



EQUITAS SMALL FINANCE BANK LIMITED

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

July 26, 2024

Chennai, July 26, 2024: The Board of Directors of Equitas Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for quarter ended June 30, 2024

Net Income of Rs. 994 Crs in Q1FY25, growth of 11% YoY

PPOP of Rs. 340 Crs in Q1FY25, growth of 9% YoY

Deposits grew by 35% YoY, Strong growth in Retail TD of 47% YoY

Equitas improves PCR to 70% in Q1FY25

1. Key Highlights for Q1FY25:

- Yield on Gross Advances improved by 13 bps to 16.45% in Q1FY25 over previous year
- Gross Advances growth at 18% YoY and 2% QoQ. Non MF book grew 21% YoY, led by 35% growth in Housing Finance and 27% growth in SBL
- Overall deposits registered a robust growth of 35% YoY & 4% QoQ

2. Business Highlights:

- New products scale up well. Merchant OD and Used Cars advances crossed Rs. 1100 Crs and Rs. 1300 Crs respectively in Q1FY25
- Disbursement growth of 78% YoY in Micro-LAP (part of SBL) as portfolio indicators turn favourable
- CASA ratio stable at 31%; CA balances grew 32% YoY
- Strong Retail Term Deposits growth of 47% YoY to Rs. 16,128 Crs

Key Ratios:

- NIM stood at 7.97%
- Cost to Income stood at 65.75% in Q1FY25 as compared to 62.83% in Q4FY24 and 65.05% in Q1FY24
- RoA and RoE for Q1FY25 at 0.22% and 1.72%

Capital:

- Networth of the Bank stands at Rs. 6,008 Crs
- As of June 30, 2024, Total CRAR at 20.55% | Tier I at 19.59% and Tier II at 0.96%

Treasury & Liquidity:

- The Bank's Certificate of Deposit (CD) programme has highest rating at A1+ from India Ratings, CareEdge Ratings & CRISIL
- Liquidity Coverage Ratio (LCR) as on 30.06.2024 is 178.60%
- Profit on sale of Investments for the quarter is Rs. 29.24 Crs

3. Profit & Loss:

- Net Income, Total Opex and PPOP grew by 11%, 13% and 9% YoY, for Q1FY25 respectively
- PAT stood at Rs. 26 Crs for Q1FY25, decline of 87% YoY and 88% QoQ due to floating provision of Rs. 180 Crs to strengthen the PCR of the bank.

4. Asset Quality & Provisions:

- Annualized gross slippages stands at 4.49% for Q1FY25 as compared to 4.34% in Q4FY24 and 3.07% in Q1FY24
- GNPA increased by 7 bps YoY to 2.67% in Q1FY25 as compared to 2.60% in Q1FY24
- NNPA improved by 31 bps YoY to 0.81% in Q1FY25 as compared to 1.12% in Q1FY24
- In order to strengthen PCR, Bank has made additional provision in the form of floating provision of Rs.180 Crs during the quarter, PCR improved to 70.29% in Q1FY25 from 56.06% in Q4FY24 and 57.79% in Q1FY24

About Equitas Small Finance Bank Limited [ESFB]

Equitas Small Finance Bank is one of the largest small finance banks in India. As a new-age bank, we offer a bouquet of products and services tailored to meet the needs of our customers – individuals with limited access to formal financing channels, as well as affluent and mass affluent, Small & Medium Enterprises (SMEs) and corporates. Our firmly entrenched strategy focuses on providing credit to the unbanked and underbanked micro and small entrepreneurs, developing products to address the growing aspirations at the 'bottom of the pyramid', fuelled by granular deposits and 'value for money' banking relationships.

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