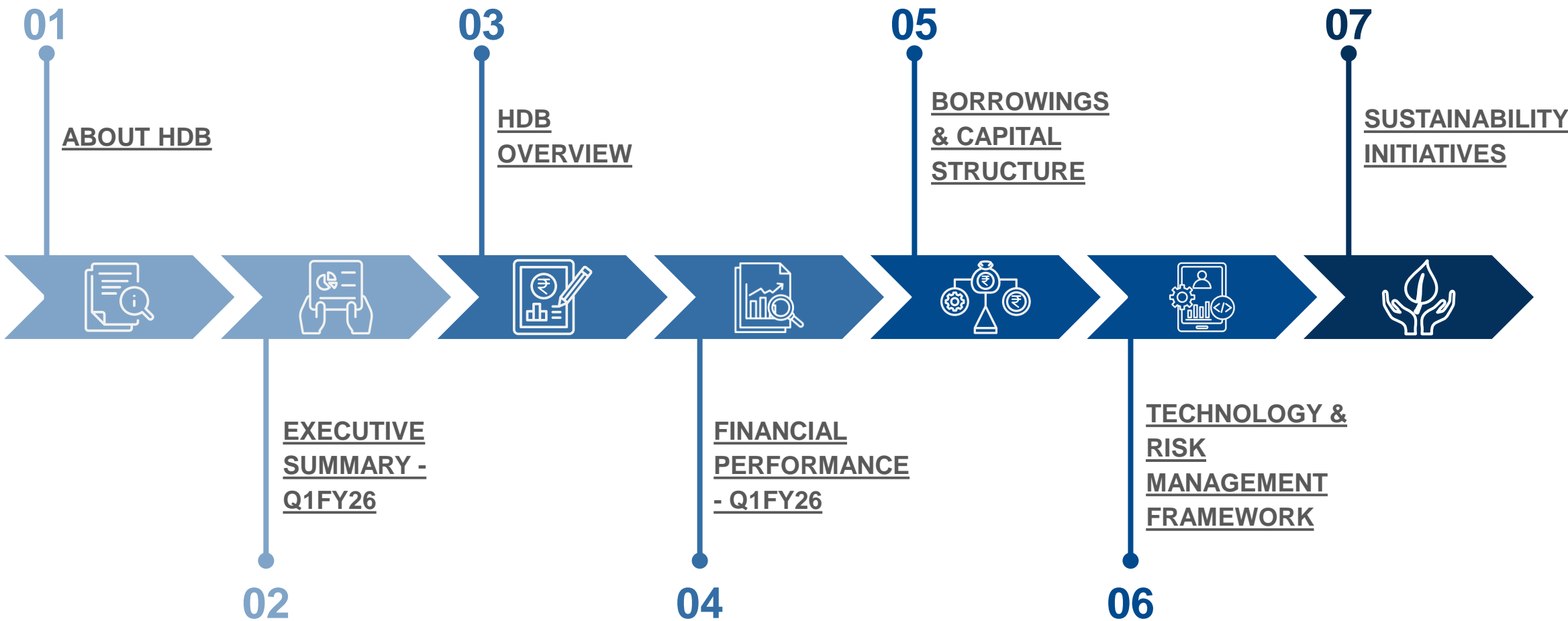


Q1 FY26 Earnings Presentation

July 15, 2025

Presentation Path



Section 1

About HDB

- 1 HDB – Snapshot
- 2 The Essence of HDB – Our Vision, Mission and Values
- 3 Our Journey

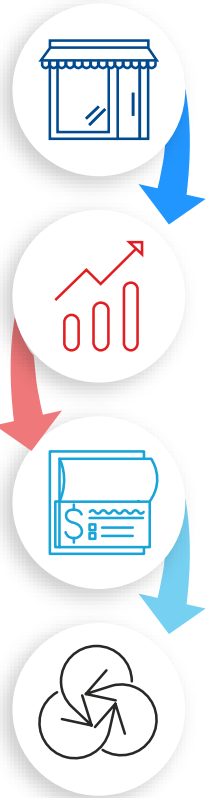
HDB – Snapshot

- We are a **subsidiary of HDFC Bank**, which is the largest private sector bank in India
- HDBFS is licensed by RBI as a Non-Banking Finance Company (“NBFC”)
- Classified as an ‘**Upper Layer**’ NBFC
- Strong and reliable financial institution which is **independently funded** - its long-term debt & bank facilities rated CARE AAA & CRISIL AAA, and short-term debt & commercial papers rated A+
- Network of **1,771 branches** spread across **1,166 cities and towns**
- Long operating track record and understanding of customer behaviour leveraged to focus on lending to underbanked and underserved customers
- 3 key business lines:
 - **Enterprise Lending** (small and medium businesses lending)
 - **Asset Finance** (Commercial Vehicles / Construction Equipment/ Tractor financing)
 - **Consumer Finance** (Auto, Two-wheeler and short tenor consumption loans)
- **Granular and well seasoned loan book**
 - Top 20 largest borrowers contribute ~0.32% of loans
 - Loan book seasoned across asset and macro economic cycles
- **Conservative liability franchise built on a prudent ALM framework**



We serve ‘Aspirational India’

The Essence of HDB ... What we stand for



Best in class Governance practices embedded over the years through a pedigreed parentage

Focused on prudent, purposeful, resilient growth which is rooted in values

Our Foundational Pillars – People | Processes | Products | Partnerships

At the heart of everything we do

Customers

Stakeholders

Employees

The Essence of HDB ... Our Vision and Mission



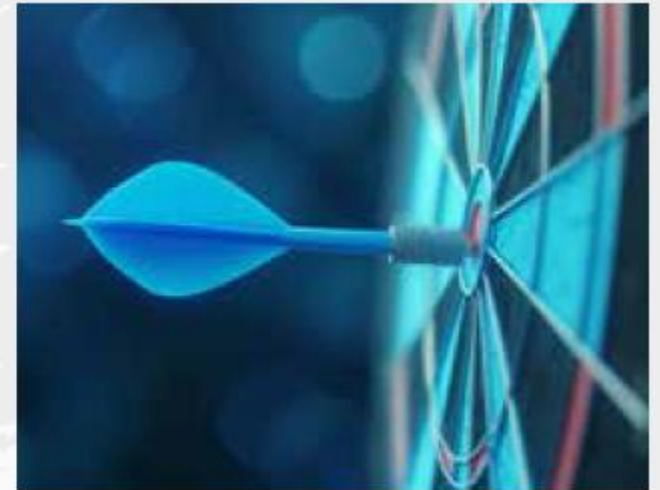
Vision

To be India's most admired NBFC through great execution, driving simplicity and developing humility



Mission

To deliver innovative products and services to cater to the growing needs of an aspirational India, serving both individual and business clients



The Essence of HDB ... Our Values

Integrity

We ensure that the highest standard of professional conduct is embedded in every corner of the organisation. It defines how we go about our business and treat our people, customers and stakeholders.

- We are transparent and ethical in the way we conduct ourselves
- We are honest and fair and base our conclusions on facts
- We have a strong moral code and take responsibility of our actions

Collaboration

We believe that success is achieved not by any one individual but by teams that work together.

- We operate in a spirit of collaboration and teamwork
- We support and encourage people to use their expertise and experience to solve everyday challenges
- We embrace a mindset of openness and trust that helps in breaking silos

Agility

We proactively respond to the changing market environment and evolving needs of our customers.

- We strive to deliver the highest sustainable standards through efficient and timely execution
- Our speed of action reflects our readiness to continuously improve and our openness to change and discovery
- We are flexible and constantly look for ways to enhance efficiencies

Respect

As we continue to increase our reach in every corner of the country, we value those who work with us and the contributions that they make to our business.

- We respect our people's individuality and diversity
- We conduct ourselves in a manner that reflects the spirit of inclusion and humility
- We treat all our customers, employees and stakeholders with respect and empathy

Excellence

In our journey of becoming India's most admired NBFC, we want to excel and set high standards in every aspect.

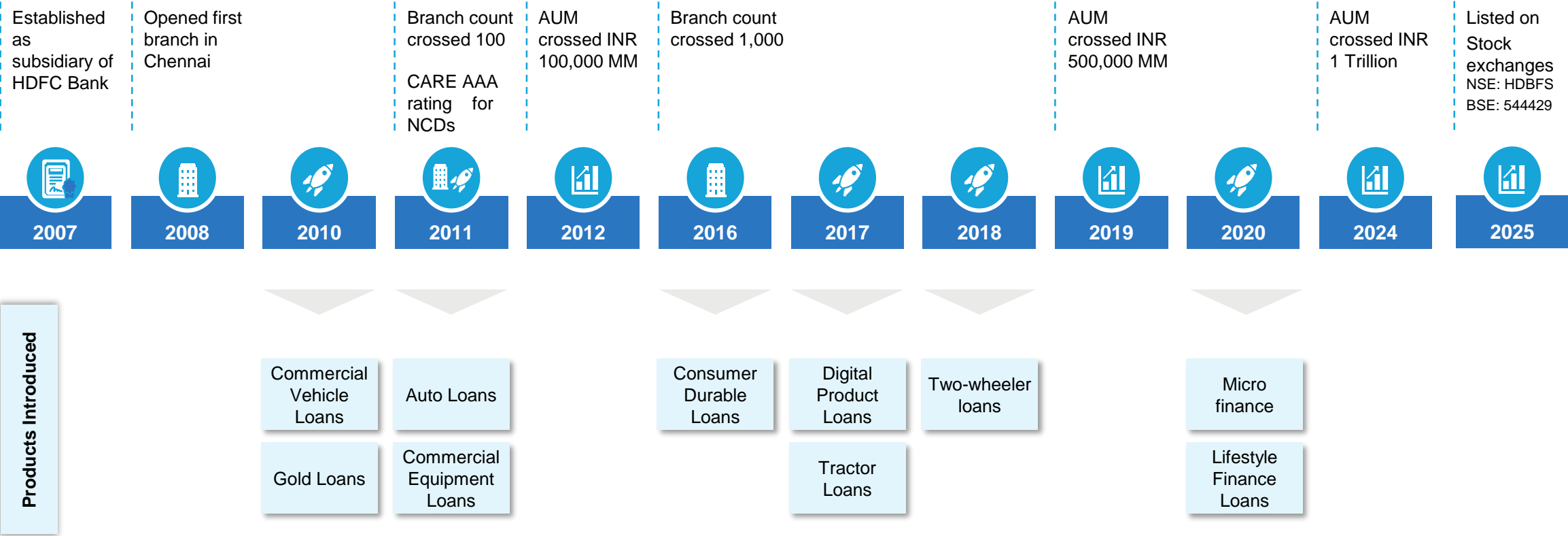
- We aim to execute flawlessly and deliver the highest quality of service and value through simple, relevant solutions
- We challenge ourselves to meet our goals and pursue excellence
- We consistently strive to exceed the expectations of our customers, colleagues and stakeholders

Simplicity

We keep our customers, employees and stakeholders at the heart of everything we do.

- We focus on removing complexities
- We deliver solutions that are simple and relevant
- Our communication, policies and processes are simple to understand and easy to follow

Our Journey



Section 2

Executive Summary Q1FY26

1

Key Parameters

2

Key Highlights – Q1FY26

Key Parameters – Q1 FY26



Total Gross Loans
₹ 1,09,342 Cr



Q1 PAT
₹ 568 Cr



Return on Assets: 1.9%
Return on Equity : 13.2%



1,771 Branches across
1,166 Cities/ Towns

Net Interest Margin: 7.7%



Gross NPA: 2.56%
Net NPA : 1.11%



Earnings/share : ₹ 7.1
Book Value/share: ₹ 225.4



20.1 MM Customers



Key Highlights – Q1 FY26 (1/3)

Business metrics

- Customer franchise grew to **20.1** million with an increase of 5.0% during the quarter and 20.4% Y-o-Y
- The total gross loans as on June 30, 2025 stood at **₹109,342 crores**, growing 2.3% sequentially and 14.3% Y-o-Y. Secured loans comprised **73%** of the total loan book
- Disbursements for the quarter ended June 30, 2025 was **₹15,171 crores**, down by 14.0% sequentially and by 8.1% YoY
- Branch count stood at **1,771**, spread across **1,166** cities and towns

P&L Metrics

- Net interest income for the quarter was **₹2,092 crores**, an increase of 6.0% Q-o-Q and 18.3% Y-o-Y
- Net Interest Margin for Q1FY26 was at **7.7%** vs 7.6% in Q4FY25 & 7.6% in Q1FY25
- Cost to Income ratio for our lending business was **42.7%** in Q1FY26 as compared to 42.9% in Q4FY25 & 43.2% in Q1FY25

Key Highlights – Q1 FY26 (2/3)

P&L Metrics (contd...)

- Credit Cost for the quarter was **₹670 crores** as against ₹634 crores for the prior quarter and ₹412 crores for the quarter ended June 30, 2024
- In Q1FY26, our BPO services contributed **₹14 crores** or **1.9%** of our Total PBT
- Profit after tax for the quarter ended June 30, 2025 was **₹568 crores** as against ₹582 crores for quarter ended June 30, 2024

Asset Quality

- Gross Stage 3 as at June 30, 2025 was **2.56%** as against 2.26% as at March 31, 2025 and **1.93%** as at June 30, 2024
- Provisioning coverage on the Stage 3 book stood at **56.70%**

Key Highlights – Q1 FY26 (3/3)

Return Metrics

- The return metrics are after accounting for primary IPO proceeds of ₹2,500 crores as at June 30, 2025
- RoA (annualized) for the quarter ended June 30, 2025 stood at **1.94%**, which includes assets of approximately ₹9,000 crore of OFS money as on June 30, 2025. Adjusted for this, the RoA would be **2.02%**
- RoE (annualized) for the quarter ended June 30, 2025 stood at **13.16%**
- Earnings per share for the quarter was **₹7.1** and Book Value per share stood at **₹225.4**

Borrowing Metrics

- Our Borrowing mix remains well-diversified with 39% of our borrowings as on June 30, 2025 coming from NCDs, 39% from bank loans, rest from a mix of CPs, ECB, Perp & Sub-debts

Capital & Liquidity Metrics

- We remain well capitalized with total CRAR of **20.18%** as at June 30, 2025.

Employee Metrics

- Employee Count of **60,719** for the lending business

Section 3

HDB Overview

- 1 HDB – At a Glance
- 2 Key Metrics
- 3 Product Portfolio
- 4 Distribution Network
- 5 Customer Franchise

HDB at a glance



One of the leading, diversified retail-focused NBFCs in India

- ★ Product portfolio serving multiple credit needs of customers across three business verticals: Enterprise Lending, Asset Finance and Consumer Finance



One of India's largest and fastest growing customer franchises

- ★ Primarily catering to underserved and underbanked customers in low to middle income households with minimal or no credit history

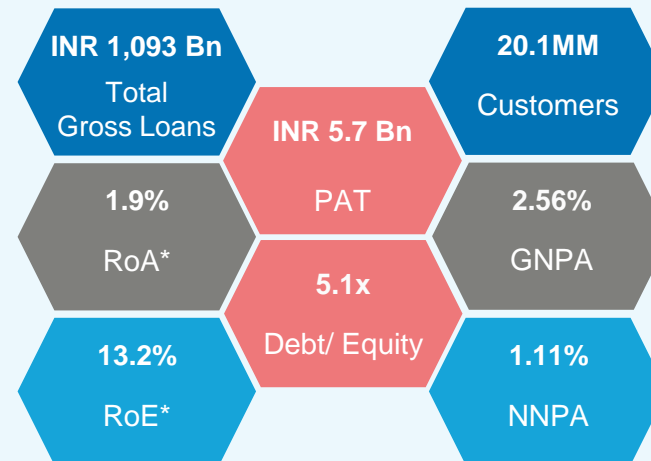


Well seasoned and highly granular loan book

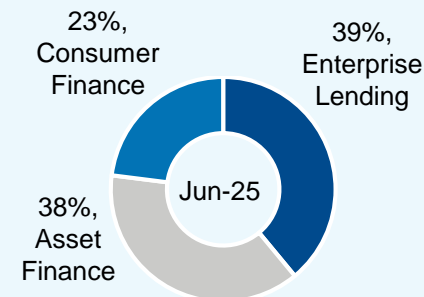
- ★ Diversified across products and geographies resulting in strong & sustainable franchise

Note: Data as on June 30 2025; *Annualised

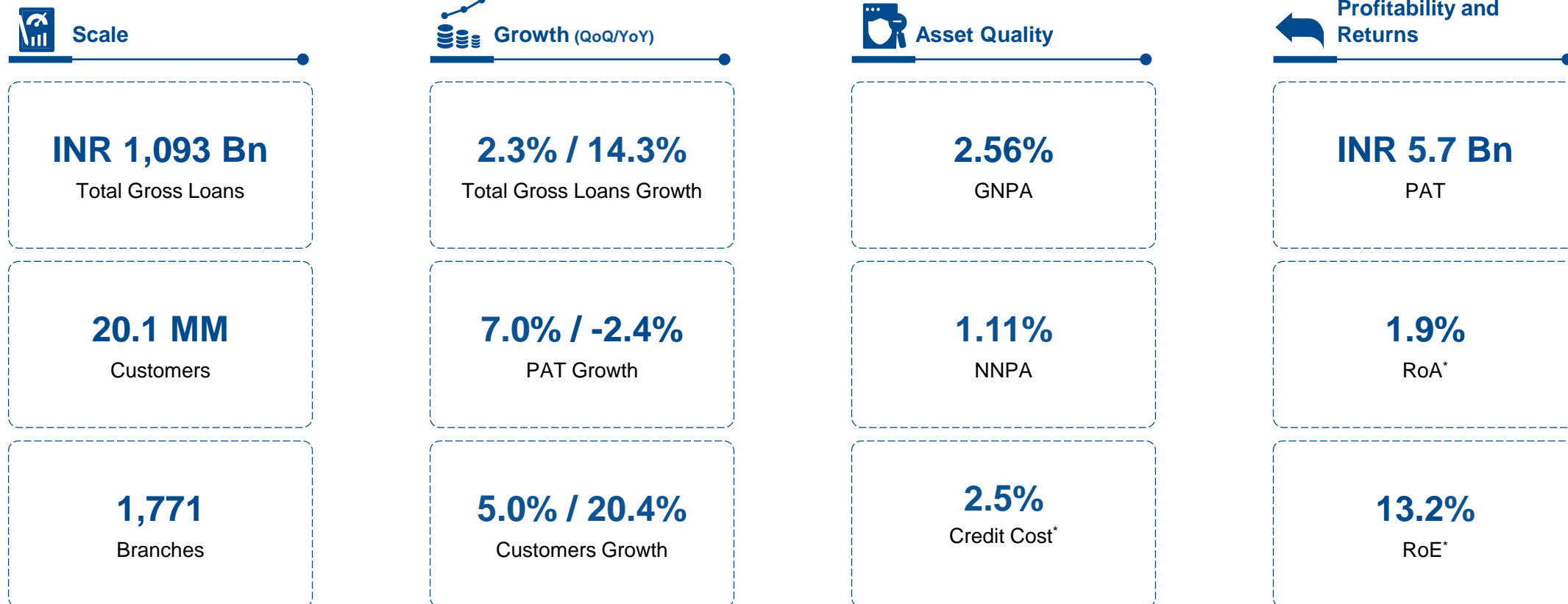
Key Metrics (Q1FY26)



Total Gross Loans Mix

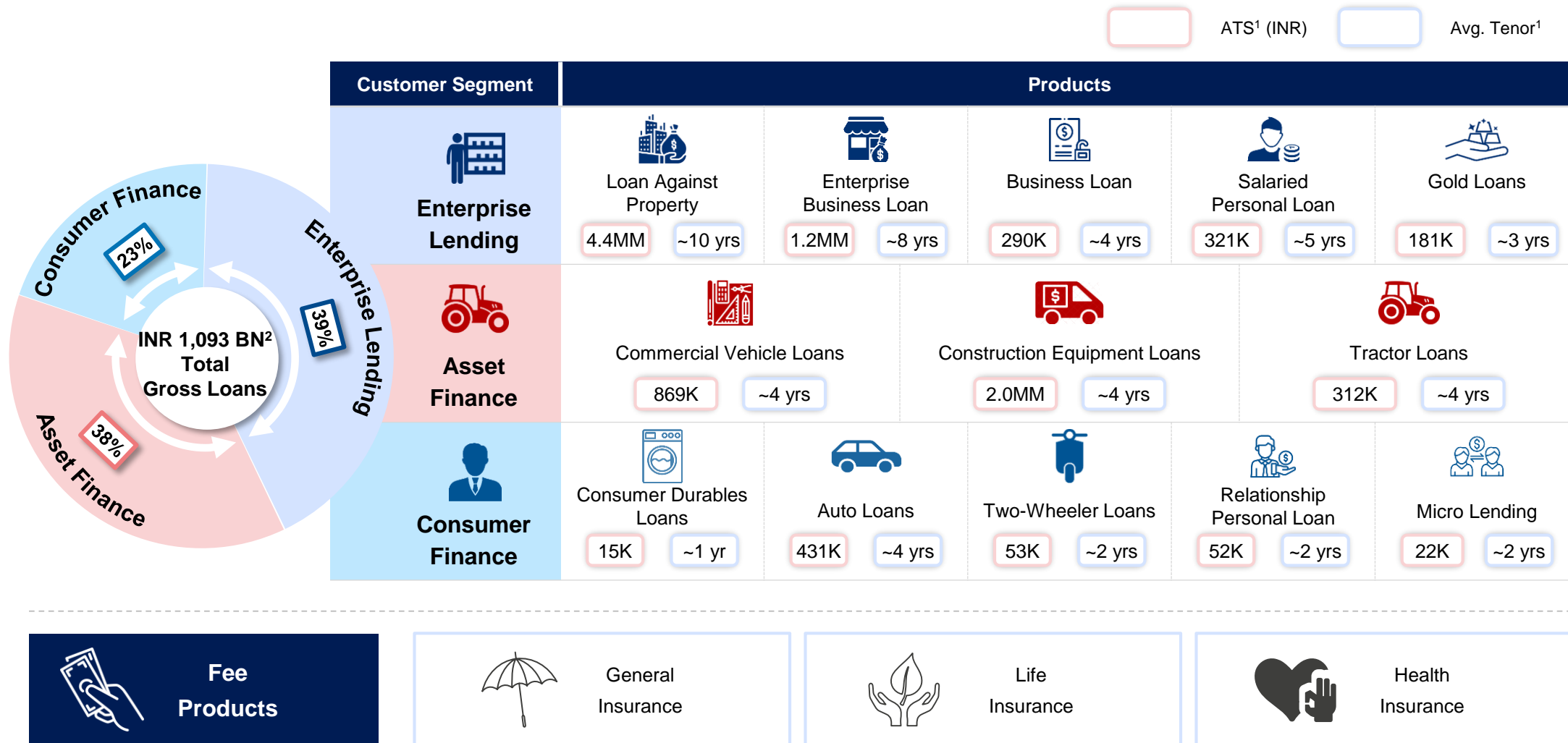


Key Metrics



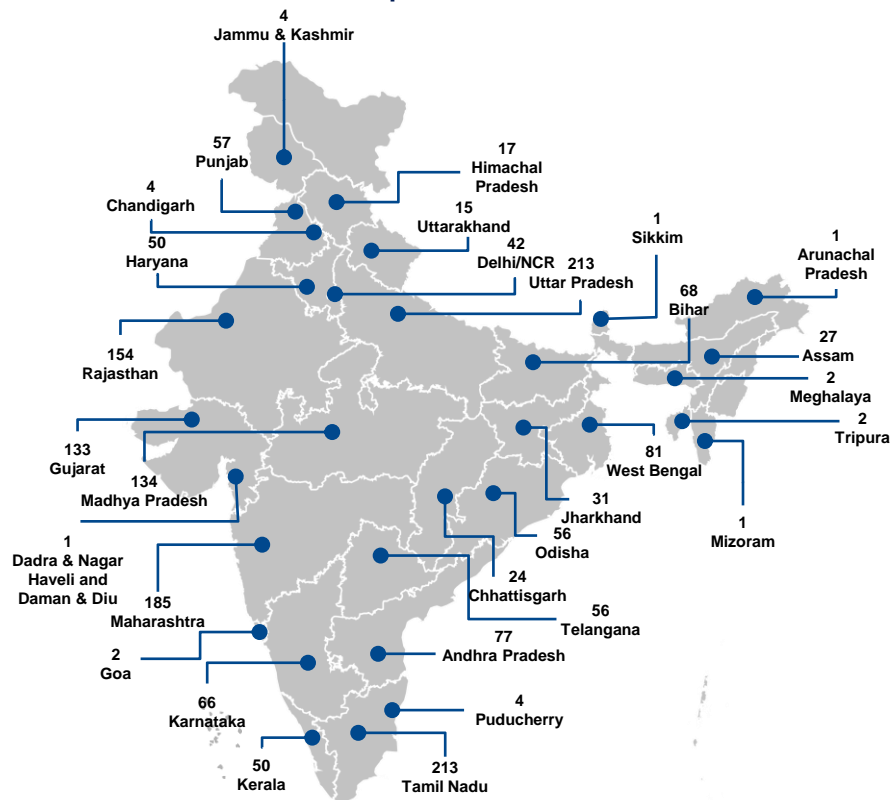
Note: Data as on June 30 2025; *Annualised

Product Portfolio

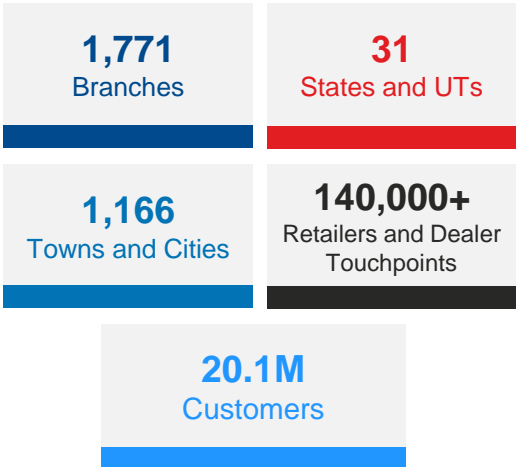


Omni-Channel Distribution with Pan-India Branch Network

Pan India Presence With Focus on Expansion in Tier-2+ Markets⁽¹⁾

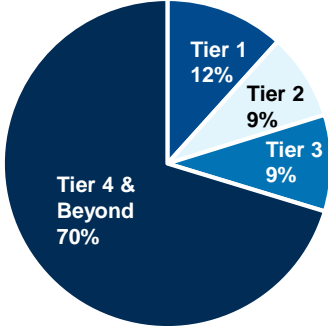


Wide Distribution Presence⁽¹⁾

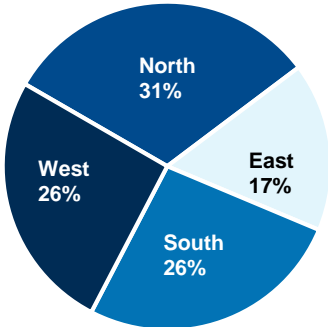


- ✓ 80%+ of Our Branches are Outside 20 Largest Cities in India
- ✓ 70% Branches Located in Tier 4+ towns

Strong Presence Beyond Metro Markets⁽¹⁾



Balanced Presence Across Geographies⁽¹⁾

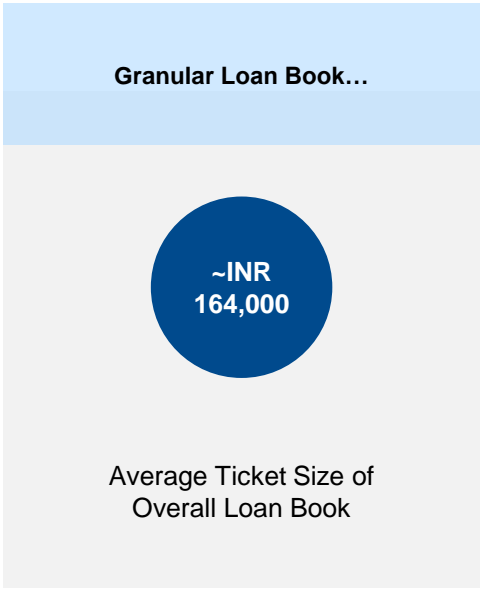
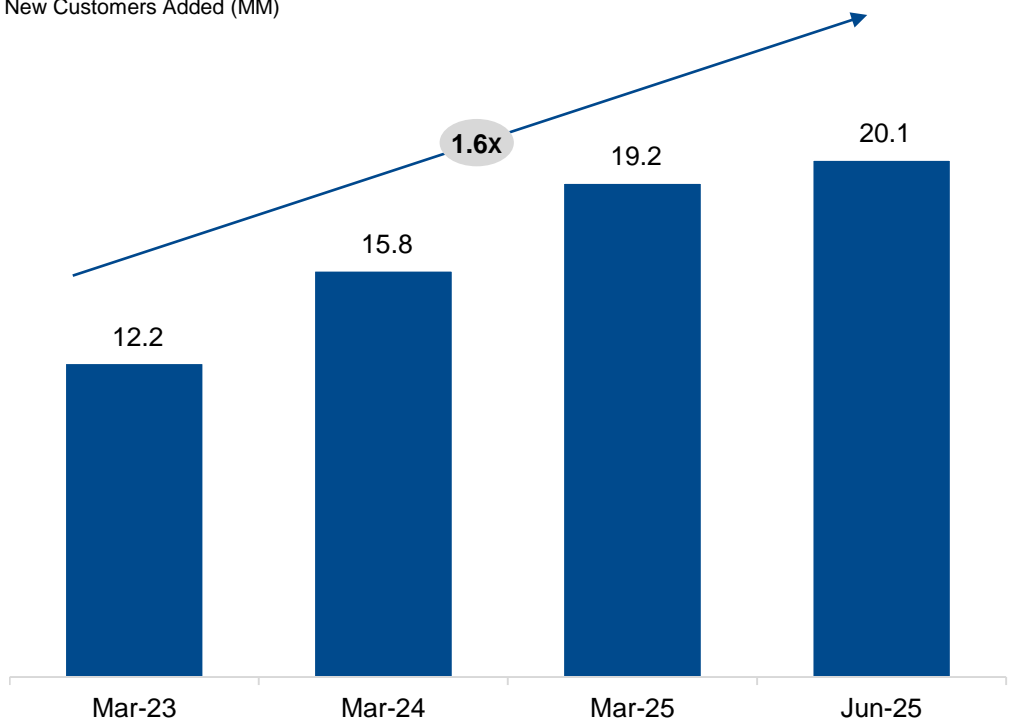


Note:
1. As of June 30, 2025

Customer Franchise


Customer Franchise Growth

New Customers Added (MM)



Section 4

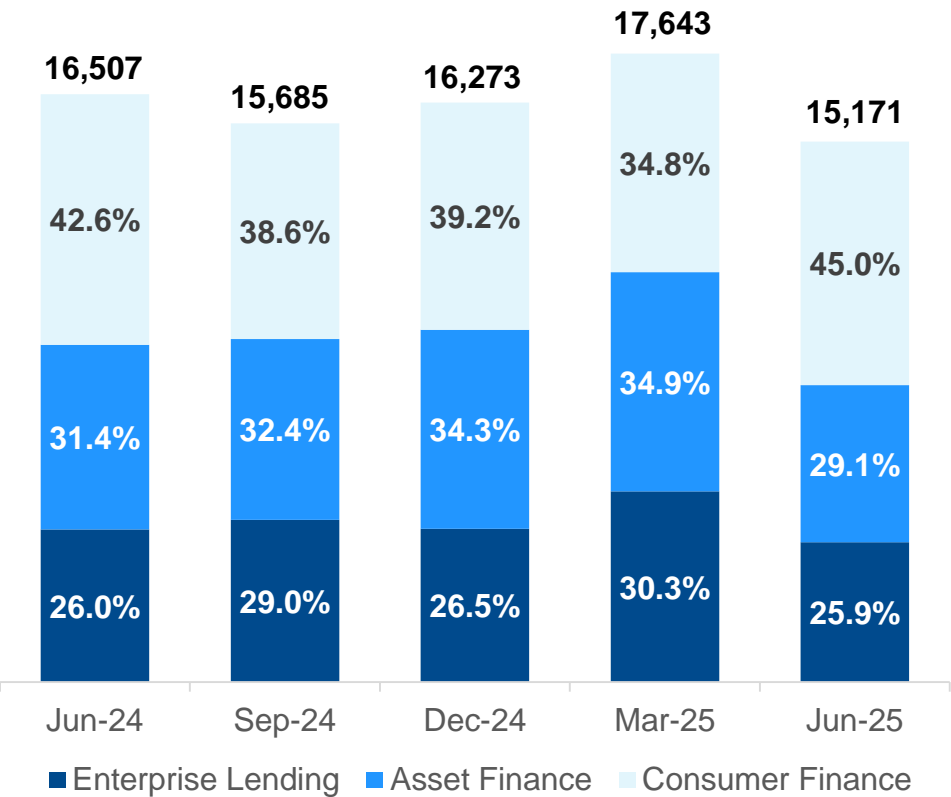
Financial Performance Q1FY26

- 
- 1 Disbursement & Total Gross Loans Mix
 - 2 P&L Metrics
 - 3 Return Metrics
 - 4 Asset Quality
 - 5 Performance through the years

Disbursement and Total Gross Loans Mix

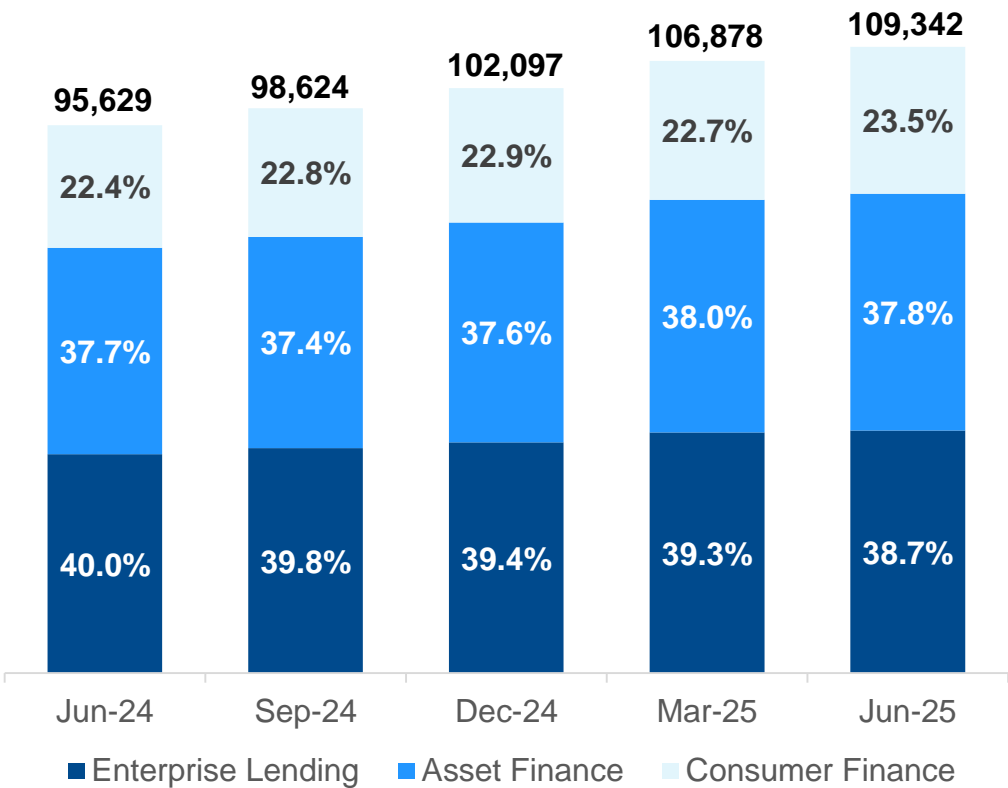
Disbursements

INR Crores



Total Gross Loans

INR Crores



Profit & Loss Statement Q1FY26

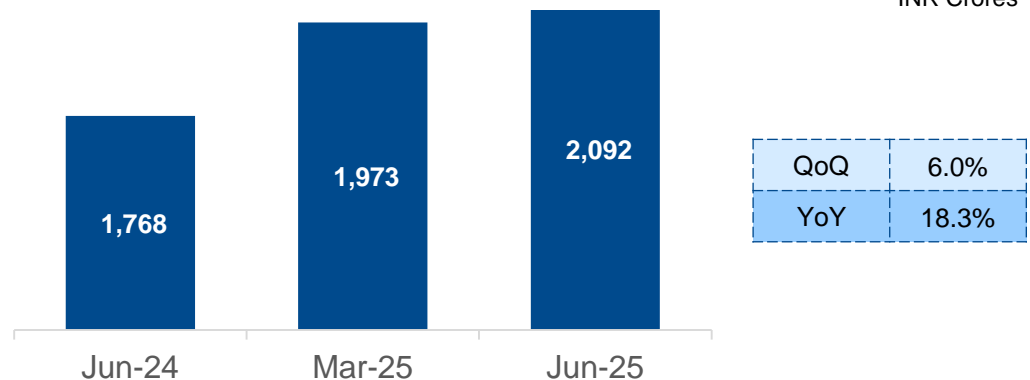
INR Crores

Particulars	Q1FY25	Q4FY25	Q1FY26	QoQ	YoY
Total Gross Loans	95,629	1,06,878	1,09,342	2.3%	14.3%
Interest income	3,265	3,623	3,832	5.7%	17.4%
Finance cost	1,496	1,651	1,740	5.4%	16.3%
Net Interest Income	1,768	1,973	2,092	6.0%	18.3%
Non Interest Income	306	340	330	-2.8%	7.8%
Net Income	2,074	2,312	2,422	4.7%	16.8%
Employee cost	622	660	685	3.7%	10.0%
Other Operating Expenses	273	332	349	5.1%	27.5%
Total expenses	896	992	1,033	4.2%	15.4%
Pre-Provisioning Operating Profit	1,179	1,320	1,388	5.1%	17.8%
Credit Cost	412	634	670	5.6%	62.4%
Profit Before Tax – Lending	766	687	719	4.7%	-6.2%
Net BPO Income	18	18	14	-21.4%	-20.9%
Tax Expense	202	173	165	-4.9%	-18.4%
Profit After Tax	582	531	568	7.0%	-2.4%

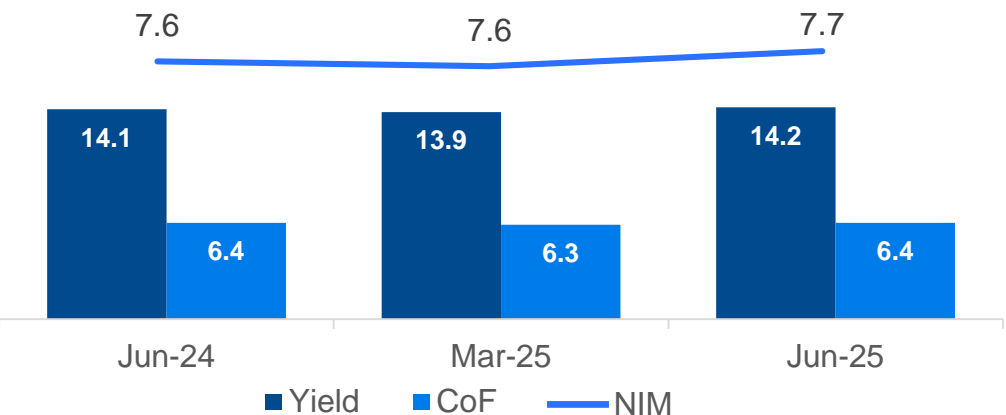
Income Metrics – Lending Business

Net Interest Income

INR Crores

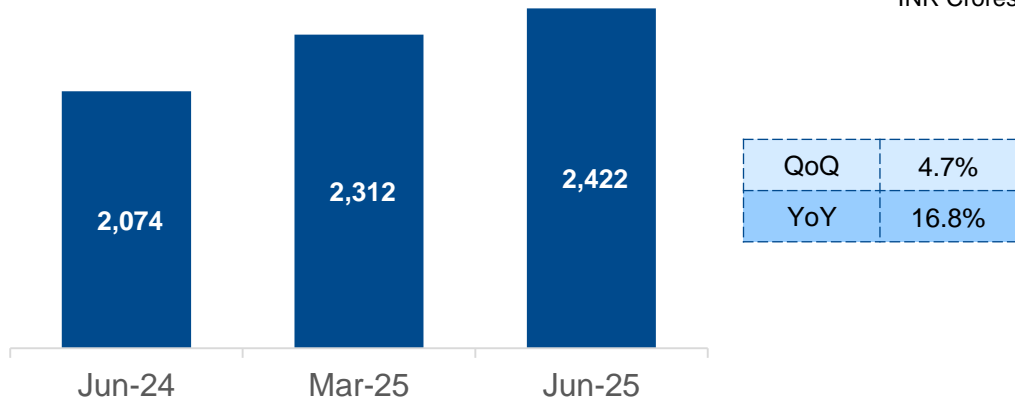


Yield, COF & NIM (%)



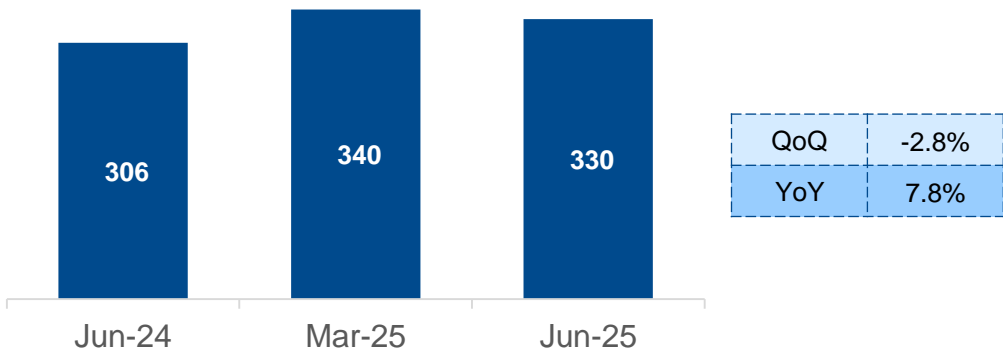
Net Total Income

INR Crores



Non Interest Income

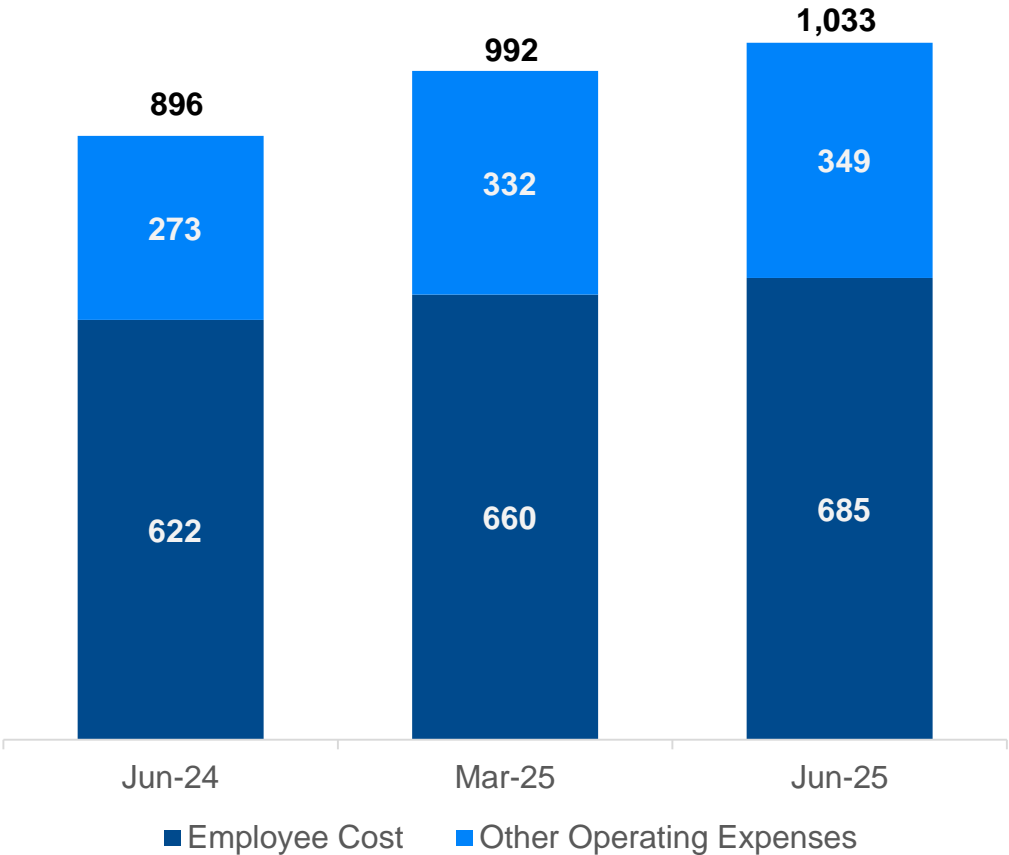
INR Crores



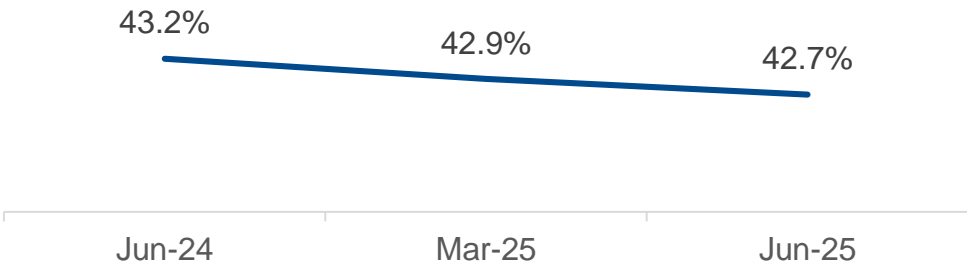
Operating Expenses – Lending Business

Operating Expenses

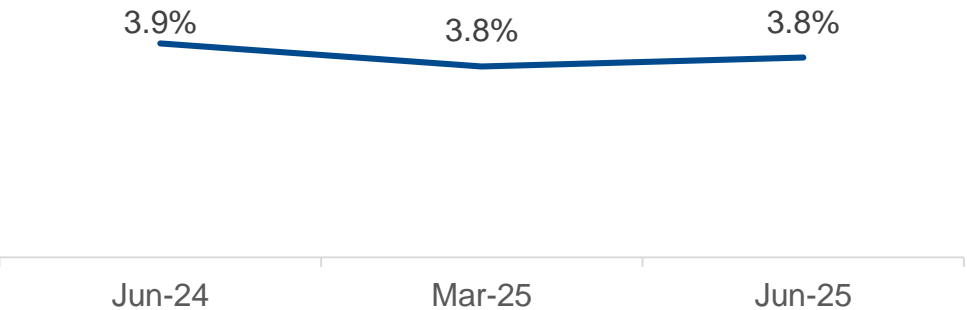
INR Crores



Cost-to-Income Ratio



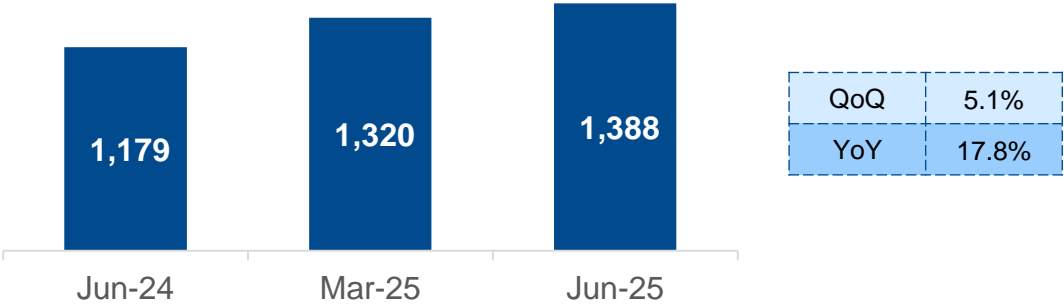
Opex to Total Gross Loans (annualized)



Profitability Metrics

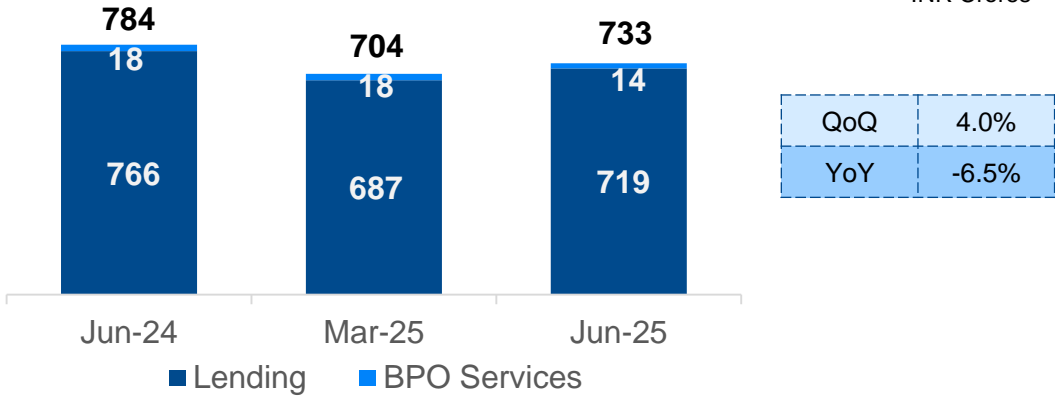
Pre-Provisioning Operating Profit (Lending)

INR Crores



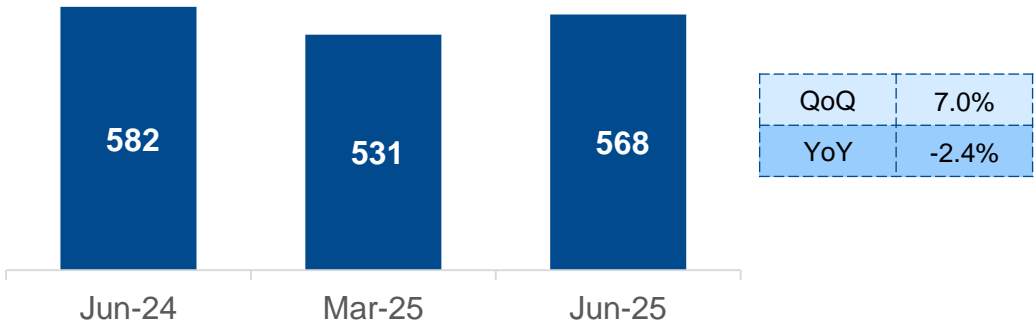
Profit Before Tax

INR Crores



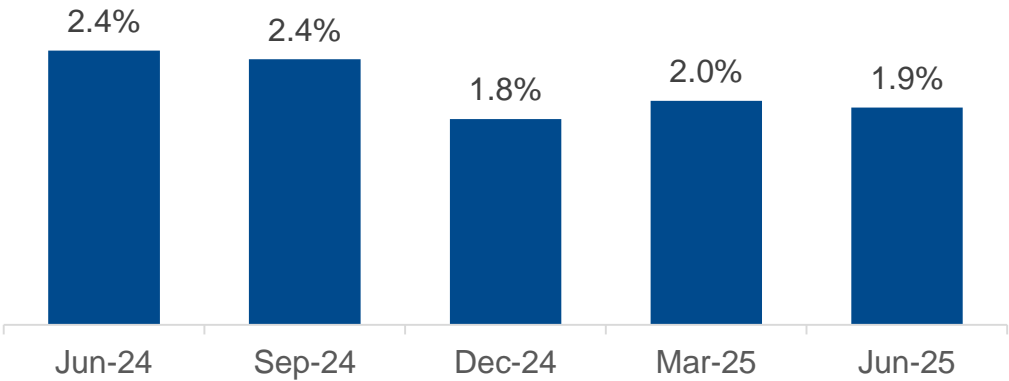
Profit After Tax

INR Crores

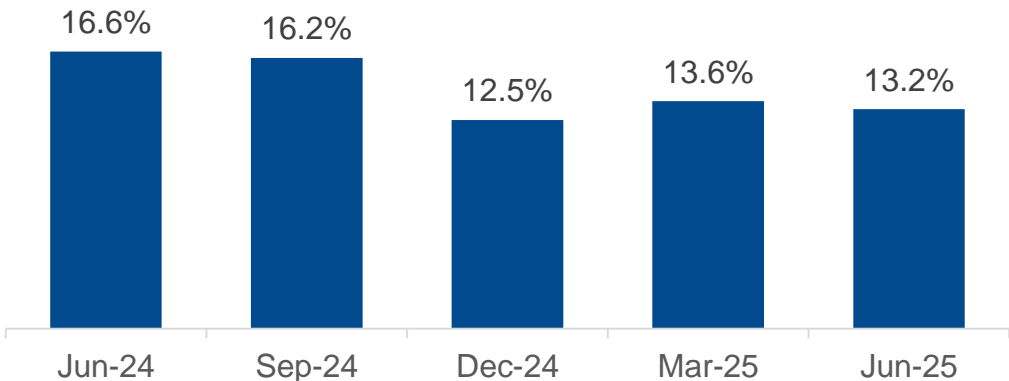


Return Metrics

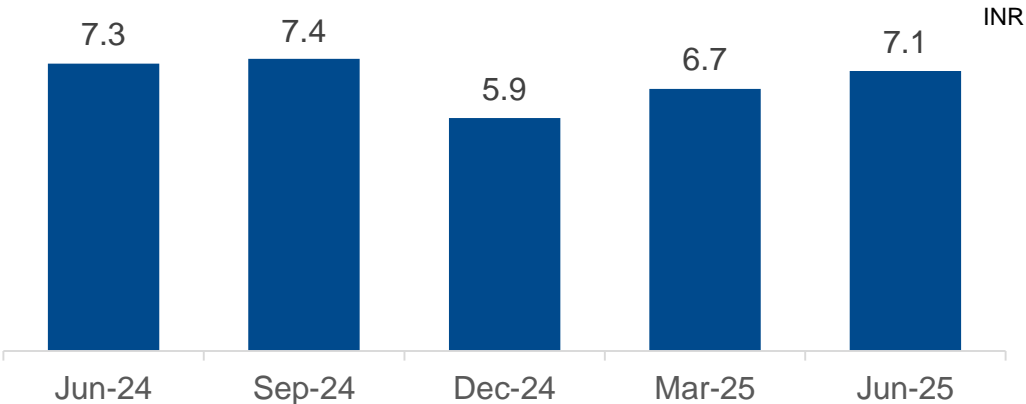
Return on Assets



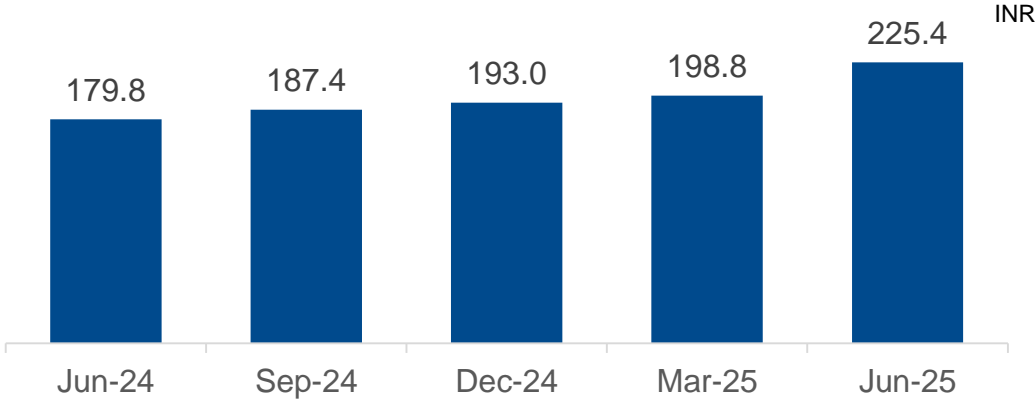
Return on Equity



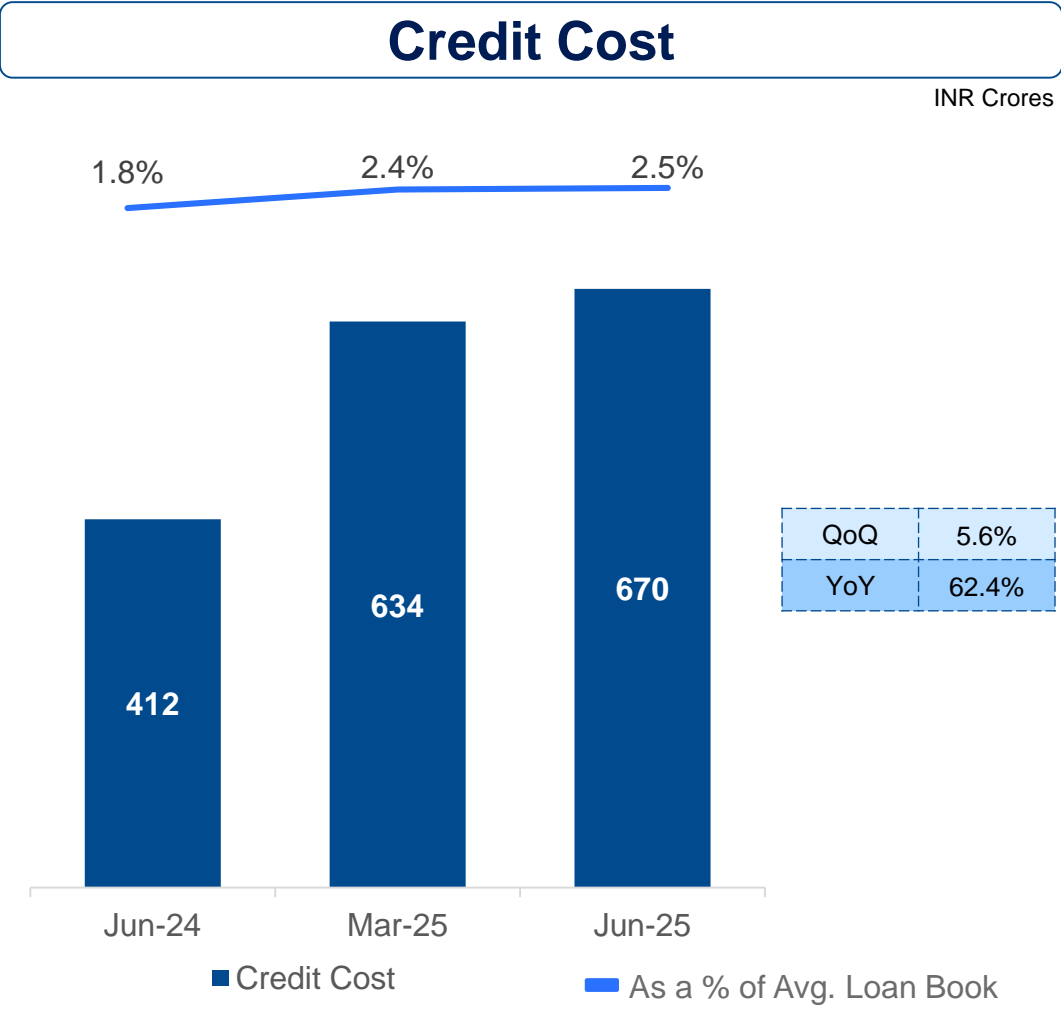
Earnings Per Share



Book Value Per Share



Asset Quality



Loan Book Staging

INR Crores


	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
Stage-wise Loan Book					
Total Gross Loans	95,629	98,624	1,02,097	1,06,878	1,09,342
Stage 1	91,896	94,483	97,707	1,02,735	1,04,106
Stage 2	1,890	2,068	2,096	1,729	2,442
Stage 3	1,843	2,073	2,294	2,414	2,794
Provision Coverage					
Stage 1	1,877	1,631	1,630	1,788	1,521
Stage 2	505	535	450	396	497
Stage 3	1,110	1,258	1,377	1,351	1,584

Performance Through The Years

Financial Snapshot (INR Crores)	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	3 Yr CAGR	10 Yr CAGR
AUM	19,290	25,906	34,277	44,469	55,425	58,833	61,561	61,444	70,084	90,235	107,262	20.4%	18.7%
Total Income (Lending)	2,453	3,222	4,380	5,533	7,077	8,643	8,924	8,943	9,769	12,222	15,084	19.0%	19.9%
Interest Expenses (Lending)	1,347	1,572	2,050	2,357	3,333	4,081	3,883	3,326	3,512	4,864	6,390	24.3%	16.8%
Net Total Income (Lending)	1,106	1,651	2,330	3,176	3,743	4,562	5,041	5,617	6,257	7,357	8,693	15.7%	22.9%
Operating Expenses (Lending)	413	649	950	1,261	1,456	1,760	1,576	1,939	2,440	3,143	3,724	24.3%	24.6%
Credit Cost (Lending)	172	194	340	519	637	1,442	3,069	2,466	1,330	1,067	2,113	-5.0%	28.5%
Profit before tax (Lending)	521	807	1,040	1,396	1,651	1,360	396	1,213	2,487	3,147	2,857	33.0%	18.6%
Net BPO Income	10	10	18	69	73	104	104	135	141	158	71	-19.1%	22.1%
Profit after tax	349	534	699	952	1,153	1,005	391	1,011	1,959	2,461	2,176	29.1%	20.1%
Ratios													
Cost to Income (Lending)	37.4%	39.3%	40.8%	39.7%	38.9%	38.6%	31.3%	34.5%	39.0%	42.7%	42.8%		
Return on Assets	2.1%	2.4%	2.4%	2.4%	2.3%	1.7%	0.6%	1.6%	3.0%	3.0%	2.2%		
Return on Equity	14.7%	16.0%	15.7%	16.5%	17.2%	13.2%	4.8%	11.2%	18.7%	19.5%	14.7%		
Gross NPA	0.8%	1.2%	1.5%	1.6%	1.8%	3.9%	4.5%	5.0%	2.7%	1.9%	2.3%		
Net NPA	0.5%	0.7%	0.8%	1.0%	1.2%	3.1%	3.1%	2.3%	1.0%	0.6%	1.0%		
Provisioning Coverage Ratio	43.6%	41.1%	42.4%	39.7%	32.2%	19.4%	31.7%	54.1%	65.1%	66.8%	56.0%		
CRAR	23.1%	19.2%	20.8%	17.9%	17.9%	19.4%	18.9%	20.2%	20.1%	19.2%	19.2%		
Leverage Ratio	5.46	6.27	5.38	6.41	7.14	6.93	7.02	5.77	5.26	5.81	5.85		
Credit Cost to Avg. Gross Loans	1.1%	0.9%	1.2%	1.4%	1.3%	2.5%	5.1%	4.0%	2.0%	1.3%	2.1%		

Section 5

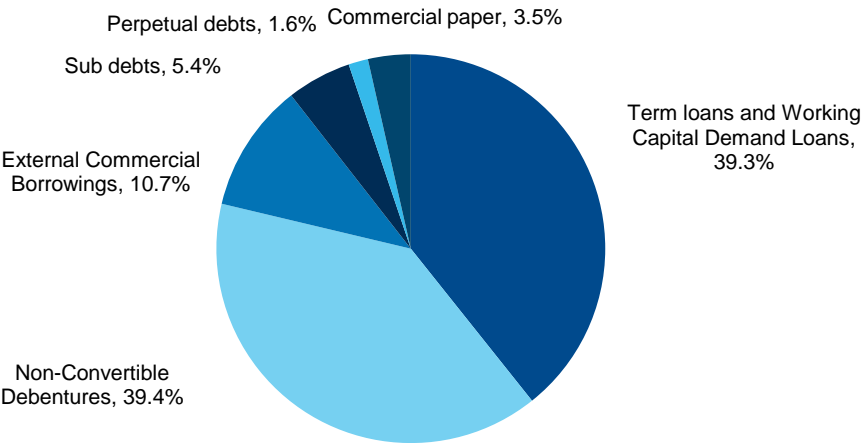
Borrowings & Capital Structure

- 
- 1 Liability Franchise
 - 2 Capital & Liquidity Metrics
 - 3 Balance Sheet and Capital Productivity

Liability Franchise

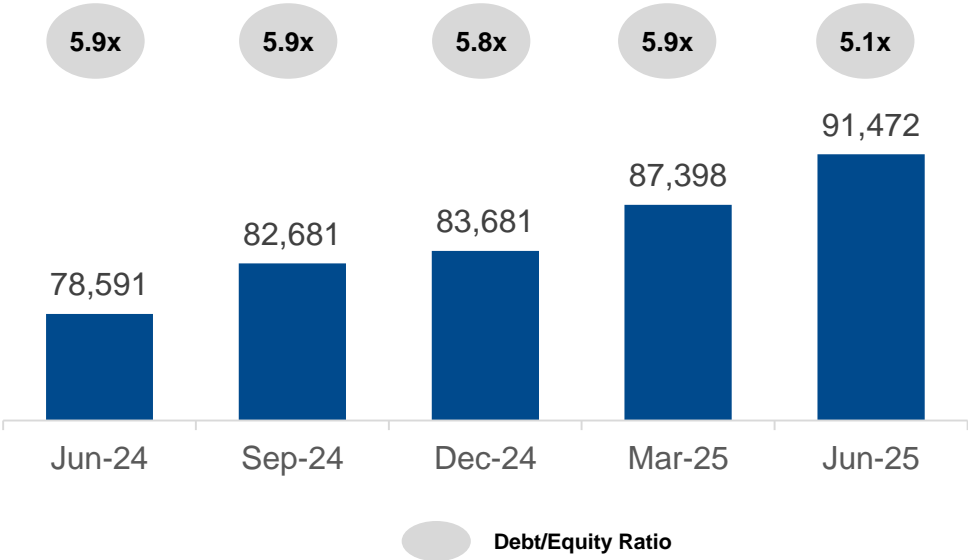
Liabilities Break-up

As on Jun-25



Borrowings Overview

INR Crores



CRISIL

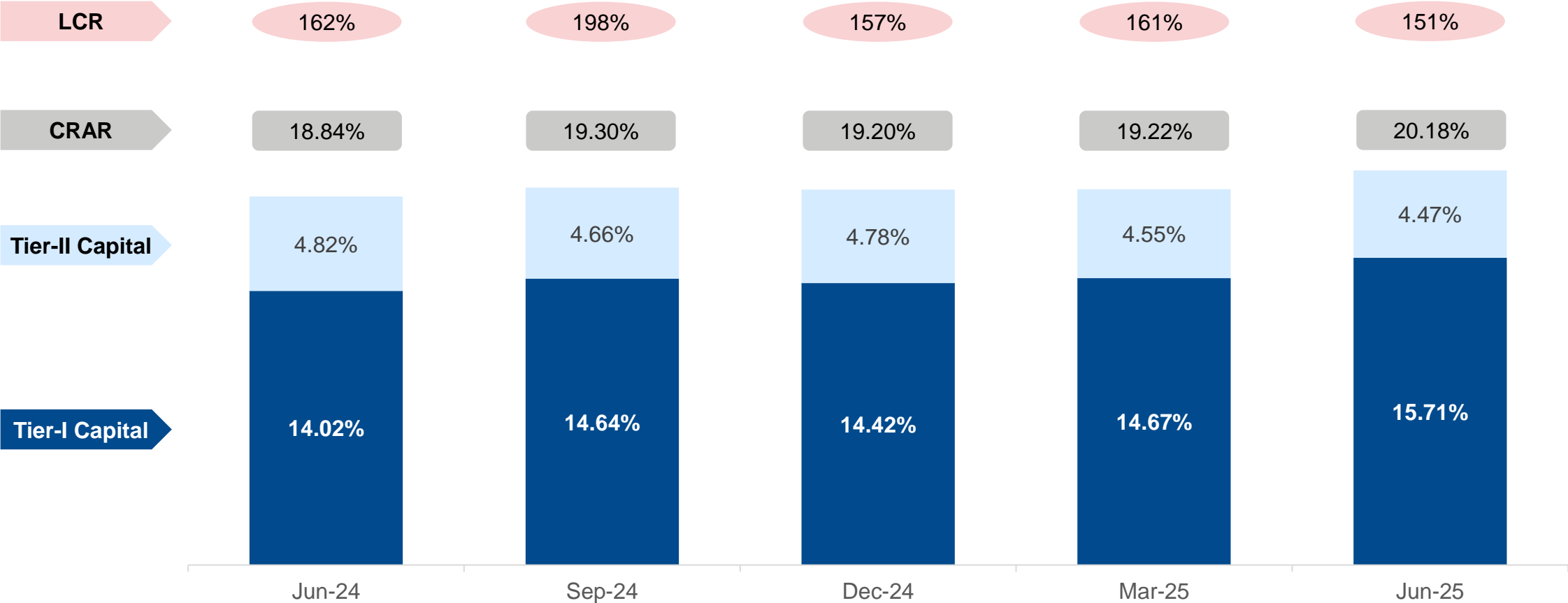
AAA / Stable;
A1+

CARE

AAA / Stable;
A1+

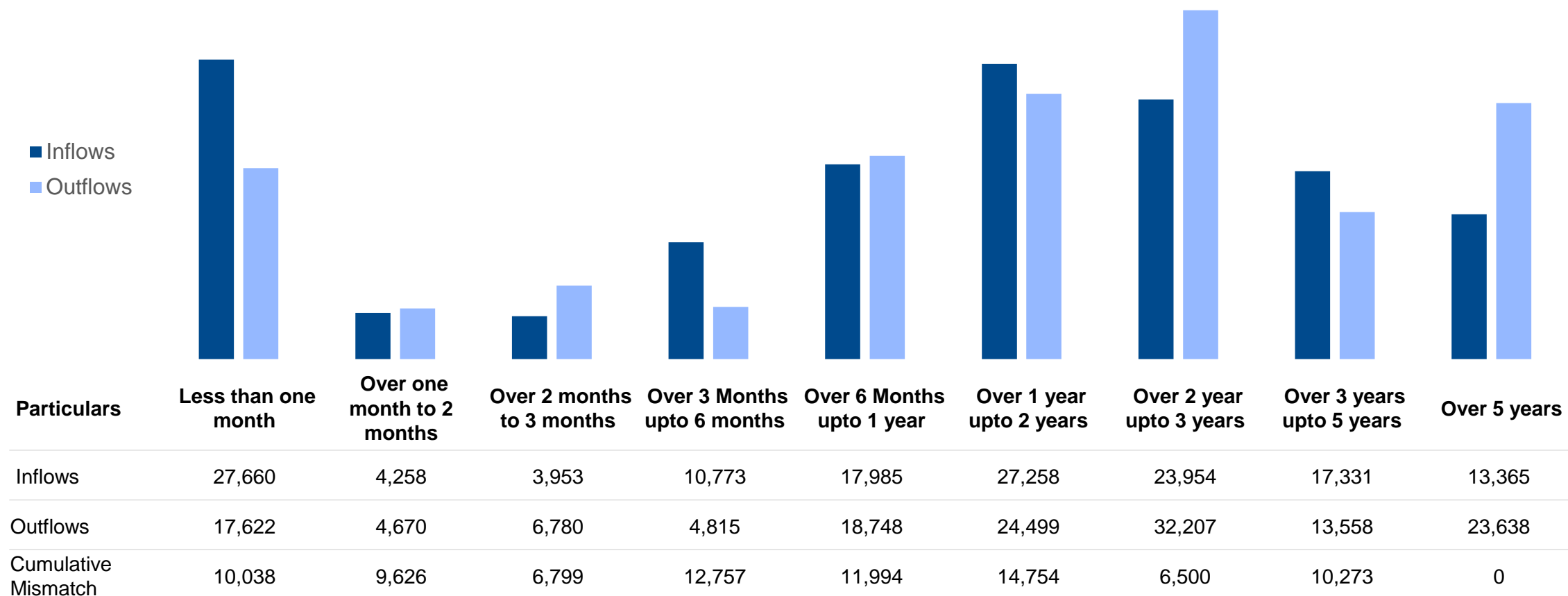
High-quality liability franchise enables us to fund our growth plans at scale

Capital & Liquidity Metrics



Asset Liability Management – June 2025

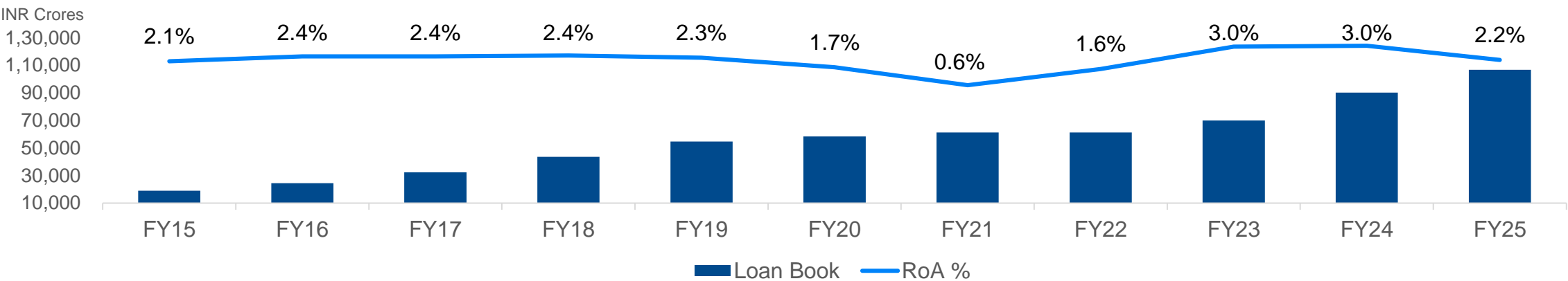
INR Crores



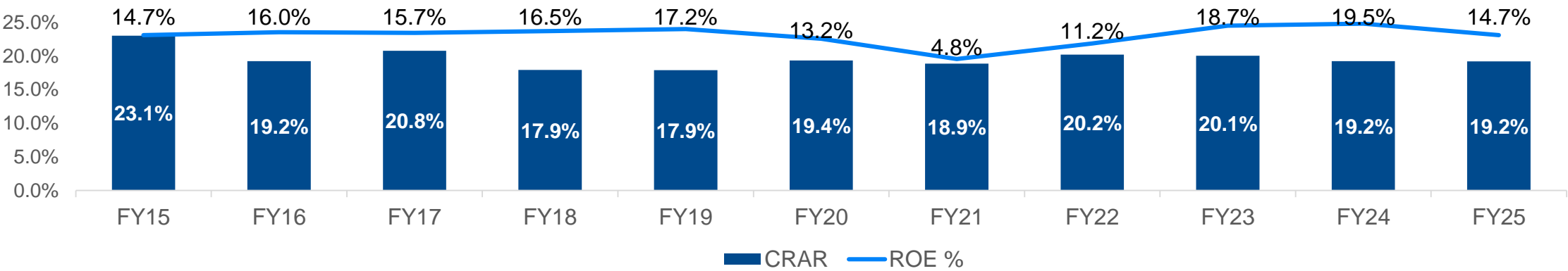
Positive cumulative mismatch across all time-buckets

Balance Sheet and Capital Productivity

Total Gross Loans and RoA




Capital Position and RoE

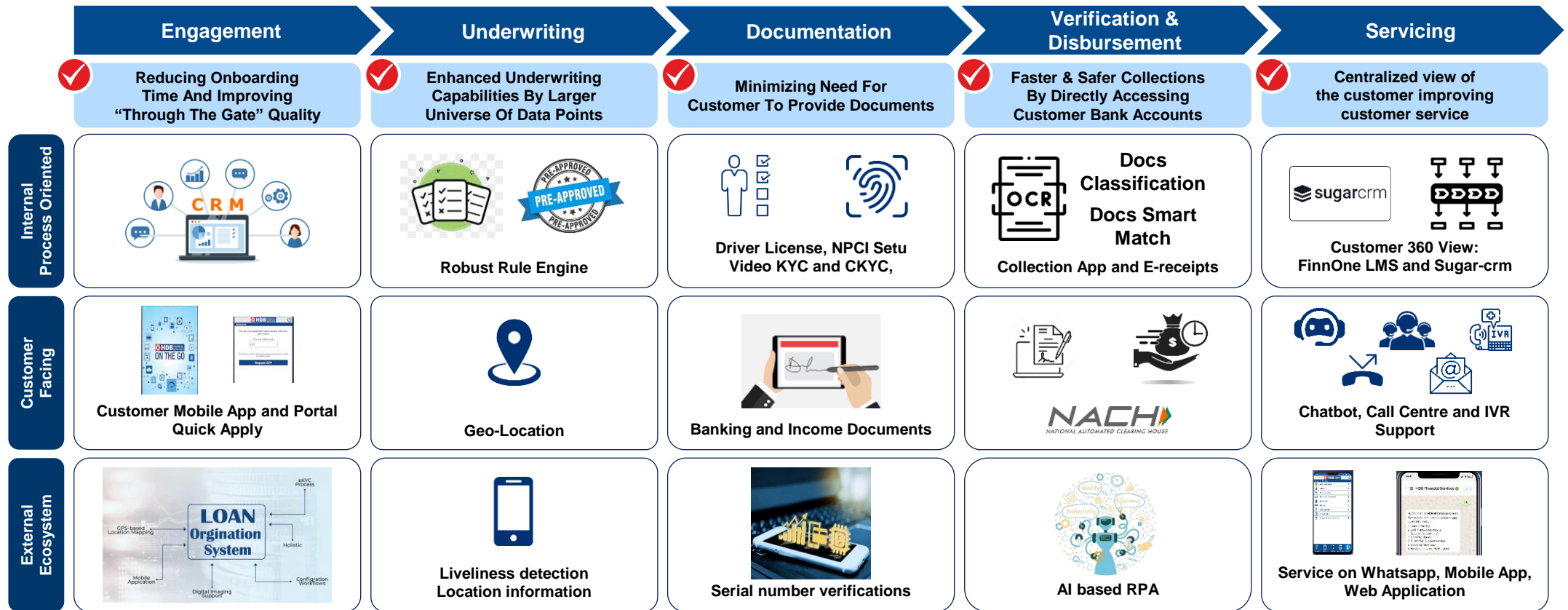


Section 6

Technology & Risk Management Framework

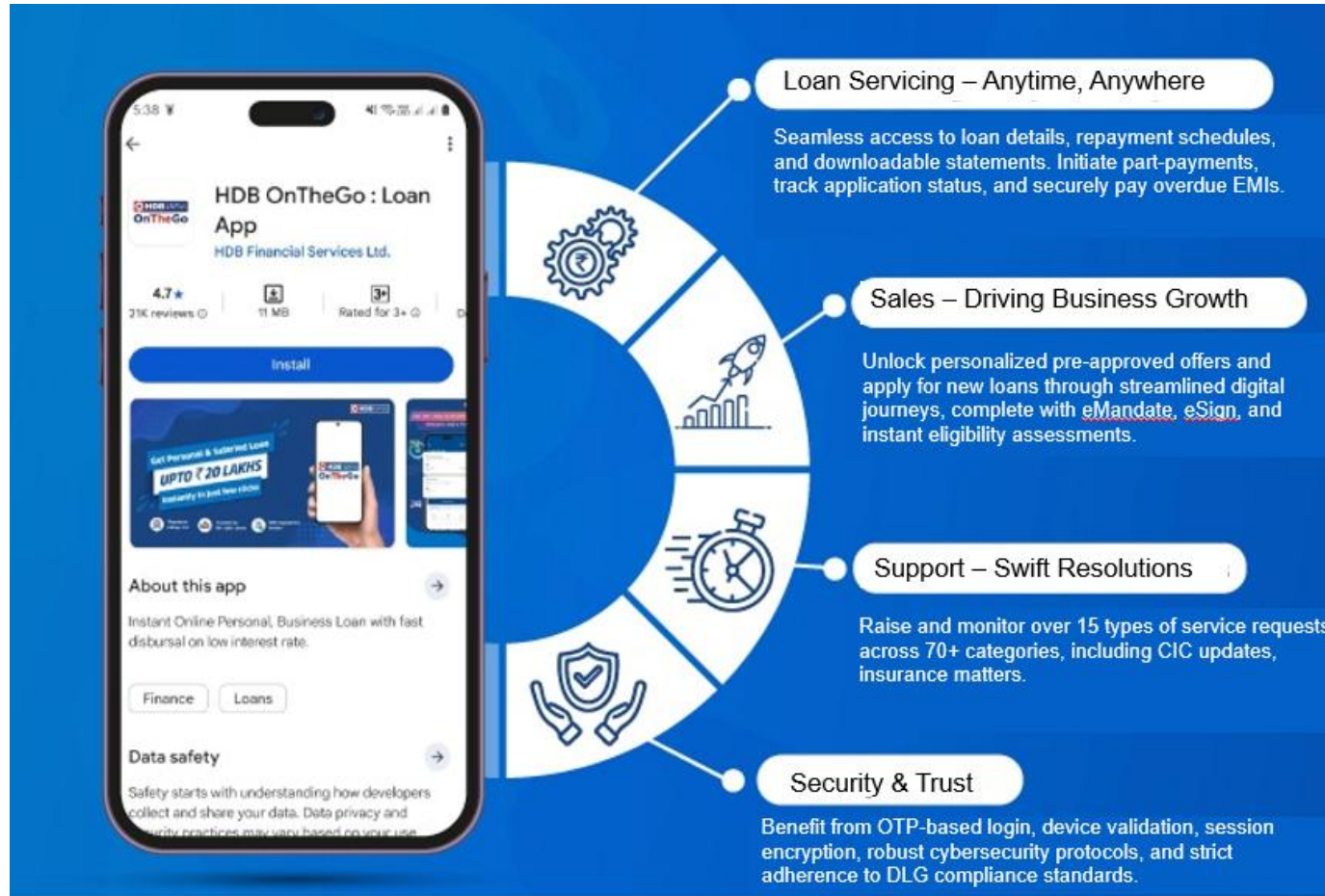
- 
- 1 Technology Stack
 - 2 Digital Capability
 - 3 Risk Management Framework

Technology Stack



Technology Capabilities Benefiting our Customers, our Third-party Partners as well as our Sales Teams

Digital Capabilities – “HDB OnTheGo” App



Trusted by over 10 million users, HDB OnTheGo stands at the forefront as a digital-first, customer-centric platform.

Risk Management Framework



Sustainability Initiatives

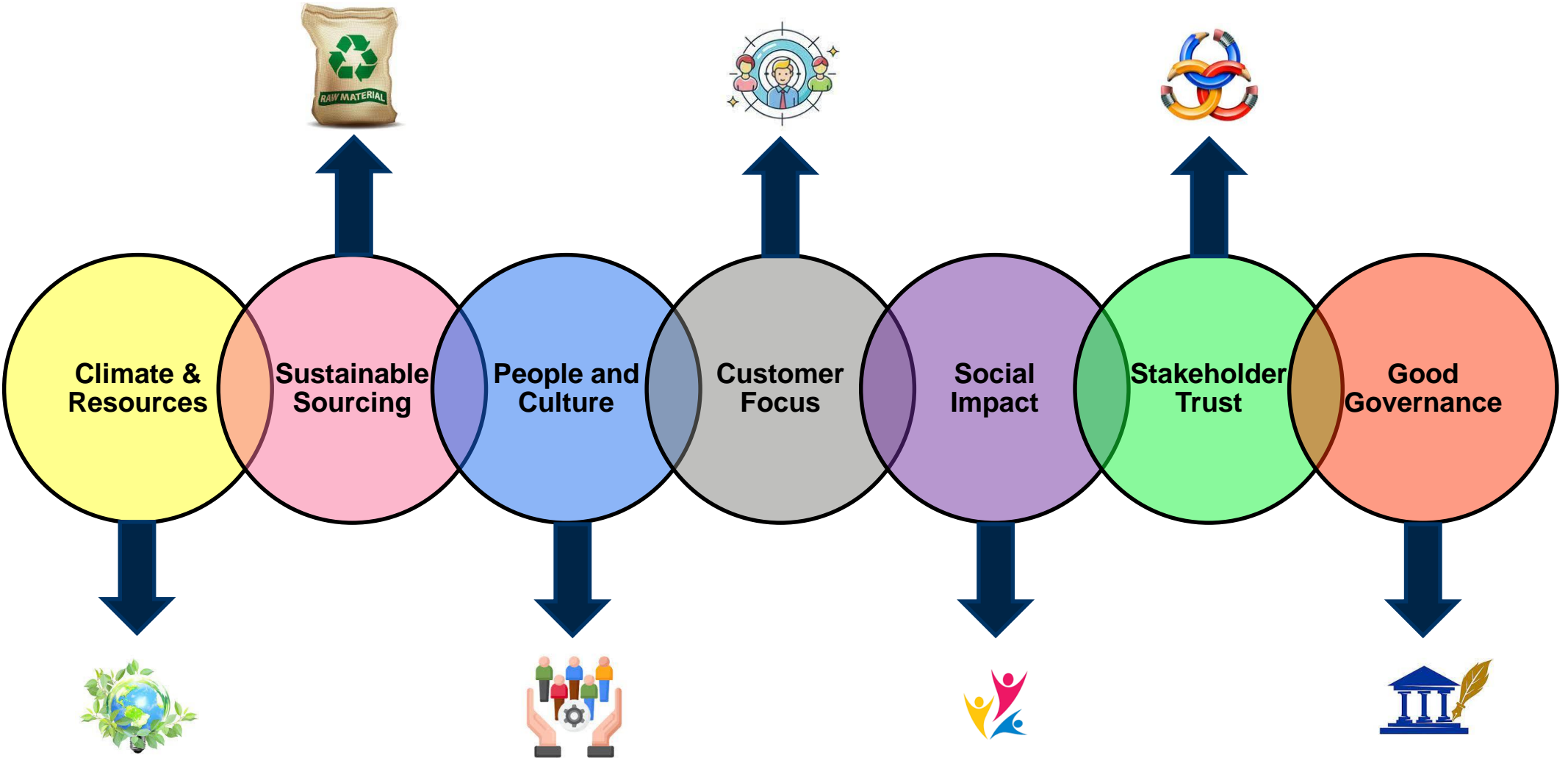
- 1 Environment, Social & Governance (ESG)
- 2 Corporate Social Responsibility (CSR)

ESG Framework



- **Integrate ESG Ideology:** Embedding the Company's ESG ideology and identifying ESG related risks and adverse incidents that can affect business operations
- **Ethical Conduct:** Conduct business ethically having value driven approach in decision making
- **Stakeholder Commitment:** Demonstrate organizational commitment to stakeholders meeting their requirements and expectations
- **Impact Reporting:** Reporting the measurable impacts of business activities on the environment and society
- **Robust Compliance:** Ensuring robust compliance management with applicable statutory and regulatory guidelines
- **Continuous ESG Improvement:** Continual evaluation and adoption of relevant measures to improve upon ESG Maturity

ESG Priorities



ESG Highlights

Environmental

- Our Corporate office has received the prestigious IGBC Gold Certification
- Commitment to reforestation and ecological balance through large-scale tree plantation drives
- Partnered with certified E-waste management company for responsible disposal of electronic waste.
- Active water conservation and watershed management projects dedicated to groundwater recharge and restoration of water harvesting structures
- Reducing operational carbon footprint by retrofitting existing facilities and adopting high-efficiency equipment to optimize resource use

Social

- Committed to financial inclusion by extending credit access to underserved populations across India, enabling socio-economic upliftment.
- Driving community development through strategic CSR Initiatives focused on critical areas such as healthcare, education, and skill development.,
- More than 23% Women in Workforce
- Fostering a Diverse and Inclusive work place, prioritizing employee well-being and professional growth.
- Recognized as India's Top 25 Best Workplaces in BFSI 2025 by "Great place to work"

Governance

- Board approved ESG Risk Management Policy
- Diverse & skilled Board
- 7 of the 9 board seats are held by independent directors
- Two women Directors on Board
- CSR & ESG Committee of Directors oversee the ESG strategy
- Commitment to principles of independence, accountability, responsibility, transparency and fair & timely disclosures
- Cyber Resilience Framework established.
- Robust Business Continuity Management (BCM) plan to ensure business continuity

Corporate Social Responsibility



₹ 2250 Mn+
Spent on CSR Initiatives

100+
Social & Environmental Projects
Supported

75
On-boarded Partners

1.5 Mn+
Lives Touched

500K+
Trees Planted

160+
Lakes Restored

CSR: Intervention Themes

Environment

(Water + Waste + Plantation)



Reviving Depleting Lakes



Building Water Harvesting Structures



Promoting Waste Management



Tree Plantation Drives

Healthcare

(Preventive + Curative + Capacity)



Physiotherapy for Truck Drivers



Equipping Medical Centres



Free OPD Services in Rural Areas



Clean Drinking Water, WASH

Literacy & Livelihoods

(Skills + Financial Literacy + MDM)



Training College Youth



Skill Enhancement Program



Career Counselling



Promoting Rural Livelihoods

Safe Harbour Statement

Certain statements are included in this release which contain words or phrases, such as 'will', 'aim', 'will likely result', 'believe', 'expect', 'will continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'project', 'should', 'will pursue' and similar expressions or variations of these expressions, that are 'forward-looking statements'. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes, volatility in investment income, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to pay dividends, the impact of changes in RBI and other regulations, our ability to roll over our short-term funding sources and our exposure to market and operational risks.

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future.

As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated. In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this document include, but are not limited to: general economic and political conditions, instability or uncertainty in India and other countries which have an impact on our business activities or investments caused by any factor, including terrorist attack in India, the United States or elsewhere, anti-terrorist or other attacks by the United States, a United States-led coalition or any other country, tensions between India and Pakistan related to the Kashmir region or between India and China, military armament or social unrest in any part of India, the monetary and interest rate policies of the Government of India, natural calamities, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in Indian and foreign laws and regulations, including tax, accounting and RBI guidelines, changes in competition and the pricing environment in India, and regional or general changes in asset valuations.

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Before acting on any information you should consider the appropriateness of the information having regard to these matters, and in particular, you should seek independent financial advice.

Thank You

For More Information please contact:
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Segment P&L Statement Q1FY26

INR Crores

Particulars	Lending	BPO	Total
Interest income	3,832	-	3,832
Finance cost	1,740	-	1,740
Net Interest Income	2,092	-	2,092
Non Interest Income	330	304	634
Net Income	2,422	304	2,726
Employee cost	685	275	960
Other Operating Expenses	349	15	364
Total expenses	1,033	290	1,324
Pre-Provisioning Operating Profit	1,388	14	1,402
Credit Cost	670	-	670
Profit Before Tax	719	14	733