

Press Release

Significantly better asset quality, business volumes and collections;
Book coverage at 10.4%; PCR at 75%;
PAR reduced to 18.9% vs 30.8% in Jun'21;
Disbursements at ₹ 3,122 crore up 114% Y-o-Y

Bengaluru, November 08, 2021: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the quarter ended September 30, 2021.

Summary of Ujjivan Small Finance Bank Business Performance – Q2 FY 2021-22

- ❖ Gross advances at ₹14,514 crore up 5% Y-o-Y and 3% Q-o-Q
- ❖ Q2 FY22 Disbursement at ₹3,122 crore up 114% Y-o-Y and 138% Q-o-Q
- ❖ Non Micro Banking contributes 34% of total portfolio as against 24% in Sep'20
- ❖ Secured advances stand at 32% of the total portfolio as on Sep'21 against 23% in Sep'20
- ❖ Total provision is ₹1,506 crore, 10.4% of gross advances as on 30th Sep'21 (including ₹250 crore floating provision)
- ❖ GNPA/NNPA at 11.8%/3.3% as of Sep'21 against 1.0% / 0.1% (Proforma GNPA/NNPA at 1.2%/0.3%) as of Sep'20; write-off of ₹63 crore in Q2 FY22; PCR at 75% as of Sep'21
- ❖ ₹962 crore restructured in Q2 FY22. Total restructured loan book is 10.2% with 34% provision coverage
- ❖ Deposits at ₹14,090 crore up by 31% Y-o-Y
- ❖ Retail deposits at 52% of the total deposits against 49% as of Sep'20; CASA ratio at 22.5% vs 16.5% in Sep'20. Retail banking contributed to 76% of total CASA, growing 138% Y-o-Y
- ❖ Strong retail liability customer acquisition with 1.8 lakh customers added during the quarter
- ❖ Net Interest Income of ₹391 crore in Q2 FY22; Net interest margin at 8.1% in Q2 FY22 (10.2% in Q2 FY21)
- ❖ Operating expenses to average assets at 7.5% led by higher business and collection expenses and annual increments
- ❖ PAT of (₹274) crore in Q2 FY22 against ₹ 96 crore in Q2 FY21
- ❖ Collections improving with removal of lockdowns - Collection Efficiency at 95% in Sep'21
- ❖ PAR reduced to 18.9% as on Sep'21 from 30.8% as on Jun'21
- ❖ Capital adequacy ratio at 22.2% with Tier-1 at 20.7%; Liquidity coverage ratio at 151% as of Sep'21

Mr. Martin P S, Officer on Special Duty (OSD), Ujjivan Small Finance Bank said, "Q2 FY22 has shown significant traction in business momentum, over the previous quarter, with improvement in both – disbursements and collections. In Q2 FY22, we disbursed ₹ 3,122 crore as local level lockdowns eased. We continue to focus on diversification with Non-MicroBanking book contributing 34% (as against 32% as of Jun'21) to the total asset portfolio. We have acquired 1.8 lakh new retail customers during the quarter; retail deposits proportion increased to 52% of the total deposits, as against 48% as of Jun'21. The Bank has prepared a 100-day plan focusing on improving business volumes and asset quality as well as retaining talent; performance against the plan is being closely monitored by Bank Board and corrective actions are put in place, if required. With strict focus on collections, we have seen dual benefits of rising collection efficiency (95% in Sep'21) and reduced PAR (18.9% as of Sep'21 as against 30.8% as of Jun'21). Also, we have done major restructuring and taken accelerated credit provisions during the quarter. We believe, subject to potential third wave of Covid, our GNPA has peaked out and will gradually reduce hereon. We remain confident that the Bank would tide over the challenges posed by current business environment and would emerge strong."

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 59.7 lakh customers through 575 branches and 16,251 employees spread across 248 districts and 24 states and union territories in India. Gross Loan Book stands at ₹14,514 crore with a deposit base of ₹14,090 crore as of September 30, 2021.

'Bank's CSR objective is to reach unserved and underserved sections of the society. In Q2 FY22, the Bank has prioritized the need for enhancing healthcare infrastructure for the treatment of COVID patients across the country. The Bank has partnered with 21 local hospitals, Primary Healthcare centres and 8 covid care homes in the procurement of medical equipment, safety materials, beds, pillow and a lot more to reach out to 8,72,183 beneficiaries, 459 healthcare workers. To help the people affected by the cyclones in the East region we have provided dry ration, utensils and other relief materials to 2010 families. The Bank has partnered with Cheshire Disability Trust to provide livelihood training and job placement for 100 PWDs. We have also partnered with Maithree Foundation in Chennai to educate a batch of 45 children with special needs on daily living skills, functional academic and pre-vocational training. Two community infrastructural development projects were completed under Chote Kadam project in Pali and Mapusa impacting 2,000 beneficiaries.'

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:

Ujjivan Small Finance Bank Limited	
For Media Queries: Mr. Kartik Bhat +91 9867178871 kartik.bhat@ujjivan.com	For Investor Queries: Mr. Deepak Khetan +91 7045792752 deepak.khetan@ujjivan.com