23rd September, 2026

To,

National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051.
NSE Symbol: SBFC

To,

BSE Limited,
Phiroze Jeejeebhoy Towers,
21st Floor, Dalal Street,
Mumbai – 400001.
BSE Equity Scrip Code: 543959

Dear Sir/Madam,

Sub: Disclosure of Credit Rating under Regulations 30 and 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the aforementioned regulations, please find below the details of the credit rating(s) provided by India Ratings & Research Private Limited for pass-through certificates (PTCs) issued by Prime Trust SBL Aug 22 [SPV under ABS transaction] originated by SBFC Finance Limited backed by a pool of asset-backed securities:

Name of the trust	Name of the Credit Rating Agency	Instrument	Credit Rating	Rating Action
Prime Trust SBL Aug 22 [SPV under ABS transaction] originated by SBFC Finance Limited backed by a pool of asset backed securities	India Ratings & Research Private Limited	Series A1 securitised notes	IND AA(SO)/ Stable	Affirmed

The rating letter provided by India Ratings & Research Private Limited was received by the Company on 22nd September, 2026 at 8.31 PM (IST) which has been enclosed herewith. This information is also being uploaded on the website of the Company at: https://www.sbfc.com/investors

You are requested to take the same on record.

Yours faithfully,
For **SBFC Finance Limited**

SANKET AGRAWAL
Digitally signed by SANKET AGRAWAL
Date: 2026.09.23 18:35:55 +05'30'

SBFC Finance Limited MUMBAI

Sanket Agrawal
Chief Financial Officer

Encl: a/a

India Ratings Affirms Prime Trust SBL Aug 22 (Originated by SBFC Finance Limited)

Sep 22, 2026 | Prime Trust SBL Aug 22 | Securitisation

India Ratings and Research (Ind-Ra) has affirmed Prime Trust SBL Aug 22's (an asset-backed securitisation transaction) securitised notes (SNs) as follows:

Details of Instruments

Instrument Description	Regulator of Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating Assigned along with Watch/Outlook	Rating Action
Series A1 securitised notes	RBI	29 August 2022	8.45	20 September 2032	376.25	IND AA(SO)/Stable	Affirmed

*The securitised notes (SNs) carry a floating rate coupon linked to benchmark of three-month ICICI MCLR rate + yield spread. The yield spread for Series A1 SNs is 35bp.
Coupon Rate – per annum, payable monthly

Analytical Approach

As part of its analysis, the agency considers historical data of the originator's portfolio to determine the base values of key variables that would influence the level of expected losses in this transaction. Ind-Ra also studies the performance of market peers operating in similar segments. The base values of the default rate, recovery rate, time to recovery, collection efficiency, prepayment rate and pool yield are stressed to assess whether the level of credit enhancement (CE) is sufficient for the current rating levels.

Ind-Ra also stresses the above variables for the rating level as per its Asset-Backed Securitisations Rating Criteria. Based on the rating level, the agency also makes an adjustment for the borrowers carrying the highest interest rate loans, assuming they will either prepay or default. Based on the above assumptions, Ind-Ra builds a pool cash flow model also considering the transaction structure.

Detailed Rationale of the Rating Action

The micro and small enterprise-loan against property pool assigned to the trust has been originated by SBFC Finance Limited (SBFC; debt rated at 'IND AA-'/Stable; originator or seller and servicer). The ratings factor in the originator's servicing and collection capabilities, the transaction structure, and the availability of CE.

Quality of Asset Pool and Strength of Cash Flows: As per the details provided by the originator to Ind-Ra, the collateral pool assigned to the trust at par had an aggregate principal outstanding (POS) balance of INR495.32million, including principal overdue as on the payout date of 20 August 2026. As on the given payout date, the 998-loan pool had a weighted average (WA) seasoning of 59.85 months. The pool is amortised by 67.82%, implying a reasonable repayment track record of the underlying borrowers. The pool had an average outstanding loan balance of INR496,309 and a WA internal rate of return of 18.03%. The agency saw a cumulative prepayment of 42.47%. The loans delinquent by over 90+ days past due (dpd) were 2.57% of the original POS as of the collection month of July 2026. Cumulative collection efficiency was 97.9%.

Payment Structure: The rating for Series A1 SNs addresses the timely payment of the interest and the principal to the SN investors on the scheduled payout dates, in accordance with the transaction documentation.

List of Key Rating Drivers

Strengths

- Track record, underwriting and collection capabilities of originator and quality and experience of servicer
- Adequacy of CEs
- Provision for appointment of back-up servicer
- Repayment track record of borrowers in pool

Weaknesses

- Geographical concentration in pool

Detailed Description of Key Rating Drivers

Track Record, Underwriting and Collection Capabilities of Originator and Quality and Experience of Servicer: The agency is of the opinion that the issuer's origination and servicing capabilities are of acceptable standards. The loan origination process is carried out by the sales manager, who is responsible for telecalling, pool calling, conducting workshops, generating leads through analytical data, and pamphlet distribution. The origination practices include a personal discussion with the borrower, document verification, collateral characteristics, field visit, and income assessment. There is a collections team that is responsible for efficiently collecting the dues from the borrowers. Telecalling is used in the starting stages of delinquency, followed by a field visit.

Adequacy of CE: The transaction benefits from the available internal and external CE. The internal CE arises in the form of excess interest spread of 36.99% of the current POS for the SNs. Also, there was an internal CE in form of the subordination in form of an unrated equity tranche of 21.76% of the current POS as of the August 2026 payout, enhanced from 7.00% of the original POS. The total available external CE in the transaction was 15.55% of the current POS as of the August 2026 payout, enhanced from 5% initially. The CE is provided in the form of a fixed deposit in the name of originator, with a lien marked to the trustee with ICICI Bank Limited.

Provision for Appointment of Back-up Servicer: In the event of servicer's event of default or other events as defined in the documents, the trustee, on behalf of majority investors, shall be entitled to terminate the services of the Servicer and appoint alternative/successor servicer in the manner as specified under transaction documents.

Repayment Track Record of Borrowers in Pool: The pool has a WA seasoning of 59.85 months, implying reasonable track records of repayment of the borrowers in the pool.

Geographical Concentration in Pool: The top three states (Karnataka, Telangana and Madhya Pradesh) contribute around 61.44% to the total pool as of July 2026 collection month. Furthermore, the asset quality in this segment is more vulnerable to economic downturns compared to the secured asset class.

Key Assumptions: Ind-Ra has derived a base case gross default rate of 7%-8% for the life of the transaction. The agency has analysed the characteristics of the pool and established its base case assumptions through the four key performance variables that collectively affect the credit risk in a transaction - default rate, recovery rate, recovery timeline and prepayment rate. Ind-Ra considers both the long-term historical average of the key performance variables of the static pools, both from the originator and the market peers, which includes the pandemic period performance. Thus, the impact of the pandemic is part of the static pool delinquency data that was analysed by the agency.

Ind-Ra has derived the monthly prepayment rate on the basis of the performance of agency-rated transactions for the originator and market inputs. A recovery rate of 70% - 80% has been assumed. The pool cash flow has been further adjusted for the prepayments of underlying loans, assuming a base case monthly prepayment rate of 1.0%-1.5%.

As represented by the originator, Ind-Ra understands that the pool assigned is as per the selection criteria applicable to the transaction.

Liquidity

Superior: For the current transaction, external and internal CEs add liquidity comfort. Assuming a base case default scenario, the liquidity covers available for the SNs is over 3x of the monthly repayment obligations.

Rating Sensitivities

Positive: An improvement in the CE coverage driven by robust transaction performance, along with an improvement in the servicer credit profile would collectively lead to a positive rating action.

Negative: The CE is in the name of originator with lien marked in favour of the trust. In case the long-term rating of the originator falls below 'IND A', the rating of the Series A1 SNs would be partially linked to the rating of the originator in case the CE is not transferred in the name of the trust.

In case the long-term rating of the servicer falls below 'IND A', and if the servicer is not replaced with an eligible entity with a rating of at least 'IND A' or above, the rating of the Series A1 SNs would be partially linked to the rating of the servicer.

In case the long-term rating of the fixed deposit or account bank falls below 'AA' by credit rating agency, within a reasonable period, the bank has to be substituted with another bank having a long-term rating of at least 'AA' by credit rating agency, with a fixed deposit held in the name of the trustee. If the bank is not replaced in a timely manner, the rating of the Series A1 SNs would be partially linked to the rating of the bank.

Any Other Information

Key terms of servicer contracts: The key terms of servicer as per transaction documents

- In consideration of servicer fees, the servicer shall administer and service the assets and devote reasonable time and exercise skill, care and diligence in the administration and enforcement of the rights, powers, privileges and securities in respect of the assets assigned to the trust
- The servicer shall hold all documents and instruments on behalf of the trust and shall handover such documents to trustee upon demand
- The servicer shall collect all amounts in terms of loan agreements including receivable, prepayments, default amount, claims, penalties, expenses etc. and deposit the amounts collected in collection and payout account in accordance with the transaction documents
- The servicer shall take required legal proceedings on behalf of the trust, against the obligors as may be necessary to recover the receivables and enforce the underlying security as specified under the transaction documents
- The servicer shall be responsible for monitoring the performance by the obligors of their obligations under the underlying documents and shall submit to the trustee monthly reports of the same which shall include details on billing, collections, recoveries, prepayments, cashflows to investors, CE utilisation, details/ageing schedule of outstanding pool and future cashflow schedules or any other information as may be required by the trustee
- In the event of servicer's event of default or other events as defined in the documents, the trustee, on behalf of majority investors, shall be entitled to terminate the services of the servicer and appoint alternative/successor servicer in the manner as specified under transaction documents
- On termination of the services of the servicer, the servicer shall immediately transfer collection to the collection and payout account and shall notify obligor to make payment to the alternate / successor servicer or directly into collection and payout account in terms of transaction documents

About the Trust

'Prime Trust SBL Aug 22' is a special purpose entity and has been set out primarily to acquire, set apart, hold and administer the assigned assets in trust for the benefit of the beneficiaries to whom securitisation instruments have been issued by the trust. The securitisation instruments shall be issued by the trust acting through the trustee in accordance with the terms and conditions set out in the transaction documents. The underlying loan receivables, including security interest in any underlying assets, have been assigned to the trust for the benefit of securitisation instruments investors.

About the Originator

SBFC is a non-deposit taking systemically important non-banking financial company registered with the Reserve Bank of India and is classified under mid-layer. It started operations in September 2017 after purchasing the secured retail portfolio from Karvy Financial Services, along with its branch infrastructure and staff. The company mainly provides secured micro, small, and medium enterprises (MSME) loans, loan against property (LAP), and loan against gold (LAG). At end-December 2025, the entity had 230 branches spread across 17 states and two union territories.

Key Financial Indicators

Particulars	9MFY26	FY25	FY24
Tangible assets (INR billion)	105.4	83.3	68.0
Tangible equity (INR billion)	32.9	29.3	25.1
Net profit/loss (INR billion)	3.3	3.5	2.4
Return on average tangible assets (%)	4.6	4.6	3.9
Equity/assets (%)	31.2	35.1	37.0
Debt/tangible equity	2.1	1.8	1.6
Gross non-performing assets (%)	2.7	2.7	2.4
Source: SBFC, Ind-Ra Note: As per Ind-Ra's calculation methodology			

Status of Non-Cooperation with Previous Rating Agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (million)	Current Rating	24 September 2025	30 September 2024	16 October 2023
Series A1 securitised notes	Long-term	376.25	IND AA(SO)/Stable	IND AA(SO)/Stable	IND AA(SO)/Stable	IND AA(SO)/Stable

Disclosure on instruments / activities and names of regulators:

A list of products/activities or ratings of instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by Ind-Ra on its website. A link to the same has been provided below for ready reference:

Rating Activities

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Series A1 securitised notes	High

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

Contact

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About India Ratings

India Ratings and Research (Ind-Ra) is India's SEBI registered credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Structured Finance Rating Criteria

Asset-Backed Securitisations Rating Criteria

The Rating Process

Evaluating Corporate Governance

DISCLAIMER