

Press Release

All-round performance continues

Quarterly net profit of ₹293 crore; RoA at 4.1%/ RoE at 29.7%**;
Deposits up 49% Y-o-Y/ 14% Q-o-Q; Retail Deposits up 72% Y-o-Y/ 15% Q-o-Q;
Gross loan book up 33% Y-o-Y/ 5% Q-o-Q; PAR at 4.9%; GNPA/NNPA at 3.4%/0.05%

Bengaluru, Thursday, February 02, 2023: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the nine month and quarter ended December 31, 2022

Summary of Ujjivan Small Finance Bank Business Performance – Q3 FY 2022-23

- ❖ Gross loan book at ₹21,895* crore up 33% Y-o-Y and 5% Q-o-Q
- ❖ Disbursements sustaining ₹4,000+ crore mark – ₹4,838 crore in line with Q3FY22; Dec'22 witnessed highest ever disbursement
- ❖ Deposits at ₹23,203 crore as of Dec'22 up by 49% Y-o-Y; Retail deposits at 62% of total deposits against 53% as of Dec'21; CASA ratio at 26.2% in Dec'22 vs 26.5% in Dec'21. Healthy retail liability customer acquisition
- ❖ Continued traction on Collections with ~100% efficiency in Dec'22; NDA collection consistently at ~100%
- ❖ Portfolio at risk at 4.9% as of Dec'22* vs 6.1% as on Sep'22
- ❖ GNPA/ NNPA declined to 3.4% / 0.05%** as of Dec'22 against 4.4% / 0.04%** respectively as of Sep'22; total of ₹ 179 crore written-off in Q3FY23; Provision coverage ratio as on Dec'22 is 99%#
- ❖ Substantial reduction in restructured book; constitutes 1.4% of gross loan book* with provision cover of 64% and collection efficiency of 98% in Dec'22
- ❖ Net Interest Income of ₹697 crore up 54% Y-o-Y; Net interest margin at 9.4%* in Q3FY23 against 9.1% in Q3FY22
- ❖ Operating expenses to average assets at 6.2%; Cost to Income ratio at 53.5% in Q3FY23 vs 72% in Q3FY22
- ❖ PPOp at ₹389 crore vs ₹ 154 crore in Q3FY22; PAT of ₹293 crore vs ₹(34) crore Y-o-Y
- ❖ Capital adequacy ratio at 26.02% with Tier-1 capital at 22.84%; Provisional LCR at 198% as of Dec'22

Mr. Ittira Davis, MD & CEO, Ujjivan Small Finance Bank said, "Q3FY23 was another successful quarter in a row with our balance sheet size crossing the 30K mark this quarter. Overall disbursements for the quarter remained strong driving 5% Q-o-Q growth in gross loan book*. Deposit growth outpaced assets growth taking out CD ratio toward more comfortable levels. We continued to expand our physical presence; this quarter we added 8 branches and also entered into a new state – Telangana. We will look to add few more branches in Q4 and 50-70 in FY24. We would continue to leverage our digital capabilities in addition to brick and mortar. Our mobile application "Hello Ujjivan" will help us bring more of our customers into digital ecosystem. Also, we continue to expand our product suite to be more relevant to our target customers and have larger share of their wallet. Through our wider presence, product suite and services, we not only look to strengthen relationship with our existing base of 73 lakh customers, but also be acquiring new relationships.

Update on Reverse Merger: On February 01, 2023, we have received the NOC from RBI; the process is on track and we believe to complete the reverse merger by Sep'23

FY23, continue to be a good quarter in multiple ways as we pulled back from a rough patch; lower credit cost and higher bad-debt recoveries added to the tailwind. Going ahead while credit cost would normalise, our underlying business remains strong and poised to grow at a healthy rate. Overall, we remain confident of the business growth and our journey towards becoming a leading mass-market bank."

* Without adjusting for ₹1,619/₹2,580 crore of IBPC & Securitization as on 31st Dec 2022 /30th Sep 2022; ** annualized

For Q3FY23, out of ₹250 crore floating provision only ₹150 crore has been utilized towards NNPA/ PCR calculation; ₹70 crore lies in other provisions and was not utilized for NNPA/ PCR calculation and ₹30 crore towards Tier II capital.

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 ~73 lakh customers through 598 branches and 16,764 employees spread across 254 districts and 25 states and union territories in India. Gross loan book stands at ₹21,895 crore with a deposit base of ₹23,203 crore as of Dec 31, 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.

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