

Press Release

Ujjivan SFB going strength to strength

Highest ever quarterly net profit of ₹203 crore; RoA at 3.4%/ RoE at 28.0%**;

Strongest Q1 disbursement in Bank's history; deposits up 35% Y-o-Y;

Continued traction on collection and asset quality improvement; PAR at 7.9%; NNPA at 0.1%

Bengaluru, July 26, 2022: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the quarter ended June 30, 2022.

Summary of Ujjivan Small Finance Bank Business Performance – Q1 FY 2022-23

- ❖ Gross advances at ₹19,409* crore up 38% Y-o-Y and 7% Q-o-Q
- ❖ Highest ever disbursements for Q1 – ₹4,326 crore up 230% Y-o-Y
- ❖ Total provision is ₹1,260# crore covering 6.5% of gross advances* as on 30th Jun'22 (includes ₹220 crore floating provisions; balance ₹30 crore of floating provision has been moved to other provisions to include in Tier-II capital)
- ❖ Continued traction on Collections side at ~99% in Jun'22
- ❖ Portfolio at risk continues to decline; 7.9% as of Jun'22* vs 9.6% as on Mar'22
- ❖ GNPA/ NNPA declined to 5.9% / 0.1%* as of Jun'22 against 7.1% / 0.6% respectively as of Mar'22; ₹ 79 crore written-off in Q1FY23; Provision coverage ratio as on Jun'22 is 98% (including floating provisions of ₹220 Cr)
- ❖ Substantial reduction in restructured book; constitutes 3.4% of gross advances* with provision cover of 59%
- ❖ Deposits at ₹18,449 crore as of Jun'22 up by 35% Y-o-Y; Retail deposits at 58% of total deposits against 48% as of Jun'21; CASA ratio at 28% in Jun'22 vs 20% in Jun'21. Retail banking CASA grew 104% Y-o-Y crore contributing 78% to total CASA; healthy retail liability customer acquisition.
- ❖ Net Interest Income of ₹600 crore in Q1FY23; Net interest margin at 9.6%* in Q1FY23 against 8.0% in Q1FY22
- ❖ Operating expenses to average assets at 7.1%; Cost to Income ratio at 61% in Q1FY23 vs 65% in Q1FY22
- ❖ PPOp at ₹271 crore vs ₹161 crore in Q1FY22; PAT of ₹203 crore vs ₹(233) crore Y-o-Y
- ❖ Capital adequacy ratio at 20.03% with Tier-1 capital at 18.70%; Liquidity coverage ratio at 182% as of Jun'22

Mr. Ittira Davis, MD & CEO, Ujjivan Small Finance Bank said, "Q1FY23 marks a perfect all-round great beginning to FY23. We are very pleased with the outcome of our efforts have been successfully achieved as we stabilised our business in Q3, turned-around in Q4, and this quarter marks growth and profitability. On disbursement side, it was strongest ever first quarter reaffirming strong credit demand. We disbursed ₹ 4,326 crores improving our loan book to ₹ 19,409* crore up by 38% Y-o-Y. Our deposit book continues strong growth – up 35% Y-o-Y. Retail deposits and CASA contribute to 58% and 28% of total deposit. PAR continues to improve, currently at 7.9%* vs. 9.6% as on Mar'22. This is largely due to normalisation of slippages and strong focus on collections. We continue to hold strong provisioning buffers on our books with PCR at 98%, resulting into NNPA of mere 0.1%. Our strategy to build granular liability base will remain our prime focus going ahead along with enhancing our digital capabilities which is resulting in improved business and productivity levels. We believe that recent business challenges have made us stronger and ready to capitalise on the opportunities ahead."

* Without adjusting for ₹ 1794/ ₹ 674 cr of IBPC/ Securitization as on 30th June 2022 / 31 March 2022;

** annualized

Floating provision of ₹250 Cr created in Jun'21 is included in total provisions and included in NNPA/ PCR calculations; for Jun'22, ₹30 Cr of floating provision has been used towards CRAR calculation and only ₹220 Cr is used for NNPA/ PCR calculation. The entire floating provision continues to be on the books and can be utilised in the future for making specific provisions in extraordinary circumstances with prior approval of RBI. Including ₹ 250 Cr of floating provision, total provision on gross advances are at ₹ 1,290 Cr.

About Ujjivan Small Finance Bank Limited:

Ujjivan Small Finance Bank Limited is a small finance bank licensed under Section 22 (1) of the Banking Regulation Act, 1949 to carry on the business of small finance bank in India.

Bank serves 66 lakh customers through 575 branches and 16,664 employees spread across 248 districts and 24 states and union territories in India. Gross advances stand at ₹19,409 crore with a deposit base of ₹18,449 crore as of Jun 30, 2022.

' We constantly strive to ensure strong corporate culture which emphasizes on integrating CSR values with business objectives. We work with communities in navigating the unprecedented challenges primarily focused on healthcare, disaster relief, Covid relief, livelihood for especially abled people, education, and community infrastructure development.'

Web: www.ujjivansfb.in Twitter: [@UjjivanSFB](https://twitter.com/UjjivanSFB)

Safe Harbour:

Some of the statements in this document that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

For further information, please contact:

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