





Q2FY26 Investor Presentation





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Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements.

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About Capital Trust Limited



Company Snapshot

Capital Trust Limited (CTL) is a distinguished publicly listed financial institution with four decades of proven expertise in serving India's diverse financial landscape. Having disbursed over ₹4,500 crore to more than 12 lakh clients, the company has established a strong foundation in MSME financing. Building on this legacy, Capital Trust is now diversifying its business model to tap into the growing Gold Loan segment - drawing strength from its established network, robust tech stack, and proven branch-management expertise.

Operating History
40 Years

Branch Network

250+ Branches

BSE/NSE Listed NBFC

 Publicly traded non-banking financial company with established market credibility and regulatory compliance.

Business Model Evolution

 Transitioning from exclusively unsecured MSME lending to asset-backed secured gold loans.

Strategic Market Position

Extensive presence across semi-urban and rural India, particularly strong in Hindispeaking regions.

Edge

 Established branch network, robust tech stack, proven audit discipline

Strategic Shift



Exclusively unsecured MSME loans on balance sheet

Higher credit risk exposure to CTL

Complex audit trails and compliance burden

Lower velocity and uncertain RoA visibility

Previous Strategy

New Strategic
Direction

Secured gold loans with markto-market collateral

Risk mitigation through BC partnerships with nil-to-FLDG

Cleaner operations with improved audit transparency

Higher velocity and enhanced RoA with existing infrastructure

STRATEGIC OUTCOME: Transition to a lower-risk, higher-velocity lending model that preserves customer access while significantly reducing credit exposure and improving operational efficiency.

Important Structural Updates



Successful Closure Of Rights Issue

CTL's ₹23.8 crore Rights Issue successfully closed on 11th Nov, achieving an oversubscription of 1.33 times

Launch of Secured Gold Loans

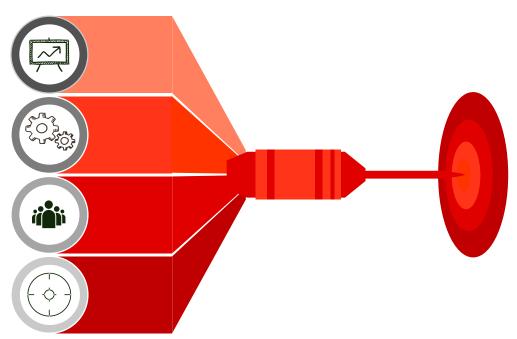
CTL's first 2 Gold Loan branches have opened in Western UP and Delhi with branch disbursement crossing ₹75Lacs in first month itself

Start Of BC Partnership With Suryoday SFB

Launched in October, CTL's risk-free Business Correspondent partnership is now active across 47 branches (Phase 1)

Front-Loading All Potential Future Losses From The Current Unsecured MSME Business

With the increased equity capital, CTL has taken the full provisioning impact upfront, ensuring a clean and strengthened platform for future growth.



Numbers at a Glance

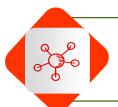




ASSETS UNDER MANAGEMENT

₹ 124 Cr

[QoQ: - 26%]



CAPITAL ADEQUACY *

₹33%

[QoQ: + 30%]



SHOPKEER & TRADER LOAN AUM

₹ 71 Cr

[QoQ: - 4%]



Own Book 90+ & Provision Balance

₹ 6.1 Cr & ₹ 7.0 Cr



ON-BOOK PORTFOLIO

₹ 49 Cr

[QoQ: - 33%]



Net NPA

₹ 0 Cr



OFF-BOOK PORTFOLIO

₹ 75 Cr

[QoQ: - 19%]



PROFIT AFTER TAX

- ₹ 17.9 Cr

- * Including successfully closed Rights Issue equity increase benefit
- The AUM contraction is a result of our strategic decision to pause unsecured MSME disbursements in August and September until securing a larger
 partner to consistently fund disbursements through our extensive branch network (currently supported by Suryoday Small Finance Bank)

CTL: Dual Business Model Overview





Supporting Bharat's Shopkeepers & Traders with accessible financing solutions for business growth and sustainability

- Four decades of market experience
- ₹4,500 crore disbursed to 12 lakh clients
- Technology-enabled lending processes



Strategic expansion into the high-growth gold loan segment, leveraging CTL's existing capabilities and market presence

- Tapping into India's vast ₹20 lakh crore market
- Advanced security infrastructure for gold collateral
- Cluster expansion model for strategic growth

COMPLIMENTARY BUSINESS LINES FOR SUSTAINABLE GROWTH



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Empowering Bharat's Shopkeepers & Traders Using A Hybrid-Dual Credit Model



- ₹ 123 Cr Informal MSME Lending through 250+ Branches in 10 States
- Empowering Bharat's Shopkeepers & Traders
- Priority Sector Lending
- Combining the strengths of **doorstep banking** with **cutting-edge technology**
- Promoting financial inclusion and entrepreneurship through a hybrid-dual credit model (leveraging advanced analytics alongside on-site cash flow assessments and behavioral checks to evaluate client creditworthiness)

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Product Offering & Typical Clientele

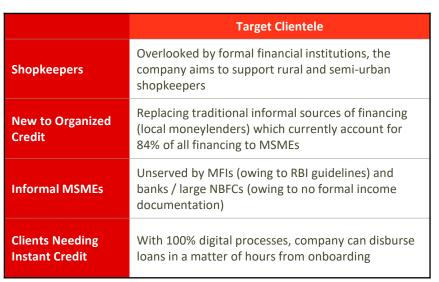
	Financing The Overlooked Shopkeeper
Type of Loan	Income-generating business loan
Ticket Size (₹)	50,000 – 5,00,000
Tenure	18 - 36 months
ROI	Starting 28%
Repayment	Digital (NACH, BBPS, UPI, Static QR) followed by physical cash collection
Product Optimisation	Small ticket size, short tenure, optimal EMI amount, short turn-around-time, digital collection enabled, cash collection setup

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Doorstep-Fintech Processes



1. LEAD GENERATION

Generate lead by door to door canvasing
Geotagging of business and residential premise
Mobile number verification through OTP
Handholding of client through digital onboarding

2. CREDIT UNDERWRITING

QR Code scan of Aadhaar Card
Automated credit bureau check
Physical Verification of business and residence premise
Business and cash flow analysis
Physical Visit Engine
Credit Engine
Telephonic Verification



3. DISBURSEMENT

E-Sign / Signing of Terms and Conditions E-NACH Penny-drop verification

Disbursement into bank account

4. COLLECTION

Automated client allocation based on client geo-tagged residence
Automated outbound dialling, installment reminder message
Monthly NACH payment
Payment enabled through company app
Cash collection if digital payment not received



DIGITAL PROCESS

PHYSICAL PROCESS

- Physical brick-and-mortar setup to ensure continuous client interaction
- Using fintech processes to increase efficiency and utilizing historical data for credit underwriting



Shopkeeper & Trader Loans (Started April '24): 30+ Static Pool As % Of Disbursement

Disb. (In Lacs)	Cases	Disb Month	MOB 1	MOB 2	MOB 3	MOB 4	MOB 5	MOB 6	MOB 7	MOB 8	MOB 9	MOB 10	MOB 11	MOB 12	MOB 13	MOB 14	MOB 15	MOB 16	MOB 17
264	527	Apr-24	-	-	-	-	-	0.48	0.79	1.22	1.63	1.86	2.09	2.30	2.44	2.41	2.52	2.51	2.59
296	592	May-24	-	-	-	-	0.46	0.61	1.28	1.40	1.76	2.09	2.29	2.43	2.58	2.62	2.76	2.81	
547	1093	Jun-24	-	-	-	-	0.08	0.24	0.39	0.38	0.51	0.75	0.91	1.03	1.05	1.00	1.35		
416	831	Jul-24	-	-	-	-	-	0.20	0.30	0.40	1.01	1.24	1.31	1.35	1.33	1.52			
426	852	Aug-24	-	-	-	0.22	0.10	0.19	0.19	0.35	0.68	0.74	1.01	1.12	2.12				
286	566	Sep-24	-	-	-	0.34	0.34	0.33	0.46	0.60	0.71	0.80	0.78	1.36					
358	703	Oct-24	-	-	-	0.27	0.26	0.12	0.11	0.44	0.53	0.68	1.32						
444	859	Nov-24	-	-	-	0.33	0.33	0.33	0.41	0.50	0.58	1.20							
472	891	Dec-24	-	-	-	0.10	0.29	0.39	0.38	1.03	1.99								
470	781	Jan-25	-	-	-	-	-	0.27	0.27	0.69									
492	717	Feb-25	-	-	-	-	-	-	0.17										
1,082	1270	Mar-25	-	0.14	0.25	0.41	1.11	1.25											
1,088	1225	Apr-25	-	-	-	-	0.21												
1,114	1146	May-25	-	-	-	0.11													
1,533	1480	Jun-25	-	-	-														
986	980	Jul-25	-	_															

Strategic Business Correspondent Partnership



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- Sourcing & Servicing Partner
- Leveraging existing branch network
- No credit cost
- Risk Free 11-13% earning
- Potential long-term synergies for other products



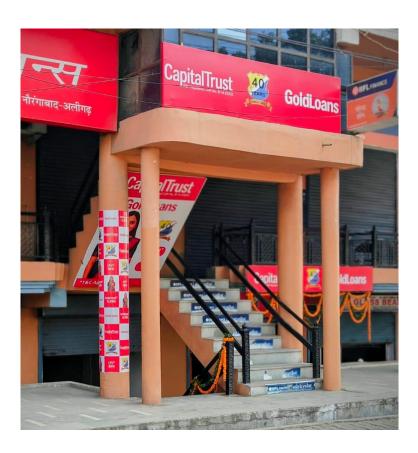


- Financing Partner
- Leveraging access to capital
- Assuming entire credit cost
- Potential long-term synergies for other products



Product Diversification





GOLD LOANS

Branch-led, regulation-first gold loans with 20-minute disbursal and 20-minute release - built to the June 2025 RBI Directions and priced to win small-ticket customers.



Gold Loans



Why Now: Market Tailwinds

Regulatory alignment and distribution moat create compelling opportunity with optimal market timing

FORMALISATION:

Out of India's gold-loan market, estimated at ~₹20 lakh crore (USD 227.3B) only about ₹7 lakh crore (USD 79.5B) (~37%) lies in the organized sector

PENETRATION:

Indian households hold nearly 25,000 tonnes of gold (~₹291 lakh crore (USD 3.31T) - yet the formal credit system monetizes barely 5—6% of this wealth



LIMITED ACCESS TO MFI / UNSECURED LOANS:

With tightening credit and access to capital limited, borrowers shifting to collateral backed gold loans

STIGMA FADING:

With growing acceptance and a stronger regulatory environment, gold loans are quickly becoming a mainstream financing option

Gold Loans

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Why Few Players Dominate: Top 4 NBFCs command ~81% of industry AUM

Key Barrier	Description
Short tenure & rapid churn	Average loan duration under 6 months creates constant disbursement–collection cycles and working-capital intensity.
High operational intensity	Every branch needs strong-rooms, dual custody, alarms, guards, CCTV, and insurance - high capex before lending starts.
Regulatory uncertainty	RBI has repeatedly altered norms - from 60% LTV (2012) to 90% (banks during COVID) to a unified June 2025 framework. Fear of regulatory overreach (like what happened with a major NBFC recently) keeps many NBFCs away.
Risk	There is also a significant risk of staff-client collusion, internal fraud, or human error in valuation, which can cause financial losses and regulatory issues.
Valuation, assaying and auction complexity	Each pledge requires purity testing, independent valuation, and, in case of default, a fully documented public auction. Any lapse in valuation, renewal, or auction process can trigger RBI scrutiny - a deterrent for non-specialists.
Handling & Storage of Collateral	Lender must ensure that the gold is handled only in its own branches and only by its employees.



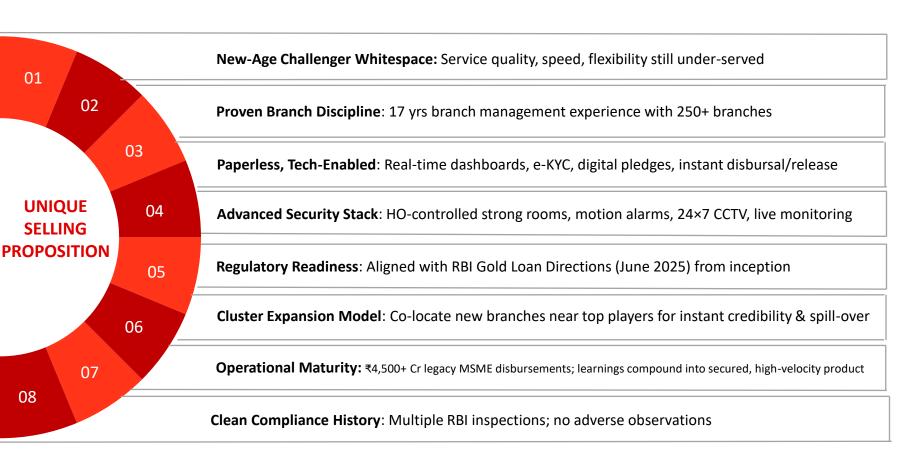
Opening for a New-Age Branch-Led Challenger

There is room for a modern, transparent, tech-first gold-loan NBFC among legacy incumbents

CTL'S EDGE IN GOLD LOANS



Delivering industry-leading speed with 20-minute disbursal promise - from assay to credit - making gold loans accessible for mass-market customers across India.



CTL'S Go-to-Market Strategy











CLUSTER EXPANSION

Locations selected near established gold loan clusters to ensure credibility and capture spill-over potential

TARGET SEGMENT

Small-ticket (≤ ₹5 lakh) high-yield loans; fast churn; hour-of-need availability

HIRING MODEL

BMs ≥5 yrs, ROs ≥3 yrs gold-loan exp.; at least one female officer per branch

RISK & MONITORING

Dual valuation, live monitoring, automated reconciliation, exception triggers

Security,
Compliance & Tech

- Keyless, HO-Controlled Access: Remote unlock; dual verification; main-door interlock during access
- **8-Later Physical Security:** Shutter \rightarrow Collapsible Grill \rightarrow Main Door (Keyless HO Controlled) \rightarrow Main Door Magnetic Lock \rightarrow Valuation Enclosure \rightarrow Strong Room Keyless HO Controlled Door \rightarrow Safe Keyless HO Controlled Outer Door \rightarrow 2 Key safe
- Dual Custody & Timed Access: Two-key safe; 3-minute capped strong-room presence; continuous CCTV
- Audit Fabric: Weekly internal + fortnightly external (assaying/hallmark personnel)
- **Tech Integration:** Cutting-edge technology, All assaying video recorded, Lean branch footprint for optimal resource management.



Understanding Q2FY26 Numbers



FY25 & FY26 Credit Cost

- Portfolio as of Q1FY25: ₹294 Cr (before rural unsecured portfolio impact)
- Overall Credit Impact: ~10% of portfolio (~₹30 Cr)
- Total Impairment / Write Off of financial instrument (Credit Cost) in FY25:
 - ₹ 2 Cr (Impairment) + ₹ 4 Cr (Waiver of loan installment) = ₹ 6 Cr
- Total Impairment / Write Off of financial instrument (Credit Cost) in FY26:
 - ₹ 18 Cr (Impairment) + ₹ 6 Cr (Waiver of loan installment) = ₹ 24 Cr

Current 90+

- Own Book 90+: ₹ 6.1 Cr (12% of POS)
- Provision Balance: ₹ 7.0 Cr (115% of Own Book 90+)
- Provided for in H1FY26, with majority optically planned to be written off in H2FY26

All potential
impact of
Unsecured
MSME
portfolio taken
care off

Quarter Loss

- Impairment / Write Off of financial instrument: ₹ 16.1 Cr (₹ 7.8Cr provision increase (on and off book provision) +
 8.3 Cr portfolio write-off) [not required going forward due to excess existing provision]
- Interest Reversal on 90+ / Closure of loans: ₹ 1.8 Cr [similar amount not required going forward due to majority 60-90DPD cases already provided for]
- Waiver Charges: ₹ 1.4 Cr [similar amount not required going forward due to 90+DPD cases already provided for]

Starting H2FY26 with a clean slate, past portfolio impact taken care off, future MSME portfolio with no risk due to Suryoday partnership, strategic foray into secured Gold Loans

Key Highlights & Ratios



(₹ in Crores)

Particulars	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Total Income	8.8	25.1	-65%	12.6	-30%
Total Expense (excluding tax)	31.9	24.8	29%	23.8	34%
Profit / Loss Before Tax	-23.1	0.3	-	-11.1	107%
Profit / Loss After Tax	-17.9	0.2	-	-8.3	115%
Net Worth	59.7	85.8	-30%	77.6	-23%
On-Book Portfolio	49.1	108.0	-55%	73.7	-33%
Off-Book Portfolio	74.8	175.6	-57%	92.8	-19%
Total Assets Under Management (AUM)	123.8	283.6	-56%	166.5	-26%
Cost Of Borrowing	16.2%	16.3%	0%	16.5%	-2%
Capital Adequacy *	32.8%	29.2%	13%	32.8%	30%

^{*} Including successfully closed Rights Issue equity increase benefit

Balance Sheet

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(₹ in Crores)

Assets	Q2 FY26	Q1 FY26	Q4 FY25	
Financial Assets				
Cash and Cash Equivalents	8.9	10.0	11.8	
Bank Balances other than Cash & Cash Equivalents	2.1	4.1	4.9	
Trade Receivables	1.2	1.9	3.1	
Loan Portfolio	41.2	66.8	83.0	
Investments	3.1	5.6	10.6	
Other Financial Assets	27.1	33.2	34.7	
Total Financial Assets	83.6	121.4	148.0	
Non-Financial Assets				
Current Tax Assets (Net)	4.1	4.5	4.3	
Deferred Tax Assets (Net)	56.8	51.0	48.1	
Property, Plant and Equipment	1.4	1.5	1.6	
Right to use Asset	0.0		0.0	
Intangible Assets	0.8	0.8 0.2		
Other Non-Financial Assets	1.5	1.6	1.4	
Total Non-Financial Assets	64.6	58.7	55.6	
Total Assets	148.2	180.1	203.6	

Liabilities And Equity	Q2 FY26	Q1 FY26	Q4 FY25
Financial Liabilities			
Trade Payables	0.4	0.4	0.7
Debt Securities	4.7	9.7	13.7
Borrowings other than Debt Securities	75.5	82.5	87.8
Deposits	0.0	0	0.0
Subordinate Liabilities	0.0	0.0	0.0
Lease Liabilities	0.0	0.0	0.0
Other Financial Liabilities	5.0	6.6	11.8
Total Financial Liabilities	85.6	99.2	114.1
Non-Financial Liabilities			
Current Tax Liabilities (Net)	0.0	0.0	0.0
Provisions	1.9	1.7	1.6
Other Non-Financial Liabilities	1.0	1.6	2.0
Total Non-Financial Liabilities	2.8	3.4	3.6
Equity			
Equity Share Capital	16.9	16.9	16.9
Share Application Money	0	0	0.0
Other Equity	42.9	60.7	69.1
Total Shareholders Fund	59.7	77.6	85.9
Total Liabilities and Equity	148.2	180.1	203.6

Funding & Partnerships



Equity: 1



Co-Lending: 5











Business Correspondent: 5













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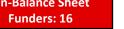
































Thank You

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