



# Capri Global Capital Limited

Press Release : Q4 FY23 Results

23rd May 2023

**AUM**

**INR 103,204 Mn**

55.6% YoY / 19.2% QoQ

**Disbursements**

**INR 28,110 Mn**

86.9% YoY / 55.3% QoQ

**Gross Stage 3**

**1.6%**

PCR 115.1% / Restr. Ass. 1.1%

**Consolidated PAT**

**INR 649 Mn**

55.4% YoY / 73.4% QoQ

## Consolidated AUM Crosses Rs100 Bn; Strong Bounceback in Q4FY23 Profitability

CONSOLIDATED FINANCIALS	Q4FY23	Q4FY22	Y-o-Y	Q3FY23	Q-o-Q
(Rs. Mn.)					
<b>AUM</b>	<b>103,204</b>	<b>66,329</b>	<b>55.6%</b>	<b>86,545</b>	<b>19.2%</b>
MSME (incl. co-lending)	43,580	33,065	31.8%	38,477	13.3%
Gold Loans	11,259	n.a.	n.a.	7,152	57.4%
Construction Finance	18,301	12,662	44.5%	16,778	9.1%
Affordable Housing (incl. co-lending)	26,657	17,474	52.6%	22,793	16.9%
Indirect Lending	3,408	3,128	8.9%	1,344	153.6%
Disbursement	28,110	15,039	86.9%	18,105	55.3%
Total Income	2,813	1,977	42.3%	2,382	18.1%
PAT	649	418	55.4%	374	73.4%
Spreads	6.6%	6.4%	25 bps	6.3%	36 bps
Cost-to-income	68.1%	43.1%	2509 bps	69.5%	-133 bps
RoA	2.6%	2.5%	18 bps	1.7%	94 bps
RoE	11.7%	8.8%	292 bps	7.3%	443 bps
EPS (Basic) (FV Rs2) (not annualised)	3.5	2.4	47.5%	2.1	64.9%
Book Value Per Share (Rs)	170.6	107.4	58.9%	115.1	48.2%
Gross Stage 3	1.6%	2.4%	-81 bps	2.3%	-73 bps
PCR	115.1%	115.3%	-17 bps	91.4%	2370 bps

## Consolidated Key Performance Highlights for Q4 FY23

**Mumbai, May 22<sup>nd</sup>, 2023:** The Board of Directors of Capri Global Capital Ltd. (CGCL), a non-deposit taking and systemically important NBFC (NBFC-ND-SI) on Monday, May 22<sup>nd</sup>, 2023 announced the audited financial results for the quarter and year ended March 31, 2023. Key takeaways as follows:

### A Momentous Year

The year FY23 was momentous in many ways for Capri Global. The car loan business scaled new heights, originating Rs60,133mn in new car loans, an increase of 3.5x YoY. The Company launched its Gold Loan business in Aug'22 and by Mar'23, scaled it to a very meaningful network of 562 branches and Rs11,259mn AUM. Share of retail loans in consolidated disbursements increased to 65% from 50% in FY22. And in Mar'23, the Company raised Rs14,400mn equity capital through a well-received Rights Issue. The standout highlight was CGCL's consolidated net profit for FY23 Rs2,047mn, which despite a strong organic growth push and associated rise in opex, nearly matched the FY22 consolidated net profit Rs2,050mn. The strong business performance and resilient earnings places CGCL firmly in the saddle to deliver mid-teen RoE over medium term.

### Earnings - Profitability Bounces Back

Rising share of higher yielding loan portfolio expanded spreads 36bps QoQ to 6.64% in Q4FY23. NII increased 31% YoY / 25% YoY in Q4FY23 / FY23 respectively. Share of non-interest income in net income increased to 36% / 33% in Q4FY23 / FY23 respectively compared to 23% in FY22. Non-interest income was boosted by car loan fees and co-lending income. Non-interest income was up 21% QoQ / 65% YoY in Q4FY23. For FY23, non-interest income increased 2.1x YoY to Rs2,977mn.

Opex in absolute terms increased sequentially. Branch additions as well as headcount increase contributed to the opex increase. However, the C/I ratio saw a soft sequential moderation to 68%. Adjusted for direct expenditure incurred on Gold Loan branch additions, the cost-income ratio in Q4FY23 / FY23 would have been ~48%.

The Q4FY23 Consolidated Profit after Tax Rs649mn was up 55.4% YoY and 73.4% QoQ. The Q4 FY23 Consolidated RoE was 11.7% while RoA was 2.6%.

### Balance Sheet - Consolidated AUM Crosses Rs100bn

Disbursements in Q4FY23 increased 87% YoY and 55% QoQ to Rs28,110mn. Disbursements in FY23 are up 70% YoY at Rs72,902mn. On a full year basis, Gold Loans had a 26% share in disbursements while MSME and Housing contributed 26% and 17% respectively. CF and IL together had a share of 36%.

Consolidated AUM including co-lending AUM increased ~56% YoY and ~19% QoQ to touch Rs103,204mn. CGCL aims to maintain the lending momentum and grow its loan book between 35-40% YoY in FY24.

### Asset Quality - Steady Improvement

Gross Stage 3 ratio softened to 1.59%, lower 81bps YoY and 73bps QoQ. The PCR on Stage-3 assets was 32%. Including aggregate ECL provisions, the PCR stood at 115%.

### Strong Capital Adequacy

CGCL concluded the Rs14,400mn Rights Issue in Mar'23. The CAR improved from 24.2% in Q3FY23 to 39.9% in Q4FY23. The Company is well capitalized from a 5-year perspective.

### Founder & Managing Director Mr. Rajesh Sharma Commented:

"Capri Global navigated well the business scenario during FY23. It was a period of turmoil in global financial space with high inflation, bank runs and bank collapse, and a tight policy environment in advanced economies. Despite the progressively tightening rate environment domestically, CGCL made the most of the growth opportunities in existing businesses while launching and scaling new businesses. Our faith and confidence in our execution capabilities is derived from this experience as well as our business model that is differentiated to serve a customer class not served by leading financial institutions. The equity infusion in Mar'23 has boosted CGCL's capital adequacy significantly. In FY24, our endeavour shall be growth and profitability. The Company is well-positioned to deliver a 35-40% AUM growth in FY24."

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