Utkarsh Small Finance Bank

November 03, 2026

BSE Limited
Scrip Code: 543942, 975790, 959644, 987213, 976203

National Stock Exchange of India Limited
Symbol: UTKARSHBNK

Dear Sir/Madam,

Sub: Press Release on the Unaudited Financial Results for the quarter and half year ended September 30, 2026

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the press release on the Unaudited Financial Results for the quarter and half year ended September 30, 2026.

This disclosure is also available on the website of the Bank i.e. www.utkarsh.bank.in.

This is for your information and records.

Yours faithfully,
For **Utkarsh Small Finance Bank Limited**

Muthiah Ganapathy
Digitally signed by Muthiah Ganapathy
Date: 2026.11.03 20:33:43 +05'30'

Muthiah Ganapathy
Company Secretary & Compliance Officer

Encl:. As above

Utkarsh Small Finance Bank

UTKARSH SMALL FINANCE BANK LIMITED ANNOUNCES ITS RESULTS
for quarter and half year ended September 30, 2026

Mumbai, November 03, 2026: The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter and half year ended September 30, 2026, at the Board meeting held on November 03, 2026.

Key highlights of the quarter ended September 30, 2026:

- Disbursements grew by 55.0% YoY in Q2 FY27 wherein MB Disbursements grew by 24.9% YoY and Non-MB disbursements grew by 87.2% YoY in Q2 FY27
- Gross Loan Portfolio grew by 7.5% YoY to ₹20,062 crore. Share of secured lending grew from 47% as on September 30, 2025 to 52% as on September 30, 2026
- Deposits grew by 6.6% YoY to ₹23,869 crore, CASA ratio stood at 21.4% in September 30, 2026 vs. 20.0% in September 30, 2025
- Cost of Funds (CoF) improved by ~50 bps YoY to 7.5% in Q2 FY27, leading to ~120 bps YoY expansion in NIM to 6.3% in Q2 FY27
- GNPA* improved by ~630 bps YoY to 5.9%, while credit cost improved by ~630 bps YoY to 3.3% in Q2 FY27
- Pre-provision operating profit of ₹85 crore in Q2 FY27 as compared to pre-provision operating loss of ₹3 crore in Q2 FY26
- Net Loss of ₹70 crore in Q2 FY27, **lower by 80%** from Q2 FY26 loss of ₹348 crore
- Presence across 27 States & UTs, through a network of 1,110 branches

Speaking on the results, **Mr. Govind Singh, MD & CEO, Utkarsh Small Finance Bank** said, "During the quarter, disbursements across both JLG and non-JLG segments increased by 55% YoY, supported by disciplined underwriting and portfolio monitoring. Asset quality trends continued to improve, with JLG X-bucket collection efficiency remaining strong at 99.6%, SMA pools declining, and fresh NPA slippages (net of recoveries and upgradations) reducing to ~₹175 crore from ~₹415 crore in Q2 FY26. Consequently, GNPA* improved by ~630 bps YoY to 5.9%. These outcomes reflect the combined impact of focused field execution, targeted collection initiatives and structural interventions implemented across the franchise. A central strategic priority has been structural de-risking of unsecured exposure and a deliberate pivot towards secured, lower-risk portfolios. As a result, secured assets now constitute 52% of the gross loan portfolio. Within micro-banking, the MBBL

*Advances for the purpose of GNPA/NNPA calculation includes IBPC

portfolio grew 146% YoY and now accounts for over 35% of the segment. At the same time, sustained growth in MSME, Housing, BBG, Gold Loans, and other businesses has further strengthened portfolio diversification and balance sheet quality. On the liabilities side, deposits grew by 7% YoY, supported by 14% growth in CASA and 12% growth in retail term deposits, improving the CASA plus Retail TD ratio to 82% from 78% a year ago. Supported by deposit repricing initiatives, cost of funds declined by ~50 bps YoY to 7.4% in H1 FY27, providing support to margin stability. Backed by ongoing investments under the Utkarsh 2.0 technology transformation project which is enabling greater automation, digital underwriting and 360-degree portfolio monitoring capabilities, alongside a capital adequacy ratio of 17% which includes ₹300 crore raised through NCDs in September 2026, the Bank remains well-positioned to drive sustainable growth, improve profitability, and create long-term value for all stakeholders."

Financial Highlights for quarter and half year ended on September 30, 2026:

- The Bank continues to focus on building granular liabilities franchise, Bank's retail term deposits grew by 11.8% YoY to ₹14,442 crore & CASA deposits grew by 14.2% YoY to ₹5,119 crore as on September 30, 2026. CASA deposits ratio increased to 21.4% as on September 30, 2026 from 20.0% as on September 30, 2025. Reflecting the Bank's focus on granular deposits, the share of institutional term deposits within its total deposits decreased to 18.1% as of September 30, 2026, compared to 22.2% on September 30, 2025. Overall Deposits grew by 6.6% YoY and 3.3% QoQ to ₹23,869 crore as on September 30, 2026.

- Bank's CD ratio was 80.9% as on September 30, 2026 vs. 75.5% as on September 30, 2025.

- The share of secured loans in overall portfolio increased to 52% as on September 30, 2026 from 47% as on September 30, 2025. Bank's loan Portfolio grew by 7.5% YoY and 2.3% QoQ to ₹20,062 crore as on September 30, 2026.

- Gross NPAs* declined to 5.9% as on September 30, 2026 vs. 12.2% as on September 30, 2025. Net NPAs* declined to 2.7% as on September 30, 2026 vs. 4.9% as on September 30, 2025.

- CRAR stood at 17.0%, which is well above the regulatory threshold of 15%, and Tier 1 capital at 12.8% as on September 30, 2026.

*Advances for the purpose of GNPA/NNPA calculation includes IBPC

- Bank's pre-provision operating profit was at ₹85 crore in Q2 FY27 vs. pre-provision operating loss of ₹3 crore in Q2 FY26 (PPoP of ₹64 crore in Q1 FY27). For H1 FY27, the Bank reported a PPoP of ₹149 crore, compared to ₹88 crore in H1 FY26.

- During Q2 FY27, the Bank reported net loss of ₹70 crore vs. ₹348 crore in Q2 FY26. For H1 FY27, net loss stood at ₹104 crore vs. ₹588 crore in H1 FY26.

The full format of the quarter and half year ended Financial Results are available on the Stock Exchanges – www.nseindia.com & www.bseindia.com and the Bank's website – www.utkarsh.bank.in

About Utkarsh Small Finance Bank Limited

Utkarsh Small Finance Bank Limited (USFBL), incorporated on April 30, 2016, is engaged in providing banking and financial services with a focus on providing financial services to the underserved and unserved sections. The Bank commenced its operations on January 23, 2017, pursuant to the small finance banking license granted by RBI on November 25, 2016. The Bank is headquartered at Varanasi, Uttar Pradesh. The Bank's micro-banking activities are primarily focused in rural and semi-urban locations of the country while its other services are spread across the country.

The Bank offers deposits products in form of saving, current and term deposits to its customers accompanied by slew of digital services such as Internet and Mobile Banking, Digi On-Boarding, and an online account opening facility for clients, besides a range of ATMs and Micro ATMs for ease of transactions, amongst other. The Bank extends Joint Liability Group (JLG) loans to individuals, micro-banking business loans (MBBL), other retail asset loans including Micro, Small and Medium Enterprise (MSME) Loans, Housing Loans (HL), Commercial Vehicle Loans, Construction Equipment Loans among other lending products.

For more details, please contact:
Communications communications@utkarsh.bank.in