

03rd January 2024

BSE LIMITED
Listing/Corporate Listing Department
Floor No.25, P.J Towers,
Dalal Street,
Mumbai-400001.

Dear Sir/Madam

Subject: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Business Update

Scrip Code: 530139

ISIN: INE302C01018

With reference to the above subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to submit a business update, a copy of which is attached below. This is for your information and records.

Thanking you.

Yours faithfully,

For **Kreon Financial Services Limited**

Vidyalakshmi R
Company Secretary & Compliance Officer



Business Update Q3 FY24

**AS WE EMBARK ON THE BEGINNING OF A NEW YEAR,
WE EXTEND OUR WARMEST WISHES TO ALL OUR
STAKEHOLDERS FOR A PROSPEROUS AND SUCCESSFUL
YEAR AHEAD.....**

May this year bring abundant opportunities and fruitful endeavors for each one of us. Your partnership and dedication have been instrumental in propelling our company towards greater heights.

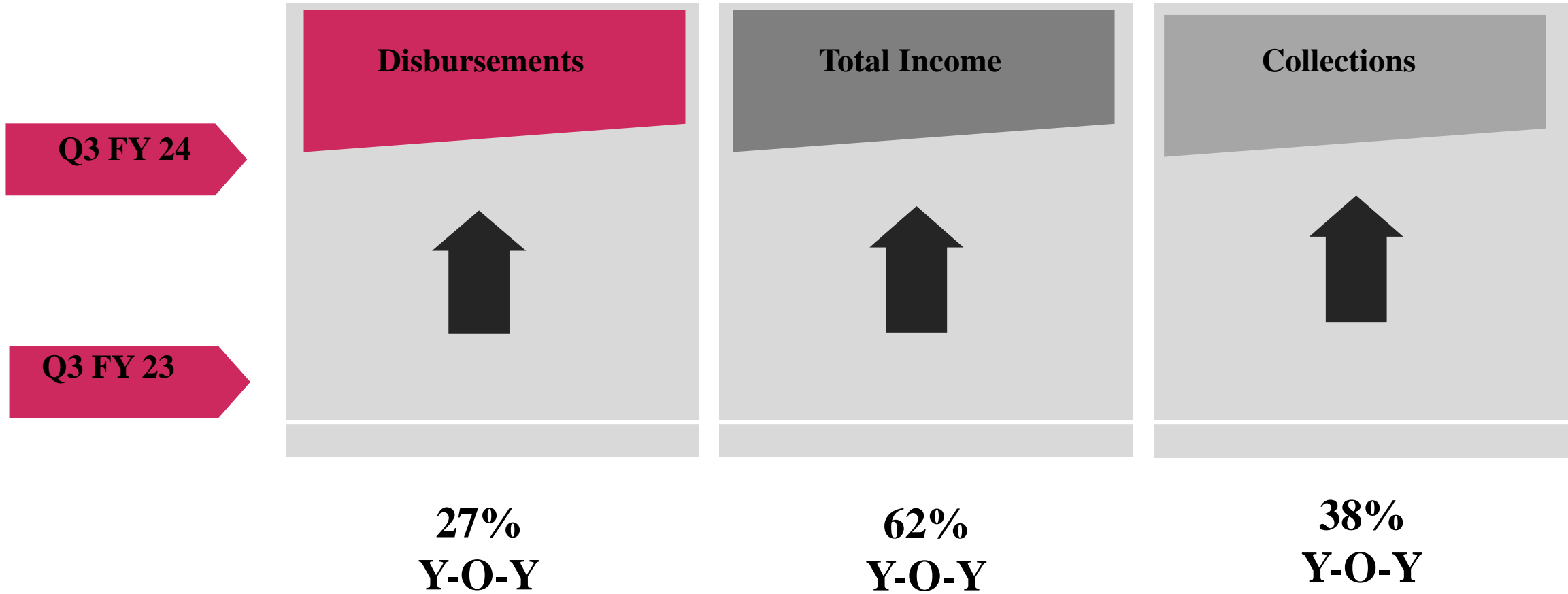
Reflecting on the Q3 FY24, it gives us immense pleasure to share the accomplishments of our company. In the upcoming moments, We'll delve into the specifics of our achievements, highlighting key milestones and the strategic initiatives that have driven our success.

Our commitment to innovation and excellence has enabled us to navigate challenges and capitalize on opportunities, resulting in the significant progress we celebrate today. Looking ahead, We will continue to prioritize customer-centric solutions, innovative approaches, and prudent financial practices to drive sustainable growth and value creation.

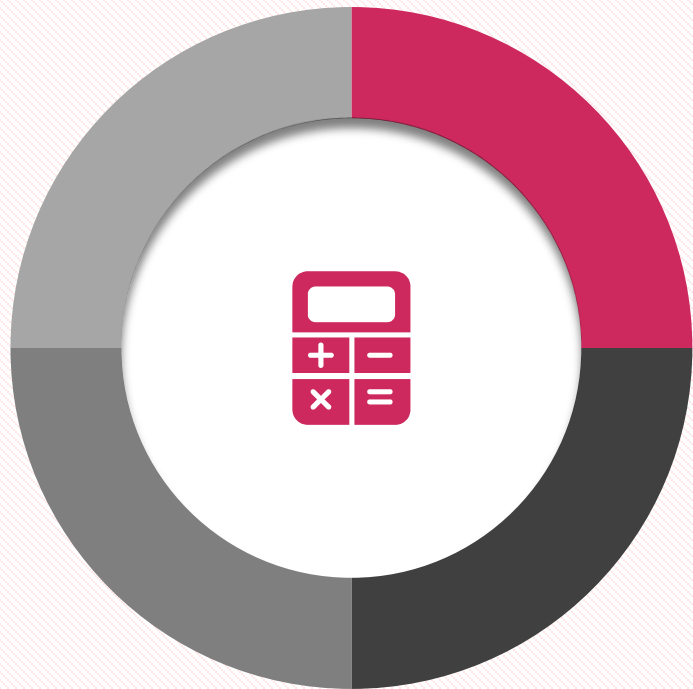
Here's to a new year filled with boundless possibilities and continued success for our company. Together, let us chart a path towards a prosperous future, achieving new milestones and overcoming challenges, hand in hand



KEY FINANCIALS



BUSINESS STRATEGY



Deepen presence in emerging India – age, aspiration, digital behaviour



Strengthen risk culture and governance within the organization through continuous refinement of risk policies & systems, and risk trainings



Ensure stable asset quality with rigorous underwriting practices, scorecards, early warning signals and robust collections tools



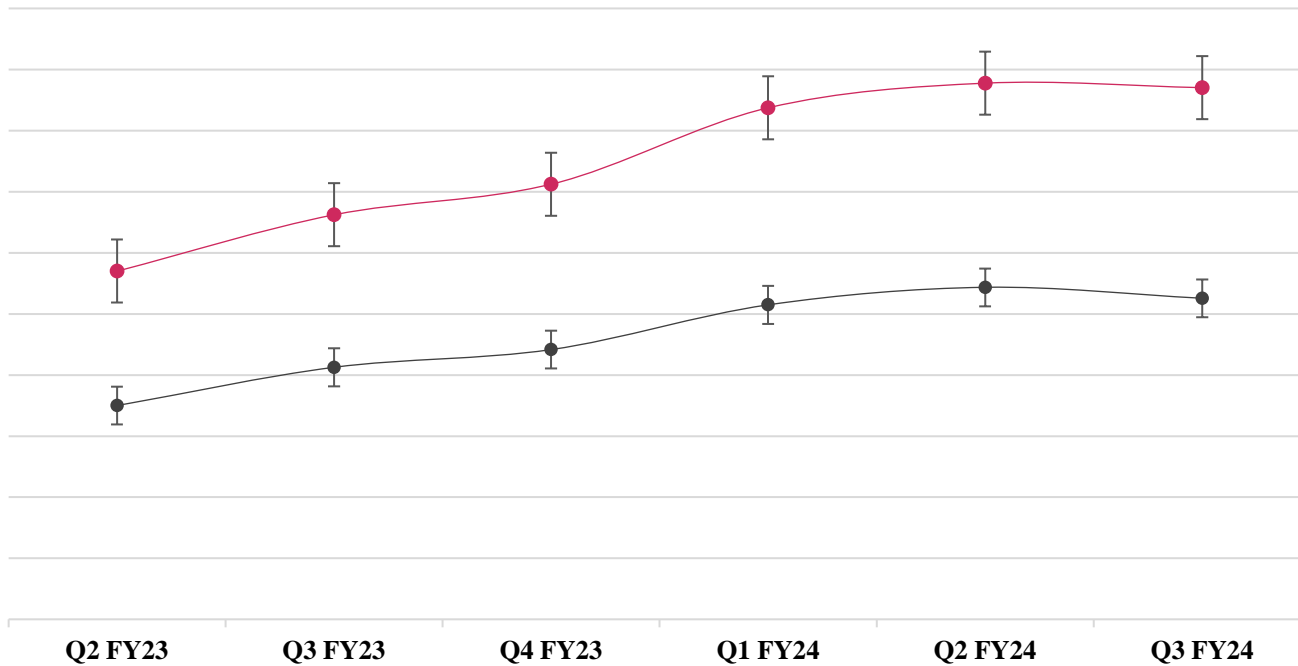
Continue to evolve tech architecture and enhance digital capabilities to improve customer experience and employee productivity



DISBURSEMENTS & COLLECTIONS TREND



Disbursements & Collections Trend



Our disbursements during the QTR underscore our dedication to supporting the aspirations of students. We've expanded our lending horizons, offering financial solutions that cater to diverse needs while maintaining a prudent approach to risk management. Our robust disbursement figures reflect not just numbers, but the stories of students we've empowered to thrive and succeed.

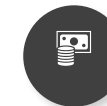
Moreover, our achievements in collections are equally commendable. Amidst challenging circumstances, our team's dedication and strategic efforts have resulted in improved collection rates. This accomplishment speaks volumes about our agility in adapting to changing market conditions and our ability to navigate complexities while maintaining strong relationships with our customers.



Disbursements (Q3 FY23 Vs Q3 FY24)



27% ↑



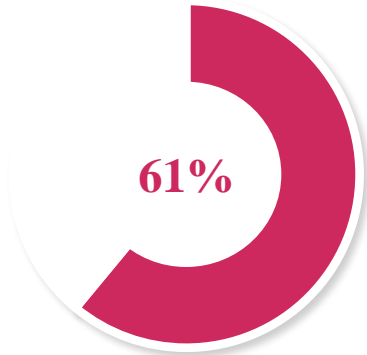
Collections (Q3 FY23 Vs Q3 FY24)



38% ↑

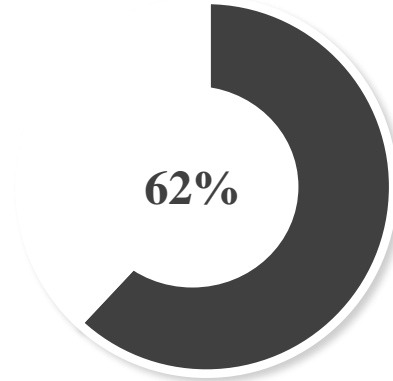


QUARTER PERFORMANCE ANALYSIS



Cost to Income Ratio

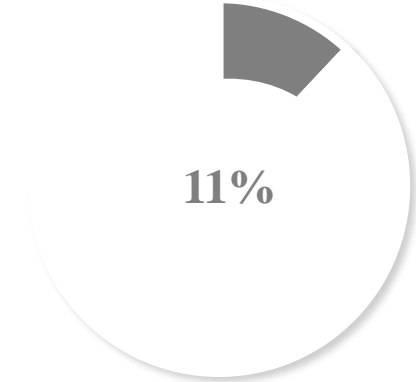
A crucial metric that reflects our operational efficiency, witnessed notable improvement during this period. Our concerted efforts in optimizing operational processes, streamlining expenses, and enhancing productivity have contributed to a commendable reduction in the cost-to-income ratio. This improvement signifies our commitment to achieving operational excellence and prudent financial management.



Total Income

The quarter's financial report indicates a substantial surge in our total income compared with the corresponding QTR in the Previous year. Through meticulous planning, innovative strategies, and the relentless efforts of our workforce, we have witnessed a commendable increase in our earnings.

Our unwavering focus on delivering value to our customers, coupled with prudent financial management, has paved the way for this outstanding achievement.



Loan Book

Delving into our loan book: In the third quarter, our loan book experienced significant growth, showcasing an increase of 11% compared to the previous quarter. This growth in our loan book reflects our commitment to providing accessible financial solutions to meet the diverse needs of our customer while ensuring responsible lending practices.



TRANSFORMATION PRIORITIES

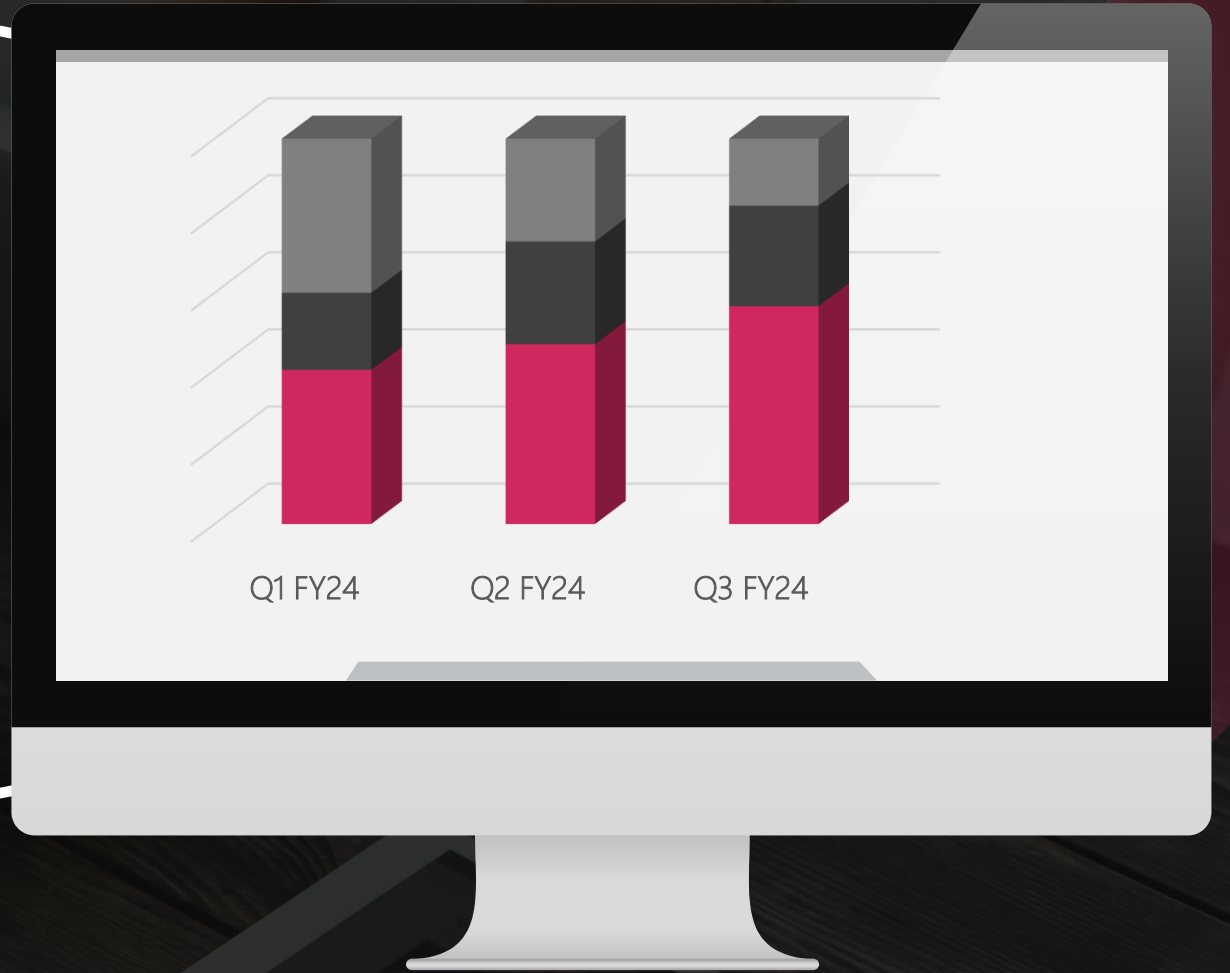
Stabilize Asset Quality
Focus on bringing the volatility down



Future Ready Human Capital
High Performing Organisation



Strengthen Tech & Digital
Data informed thinking



Understanding the evolving needs of our customers has always been at the forefront of our business strategy. In response to the challenges that many of our valued customers face, we have introduced an additional 2 more extensions facility during this quarter that allows them more flexibility in managing their commitments with us.

This facility is designed to provide our customers with a buffer during unexpected situations, enabling them to navigate through uncertainties without undue stress and allows our customers to extend the timelines for payments or services without incurring unnecessary penalties or fees. We believe that this approach not only demonstrates our commitment to customer satisfaction but also fosters a long-term, trusting relationship with those who rely on our products and services.

We are much excited about the positive impact that this extension facility will have on our customers' lives. By offering greater flexibility, we are not just addressing immediate concerns; we are building a foundation for long-lasting relationships based on trust, understanding, and mutual success.

As we move forward, we remain dedicated to continuous improvement and finding innovative ways to enhance the customer experience and eagerly look forward to the positive outcomes that will undoubtedly result from this customer-centric initiative.

KEY INITIATIVE TO ENHANCE USER FLEXIBILITY & STRENGTHEN OUR CUSTOMER- CENTRIC APPROACH

ADDITIONAL EXTENSIONS FACILITY: SUPPORTING OUR CUSTOMERS NEEDS

STRATEGIC ALLOCATION OF OUR EXPENSES TO FUEL GROWTH IN POTENTIAL AREAS

A vital aspect, making up 20% of our expenses, this segment highlights our investment in nurturing our human capital, fostering a skilled workforce, and ensuring employee satisfaction and growth.

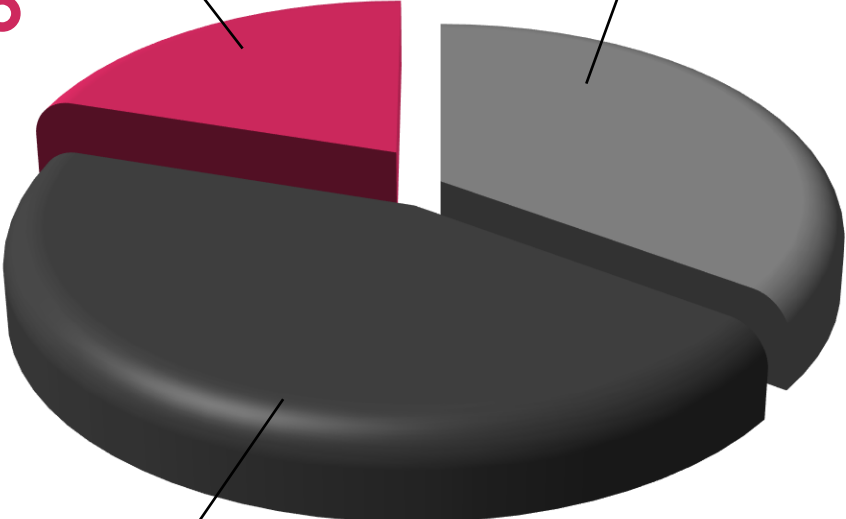
Employee Development

20%

Marketing and Expansion

35%

This segment reflects our dedication to market penetration, brand building, and geographical expansion. It's crucial for reaching new customers and maximizing our market presence.



Operational Efficiency

45%

Comprising 45% of our expenses, this segment emphasizes the optimization of our operational processes, ensuring efficiency and cost-effectiveness throughout our business operations.



MARKET PRESENCE & PENETRATION



64% ↑
Y-O-Y

User Registrations



34% 12%
Y-O-Y Q-O-Q

Customer onboard Growth



[Facebook](#)



[Twitter](#)



[Instagram](#)

Market Location



Loan book size against Total Disbursements (Q-O-Q)

12%
↓
10%



Social media platforms where we actively present to interact with our customers, share valuable insights, fostering a community & creating value through informative and engaging content.

For and on behalf of
Kreon Financial Services Limited

Jaijash Tatia
Wholtime Director
DIN: 08085029

***The above information with reference to 31st December 2023 is provisional and subject to review by the auditors of the company. We request you to bring the above to the notice of all concerned.

