

BUSINESS UPDATE

Kreon Financial Services Limited – Business Update for the Quarter Ended 30 September 2026 (Q2 FY27)

Chennai, India | 26 October 2026

Kreon Financial Services Limited (BSE-listed; CIN L65921TN1994PLC029317) is an AI-powered, technology-led NBFC with a proprietary digital lending platform, StuCred. Its focus is the underserved segment of India's credit market – young, first-time borrowers with little or no established credit history – to whom credit is delivered end-to-end through a digital lending application, without branches, paperwork or intermediaries.

Q2 FY27 at a glance

₹16.89 cr Revenue from operations	₹121.63 cr Disbursed in the quarter	₹53.27 cr Assets under management	96.62% Collection efficiency
6,55,772 Transactions	2,29,526 Students / users	₹4.46 cr Profit after tax (quarter)	154 Employees

Financial performance

(a) Quarterly results – overall (₹ crore)

Particulars	Q2 FY27	Q1 FY27	QoQ (%)	Q2 FY26	YoY (%)
Total income	16.89	15.81	6.83	10.49	61.01
Total expenses	10.62	10.41	2.02	7.64	39.01
Profit before tax (PBT)	6.27	5.40	16.10	2.85	120.00
Tax expense	1.81	0.99	82.83	0.80	126.25
Profit after tax (PAT)	4.46	4.41	1.13	2.05	117.56
Earnings per share – quarterly (₹)	2.20	2.18	0.92	1.01	117.82
Annualised earnings per share* (₹)	8.80	8.72	0.92	4.04	117.82

Quarters ended 30.09.2026, 30.06.2026 and 30.09.2025. * Annualised EPS = quarterly EPS × 4; shown for reference only and not an estimate or forecast of full-year earnings. The actual EPS for FY 2025–26 was ₹3.59.

(b) Quarterly results – excluding investment division (₹ crore)

Particulars	Q2 FY27	Q1 FY27	QoQ (%)	Q2 FY26	YoY (%)
Total income	15.78	13.26	19.00	10.49	50.43
Total expenses	10.62	10.41	2.02	7.31	45.28
Profit before tax (PBT)	5.16	2.85	81.05	3.18	62.26

Excludes income and expenses attributable to the Company's investment division.

(c) Half-yearly results (₹ crore)

Particulars	H1 FY27	H1 FY26	YoY (%)
Total income	32.69	22.36	46.20
Total expenses	21.02	14.66	43.38
Profit before tax (PBT)	11.67	7.70	51.56
Tax expense	2.80	1.88	48.94
Profit after tax (PAT)	8.87	5.82	52.41
Earnings per share – half-yearly (₹)	4.39	2.88	52.43

Half-years ended 30.09.2026 (01.04.2026 – 30.09.2026) and 30.09.2025 (01.04.2025 – 30.09.2025). H1 FY26 is derived from the Company's unaudited results for Q1 FY26 and Q2 FY26, converted from ₹ lakh to ₹ crore. Quarterly figures may not add to half-yearly totals due to rounding.

Key operating metrics

Particulars	Unit	Q2 FY27	Q1 FY27	QoQ change
Lending activity				
Total disbursements during the quarter	₹ crore	121.63	109.71	10.87%
Cumulative disbursements since inception	₹ crore	1,232.85	1,111.22	10.95%
Assets under management (AUM)	₹ crore	53.27	53.09	0.34%
Disbursement-to-AUM ratio	%	228.33%	206.65%	+21.68 pp
Number of transactions	Count	6,55,772	5,85,393	12.02%
Collection efficiency	%	96.62%	95.65%	+0.97 pp
Platform and people				
Number of unique students onboarded	Count	2,29,526	2,03,522	12.78%
Number of employees	Count	154	145	6.21%

As at / for the quarters ended 30.09.2026 and 30.06.2026. pp = percentage points.

Performance overview

Total income for Q2 FY27 was ₹16.89 crore, up 6.83% on the previous quarter and 61.01% on Q2 FY26. Profit before tax rose 16.10% quarter on quarter to ₹6.27 crore, more than double the ₹2.85 crore reported in Q2 FY26. Profit after tax was ₹4.46 crore, up 117.56% year on year, and earnings per share for the quarter was ₹2.20 (Q1 FY27: ₹2.18; Q2 FY26: ₹1.01).

Excluding the investment division, total income grew 19.00% over the previous quarter to ₹15.78 crore and profit before tax rose 81.05% to ₹5.16 crore, an increase of 62.26% year on year.

For the half-year ended 30 September 2026, total income rose 46.20% year on year to ₹32.69 crore, profit before tax 51.56% to ₹11.67 crore and profit after tax 52.41% to ₹8.87 crore. Earnings per share for the half-year was ₹4.39 against ₹2.88 in H1 FY26.

Disbursements during the quarter grew 10.87% to ₹121.63 crore across 6,55,772 transactions, taking cumulative disbursements since inception to ₹1,232.85 crore. The platform served 2,29,526 students / users, an increase of 12.78%, and collection efficiency improved by 0.97 percentage points to 96.62%.

Assets under management stood at ₹53.27 crore, broadly unchanged from the previous quarter. Owing to the short tenure of the Company's loans, disbursements during the quarter were approximately 2.3 times closing AUM.

Products and strategic initiatives

Each initiative is reported at three stages – Idea (when first announced), Under development (while being built) and Launched (when released to customers). An initiative is removed from this table in the update following its launch.

Initiative	Stage	Update	Timeline
StuCred Alumni	●●○ Under development	Revamp of the existing StuCred Alumni programme to strengthen engagement with eligible users and continue supporting them as they move from college to the next stage of their careers.	Target: December 2026
MyDayPayDay (MDPD)	●●○ Under development (final stage)	Earned Wage Access platform for salaried employees, enabling access to earned salary before payday.	Target: December 2026
StuCred for StartUps	●●● Launched	Website launched. Marketing of the offering is scheduled to begin in the first week of November 2026.	Launched: 01 October 2026



Outlook

The Company will continue to focus on sustainable growth, expanding its customer reach, improving collection efficiency and maintaining sound risk-management practices.

Notes and disclaimer

- (i) Financial figures are unaudited and should be read with the Company's unaudited financial results for the quarter and half-year ended 30 September 2026 (approved by the Board on 26 October 2026) and other disclosures filed with BSE Limited.
- (ii) QoQ compares the quarter with the immediately preceding quarter; YoY compares it with the same quarter of the previous year. Percentages are calculated on the rounded figures shown and rounded to two decimals.
- (iii) Number of transactions: loans disbursed during the quarter. Collection efficiency: amount collected ÷ amount due during the quarter. Disbursement-to-AUM ratio: disbursements during the quarter ÷ closing AUM.
- (iv) This update may contain forward-looking statements based on current expectations; actual results may differ materially. The Company undertakes no obligation to update them.
