

Date: January 28, 2023

The National Stock Exchange of India Limited,
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Symbol: FIVESTAR

BSE Limited
Listing department,
First floor, PJ Towers,
Dalal Street, Fort Mumbai 400 001
Scrip code: 543663

Sub: Investor Release on the Financial and Operational Performance of the Company for the quarter and nine months ended December 31, 2022

Dear Sir/ Madam

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Investor Press Release on the Financial and Operational Performance of the Company for the quarter and nine months ended December 31, 2022.

This Investor Press Release is also available on the website of the Company at <https://fivestargroup.in/investors/>

Kindly take the above on record.

For Five-Star Business Finance Limited

Shalini Baskaran
Company Secretary & Compliance Officer

Five-Star Business Finance Limited

Registered Office : New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai - 600 010.
Phone : 044 - 4610 6200, e-mail : info@fivestargroup.in, Website : www.fivestargroup.in
CIN : U65991TN1984PLC010844

FIVE-STAR BUSINESS FINANCE LIMITED

New No 27, Old No 4, Taylor's Road, Kilpauk, Chennai 600010

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Q3FY2023/ 9MFY2023 Results

- AUM at Rs 6,242 crores (up 31% Y-o-Y)
- Disbursements for the quarter stood at Rs 910 crores (up 114% Q-o-Q) and for the Nine month period ended at 2,281 crores (up by 105% Y-o-Y)
- PAT for the quarter at Rs 151 crores (up 28% Q-o-Q) and for the Nine month period ended at 435 crores (up by 29% Y-o-Y)
- Gross Stage 3 at 1.45 %/Net Stage 3 at 0.81% (refer note 1)

Note 1: Gross Stage 3 Assets / NPA computed as per ECL model approved by the company in accordance with Ind-AS 109 Financial Instruments after considering guidelines stipulated by RBI vide their circular on Prudential Norms on Income recognition and Asset classification dated Nov 12, 2021 and further clarified through circular dated February 15, 2022 (wherein implementation of upgradation norms were deferred to October 1, 2022) i.e loans that have crossed 90 days past due any time during the quarter and not cleared their arrears fully, expressed as a % of AUM; Net stage 3 represents Gross NPA reduced by impairment allowance on such loans expressed as a percentage of AUM

Chennai, January 28, 2023: The Board of Directors of Five-Star Business Finance Limited, has declared its unaudited financial results for the quarter and nine month period ended December 31, 2022.

Key Performance Metrics for 9MFY2023

Particulars (Rs. Cr)	9MFY2023	9MFY2022	Y-o-Y
Disbursements	2,281	1,112	105%
AUM	6,242	4,768	31%
PAT	435	336	29%
Gross Stage 3 (%)	1.45% ¹	1.15 % ²	Increase by 30 bps
ROA (%)	8.64%	7.04%	Increase by 160 bps

Note 1: Gross Stage 3 Assets / NPA computed as per guidelines stipulated by RBI vide their circular on Prudential Norms on Income recognition and Asset classification dated Nov 12, 2021 and further clarified through circular dated February 15, 2022 (wherein implementation of upgradation norms were deferred to October 1, 2022) i.e loans that have crossed 90 days past due any time during the quarter and not cleared their arrears fully, expressed as a % of AUM;

Note 2. Loans that are overdue for more than 90 days as on the reporting date expressed as a percentage of AUM

Performance Highlights for Q3FY2023/9MFY2023

Particulars	Q3FY2023	9MFY2023
NIM	18.55%	17.91%
Return on Assets	8.60%	8.64%
Return on Equity	14.67%	14.66%

- Networth of Rs 4,165 crores
- Borrowings from a large base of about 50 lenders
- Network of 369 branches as on 31 December 2022

Commenting on the results, **Mr Lakshmipathy Deenadayalan, Chairman & Managing Director, Five-Star Business Finance Limited**, said,

Five Star witnessed another good quarter in Q3 with both business and collections momentum being robust. During 9MFY2023, we disbursed Rs 2,281 crores registering a growth of 105% year on year. We added 69 branches during 9MFY2023 resulting in a strong branch network of 369 branches to deliver quality service to our customers.

We had a collection efficiency of 100.1% for the quarter and the strong growth in disbursements and collection efficiencies pave the way for a strong trajectory across growth, quality and profitability.

We continued to grow consistently and delivered an AUM growth of 31% Year on Year. PAT for 9MFY2023 has grown at 29% and our ROA and ROE is one of the best in the Industry.

During the quarter, the company has been assigned a rating of AA- by India Ratings, which is also a testimony to the company's strength.

About Five-Star Business Finance Limited: (www.fivestargroup.in; BSE: 543663; NSE: FIVESTAR)

Five-Star Business Finance Limited is a Non-Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India with a network of 369 branches catering to around 270,000 active live accounts in Tamil Nadu (including the Union Territory of Puducherry), Andhra Pradesh, Telangana, Karnataka, Madhya Pradesh, Maharashtra, Uttar Pradesh and Chattisgarh. The Company primarily offers small loans for business purposes, asset creation and other economic purposes to micro-entrepreneurs and self-employed individuals after due underwriting of their cashflows and backed by the collateral of their house property.

For more information contact:

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DISCLAIMER:

Certain statements that are made in the Investor Release may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in economic environment in India and overseas, tax laws, inflation, litigation, etc. Actual results might differ substantially from those expressed or implied. Five-Star Business Finance Limited will not be in any way responsible for any action taken based on such statements and discussions; and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.