

Press Release

Ujjivan SFB's remarkable turnaround

Turns profitable with net profit of ₹127 crore; RoA at 2.3%/ RoE at 18.7%**;
Strong Business volumes with highest-ever disbursement; deposits up 39% Y-o-Y;
Continued improvement in collections; Mar'22 collections at 100%
Significant improvement in asset quality; NNPA at 0.6%; PAR at 9.6%

Bengaluru, May 12, 2022: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the quarter and year ended March 31, 2022.

Summary of Ujjivan Small Finance Bank Business Performance – Q4 FY 2021-22

- ❖ Gross advances at ₹18,162* crore up 20% Y-o-Y and 10% Q-o-Q
- ❖ Highest ever disbursements during the quarter – ₹4,870 crore up 14% Y-o-Y and 1% Q-o-Q
- ❖ Non Micro Banking contributes 32%* of total portfolio as against 28% in Mar'21
- ❖ Secured Advances stand at 30%* of the total portfolio as on Mar'22 as against 27% in Mar'21
- ❖ Total provision is ₹1,330 crore covering 7.3% of gross advances* as on 31st Mar'22 (includes ₹250 crore floating provisions)
- ❖ GNPA/ NNPA declined to 7.1% / 0.6%* as of Mar'22 against 9.8% / 1.7% respectively as of Dec'21; ₹ 271 crore written-off in Q4FY22; Provision coverage ratio as on Mar'22 is 92% (including floating provisions)
- ❖ Substantial reduction in restructured book; constitutes 4.7% of gross advances* with provision cover of 47%
- ❖ Deposits at ₹18,292 crore as of Mar'22 up by 39% Y-o-Y; Retail deposits at 54% of total deposits against 48% as of Mar'21; CASA ratio at 27% in Mar'22 vs 21% in Mar'21. Retail banking CASA grew 141% Y-o-Y crore contributing 77% to total CASA; healthy retail liability customer acquisition - 2.7 lakh customers added during the Q4FY22
- ❖ Net Interest Income of ₹544 crore in Q4FY22; Net interest margin at 10.1% in Q4FY22 against 7.9% in Q4FY21
- ❖ Operating expenses to average assets at 7.7%; Cost to Income ratio at 66% in Q4FY22 vs 68% in Q4FY21
- ❖ PPOP at ₹217 crore vs ₹155 crore in Q4FY21; PAT of ₹127 crore vs ₹136 crore Y-o-Y
- ❖ Collections at 100% in Mar'22, further improving from 97% in Dec'21
- ❖ Portfolio at risk continues to decline; 9.6% as of Mar'22* vs 14.9% as on Dec'21
- ❖ Capital adequacy ratio at 19.0% with Tier-1 capital at 17.7%; Liquidity coverage ratio at 152% as of Mar'22

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

- ❖ Disbursement for FY22 at ₹14,113 crore
- ❖ PPOP of ₹590 crore in FY22 against ₹801 crore in FY21
- ❖ Net loss of ₹ 415 crore in FY22
- ❖ Net Interest Income of ₹ 1,774 crore in FY22 against ₹1,729 crore in FY21
- ❖ Net Interest Margin at 8.8% in FY22 against 9.5% in FY21
- ❖ Cost to Income ratio increased to 72% in FY22 from 61% in FY21

Mr. Ittira Davis, MD & CEO, Ujjivan Small Finance Bank said, "Q4FY22 has indeed been a strong quarter with the Bank completing the turnaround we envisaged under our 100-day plans put to execution beginning Sep'21; Q4 marks business turning profitable. This was possible on back of strong business performance coupled with persistent efforts on collections. On disbursement side, we surpassed our previous best (₹ 4,809 crores in Q3FY22) and disbursed ₹ 4,870 crores, improving our loan book to ₹ 18,162* crore. Our deposit book continues

strong growth – up 39% Y-o-Y driving credit to deposit ratio to 99% which is another achievement for Ujjivan. Retail deposits and CASA contribute to 54% and 27% of total deposit; implying increasing granularity of deposit book. PAR continues to decline, currently at 9.6%* down from 14.9% as on Dec’21. This is largely due to healthy book and strong focus on collections. We continue to hold strong provisioning buffers on our book with PCR at 92%, resulting NNPA’s to 0.6%. Our strategy to build granular liability base will remain our prime focus going ahead along with focus on enhancing our digital capabilities which in turn is improving business and productivity levels. We believe that recent business challenges have made us stronger to ready to capitalise on opportunities ahead us.”

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 64.8 lakh customers through 575 branches and 16,895 employees spread across 248 districts and 24 states and union territories in India. Gross advances stands at ₹18,162 crore with a deposit base of ₹18,292 crore as of March 31, 2022.

' Our CSR objective is to reach unserved and underserved sections of the society. In Q4 FY22, the Bank has prioritized the vaccination across the country and partnership with skill development institutes. The Bank collaborated with local hospitals, Primary Healthcare centres to facilitate the vaccination for 46,500+ beneficiaries across 21 states. We distributed medical equipments to the PHCs in Sangli, Thakurpukur, Khairtal, Sangrur and Ajmer directly benefiting over 1.3 lakhs beneficiaries. Overall the relief activities will reach out to 6,23,720 beneficiaries. The Bank has partnered with Divya Nur Foundation, Cheshire Disability Trust and Savera society for skill development projects that will benefit about 350 youths, women & PWDs in this year. One healthcare infrastructural development project was completed under the Chote Kadam project in Haryana, Hissar benefitting over 5000 public.'

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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