



Muthoot Microfin Limited

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Ref:

To

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai - 400001

Scrip code: 544055

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G

Bandra Kurla Complex, Bandra (East)

Mumbai - 400051

Symbol: MUTHOOTMF

Dear Sir/Madam,

Sub.: Press Release

Pursuant to Regulation 30 of SEBI (Listing Regulations and Disclosure Requirements), 2015, we hereby submit the Press Release on the audited Financial Results for the quarter and full year ended March 31, 2026. The same is also available on the website of the company at www.muthootmicrofin.com

Please take the same on record.

Thanking you,

Yours Truly

For Muthoot Microfin Limited

Neethu Ajay

Company Secretary and Chief Compliance Officer

Press Release

- **Growth momentum strengthens as AUM crosses Rs. 14,006 crore mark, up 13.3% YoY**
- **GNPA reduced by 95 bps from 4.84% in Q4FY25 to 3.89% in Q4FY26. Net NPA reduced by 20 bps from 1.34% in Q4FY25 to 1.14% in Q4FY26**
- **Collection efficiency improved by more than 575bps YoY from 90.68% CE in FY25 to 96.43% in FY26**
- **Cost of funds declines by 75 bps to 10.27 %, and During the quarter company Raised Rs.2,451 crore .**
- **Improvement in asset quality led to significant reduction in Credit cost; Credit cost for full FY reduced from 9.4% to 3.5% and for the Q4FY26 it reduced to 2.8%**
- **FY26 PPOP improved to Rs. 655.6 crore; Profit After Tax at Rs. 170.3 crore; including OCI PAT improved to Rs 213.6 crore**
- **Capital Adequacy at 23.9%**

Mumbai, 6th May 2026: Muthoot Microfin Limited (NSE: MUTHOOTMF, BSE: 544055), among India's leading Non-Banking Financial Company-Micro Finance Institution (NBFC-MFI), focused on providing micro-loans to women entrepreneurs with a focus on rural regions of India, today announced its audited financial performance for the quarter and full financial year ended March 31, 2026.

Business Highlights

- Gross Loan Portfolio (GLP) grew 13.3% YoY and 7.1% QoQ to Rs. 14,005.6 crore
- Disbursements stood at Rs. 2,876.7 crore, registering a growth of 46.8% YoY and 15.4% QoQ
- Non-JLG portfolio expanded to 17.5%, reflecting steady traction in the segment
- 25 branches consolidated during the quarter, 91 for FY26; total branch network stood at 1,670, with employee strength of 15,735
- CARE Ratings upgraded ESG Rating to 80.8 (CareEdge-ESG 1+) from 72.2 (CareEdge-ESG 1)

Financial Highlights – Q4 FY26

- Total income stood at Rs. 638.9 crore, growing 14.9% YoY
- Pre-Provisioning Operating Profit (PPOP) increased 48.0% YoY to Rs. 192.8 crore
- Profit After Tax (PAT) stood at Rs. 71.1 crore

- Net Interest Margin (NIM) remained healthy at 12.0%, with cost of funds declining by 75 bps to 10.27%
- Disciplined underwriting and provisioning led to a credit cost of 2.8%
- Asset quality improved:
 - GNPA declined by 95 bps YoY to 3.89%
 - NNPA (net of Stage III provisions) reduced by 20 bps YoY to 1.14%
- Maintained a strong liquidity position, supported by:
 - Rs. 882 crore in liquid funds and HQLA–GSec investments
 - Rs. 1,728 crore in DA/PTC sanctions
 - Rs. 1,427 crore in unutilised term funding sanctions
- Capital adequacy stood robust at 23.9%

Operational & Digital Highlights

- Digital adoption remained strong, with 33.9% of collections through digital channels vs 27.8% in Q3 FY26.
- Customer App Installation touches 2.0 million mark
- 100% of disbursements were executed digitally

Commenting on the performance:

Mr. Thomas Muthoot, Chairman & Non-Executive Director of Muthoot Microfin, said

“We are seeing a clear and broad-based improvement in the operating environment, with collection trends strengthening across geographies and borrower segments. The sector is benefiting from tighter underwriting, calibrated disbursement strategies, and a more disciplined approach to growth. At the same time, credit demand remains resilient, particularly in income-generating segments, which is supporting a healthier and more sustainable growth cycle for the microfinance industry.

Across the industry, there is a visible shift underway, from high-velocity, unsecured group lending towards more diversified, higher-ticket and cashflow-backed products. Lenders are increasingly focusing on portfolio quality, risk-adjusted growth, and customer-level underwriting, which is leading to improving asset quality metrics and better stability in the system.

At Muthoot Microfin, our performance reflects these improving trends as well as the strength of our execution. Our AUM grew by ~13% year-on-year to Rs. 14,005.6 crore, supported by a strong pickup in disbursements, which increased by 47% year-on-year and 15% sequentially. Importantly, this growth is coming alongside a clear improvement in portfolio quality, collection efficiency (X-bucket) strengthened to 99.82%, while GNPA declined by 95 basis points year-on-year to 3.89%, reflecting tighter portfolio control and better on-ground behaviour.

A key highlight for us has been the ongoing shift in our portfolio mix. We are consciously pivoting towards higher-ticket, business-oriented and secured lending, which is not only enhancing yields but also improving portfolio resilience and customer stickiness. Our newer products, particularly the Muthoot Small Enterprise Loan, have scaled up well, with their share in the portfolio increasing to ~17%, while continuing to exhibit strong collection performance.

Overall, the business is structurally stronger today, more diversified in its product mix, sharper in its risk management, and more efficient in its cost structure. With improving industry conditions and our strategic shift towards higher-quality growth, we believe we are well positioned to deliver consistent growth with stronger and more stable risk metrics going forward.”

Mr. Sadaf Sayeed, CEO, Muthoot Microfin, said

“We are pleased to report a strong performance in Q4 FY26, underpinned by healthy growth in our loan portfolio, improved profitability, and continued strengthening of asset quality. Our GLP growth of over 13% YoY, coupled with a sharp expansion in PPOP and stable margins, reflects the resilience of our business model and disciplined execution.

The broader microfinance and MSME lending ecosystem continues to see steady demand, supported by improving rural cash flows, increased formalization, and deeper financial inclusion. At the same time, we remain mindful of evolving credit dynamics and have maintained a prudent approach to underwriting and provisioning, which is reflected in our declining NPAs and controlled credit costs.

Our continued focus on diversification, with the non-JLG portfolio gaining traction, along with strong digital adoption across collections and disbursements, positions us well for sustainable growth. With a robust capital base and strong liquidity, we are confident of navigating the evolving environment while delivering consistent value to all stakeholders”

Key Metrics: FY26

Particulars	FY26	FY25	YoY
Gross Loan Portfolio (Rs. Cr)	14,005.6	12,356.7	13.3%
Borrowers (Lakh)	32.7	34.3	-4.7%
Branches (No.)	1,670	1,699	-1.7%

Particulars (Rs. Cr)	FY26	FY25	YoY
Net Interest Income (NII)	1,415.5	1,551.1	-8.7%
Pre-Provision Operating Profit (PPOP)	655.6	867.6	-24.4%
Profit After Tax (PAT)	170.3	-222.5	176.5%

Key Ratios	FY26	FY25	YoY
Net Interest Margin (NIM)	11.9%	12.4%	-48 bps
Cost/Income Ratio	57.0%	47.5%	949 bps
Opex/GLP Ratio	6.7%	6.2%	49 bps
Return on Assets (ROA)	1.3%	-1.8%	314 bps
Return on Equity (ROE)	6.2%	-8.2%	1440 bps

Key Metrics: Q4FY26

Particulars (Rs. Cr)	Q4 FY26	Q4 FY25	YoY	Q3FY26	QoQ
Net Interest Income (NII)	369.0	321.1	14.9%	358.8	2.8%
Pre-Provision Operating Profit (PPOP)	192.8	130.3	48.0%	175.3	10.0%
Profit After Tax (PAT)	71.1	-401.2	117.7%	62.4	13.9%

Key Ratios	Q4 FY26	Q4 FY25	YoY	Q3FY26	QoQ
Net Interest Margin (NIM)	12.0%	10.9%	104 bps	12.0%	-4 bps
Cost/Income Ratio	53.2%	61.6%	-842 bps	54.8%	-163 bps
Opex/GLP Ratio	6.4%	6.6%	-25 bps	6.5%	-14 bps
Gross NPA	3.9%	4.8%	-95 bps	4.4%	-51 bps
Return on Assets (ROA)	2.1%	-13.0%	1,510 bps	1.9%	16 bps
Return on Equity (ROE)	10.1%	-56.9%	6,702 bps	9.1%	99 bps

About Muthoot Microfin Limited

Muthoot Microfin Ltd. is a part of Muthoot Pappachan Group (also known as Muthoot Blue) and is one of the leading listed MFIs in India. It has inherited values, principles of integrity, collaboration, and excellence to take forward the legacy of 138+ years. The microfinance operations of the Company are designed to promote entrepreneurship among women and inclusive growth. It provides financial assistance through micro loans such as income generating loans to women engaged in small businesses. It is involved in delivering financial services to masses including underprivileged and disadvantaged people, living in the rural sectors of the Indian society at affordable terms, in quick turnaround time and with hassle-free processing is the aim of our financial inclusion drive. As on 31st March 2026, the Company has 3.27 million active customers served through 1,670 branches spread across 21 states and 390 districts with a Gross Loan Portfolio (GLP) of 14,005.6 Cr. It is also part of S&P BSE Financial Services Index.

For more information, please contact:

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This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.