ESAF SMALL FINANCE BANK
Joy of Banking

Ref No: 25/SE/CS/JULY/2026-27

Date: July 31, 2026

To,

Listing Department **BSE Limited** **Phiroze Jeejeebhoy Towers,** **Dalal Street, Mumbai – 400001**	**Listing & Compliance Department** **National Stock Exchange of India Limited** **Exchange Plaza, 5th Floor** **Plot No.C/1, “G” Block** **Bandra- Kurla Complex** **Bandra(E), Mumbai- 400051**
BSE Scrip Code: 544020	**NSE Symbol: ESAFSFB**

Dear Sir/ Madam,

SUB: PRESS RELEASE ON THE FINANCIAL RESULTS OF THE BANK FOR THE QUARTER ENDED JUNE 30, 2026

Further to our letter dated July 23, 2026 intimating about the Board meeting to consider and approve the Unaudited Standalone Financial Results of the Bank for the quarter ended June 30, 2026 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we enclose herewith a copy of the Press Release in this regard.

The copy of the disclosure is also being made available on the website of the Bank at https://www.esaf.bank.in/investor-relation/?id=disclosure-to-stock-exchanges.

Requesting you to take the same into your records.

Thanking you,

Yours Faithfully,

For ESAF Small Finance Bank Limited

Ranjith Raj P
Digitally signed by Ranjith Raj P
Date: 2026.07.31 17:31:10 +05'30'

Ranjith Raj. P
Company Secretary and Compliance Officer

ESAF SMALL FINANCE BANK LIMITED
RBI License No.: MUM 124, CIN: L65990KL2016PLC045669
Registered & Corporate Office: ESAF Small Finance Bank Limited, Building No. VII/83/8, ESAF Bhavan, Mannuthy, Thrissur - Palakkad National Highway, Thrissur - 680 651, Kerala.
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ESAF Small Finance Bank reports strong turnaround in Q1 FY27 PAT at ₹80 Crore and Total Business crosses ₹50,000 Crore

- Total Business crosses **₹50,000 Crore**
- Profit after Tax at **₹80 Crore**, continuing sequential recovery
- Asset quality strengthens with **NNPA at 0.8%**
- Provision coverage ratio at **85.5%**
- Gross Advances grow **27% YoY** to ₹23,216 Crore
- Deposits grow **19% YoY** to ₹26,924 Crore
- Secured portfolio rises **35% YoY**, now contributing **62%** of advances
- Interest Income crosses **₹1,000 Crore**, PPOP up **179% YoY**

Thrissur, Kerala | 31 July 2026: ESAF Small Finance Bank, a leading scheduled commercial bank headquartered in Thrissur, reported a strong start to FY27, delivering sustained profitability, healthy business growth and significant improvement in asset quality. The Bank's total business crossed ₹50,000 Crore, driven by robust growth in secured lending and retail deposits, reflecting the successful execution of its strategic transformation.

ESAF Small Finance Bank Key Financial and Business Highlights – Q1 FY27

- Advances
  - Gross advances at ₹23,216 Crore, growth of 27% YoY (4% QoQ)
  - Secured advances at ₹14,465 Crore, growth of 35% YoY (6% QoQ); now constitute 62% of portfolio compared to 59% last year
  - Strategic portfolio MARG grew by 42% YoY (8% QoQ)
  - Unsecured advances at ₹8,751 Crore, growth of 16% YoY (0% QoQ)
  - The Emerging Household (EH) portfolio continued its strong momentum, growing 185% YoY, reflecting the Bank's strategy of supporting graduating microfinance customers and expanding relationships through a wider suite of banking products

- Deposits
  - Deposits at ₹26,924 Crore, growth of 19% YoY (4% QoQ)
  - CASA at ₹6,297 Crore up 12% YoY (2% QoQ); CASA ratio at 23.4%
  - Cost of Funds stood at 7.1% in Q1 FY27 as compared to 7.4% in Q1 FY26
  - Credit to Deposit ratio stands at 82.3%

- Asset Quality
  - GNPA / NNPA improved to 5.4%/0.8% as of 30th June 2026 from 7.5%/3.8% as of 30th June 2025
  - Provision coverage ratio at 85.5% as of 30th June 2026 compared to 73.2% as of 30th June 2025
  - Slippages for Q1 FY27 is lower by 84% compared to Q1 FY26 and 29% lower QoQ

- Financials
  - Interest income at ₹1,098 Crore, growth of 33% YoY
  - NIM improves from 6.0% in Q1 FY26 to 7.9% in Q1 FY27
  - Cost to Income for Q1 FY27 improved to 58.1% compared to 78.2% in Q1 FY26
  - Pre-Provision Operating Profit (PPOP) at ₹349 Crore, growth of 179% YoY
  - Sequential growth in PAT continues, Q1 FY27 PAT at ₹80 Crore, compared to a loss of ₹81 Crore in Q1 FY26
  - Q1 FY27 RoA at 1.0% and RoE at 17.5%

- Capital and Liquidity
  - Capital adequacy ratio (CRAR) at 23.9%
  - Networth stands at ₹1,864 Crore
  - Strong liquidity with LCR as on 30th June 2026 at 133.3%

Commenting on the performance, **Dr. K. Paul Thomas, Managing Director & CEO, ESAF Small Finance Bank**, said: "Q1 FY27 reflects the steady progress of ESAF Bank's transformation journey. Our strategy of building a diversified, secured and customer-centric portfolio is delivering encouraging results for growth, profitability and asset quality. During the quarter, Total Business crossed ₹50,000 Crore, while secured assets increased to 62% of our advances, strengthening the resilience of our balance sheet.

We remain focused on expanding our presence across MSME, Agriculture, Retail, Gold Loans and the Emerging Household segment, while continuing to deepen financial inclusion. Our investments in technology, digital capabilities, operational excellence and prudent risk management will continue to support sustainable and profitable growth in the coming quarters."

About ESAF Small Finance Bank:

ESAF Small Finance Bank Ltd (ESAF SFB), a scheduled commercial Bank, commenced its banking operations on 10th March 2017. ESAF SFB is one of India's leading Small Finance Banks, committed to building an inclusive, technology-enabled and sustainable banking franchise. Guided by its triple-bottom-line philosophy of **People, Planet and Prosperity**, the Bank serves individuals, entrepreneurs, MSMEs, farmers and emerging households across the country through a comprehensive suite of retail and business banking solutions.

ESAF SFB along with its promoters has over 30 years of experience in the Indian BFSI space primarily serving the unserved and underserved. It has expanded its product portfolio in the last 3 years to cater to individuals, groups, MSMEs through retail loans and other loans.

ESAF SFB has set up extensive network of 821 banking outlets, 721 ATMs, 1,064 Customer Service Centres spanning across 24 States and 2 Union Territories.