Aug'17.

MHIL focuses on extending affordable housing finance and targets customers in Economically Weaker Sections (EWS) and Lower Income Groups (LIG) in Tier II & Tier III locations.

It operates on a 'Hub and Spoke' model, with the centralised processing at Corporate Office at Mumbai. MHIL has operations in Kerala, Maharashtra, Gujarat, Rajasthan, Madhya Pradesh, Chandigarh, Andhra Pradesh, Telangana, Karnataka, Uttar Pradesh, Haryana, Punjab, Delhi, Tamil Nadu, Chattisgarh and Pondicherry.

As on December 31, 2020, it has a loan portfolio of Rs.18,807 million.

ICRA and CARE assigned Short Term Debt Rating of ICRA A1+ and CARE A1+ respectively for its Commercial Paper.

**Muthoot Homefin****Muthoot Finance**

Business Performance

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|-------------------------------|------------|------------|------------|------------|------------|---------|
| Number of branches | 108 | 107 | 108 | 108 | 107 | 107 |
| Number of Sales Offices | 108 | 107 | 108 | 107 | 107 | 107 |
| Number of Employees | 281 | 438 | 281 | 280 | 344 | 412 |
| Loan AUM (₹) | 18,807 | 20,248 | 18,807 | 19,377 | 19,787 | 19,769 |
| Capital Adequacy Ratio (%) | 46 | 50 | 46 | 48 | 47 | 52 |
| Total Revenue (₹) | 1,667 | 2,401 | 508 | 571 | 588 | 2,876 |
| Total Expense (₹) | 1,565 | 1,983 | 483 | 500 | 582 | 2,452 |
| Profit Before Tax (₹) | 102 | 418 | 25 | 71 | 6 | 424 |
| Profit After Tax (₹) | 75 | 306 | 18 | 53 | 4 | 318 |
| Shareholders Funds (₹) | 4,336 | 4,248 | 4,336 | 4,318 | 4,264 | 4,260 |
| Total Outside Liabilities (₹) | 13,556 | 15,286 | 13,556 | 13,713 | 15,062 | 14,590 |
| Total Assets (₹) | 17,892 | 19,534 | 17,892 | 18,031 | 19,326 | 18,850 |

**Muthoot Homefin****Muthoot Finance**

Business Performance

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|---|------------|------------|------------|------------|------------|---------|
| Disbursement (₹) | 856 | 3,564 | 126 | 116 | 613 | 4,127 |
| Borrowings (₹) | 13,077 | 14,913 | 13,077 | 13,312 | 14,712 | 14,185 |
| Debt Equity Ratio (%) | 3.01 | 3.50 | 3.01 | 3.08 | 3.44 | 3.33 |
| Yield on Advances (%) | 12.48 | 12.36 | 11.61 | 12.74 | 13.04 | 11.77 |
| Interest Spread (%) | 3.30 | 2.90 | 2.68 | 3.52 | 3.65 | 2.29 |
| NIM (%) | 4.94 | 5.19 | 4.27 | 4.97 | 5.52 | 4.40 |
| Cost to Income Ratio (%) | 36.56 | 37.55 | 35.79 | 30.15 | 43.47 | 36.06 |
| Return on Assets (ROA) (%) | 0.59 | 2.03 | 0.44 | 1.26 | 0.09 | 1.65 |
| Return on Equity (ROE) (%) | 2.33 | 9.97 | 1.66 | 4.96 | 0.38 | 7.75 |
| Stage III Loan Assets | 293 | 335 | 293 | 331 | 337 | 338 |
| % Stage III assets on Gross Loan Assets | 1.56 | 1.65 | 1.56 | 1.71 | 1.70 | 1.71 |
| Stage III ECL Provision | 111 | 270 | 111 | 111 | 111 | 111 |
| ECL Provision | 385 | 341 | 385 | 348 | 309 | 179 |
| ECL Provision as a % of Gross Loan Assets | 2.05 | 1.68 | 2.05 | 1.80 | 1.56 | 0.91 |
| Number of Customers | 23,418 | 24,678 | 23,418 | 23,812 | 24,088 | 24,390 |



Financial Highlights

- Disbursements in 9M FY 2021: Rs 856 mn. AUM as on Dec 31, 2020: Rs. 18,807 mn, Loan Book as on Dec 31, 2020: Rs 16,709 mn.
- Average Ticket Size in 9M FY 2021: Rs. 0.95 mn
- Business Presence: Maharashtra, Gujarat, Rajasthan, Madhya Pradesh , Kerala, Andhra Pradesh, Telangana, Karnataka, Uttar Pradesh, Haryana ,Chandigarh , Delhi, Punjab ,Tamil Nadu, Chattisgarh and Pondicherry Presence in 108 locations
- ROA for 9M FY 2021: 0.59%, ROE for 9M FY 2021: 2.33%
- Average cost of borrowings of 9.18% for 9M FY 2021. Capital Adequacy Ratio: 46.46%, Debt Equity Ratio: 3.01
- Average Yield: 12.48%, Interest Spread: 3.30%
- Received PMAY subsidy of INR 744 mn for 3658 cases in 9M FY 2021.

Growth Drivers

- Increasing the leverage from 3.01x currently will help to improve the ROE
- Higher credit rating will help in raising funds at competitive rates.
- Strong liquidity in Group's balance sheet, along with its free cash flows to fund the capital requirements
- Established corporate brand name among borrower segment, superior customer servicing capabilities and effective loan recovery mechanisms
- Tier II / III cities focused distribution network with a in-house sales team along with cross-sale to the existing gold loans customers of the group

Profitability

- Long Term Rating from CRISIL AA (Positive) which indicates low risk will help in lower cost of funds. Short Term Rating : ICRA A1+ / CARE A1+
- Debt/Equity ratio at 3.01 times as on Dec 31, 2020, indicates ample scope for financial leverage to increase ROE
- Infrastructure sharing with the parent (Muthoot Finance) helps reduce overall Opex

Opportunities

- Our focus segment, "affordable housing finance" is the centered around the Government initiative of "Housing for All" by 2022
- Government promoted schemes such as PMAY-CLSS will benefit the end consumers.
- Huge shortfall for housing units in EWS / LIG segment in India
- Attraction of builders to the construction of affordable housing due to Infrastructure status given in Union Budget
- Increase in affordability driven by sustained GDP growth rate and stable property prices.
- Decrease in average members per household and emergence of nuclear families
- Increase in workforce to be driven by expected bulge in working age population
- Increasing urbanization led by rural-urban migration and reclassification of rural towns

OUR SUBSIDIARY





MUTHOOT INSURANCE – AN OVERVIEW



MIBPL became a wholly owned subsidiary of Muthoot Finance Ltd in Sep 2016. MIBPL is an unlisted private limited company holding a licence to act as Direct Broker from IRDA since 2013.

It is actively distributing both life and non-life insurance products of various insurance companies.

During Q3 FY21, it has insured more than 10,31,000 lives with a First year premium collection of Rs.734 million

During Q3 FY20, it has insured more than 835,000 lives with a First year premium collection of Rs.580 million under Traditional ,Term and Health products..

**Key Business Parameters**

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|------------------------|------------|------------|------------|------------|------------|-----------|
| Premium Collection (₹) | 2,575 | 2,168 | 1,073 | 1,059 | 443 | 3,232 |
| Number of Policies | 19,98,871 | 20,11,505 | 10,40,520 | 815,930 | 142,421 | 28,06,336 |

Key Financial Parameters

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|------------------------|------------|------------|------------|------------|------------|---------|
| Total Revenue (₹) | 325 | 191 | 129 | 132 | 64 | 237 |
| Total Expense (₹) | 32 | 32 | 13 | 10 | 9 | 97 |
| Profit Before Tax (₹) | 293 | 158 | 116 | 122 | 55 | 141 |
| Profit After Tax (₹) | 219 | 118 | 86 | 91 | 42 | 104 |
| Shareholders Funds (₹) | 750 | 544 | 750 | 663 | 572 | 531 |
| Earnings per share (₹) | 292 | 157 | 115 | 122 | 56 | 139 |

OUR SUBSIDIARY



BELSTAR MICROFINANCE LIMITED



As of December 2020 , Muthoot Finance holds 70.01% in BML. BML was incorporated on January 1988 at Bangalore and the Company was registered with the RBI in March 2001 as a Non- Banking Finance Company. The Company was reclassified as “NBFC-MFI” by RBI effective from 11th December 2013.

BML was acquired by the ‘Hand in Hand’ group in September 2008 to provide scalable microfinance services to entrepreneurs nurtured by ‘Hand in Hand’s’ Self Help Group (SHG) program. The Company commenced its first lending operations at Haveri District of Karnataka in March 2009 to 3 SHGs, 22 members for INR 0.20 mn.

In the last ten years of its operations, BML primarily relied on taking over the existing groups formed by Hand in Hand India . BML predominantly follows the SHG model of lending. Effective January 2015, BML started working in JLG model of lending in Pune district, Maharashtra.

As of December 31, 2020, BML operations are spread over 17 states and 1 UT (Tamil Nadu, Karnataka, Madhya Pradesh, Maharashtra, Kerala, Odisha ,Pondicherry ,Chattisgarh, Gujarat, Rajasthan, Bihar, Uttar Pradesh, Haryana, Punjab, Jharkhand, Uttarakhand ,West Bengal and Tripura. It has 619 branches, with 117 controlling regional offices and employs 4365 staffs. Its gross loan portfolio has grown from INR 0.20 mn in March 2009 to INR 28,856 mn in December 2020

**Key Financial Parameters**

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|---|------------|------------|------------|------------|------------|---------|
| Number of Branches | 619 | 573 | 619 | 618 | 603 | 603 |
| Number of Employees | 4,365 | 4,269 | 4,365 | 4,413 | 4,197 | 4,425 |
| Gross Loan AUM (₹) | 28,856 | 22,849 | 28,856 | 26,867 | 25,754 | 26,310 |
| Capital Adequacy Ratio (%) | 24 | 27 | 24 | 27 | 26 | 26 |
| Total Revenue (₹) | 3,919 | 3,681 | 1,454 | 1,320 | 1,171 | 5,007 |
| Total Expense (₹) | 3,479 | 2,654 | 1,398 | 1,124 | 983 | 3,675 |
| Profit Before Tax (₹) | 440 | 1,027 | 56 | 196 | 188 | 1,332 |
| Profit After Tax (₹) | 350 | 769 | 54 | 151 | 145 | 990 |
| Stage III Loan Assets | 194 | 258 | 194 | 167 | 287 | 240 |
| % Stage III assets on Gross Loan Assets | 0.67 | 1.13 | 0.67 | 0.62 | 1.11 | 0.91 |
| Stage III ECL Provision | 158 | 230 | 158 | 153 | 215 | 216 |
| ECL Provision | 677 | 347 | 677 | 462 | 418 | 369 |
| ECL Provision as a % of Gross Loan Assets | 2.35 | 1.52 | 2.35 | 1.72 | 1.62 | 1.40 |
| Shareholders Funds (₹) | 5,293 | 4,748 | 5,293 | 5,244 | 5,131 | 4,978 |
| Total Outside Liabilities (₹) | 25,355 | 20,022 | 25,355 | 24,300 | 23,454 | 20,210 |
| Total Assets (₹) | 30,648 | 24,770 | 30,648 | 29,544 | 28,585 | 25,188 |

OUR SUBSIDIARY



MUTHOOT MONEY– AN OVERVIEW



Muthoot Money Ltd (MML), became a wholly owned subsidiary of Muthoot Finance Ltd in October 2018. MML is a RBI registered Non- Banking Finance Company engaged mainly in extending loans for vehicles. The operations are now centered in Hyderabad. Recently , Company has started extending loans for Commercial Vehicles and Equipments.

As on 31st December, 2020 it has a total loan portfolio of Rs.4,210 million.

CRISIL assigned Long Term Debt Rating of CRISIL AA-/Positive for its bank limits.

Key Financial Parameters

(₹ in millions)

| Particulars | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|---|------------|------------|------------|------------|------------|---------|
| Number of branches | 18 | 24 | 18 | 18 | 18 | 24 |
| Number of Employees | 225 | 297 | 225 | 234 | 245 | 304 |
| Gross Loan AUM (₹) | 4,210 | 4,915 | 4,210 | 4,633 | 4,966 | 5,090 |
| Capital Adequacy Ratio(%) | 25 | 21 | 25 | 22 | 21 | 20 |
| Total Revenue (₹) | 541 | 492 | 159 | 185 | 198 | 704 |
| Total Expense (₹) | 508 | 453 | 178 | 138 | 193 | 665 |
| Profit Before Tax (₹) | 32 | 39 | (20) | 47 | 5 | 39 |
| Profit After Tax (₹) | 33 | 43 | (15) | 73 | (25) | 27 |
| Stage III Loan Assets | 389 | 122 | 389 | 237 | 180 | 249 |
| % Stage III assets on Gross Loan Assets | 9.24 | 2.45 | 9.24 | 5.12 | 3.62 | 4.89 |
| Stage III ECL Provision | 100 | 30 | 100 | 62 | 47 | 65 |
| ECL Provision | 247 | 94 | 247 | 190 | 192 | 143 |
| ECL Provision as a % of Gross Loan Assets | 5.87 | 1.88 | 5.87 | 4.10 | 3.87 | 2.81 |
| Shareholders Funds (₹) | 1,095 | 1,078 | 1,095 | 1,110 | 1,037 | 1,062 |
| Total Outside Liabilities (₹) | 3,402 | 4,086 | 3,402 | 3,701 | 4,161 | 4,323 |
| Total Assets (₹) | 4,497 | 5,164 | 4,497 | 4,811 | 5,198 | 5,385 |

OTHER SUBSIDIARIES

MUTHOOT ASSET MANAGEMENT PRIVATE LIMITED

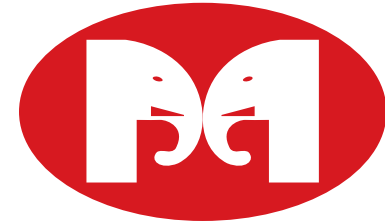
(₹ In millions)

| | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|----------|------------|------------|------------|------------|------------|---------|
| Networth | 1,071 | 1,041 | 1,071 | 1,068 | 1,063 | 1,053 |

MUTHOOT TRUSTEE PRIVATE LIMITED

(₹ In millions)

| | 9M FY 2021 | 9M FY 2020 | Q3 FY 2021 | Q2 FY 2021 | Q1 FY 2021 | FY 2020 |
|----------|------------|------------|------------|------------|------------|---------|
| Networth | 10 | 10 | 10 | 10 | 10 | 10 |



Muthoot Finance

REGISTERED OFFICE

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