

Date: 15.05.2026

Letter No. FFL/SEC/2026-27/SE- 20

The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Scrip Code: FUSION	The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Scrip Code: 543652, 977381, 977412
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Sub: Press Release in relation to Financial Results for the Quarter and Financial Year ended March 31, 2026.

Dear Sir/Ma'am,

Pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), please find attached the Press Release in relation to Financial Results for the Quarter and Financial Year ended March 31, 2026.

The copy of the same is available at the website of the company at www.fusionfin.com.

Request you to take the same on records.

For Fusion Finance Limited

(Formerly known as Fusion Micro Finance Limited)

Vikrant Sadana

Company Secretary & Compliance Officer

Place: Gurugram

Enc.: a/a

Fusion Finance Limited
Financial Results for Q4 & FY26

**Fusion Finance Closes FY26 on Strong Footing: *Portfolio Quality Strengthens*
| AUM grows to INR 7,407 Crore | Gross NPA declines to 3.21% | NIM for
*Q4FY26 expands to 11.44% | Avg. Collection Efficiency at 99.66% for Q4FY26***

Healthy capital adequacy position with CRAR at 36.46%

New Delhi, 15th May 2026: Fusion Finance Limited (formerly Fusion Micro Finance Limited) [BSE: 543652 | NSE: FUSION] today announced its financial results for Q4 FY26 and FY26, reflecting continued strengthening in portfolio quality, disciplined growth in disbursements, improving collection efficiency, and sustained reduction in credit costs despite tighter industry guardrails introduced during the year. The Company reported Profit After Tax (PAT) of INR114.19 crore in Q4 FY26, which includes recognition of Deferred Tax Assets (DTA) of INR76.78 crore during the quarter. With this company returned to full year profitability of INR 13.9 Crore. Excluding the impact of DTA, the ROA for Q4FY26 was noted at 2.08% (on annualized basis).

Assets under management stood (AUM) at INR 7407 crore as of March 2026, growing 8% over sequential quarter, after a continuous period of degrowth over the previous 6 quarters. The company operated through 1536 branches across 22 states, including 3 Union Territories, with collection efficiency reaching its highest level over the last six quarters, underscoring improving recovery trends and disciplined asset quality. The new book (MFI) now constitutes 87% of the portfolio, performing with superior avg. collection efficiency at 99.77% for Q4 FY26. Overall average collection efficiency for the current quarter remained strong at 99.66%.

Net Interest Margin (NIM) improved to 11.44% in Q4 FY26 from 11.32% in Q3 FY26. This improvement was supported by favorable portfolio trends, such as better asset quality and higher loan yields, as well as improving marginal cost of borrowings from 11.80% in Q3FY26 to 10.80% in Q4FY26. Avg. cost of borrowing was stable at 10.30% for the quarter. Total income stood at INR 430 crore in Q4 FY26 compared to INR 424 crore in Q3 FY26. Pre-provision operating profit was at INR 93 crore in Q4 FY26.

The own-book portfolio demonstrated robust asset quality, with gross NPA at 3.21% (down from 4.38% in Q3 FY26) and net NPA at 0.51%. Credit costs improved for the sixth straight quarter to INR 56 crore (Q3: INR 80 crore). Provisions coverage for Stage 3 stood at 84%.

The balance sheet remained robust, supported by a healthy capital adequacy ratio (CRAR) of 36.46%. Liquidity remained strong at INR 1913 crore, comprising cash, cash equivalents, and liquid assets, amounting to 23.06% of total assets.

*Elaborating on the results, **Sanjay Garyali, MD & CEO, Fusion Finance Limited**, said, “Driven by our steady performance, the Q4FY2026 results reveal a robust closure to the financial year. The Company has successfully boosted its portfolio holdings, while enhancing the asset quality to ensure sustained growth. These dedicated efforts have led to stable collections in the new loan book and our overall portfolio. Fusion’s vibrant operating model is highlighted by the efficiency of its collections. Notwithstanding strong pressure due to economic headwinds, our risk and underwriting practices also performed very well. The latest results boost our confidence that consistent customer engagement and proficiency in execution will ensure portfolio vibrancy. As we move steadily into the new financial year, creating long term value for our stakeholders remains Fusion’s top priority.”*

Overall, Q4 FY26’s performance reflects continued balance sheet strengthening, margin expansion, and return to profitability, positioning the company for the next phase of growth.

Financial Snapshot: (INR In cr)

Particulars	Q4 FY26	Q4 FY25	YoY	Q3 FY26	QoQ	FY26	FY25	YoY%
Interest Income	362.49	448.68	(19.21%)	362.86	(0.10%)	1,532.52	2,134.22	(28.19%)
Total Income	430.14	475.99	(9.63%)	424.10	1.42%	1,732.50	2,368.89	(26.86%)
Finance Cost	132.10	179.41	(26.37%)	123.46	7.00%	538.72	843.85	(36.16%)
Profit/(loss) Before Tax	37.41	(164.56)	n.m.	14.05	166.26%	62.93	(1,133.01)	n.m.
Profit/(loss) After Tax	114.19**	(164.56)	n.m.	14.05	712.74%	13.85**	(1,224.54)	n.m.
EPS (Basic) (INR)	7.06	(14.97)*		1.05		1.01	(111.41)*	
EPS (Diluted) (INR)	7.06	(14.97)*		1.05		1.01	(111.41)*	

*Adjusted for Right Issues

**Includes recognition of deferred tax assets of INR 76.78 crores during Q4FY26

Key Metrics: Q4 FY26
(INR In cr)

Particulars	Q4 FY26	Q4 FY25	YoY	Q3 FY26	QoQ	FY26	FY25	YoY%
AUM (as at)	7,407.23	8,979.92	(17.51%)	6,875.84	7.73%	7,407.23	8,979.92	(17.51%)
Disbursements	2,140	1,156	85.12%	1,594	34.25%	5,983	6,971	(14.17%)
Borrowers (in lacs)	21.7	32.1	(32.40%)	23.4	(7.26%)	21.7	32.1	(32.40%)
Number of Branches (nos.)	1,536	1,571	(2.23%)	1,537	(0.07%)	1,536	1,571	(2.23%)
Net Interest Income (NII)	222.34	267.93	(17.02%)	236.51	(5.99%)	974.41	1,285.12	(24.18%)
Pre-Provision Operating Profit (PPOP)	93.05	90.12	3.25%	93.57	(0.56%)	362.24	736.48	(50.81%)
Expected Credit Loss (ECL) provision - as at	269.47	886.93	(69.62%)	352.69	(23.60%)	269.47	886.93	(69.62%)
Key Ratios	Q4 FY26	Q4 FY25	YoY (Bps)	Q3 FY26	QoQ (Bps)	FY26	FY25	YoY% (Bps)
Net Interest Margin (NIM)	11.44%	8.57%	287	11.32%	12	10.77%	10.21%	56
Cost/Income Ratio	68.78%	69.61%	(83)	68.88%	(10)	69.66%	51.71%	1795
Opex/Average AUM	11.48%	8.44%	304	11.91%	(43)	10.15%	7.71%	244
Gross NPA (as at)	3.21%	7.92%	(471)	4.38%	(117)	3.21%	7.92%	(471)
Return on Assets (ROA) (Annualised)	5.94%	(7.45%)	n.m.	0.76%	518	0.17%	(12.20%)	n.m.
Return on Equity (ROE) (Annualised)	20.88%	(38.16%)	n.m.	2.64%	1824	0.68%	(54.53%)	n.m.

About Fusion Finance Limited (Formerly Fusion Micro Finance Limited):

Fusion Finance [BSE (BOM: 543652) and NSE (NSE: FUSION)], founded in 2010, is among India's leading Non-Banking Financial Company-Microfinance Institutions (NBFC-MFIs), touching the lives of ~21.7 lakh clients in the country. Fusion was established with the core idea of creating opportunities at the bottom of the pyramid by providing financial services to the underserved and unserved women entrepreneurs in rural areas. It is one of the youngest companies to be among the top NBFC MFIs in the country, with an Asset under Management (AUM) of INR 7,407 crore. The company has been growing consistently with an extensive network of 1,536 branches spread across 22 states, including 3 Union Territories, as of 31st March 2026. Fusion believes in robust business practices and transparent policies as expressed in its customer-centric efforts toward clients and is committed to creating sustained and balanced stakeholder value.

For more information, please visit www.fusionfin.com or contact:

<p><u>Fusion Finance Limited</u> Mr. Aayush Saraswat (Head Investor Relations) Email: aayush.saraswat@fusionfin.com</p> <p>Ms. Bharti Sharma (Head Corporate Communications) Email: bharti.sharma@fusionfin.com</p>	<p><u>Adfactors PR Pvt Ltd</u> Ms. Maimuna Dhorajiwala (Public Relations) Email: maimuna.dhorajiwala@adfactorspr.com</p> <p>Mr. Smit Shah (Investor Relations) Email: smit.shah@adfactorspr.com</p>
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