

Ref. No.: AUSFB/SEC/2023-24/90

Date: July 4, 2023

To,

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| National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. NSE Symbol: AUBANK | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. Scrip Code: 540611, 958400, 974093, 974094 and 974095 |
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Dear Sir/Madam,

Sub: Intimation under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Code of Fair Disclosure and Conduct and in terms of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Bank would like to place the following information on record pertaining to its performance in the quarter ended on June 30, 2023.

| Particulars | June 30, 2023 | June 30, 2022 | Y-o-Y | Mar 31, 2023 | Q-o-Q |
|-------------------------------------|---------------|---------------|-------|--------------|-------|
| Total Deposits (in ₹ Crores) | 69,315 | 54,631 | 27% | 69,365 | 0% |
| CASA Deposits (in ₹ Crores) | 24,286 | 21,216 | 14% | 26,660 | -9% |
| CASA Ratio | 35.0% | 38.8% | N.A. | 38.4% | N.A. |
| | | | | | |
| Gross Advances (in ₹ Crores) | 63,635 | 49,349 | 29% | 59,158 | 8% |

Average cost of funds (COF) for Q1'FY24 was 6.58%, an increase of 29 basis point (bps) over COF of Q4'FY23 at 6.29%

Management Commentary – Q1'FY24 saw gradual improvement in inflationary pressures amidst resilient macro-economic indicators. However, the interest rate continues to remain elevated. Amidst this backdrop, Bank delivered consistent performance across business parameters leading to a steady start for the financial year 2023-24. Some key operating highlights for Q1'FY24 were as follows:

- The Bank had an LCR of 151% as on March 31, 2023, and thus the focus in Q1'FY24 was to consume this excess liquidity instead of growing high-cost deposits. Accordingly, in June'23, the Bank reduced its peak deposit rates by 25 basis points across savings and retail term deposits. The retail term deposits still saw a growth of 8% on QoQ basis. However, the CASA deposits de-grew owing to outflow from one large transacting government savings account in normal course of business.
- Bank will continue with its approach of calibrating liquidity and funding mix with focus on optimising cost of funds and pivot its products and services as a key differentiating factor.

Registered Office

AU SMALL FINANCE BANK LIMITED
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CIN: L36911RJ1996PLC011381

- Credit demand remained strong with disbursement sustaining across product segments and the Bank saw an uptick in disbursement yields on a QoQ basis. Asset quality trends continued to be within the range and the Bank has not securitised any assets during the quarter.
- Bank continues to invest in its digital businesses. Notably, Credit card business has now reached 6 Lac+ live credit cards with monthly spend crossing ₹ 1,200 Cr. in June'23. During the quarter, the Bank opened 49,000+ savings account via Video banking + AU 0101.
- The Bank has started the project to operationalise the Authorised Dealer Category-I (AD Cat-I) license received in the month of April, 2023.

Note: The above information for Q1'FY24 is provisional and being released ahead of the official announcement of the financial results for the quarter ended June 30, 2023 and is subject to review and approval by the Audit Committee, Board of Directors and Statutory Auditors of the Bank.

A copy of this letter is being uploaded on the website of the Bank at <https://www.aubank.in/investors>.

For AU Small Finance Bank Limited

Manmohan Parnami
Company Secretary & Compliance Officer
Membership No.: F9999

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