

February 9, 2023

Ref.: SSFB/CS/85/2022-23

To,

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East)
Mumbai – 400 051

BSE Limited
The Corporate Relations Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort,
Mumbai – 400 001

Symbol: **SURYODAY**

Scrip Code: **543279**

Dear Sir/Madam,

Sub: Presentation to Investors on Unaudited Financial Results of Suryoday Small Finance Bank Limited (the "Bank") for the quarter and nine months ended on December 31, 2022 - Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Intimation of Outcome of meeting of the Board of Directors (the "Board") of Suryoday Small Finance Bank Limited (the "Bank") held on February 9, 2023 - Approval of the Unaudited Financial Results of the Bank for the quarter and nine months ended December 31, 2022

Further to our letter nos. SSFB/CS/83/2022-23 and SSFB/CS/84/2022-23, both dated February 9, 2023, regarding the submission of the Outcome of the meeting of the Board of Directors on the Unaudited Financial Results of the Bank for the quarter and nine months ended December 31, 2022 along with the Limited Review Report, issued by Statutory Auditors of the Bank, M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013), and Press Release on the abovementioned Unaudited Financial Results, respectively, we submit herewith the Investor Presentation relating to the Conference call update on Financial and Business Performance of the Bank for the quarter and nine months ended December 31, 2022.

This intimation shall also be made available on the Bank's website at <https://www.suryodaybank.com/> in terms of Regulation 30, 46 and 62 of the SEBI Listing Regulations.

The above is submitted for your kind information and appropriate dissemination.

Thanking You,

Yours truly,

For **Suryoday Small Finance Bank Limited**

Krishna Kant Chaturvedi
Company Secretary & Compliance Officer
Encl: As above

SURYODAY SMALL FINANCE BANK LIMITED

Reg. & Corp. off : 1101, Sharda Terraces, Plot. 65, Sector 11, CBD Belapur, Navi Mumbai: 400614 Tel: 022-40435800

E Mail: info@suryodaybank.com / **Web:** www.suryodaybank.com **CIN:** L65923MH2008PLC261472 / **GSTIN NO:** 27AAMCS5499J1ZG



SURYODAY

A BANK OF SMILES

Suryoday Small Finance Bank Limited

Investor Presentation – Q3 & 9M FY23



PURPOSEFULNESS

REFLECT. REENGINEER. REBOUND.

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Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.



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Business Update

Q3 & 9M FY23

Performance Highlights – 9M FY23

Gross Advances*

₹5,408.2
(+11.0% YoY)

Disbursements

₹3,395.6
(+33.3% YoY)

Asset Mix*

IF – 61.1%
Others – 38.9%

Collection Efficiency

110.4%
(109.0% 9MFY22)

Gross NPA

4.2%
(-628 bps)

Net NPA

2.7%
(-287 bps)

Provision Coverage Ratio[§]

79.2% (67.9% 9MFY22)

CRAR

36.4%
(41.4% 9MFY22)

NII

₹536.5
(+22.5% YoY)

PPoP[#]

₹235.8
(+8.9% YoY)

Cost of Funds

6.6%
(7.1% 9MFY22)

Cost to Income Ratio[#]

60.7% (56.8% 9MFY22)

Retail : Bulk Deposit

(77.9% : 22.1%)

CASA Ratio

14.1%
(19.2% 9MFY22)

Branch Network

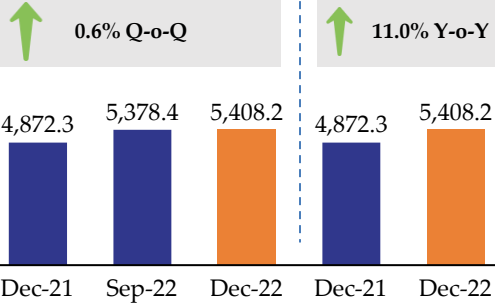
571
(564 9MFY22)

Employee Count

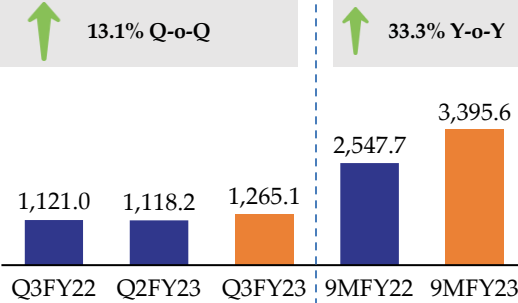
6,094
(5,253 9MFY22)

Key Metrics

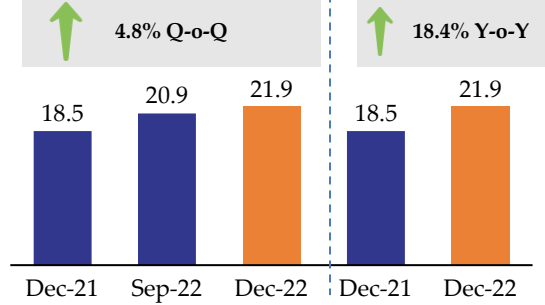
Gross Advances (₹ crores)*



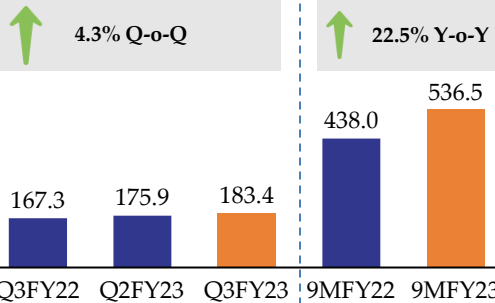
Disbursements (₹ crores)



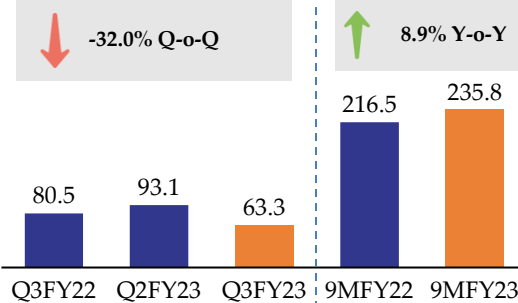
Customer Base (lakhs)



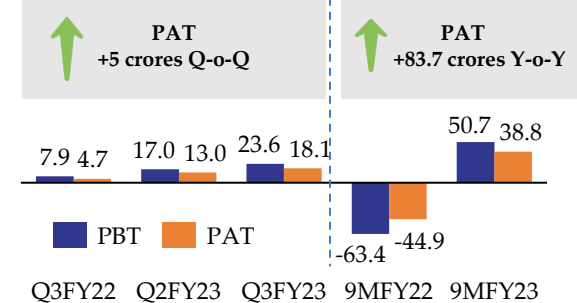
Net Interest Income (₹ crores)



PPoP (₹ crores)#



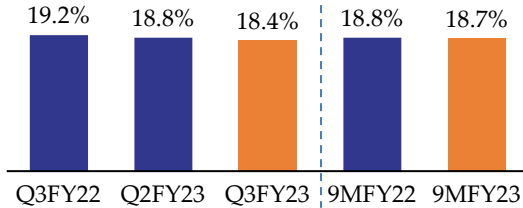
PBT & PAT (₹ crores)



Key Metrics

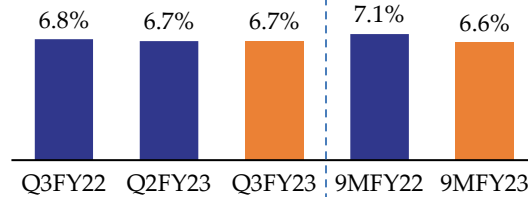
Yield (%)

↓ -41 bps Q-o-Q ↓ -10 bps Y-o-Y



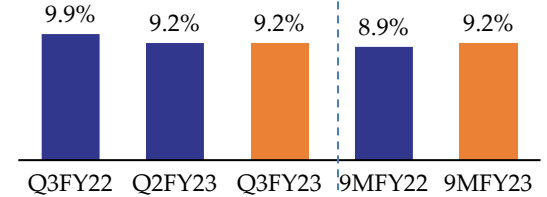
Cost of Funds (%)

↓ -2 bps Q-o-Q ↓ -50 bps Y-o-Y



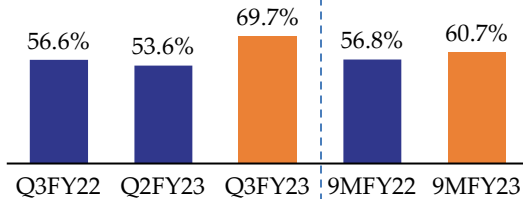
NIM (%)

↓ -3 bps Q-o-Q ↑ 30 bps Y-o-Y



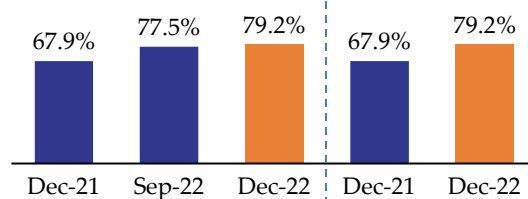
Cost / Income Ratio# (%)

↑ +1,620 bps Q-o-Q ↑ +390 bps Y-o-Y

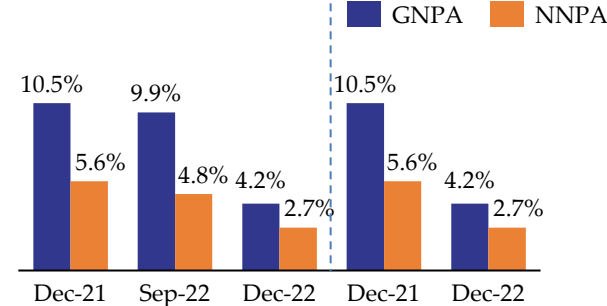


PCR§ (%)

↑ +170 bps Q-o-Q ↑ +1,130 bps Y-o-Y



Asset Quality (%)



Includes impact of ₹21.5 crores of loss on sale of stressed loans

§ Including Technical write offs



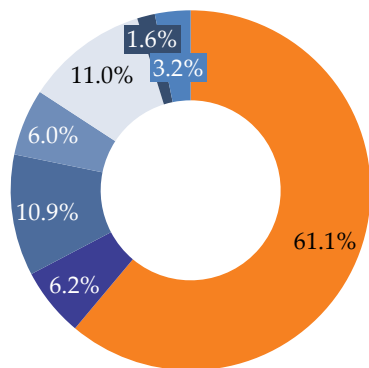
Asset Business Update

Q3 & 9M FY23

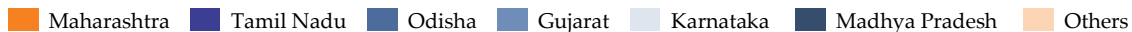
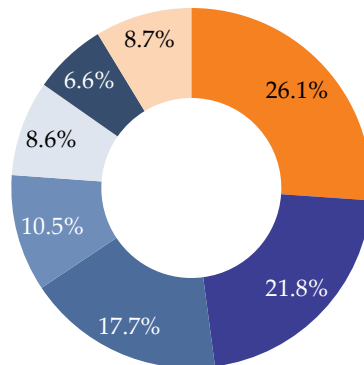
Asset Business Update – Q3 FY23

Particulars	IF	CV	HL	SBL	FIG	Partnerships	Others	Total
Gross Advances – December 2022 (₹ Crores)*	3,306.1	332.9	589.0	323.5	596.2	87.3	173.2	5,408.2
Disbursement – Q3 FY23 (₹ Crores)	891.3	56.1	64.1	59.7	147.4	20.1	26.5	1,265.1

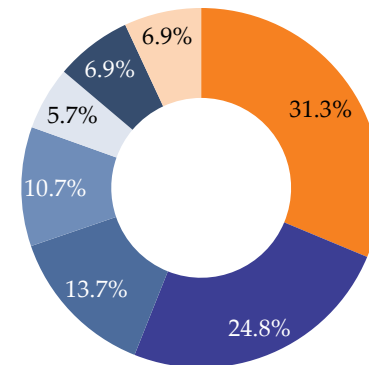
Portfolio Mix – Product Wise



Regional Portfolio Mix (IF)



Regional Portfolio Mix (Overall)



ARC Transaction and Impact

All figures in ₹ crores, unless otherwise indicated

ARC Transaction	Total
GNPA + Write Off [A]	492
Less : Write-Off	62
Value of Pool of Assets [Excl. Write-Off] [B]	429
Total NPA Provision [C]	182
Net Book Value [D]=[B]-[C]	248
Floating Provision Utilised	91
Loss included in Other Expenditure	22
Value of SR's [E]	135

Effect of ARC in Gross Advances

Particulars		Amt
Gross Advances before ARC	[A]	5,827
ARC Pool from Gross Advances [B from above table]	[B]	429
Collection in Dec-22	[C]	11
Gross Advances Netting Off ARC transaction and Dec ARC Collection	A-[B-C]	5,408
Realised Yield for Q3 FY 23 including ARC portfolio		18.4%
After ARC transaction realised yield and NIM will go up from Q4-23		

ARC Portfolio Status as of Dec'22		Amt
ARC Pool	[A]	492
ARC Pool Valuation	[B]	135
Paying POS Since July-22	[C]	137
EMI due for Dec-22	[D]	49
Paid in Dec-22	[E]	11
Paying POS (%)	[C/A]	28%
Collection Efficiency (%)	[E/D]	22%
Money Recovered vs Investment (%)	[E/B]	8%

Effect of ARC in PPOP and CTI %

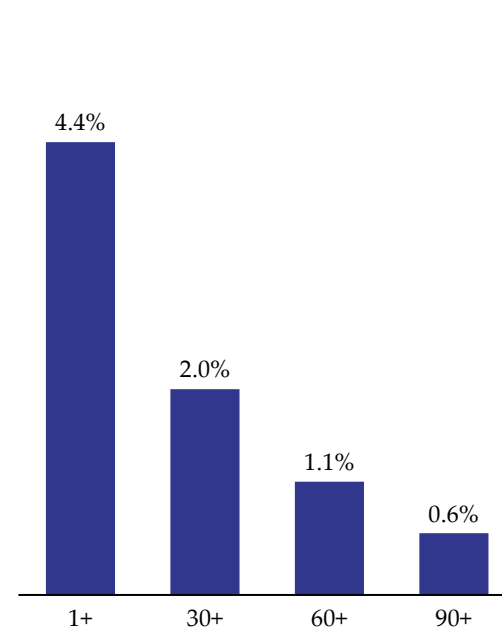
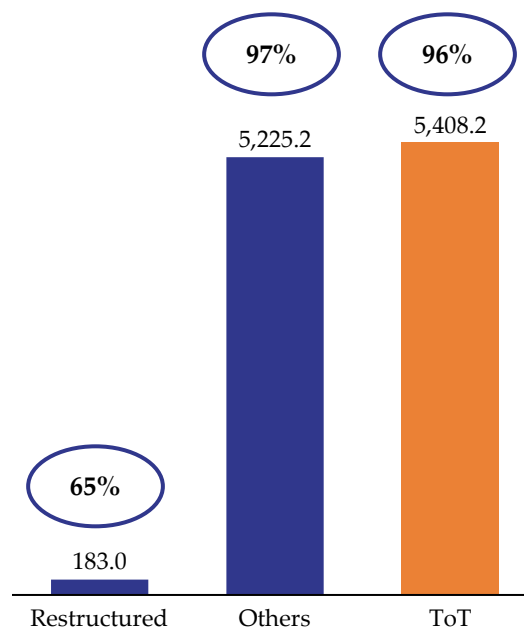
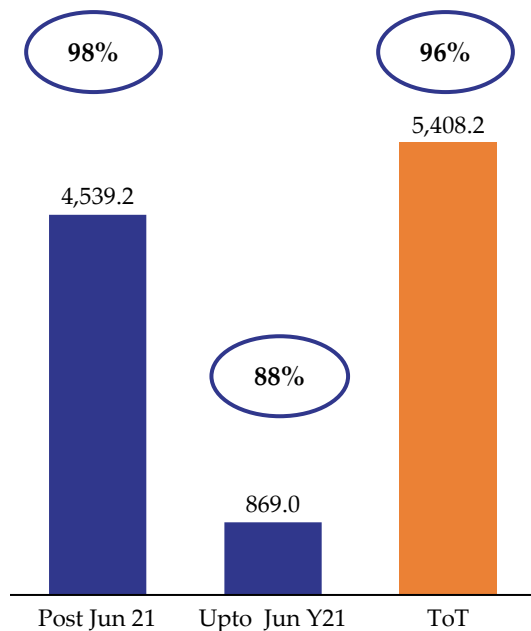
Particulars		Amt
Total Net Interest Margin	[A]	209
PPOP	[B]	63
One Time ARC related loss	[C]	22
Normalised PPOP	[B+C]	85
Total Cost	[D]	146
Normalised Cost	[E]	124
Normalised CTI (%)	[E/A]	59%

Pre and Post Covid Book Performance

Pre and Post June-21 Advances as on 31st Dec-22 (₹ crores)

Restructure/Other Advances as on 31st Dec-22 (₹ crores)

PAR of Post Jun-21 Advances as on 31st Dec-22 (%)

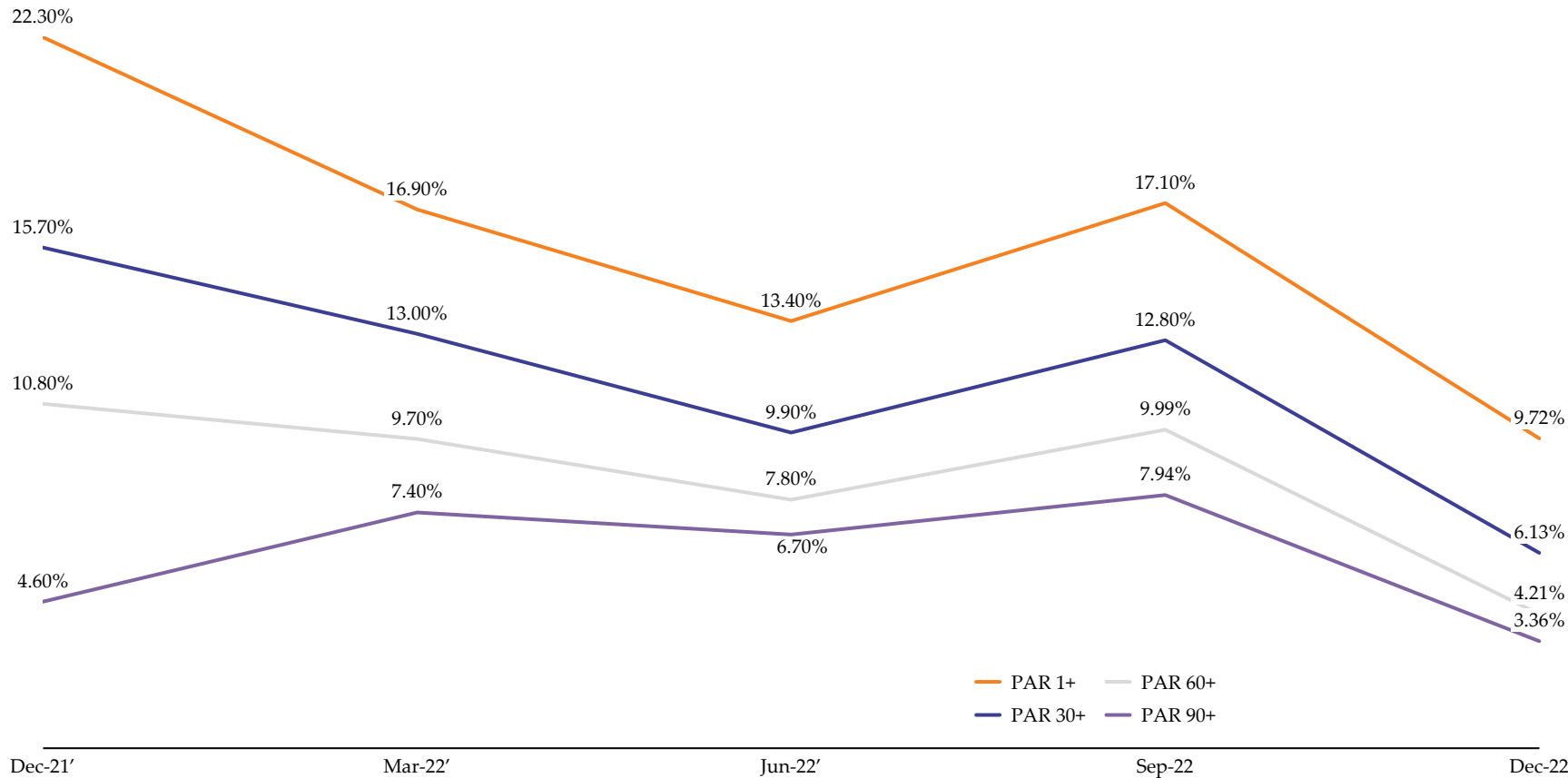


 Collection Efficiency - 1 EMI

Product	Gross Advances	GNPA	NPA Provisions	Floating Provision	Total Provision	NNPA	GNPA ¹	NNPA ¹	PCR ²	PCR
	(₹ Crores)	(₹ Crores)	(₹ Crores)	(₹ Crores)	(₹ Crores)	(₹ Crores)	(%)	(%)	(%) (Incl. Tech W/off)	(%) (Excl. Tech W/off)
JLG	3,306.1	119.3	28.0	-	28.0	91.3	3.6%	2.8%	82.5%	23.4%
HL	589.0	11.3	3.7	-	3.7	7.6	1.9%	1.3%	32.6%	32.6%
SBL	323.5	10.7	2.6	-	2.6	8.1	3.3%	2.5%	23.9%	23.9%
CV	332.9	17.7	10.7	-	10.7	7.0	5.3%	2.2%	73.9%	60.4%
FIG	596.2	0.0	0.0	-	0.0	0.0	0.0%	0.0%	0.0%	0.0%
Unsecured Business Loans	87.3	5.9	2.3	-	2.3	3.6	6.7%	4.2%	92.2%	38.8%
Other ³	173.2	64	35.6	-	35.6	28.4	36.9%	20.6%	67.5%	55.7%
Total	5,408.2	228.9	82.8	-	82.8	146.0	4.2%	2.7%	79.2%	36.2%

- GNPA and NNPA includes ECLGS loans of ₹ 65.8 Crores wherein 'nil' provision is made following IRAC guidelines and will be recovered through a Guarantee mechanism as per ECLGS circular. Excluding ECLGS loans GNPA and NNPA will reduce to 3.02% and 1.51% respectively as on Dec 31st, 2022
- PCR computation includes Technical Write-off of ₹ 474.6 crores.
- Other includes Staff Loan, OD, Individual Loan, Restructuring product, WCTL and FITL, BC overdraft

Movement of PAR



Note: Dec-22 PAR is excluding ARC portfolio

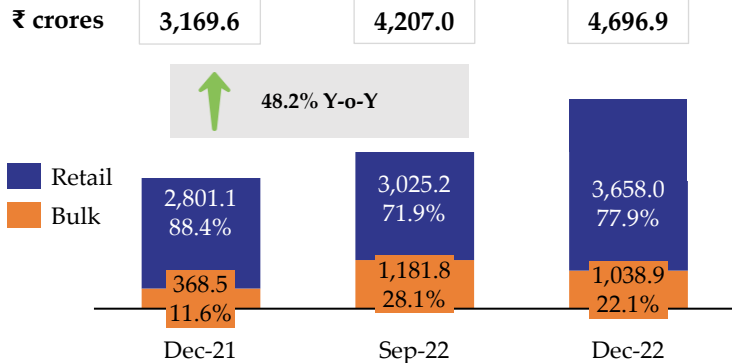


Liability & Liquidity

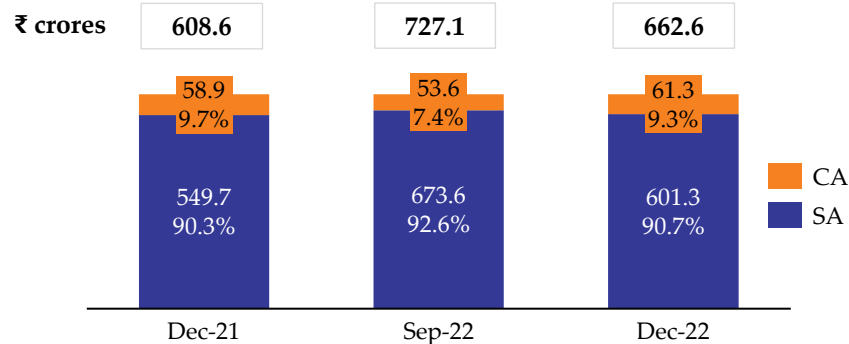
Update

Q3 & 9M FY23

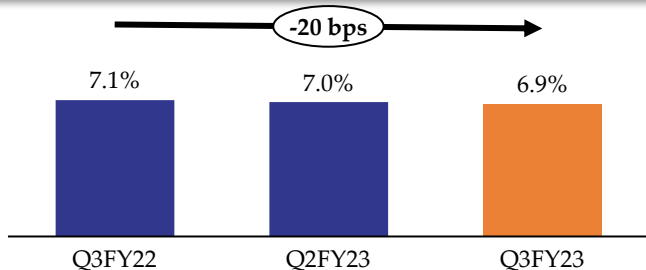
Deposits



CASA Mix

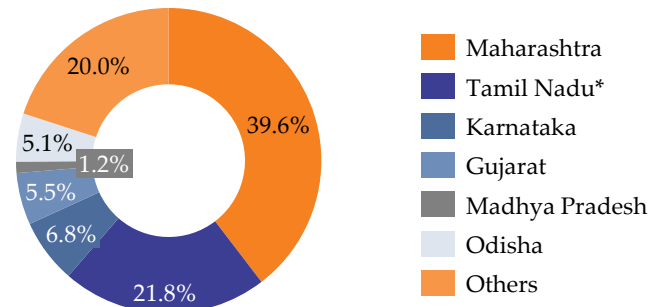


Cost of Deposits



Cost of deposits declined marginally by ~20 basis point to 6.9% as on 31st December 2022 on a YoY basis

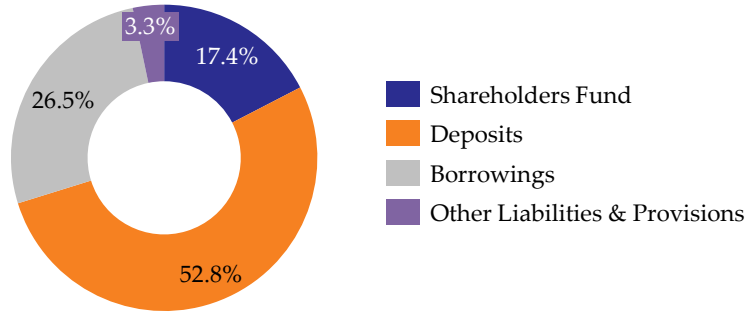
Geographic diversification of Deposits



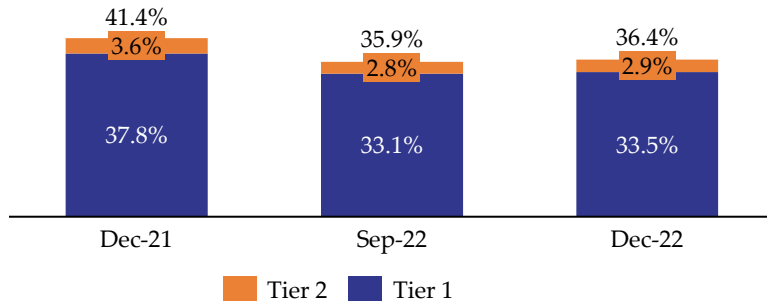
*Note: Puducherry is included in Tamil Nadu.

Liability Profile & Liquidity

Balance Sheet Mix

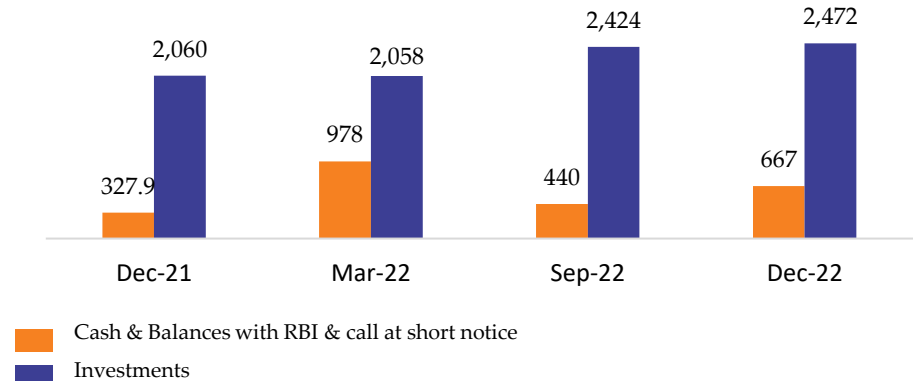


Capital Adequacy Ratio % (CRAR)



- As on 31st December 2022, Retail share in total deposits stood at 77.9%
- This will be gradually utilized by the bank for undertaking disbursements activities in the coming quarters.
- Strong and stable ALM maintained.

Liquidity Position (₹ crores)





Financial & Key Ratios

Q3 & 9M FY23

Financials – Balance Sheet December 2022

Particulars (figures in ₹ crores)	Dec-22	Dec-21	Y-o-Y	Sep-22	Q-o-Q
Capital and Liabilities					
Share Capital	106.2	106.2	-	106.2	-
Reserves and Surplus	1,447.4	1,438.7	0.6%	1,421.3	1.2%
Deposits	4,696.9	3,169.6	48.2%	4,207.0	11.6%
Borrowings	2,361.5	2,322.2	1.7%	2,350.0	0.5%
Others Liabilities and Provisions	297.1	251.1	18.3%	300.5	-1.1%
Total	8,900.3	7,296.5	22.0%	8,385.0	6.1%
Assets					
Fixed Assets	172.3	53.1	224.3%	157.6	9.3%
Cash and Bank	666.5	327.9	103.2%	440.2	51.4%
Investments	2,472.0	2,060.0	20.0%	2,424.4	2.0%
Advances	5,326.9	4,620.1	15.3%	5,090.2	4.6%
Other Assets	262.7	235.3	11.6%	272.5	-3.6%
Total Assets	8,900.3	7,296.5	22.0%	8,385.0	6.1%

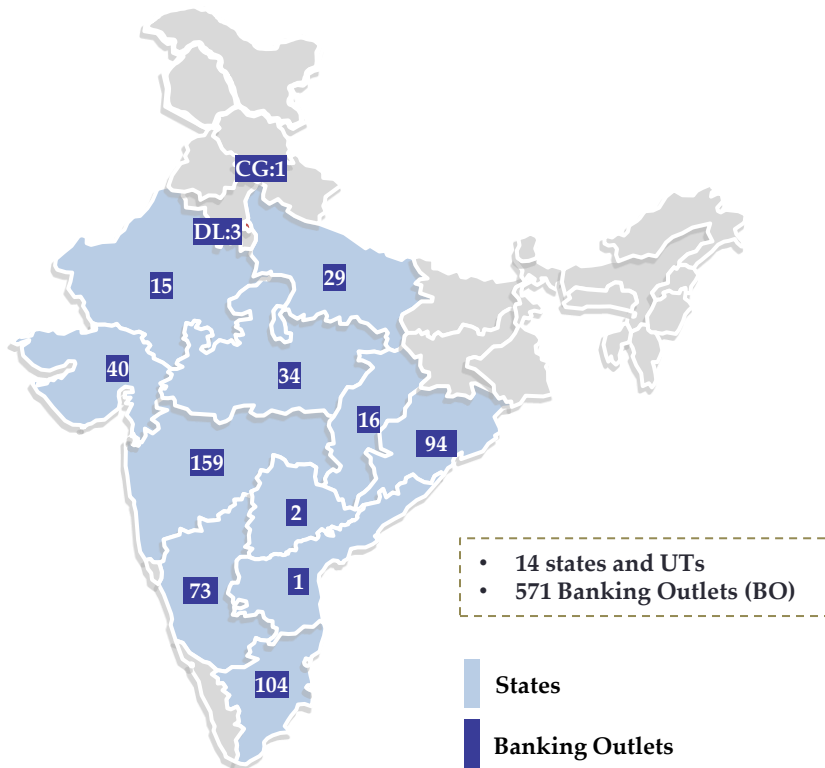
Financials – P&L Account Q3 & 9M FY23

Particulars (figures in ₹ crores)	Q3 FY23	Q3 FY22	Y-o-Y	Q2 FY23	Q-o-Q	9M FY23	9M FY22	Y-o-Y
Interest Earned	291.7	255.0	14.4%	281.0	3.8%	854.2	705.2	21.1%
Interest Expended	108.3	87.7	23.5%	105.1	3.0%	317.8	267.2	18.9%
Net Interest Income	183.4	167.3	9.6%	175.9	4.3%	536.5	438.0	22.5%
Other Income	25.6	18.2	40.7%	24.7	3.6%	63.4*	73.6	-13.9%
Net Total Income	209.1	185.5	12.7%	200.6	4.2%	599.9	511.6	17.3%
Operating Expenses	124.3	105.0	18.4%	107.5	15.6%	342.6	295.2	16.1%
Employee Expense	64.4	55.3	16.5%	51.6	24.8%	169.2	161.8	4.6%
Other Expense	81.4 [#]	49.7	63.8%	55.9	7.2%	194.9 [#]	133.4	46.1%
Operating Profit	63.3[#]	80.5	-21.4%	93.1	-8.9%	235.8[#]	216.5	8.9%
Provisions and Contingencies	39.7	72.6	-45.3%	76.1	-19.6%	185.1	279.9	-33.9%
Net Profit Before Tax	23.6	7.9	198.7%	17.0	38.8%	50.7	-63.4	-
Tax	5.5	3.2	71.9%	4.0	37.5%	11.8	-18.5	-
Profit After Tax	18.1	4.7	285.1%	13.0	39.2%	38.8	-44.9	-

Key Metrics

Particulars	Unit	Q3 FY23	Q3 FY22	Y-o-Y	Q2 FY23	Q-o-Q	9M FY23	9M FY22	Y-o-Y
Gross Advances	₹ Crores	5,408.2*	4,872.3	11.0%*	5,378.4	0.6%	5,408.2*	4,872.3	11.0%*
Disbursement	₹ Crores	1,265.1	1,121.0	12.9%	1,118.2	13.1%	3,395.6	2,547.7	33.3%
Deposits	₹ Crores	4,696.9	3,169.6	48.2%	4,207.0	11.6%	4,696.9	3,169.6	48.2%
Retail Deposit to Total Deposit	%	77.9%	88.4%	-1,049 bps	71.9%	599 bps	77.9%	88.4%	-1,049 bps
CASA Ratio	%	14.1%	19.2%	-509 bps	17.3%	-317 bps	14.1%	19.2%	-509 bps
Yield	%	18.4%	19.2%	-84 bps	18.8%	-41 bps	18.7%	18.8%	-10 bps
NIM	%	9.2%	9.9%	-68 bps	9.2%	-3 bps	9.2%	8.9%	30 bps
Cost of Deposits	%	6.9%	7.1%	-23 bps	7.0%	-10 bps	6.9%	7.2%	-30 bps
Cost of Borrowings	%	6.3%	6.3%	0 bps	6.4%	-6 bps	6.3%	7.0%	-70 bps
Cost of Funds	%	6.7%	6.8%	-12 bps	6.7%	-2 bps	6.6%	7.1%	-50 bps
Cost to income	%	69.7% [#]	56.6%	1,312 bps	53.6%	1,610 bps	60.7% [#]	56.8%	390 bps
GNPA Ratio	%	4.2%	10.5%	-628 bps	9.9%	-570 bps	4.2%	10.5%	-630 bps
NNPA Ratio	%	2.7%	5.6%	-287 bps	4.8%	-210 bps	2.7%	5.6%	-290 bps
PCR (including technical write-offs)	%	79.2%	67.9%	1,130 bps	77.5%	170 bps	79.2%	67.9%	1,130 bps
PCR	%	36.2%	50.0%	1,380 bps	54.5%	1,830 bps	36.2%	50.0%	1,380 bps
Book Value Per Share (BVPS)	₹	145.5	146.4	-0.6%	143.9	1.1%	145.5	146.4	-0.6%

Geographical Presence



Branch Distribution

Asset focused outlets	364
Liability focused outlets	92*
Rural Centers	115
Total	571

Note: *Includes 26 Composite Branches

Geographical Mix of the Branches

Outlets	Liability Focused	Asset Focused	URC
Tamil Nadu*	18	69	17
Maharashtra	36	73	50
Odisha	10	49	35
Karnataka	11	49	13
Madhya Pradesh	2	32	0
Gujarat	5	35	0
Others	10	57	0
Total	92	364	115

Note: Tamil Nadu Includes Puducherry



Outlook for Q4 FY23



01

Inclusive Finance – Continued Growth Momentum

- Focusing on graduating existing customers to Vikas loan products
- Build Vikas Loan Book of ₹1,200 crores (₹ 828 crores in Dec-22)

02

Continued Focus on Product Diversification

- Substantial increase in mortgage, affordable housing, CV disbursement
- IF: Non-IF mix reduced to 61:39 in Dec-22 (67:33 in Dec-21)

03

Deposit Growth

- Focus on improving CASA mix
- Building deposit book of ₹5,100 crores with continued emphasis on retail deposits

04

Asset Quality & Profitability

- Target NNPA of 2% by March-23 on the back of robust collections
- To achieve monthly PPOP of ₹ 40 crores by March-23

05

Digital Initiatives

- Use of multiple apps such as Sarathi and Jyoti app to reduce TaT and improve efficiency across asset and liability products
- Leverage on robust analytics that enables bank achieve next leg of growth



CSR Initiatives

Ongoing Programs	Key Updates
Financial Capability of Domestic Workers "Adhira"	Health and Livelihood programs have been layered on existing beneficiaries , Tie up with India Post for KYC updation and Rotary Club for camps. Outreach 3,145
Financial Capability for Students "Ujjwal"	In Odisha, Navi Mumbai and Cuddalore - School Education Departments have been approached for permission to conduct training in the schools, permission received in Navi Mumbai and Cuddalore whereas Odisha awaited. Outreach 1,008
Financial Capability for Parents "Swayamshree"	Community based training approach adopted for Peer Learning with children Outreach 949
Health Interventions with focus on women and adolescent girls "Spandan"	Key focus areas are anemia , reproductive and menstrual health, eye care and Osteoporosis. Tie Up with Public Health Centers for medicine distribution for ailments identified during health check ups . On menstrual health - Low-cost Sanitary napkins and menstrual cups will be made available to the community by creating a distribution network.
Education	Infrastructure projects have been completed in 4 NMMC schools in Belapur and Nerul (water filters, library, science lab etc.). These schools are within slums/villages . Along with infrastructure – vocational guidance, health and other initiatives will be implemented in the schools and the community around the school.
Complimentary Livelihoods "Udyojika"	Selling of low-cost Sanitary Napkins through distribution network and community trainer model has been piloted.



- A total of 19613 beneficiaries' have been reached till Q3 through the above programs
- Infrastructure project at Dhamole Gaon was completed (Anganwadi refurbishment and water lifting system)

- The CSR activities for the Bank are mostly undertaken by Suryoday Foundation . Currently 6 programs are under implementation over time horizon of 2 years (FY 22 and FY 23)
- Further , the Bank is also working with Rotary Club of Chennai for preventive dental care through mobile van covering all Chennai Municipal Schools. The said arrangement is for 3 years (FY 22 , FY 23 and FY 24)
- From time to time , Bank also gives one-time grants in areas of education, health , livelihoods and environment





SURYODAY

A BANK OF SMILES

THANK YOU !

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