

Home First Finance Company India Limited

- Growth momentum continues in FY24 with disbursements at Rs 3963 Crs growing by 31.5% y-o-y.
- AUM at Rs 9,698 Crs grew by 34.7% on y-o-y; with an industry leading home loan mix of 86%.
- Leading ROE's: FY24 15.5% (+200bps y-o-y) & Q4FY24 16.1% (+170bps y-o-y); Asset quality strong.
- Expanding distribution with 133 branches (+22 on y-o-y basis) across 13 states.

Mar'24 Assets Under Mgmt (AUM)

₹ 9,698 Crs

+34.7%

+7.6%

FY24 Disbursement

₹ 3,963 Crs

+31.5%

Mar'24 Gross Stage 3 / POS (GNPA %)

1.7⁽¹⁾

In line with RBI circular dated 12 Nov 2021
1.1% prior to such classification

+10 bps

0 bps

FY24 Profit After Tax (PAT)

₹ 306 Crs

+33.9%

y-o-y

q-o-q

Press Release: 8th May 2024, Mumbai. Key Performance Indicators for Q4 & FY24

Particulars	Q4FY24	Q4FY23	y-o-y	Q3FY24	q-o-q	FY24	FY23	y-o-y
AUM (Rs Crs)	9,698	7,198	34.7%	9,014	7.6%	9,698	7,198	34.7%
Disbursement (Rs Crs)	1,102	869	26.8%	1,007	9.4%	3,963	3,013	31.5%
Total Income (Rs Crs)	318	231	37.4%	301	5.6%	1,157	796	45.4%
PAT (Rs Crs)	83	64	30.4%	79	5.9%	306	228	33.9%
Spread (%) ⁽²⁾	5.4%	5.5%	-10 bps	5.5%	-10 bps	5.5%	5.7%	-20 bps
ROA (%)	3.6%	3.9%	-30 bps	3.7%	-10 bps	3.8%	3.9%	-10 bps
Gross Stage 3 (%)	1.7%	1.6%	+10 bps	1.7%	-	1.7%	1.6%	+10 bps
Cost to Income (%)	34.1%	34.4%	-30 bps	35.9%	-180 bps	35.3%	35.7%	-40 bps

Company has aligned its definition of default and taken steps to comply with the norms/ changes for regulatory reporting, as applicable. Such alignment has resulted in classification of loans amounting to ₹456.61 millions as Gross Stage 3 (GNPA) as at Mar'24 in accordance with regulatory requirements. Gross Stage 3 prior to such classification for Mar'24 is 1.1%.

Commenting on the performance Mr. Manoj Viswanathan, MD & CEO said,



“We are happy to conclude FY24 on a strong base & we continue the growth momentum forward to FY25. This has been supported by the booming Indian economy and strong tailwinds which has a positive effect on the housing demand coupled with our differentiated business model allowing us to grow on a pan-India basis with robust risk-management processes. Disbursements at Rs 3963 Crs, grew by 31.5% and AUM grew by 34.7%. Spreads remain healthy at 5.4%. PAT at Rs. 306 Cr grew by 33.9% on y-o-y basis leading to ROA of 3.8%. Delighted to deliver ROE of 15.5% for FY24 and Q4FY24 saw it higher at 16.1% even in a high interest rate environment.

We continue to build distribution by simultaneously entering new markets and deepening our presence in existing markets. States of Uttar Pradesh, Madhya Pradesh and Rajasthan are emerging as large affordable housing markets and we have taken steps to strengthen our presence and expand distribution in these states. Overall, we have added 22 branches in FY24 and now have 133 physical branches. Including potential & digital branches, we now do business across 321 touchpoints across Tier 1 to Tier 5 markets in 13 states / UT of India.

Our asset quality continues to be strong with a focus on early delinquencies

- 1+ DPD is at 4.2% (decline of 30 bps on q-o-q).
- 30+ DPD at 2.8% (decline of 20 bps on q-o-q).
- Gross Stage 3 (GNPA) is at 1.7% (flat on q-o-q). Prior to RBI classification circular of Nov'21, it stands at 1.1%.
- Our credit cost at 10bps (decline of 20 bps on q-o-q basis). Our overall collections remain strong and in Q4FY24; we have had considerable recoveries from previously written-off accounts contributing to these credit cost levels. We continue to maintain our credit cost guidance of 30 to 40-bps.

Digital adoption continues to be strong and a key area of our focus as we grow. 95% of our customers are registered on our app as on Mar'24. Unique User Logins was 53% in Q4FY24. Service requests raised on app was stable at 89%. In Q4FY24, we have processed 47% of sanctions via Account Aggregator route.

We are confident to continue the growth momentum led by a strong economic environment, rising middle class population, expanding distribution network and differentiated business model. We continue to stay focused on providing loans for affordable housing, led by distribution and use of technology, backed by diversified funding and strong risk management.”

Key Highlights for FY24:



Distribution:

- The Company has 133 branches with presence in 13 States / UT (+22 branches q-o-q).
- Total touchpoints increased to 321 (+56 from Mar'23).

FY24 Disbursements:

- Disbursements of Rs 3,963 Crs, y-o-y growth of 31.5%.

Asset under Management (AUM):

- Rs 9,698 Crs, growth of 34.7% on y-o-y basis.
- Focus on housing loans that contribute 86% of AUM
- EWS / LIG category that forms ~63% of the customer base.

Asset Quality:

- Bounce rates improved to 14.7% from 15.1% on q-o-q basis.
- 1+ DPD is at 4.2% (decline of 30 bps on q-o-q).
- 30+ DPD at 2.8% (decline of 20 bps on q-o-q).
- Gross Stage 3 (GNPA) at 1.7%. Prior to RBI classification circular of Nov'21, it stands at 1.1%.
- Our credit cost is at 10bps for the quarter.

Provisions:

- ECL provision as on Mar'24 is Rs 71 Crs; resulting in total provision to loans outstanding ratio at 0.9%; and the GNPA to total provision coverage ratio (PCR) is at 50.9% in Mar'24 vs 59.5% in Mar'23 (total PCR without considering the impact of RBI circular is 75.7% in Mar'24 vs 104.8% in Mar'23).

Borrowings:

- Total borrowings including debt securities are at Rs 7,302 Crs as on Mar'24. The company continues to carry a liquidity of Rs 2,055 Crs as on Mar'24.
- Cost of borrowings at 8.2% increased by 80 bps on y-o-y basis.

Spread:

- Ex-CL Spread on loans stood at 5.5% in FY24, decrease of 20bps on y-o-y basis.

Capital Adequacy:

- Total CRAR at 39.5%. Tier I capital stands at 39.1% as on Mar'24.
- Networth as on Mar'24 is at Rs 2,121 Crs vis-à-vis Rs 1,817 Crs as on Mar'23.

FY24 Financial Performance:

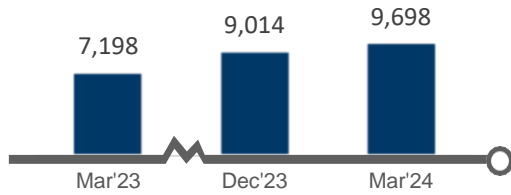
- Total Income at Rs 1,157 Crs; y-o-y growth of 45.4%.
- PPOP stands at Rs 425 Crs, growth of 34.3% on y-o-y basis.
- PAT at Rs 306 Crs, up by 33.9% on y-o-y basis.
- ROA at 3.8% decrease of 10bps on y-o-y basis.
- ROE at 15.5% increased by 200bps on y-o-y basis.

HomeFirst Financial Highlights

Q4FY24 Performance Summary

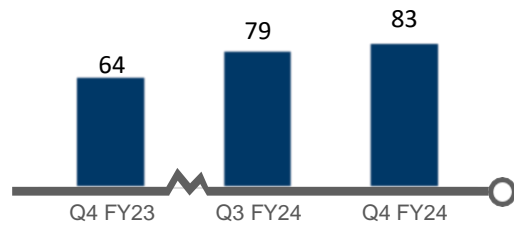
Assets Under Management

Rs Crs

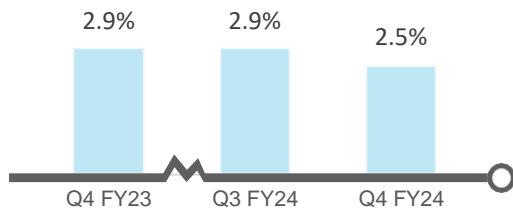


Profit After Tax

Rs Crs

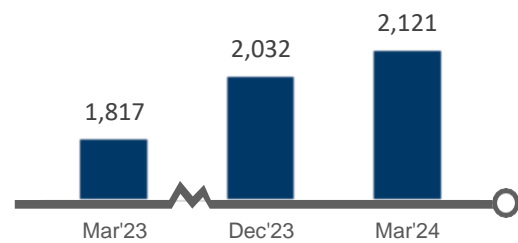


Opex To Asset



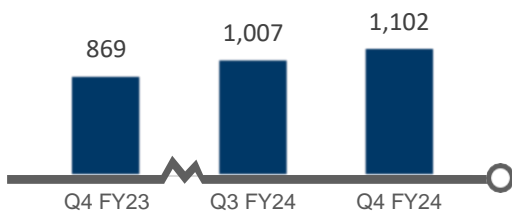
Net worth

Rs Crs

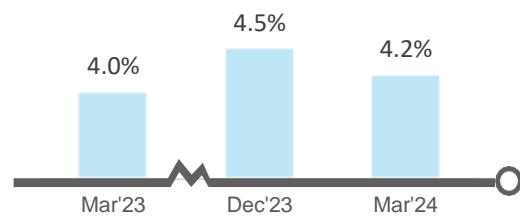


Disbursement

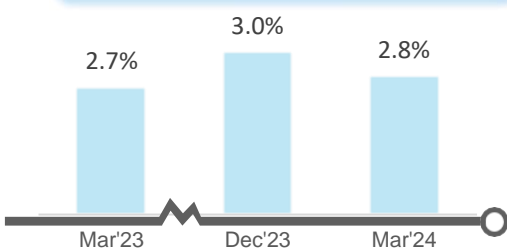
Rs Crs



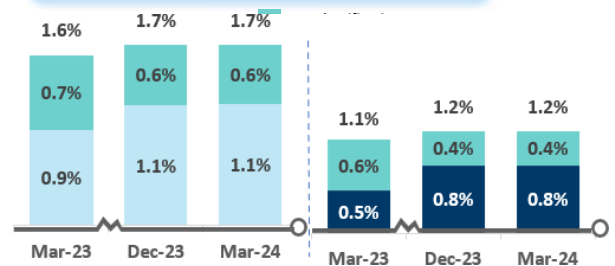
DPD 1+



DPD 30+



Gross / Net Stage 3 (GNPA/NNPA)



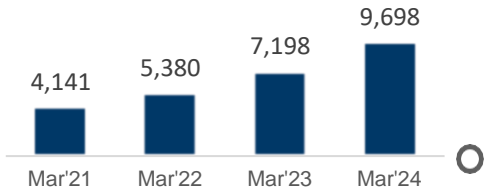
HomeFirst Financial Highlights



FY24 Performance Summary

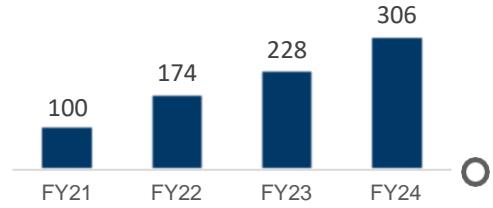
Assets Under Management

Rs Crs

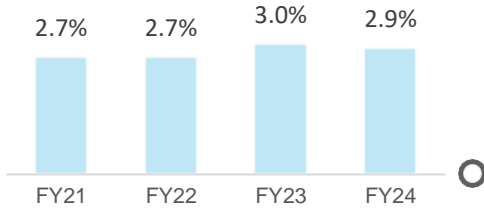


Profit After Tax

Rs Crs

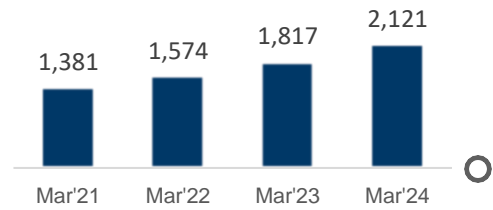


Opex To Asset



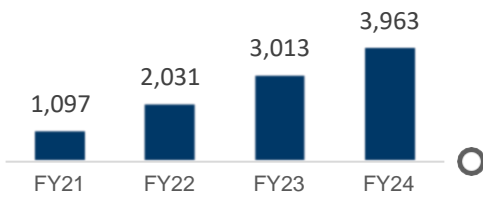
Net worth

Rs Crs

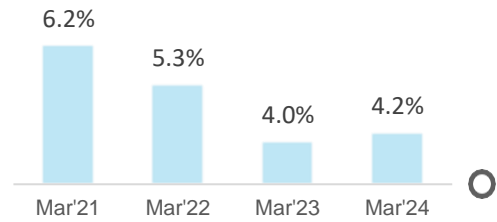


Disbursement

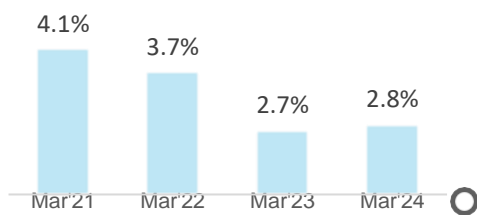
Rs Crs



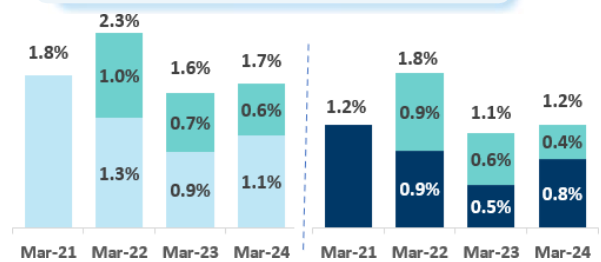
DPD 1+



DPD 30+



Gross / Net Stage 3 (GNPA/NNPA)



About Home First Finance Company India Limited



Home First Finance Company India Limited (HomeFirst) is a technology driven affordable housing finance company that targets first time home buyers in low and middle-income groups. It primarily offers housing loans for the purchase or construction of homes. The Company has deep penetration in the large housing finance markets with a network of 133 branches with presence in 13 States / UT in India, with a significant presence in emerging urban regions in the states of Gujarat, Maharashtra, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu and increasing presence in emerging affordable housing finance markets of Uttar Pradesh, Madhya Pradesh and Rajasthan. The company has diversified lead generating channels with a wide network of connectors.



Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.