

Ref. No. AAVAS/SEC/2024-25/700

Date: November 07, 2024

To, The National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Mumbai – 400051	To, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
Scrip Symbol: AAVAS	Scrip Code: 541988

Dear Sir/Madam,

Sub: Investor Release on the Financial and Operational Performance of the Company for Quarter and Half Year ended September 30, 2024.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor Release on the Financial and Operational performance of the Company for the Quarter and Half Year ended September 30, 2024.

This Investor Release may also be accessed on the website of the company at <https://www.aavas.in/investor-relations/investor-intimation>.

This is for your information and record.

Date and time of occurrence of event/information: November 07, 2024 and Board Meeting concluded at 3:15 P.M.

Thanking You,

FOR AAVAS FINANCIERS LIMITED

**SHARAD PATHAK
COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER
(FCS-9587)**

Enclosed: a/a

Aavas Financiers Limited

H1 FY25 Results

- **AUM of Rs. 184 bn; Growth of 20% YoY**
- **PAT at Rs. 2.74 bn; Growth of 18% YoY**
- **Gross Stage 3 at 1.08%; 1+ DPD at 3.97%**
- **ROA at 3.28% and ROE at 14.01%**
- **Positive ALM & Strong Capital Base**

Investor Release: 07th Nov 2024, Jaipur

Aavas Financiers Limited has declared Un-audited Financial Results for the quarter and half year ended 30th September 2024.

Key Performance Metrics for H1FY25:

Particulars (Rs. Mn)	H1FY25	H1FY24	Y-o-Y
Assets under Management (AuM)	1,83,956	1,53,195	20%
Disbursements	25,046	23,267	8%
Net Interest Margin (Rs.)	6,358	5,688	12%
Net Profit	2,740	2,314	18%
Gross Stage 3 (Overall)	1.08%	1.04%	Increased by 4 bps
Opex to Total Assets (%)	3.25%	3.65%	Improved by 40 bps
ROA (%)	3.28%	3.25%	Increased by 3 bps
ROE (%)	14.01%	13.64%	Improved by 37 bps
Active Loan Accounts (No.)	2,29,183	1,98,947	15%

Performance Highlights:

- Assets under Management (AuM) of the company grew by 20% Y-o-Y and stood at ~Rs. 184 bn.
- Disbursements during H1FY25 were Rs. 25.05 bn registering growth of 8% Y-o-Y.
- Net Profit grew by 18% Y-o-Y to Rs. 2.74 bn for H1FY25 led by a 12% Y-o-Y growth in Net Interest Margin to Rs. 6.36 bn, coupled with sharp improvement in operating leverage.
- Opex to Assets ratio improved sharply by 40 bps YoY in H1FY25 at 3.25% and improved by 9 bps QoQ to 3.18% in Q2FY25.
- Spread and NIM stood at 4.89% and 7.61%, respectively for H1FY25.
- As on Sep-24, Gross Stage 3 was 1.08%, Net Stage 3 was 0.78% and 1+ DPD stood at 3.97%. Credit cost during the quarter was 11 bps for Q2FY25 and 16 bps for H1FY25.
- In terms of the borrowing mix, 50.8% of our borrowings are from Term Loans, 25.1% is from Assignment & Co-lending, 18.1% from NHB Refinancing; 6.0% is from debt capital market (of which 69.6% is from development finance institutions like IFC, CDC & ADB), with no borrowings through CPs.
- Net Worth grew by 15% YoY to Rs. 40.5 bn as on 30th September 2024.

- The total number of branches stands at 372 as on 30th September 2024. During Q2 FY25, we have expanded in the state of Tamil Nadu with a branch opening in Hosur. With this Aavas now covers 14 States/ UT.

Commenting on the performance, Mr. Sachinder Bhinder, Managing Director & Chief Executive Officer, said:

“Dear All,

For India to be the global leader in economic growth, we believe the housing sector will be at the forefront of this transformation. Current conditions are marked by low mortgage penetration and a significant urban housing shortage presenting unique opportunities for innovation. At Aavas, we are committed to serving unserved, underserved, and underbanked customers in Tier 2 to Tier 5 markets by developing tailored financial solutions. Our focus on achieving risk-adjusted returns underscores our dedication to fostering housing affordability and creating sustainable value in these communities.

The green shoots of our technology transformation are already evident, with improvements in turnaround time (TAT) enhancing customer service. This tech-led evolution is expected to further boost productivity and efficiency across the organization.

We are excited to share that our network has expanded to 372 branches across 14 states, highlighted by the recent opening of a new branch in Hosur, Tamil Nadu, during Q2 FY25. Building on a robust portfolio and the valuable insights we have gathered from our operations in Karnataka since 2021, this strategic expansion underscores our ongoing confidence in the potential of this region.

Aavas has well diversified liability franchised with prudent cash management. Aavas is well-capitalized, boasting a Capital to Risk (Weighted) Assets Ratio (CRAR) of 46.48% as of September 2024.

Our granular underwriting practices and collection efforts, backed by cutting-edge technology, have led to an improvement in 1+ days past due, contained at 3.97% as of September 2024. The portfolio’s health remains robust, with Gross Stage 3 at a mere 1.08%.

The launch of the PMAY 2.0 scheme, including the interest subsidy scheme for urban housing, will be pivotal in improving loan accessibility for economically weaker sections and low-income groups, empowering countless individuals to realize their dreams of homeownership. This bold initiative reflects the Government’s unwavering commitment to ensuring that every Indian has access to safe and affordable housing, driving inclusive growth and prosperity for all. It aligns with Aavas’s mission and vision, enhancing our dedication to delivering innovative housing solutions for underserved communities.

We continue to maintain a razor-sharp focus on Governance, Asset Quality, Profitability, and Growth. By leveraging technology and creating superior customer experiences, we are optimistic about the future. Our strategic initiatives are set to drive sustainable growth and enhance shareholder value.”

About Aavas Financiers Limited

Aavas Financiers Limited, incorporated in 2011 in Jaipur is a retail, affordable housing finance company, primarily serving low- and middle-income self-employed customers in semi-urban and rural areas in India. A majority of our customers have limited access to formal banking credit. The Company’s product offering consists of home loans for the purchase or construction of residential properties, and for the



extension and repair of existing housing units, Loan against property and MSME loans. The Company has in-house execution model leading to superior business outcomes.

Safe Harbor Statement

This document may contain forward-looking statements about the Company, which are based on the beliefs, opinions and expectations of the Company's management as the date of this press release and the companies do not assume any obligation to update their forward looking statements if those beliefs, opinions, expectations, or other circumstances should change, These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

For more Information, please contact:

Aavas Financiers Limited

CIN: L65922RJ2011PLC034297

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Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285