

Press Release

Bounce back in growth | Improvement in collections **Underlying business profitability remains strong**

Bengaluru, May 18, 2021: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the year and quarter ended March 31, 2021.

Summary of Ujjivan Small Finance Bank Business Performance – Q4 FY 2020-21

- ❖ Gross advances at ₹15,140 crore up 7% Y-o-Y
- ❖ Net Profit of ₹136 crore up 86% Y-o-Y
- ❖ Disbursement for Q4FY21 stood at ₹4,274 crore vs ₹3,254 crore at Q4FY20; Mar'21 disbursement was 2.2x Y-o-Y
- ❖ Non Micro Banking contributes 28% of total portfolio as against 23% in Mar'20
- ❖ Secured Advances stand at 27% of the total portfolio as on Mar'21 as against 22% in Mar'20
- ❖ Total provision as on 31st Mar'21 of ₹955 crore covering 6.3% of gross advances
- ❖ GNPA at 7.1% and NNPA at 2.9% as of Mar'21 against 1.0% and 0.2% respectively as of Mar'20; write-off of ₹74 crore in Q4FY21; Provision coverage ratio as on Mar'21 is 60%
- ❖ Deposits at ₹13,136 crore as of Mar'21 up by 22% Y-O-Y as against Mar'20; covering 87% of total advances
- ❖ Retail deposits at 48% of the total deposits vs 44% of Mar'20; CASA ratio at 21% in Mar'21 vs 14% in Mar'20
- ❖ Strong new retail customer acquisition, 3.15 lakh customers acquired during the Q4FY21
- ❖ Net interest income of ₹368 crore in Q4FY21; Net interest margin at 7.9% in Q4FY21 against 11.2% in Q4FY20
- ❖ Cost to Income ratio at 67% in Q4FY21 vs 65% in Q4FY20
- ❖ ROA/ ROE at 2.7%/ 17.3% in Q4FY21 vs. 1.6%/ 9.3% in Q4FY20
- ❖ Collections remained stable at 94% in Mar'21
- ❖ Capital adequacy ratio at 26.4% with Tier-1 capital at 25.0%; Liquidity coverage ratio at 116.1% as of Mar'21

Summary of Ujjivan Small Finance Bank Business Performance – FY 2020-21

- ❖ Disbursement for FY21 at ₹8,397 crore
- ❖ PPOP of ₹809 crore in FY21 against ₹637 crore in FY20
- ❖ Net Profit of ₹8.3 crore in FY21
- ❖ Net Interest Income of ₹1,729 crore in FY21 against ₹1,634 crore in FY20
- ❖ Net Interest Margin at 9.5% in FY21 against 10.8% in FY20
- ❖ Cost to Income ratio improved to 60% in FY21 from 67% in FY20
- ❖ ROA/ ROE for FY21 at 0.04%/ 0.3% vs 2.2%/ 13.9% for FY20

Mr. Nitin Chugh, MD & CEO, Ujjivan Small Finance Bank said, "Q4FY21 was a very good quarter in terms of strong business growth and improvement in collections. Due to sustained improvement in productivity and improving economic conditions, we saw disbursements reaching a record high of Rs 4,274 cr up 31% y-o-y. This was led by secular growth across all asset verticals. In Q4 we also benefitted from our investments in digital and through partnerships with fintechs that helped us in expanding our distribution and sales. On the collections side too we saw significant improvement with monthly collection efficiency picking up and closing at 94% in March'21; our restructured book delivered ~74% collection efficiency. Liability franchise continued to strengthen as retail granular deposits builds up with CASA meaningfully increasing to 21%. Healthy customer acquisition continued in our liability business during the quarter. Cost of funds has further reduced to 6.8% from 7.9%/7.1% in Q4FY20 / Q3FY21. Q4FY21 NIM was impacted primarily on account of de-recognition of interest income on the GNPA's. This impacted yields as well as cost-to-income ratio; cost on absolute basis remains well under control despite significant increase in business

volumes. We continue to carry Rs 172 cr of covid provisions which provides cushion for credit cost in upcoming months. As the business environment remains impacted due to the second wave of the pandemic across the country, we are closely monitoring the ground situation and taking adequate steps to safeguard the interests of our employees, customers, investors and all other stakeholders.”

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 59.2 lakh customers through 575 branches and 16,571 employees spread across 248 districts and 24 states and union territories in India. Gross Loan Book stands at ₹15,140 crore with a deposit base of ₹13,136 crore as of March 31, 2021.

'Bank's CSR objective is to reach underserved and unserved sections of the society. In Q4 FY21 the Bank has partnered with Cheshire Disability Trust to enable livelihood training for persons with disabilities, the Bank has also supported the chronic need for Intensive Care Units at the Christian Missionary Hospital in Vellore. Understanding the need for health care and precautions in these testing times, the Bank has funded for the procurement and installation of 5 information kiosks to be displayed across outpatient departments at St. John's Hospital, Bangalore. Through our strategic partner, Parinaam Foundation, we initiated various community development programs and a special program to educate the public about the Covid awareness. The Covid Education program reached 3,57,000+ beneficiaries including general public and customers. The Bank also provided 3.4 lakh masks across India and supported people suffering from harsh winters by providing blankets in North and East regions. Supported food supply and other daily needs for 75 people affected with leprosy/HIV Aids through Sumanahalli Society.'

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.

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