

Investor Presentation

Q1 FY23

July 28, 2022



Q1 FY23 Business Highlights



Strong business performance driving higher profits PAT ₹ 627 Cr, ▲ 106% YoY

Sustained business growth

- New accounts at 900K+, ▲ 48% YoY
- Spends at ₹ 59,600 Cr+ ▲ 79% YoY
- Receivables at ₹ 33,215 Cr, ▲ 36% YoY

Robust financials

- Total revenue at ₹ 3,263 Cr, ▲ 33% YoY
- PAT at ₹ 627 Cr, ▲ 106% YoY
- ROAA at 7.0%, ▲ 247 bps YoY and ROAE at 30.8%, ▲ 1217 bps YoY

Healthy asset quality

- GNPA at 2.24%, ▼ 167 bps YoY and NNPA at 0.79%, ▼ 9 bps YoY
- Healthy capital adequacy, CAR at 24.7%, Tier 1 at 21.5%

New initiatives

- Cobrand with Aditya Birla Finance
- End to end digital customer acquisition (Project Sprint)

Executive Summary Q1 FY23 (vs Q1 FY22)



Profitable operations

PAT ₹ 627 Cr, ▲ 106% YoY

Market Share (FY23)*

Cards in force 18.4% (FY22 18.7%), Spends 18.6% (FY22 19.2%), Transactions 18.7% (FY22 19.8%)

Growing Portfolio

▲ 19% YoY in cards, ▲ 79% YoY in spends, ▲ 36% YoY in receivables

Asset Quality

GNPA @ 2.24%, NNPA @ 0.79%

Adequate liquidity

Diversified borrowings mix, adequate banking limits available.
Healthy CAR @ 24.7%, T-1 @ 21.5%

PAT
627

▲ 106%/ ▲ 8 %

ROAA
7.0%

▲ 247 bps/ ▲ 5 bps

ROAE
30.8%

▲ 1217 bps/ ▲ 44 bps

CAR
24.7%

▼ 141 bps/ ▲ 83 bps

Receivables
33,215

▲ 36%/ ▲ 6 %

NNPA
0.79%

▼ 9 bps / ▲ 1 bps

Cards in Force
1.43 Cr

▲ 19%/ ▲ 4%

Spends
59,671

▲ 79%/ ▲ 10%

▲/ ▼ Represents YoY growth over Q1 FY22

▲/ ▼ Represents QoQ growth over Q4 FY22

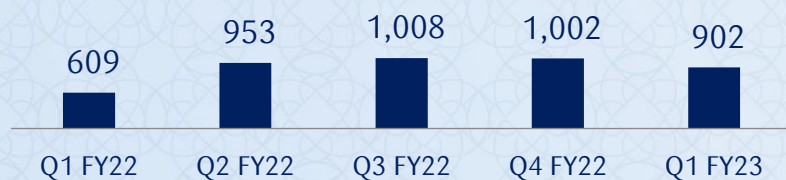
GNPA 2.24% in Jun'22 vs 3.91% in Jun'21 and 2.22% in Mar'22

*As per RBI report available till May'22

Key Trends



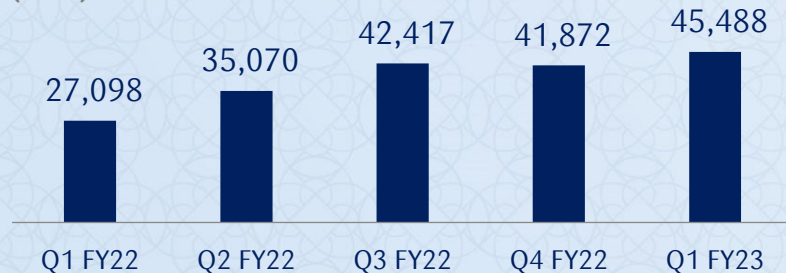
New Accounts
(‘000)



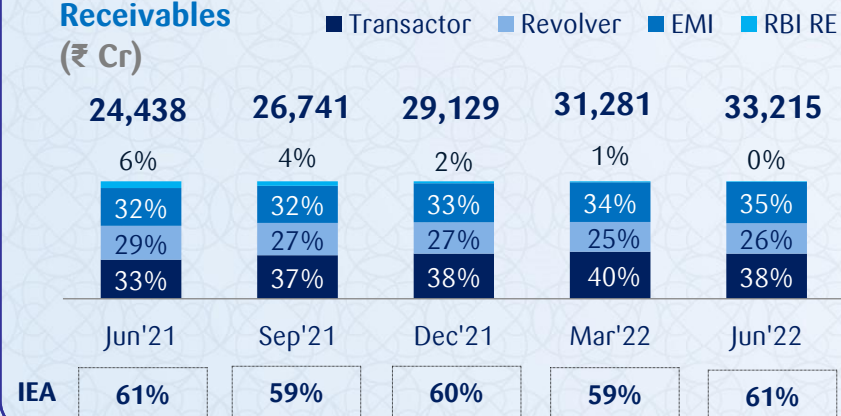
Corporate Spends
(₹ Cr)



Retail Spends
(₹ Cr)



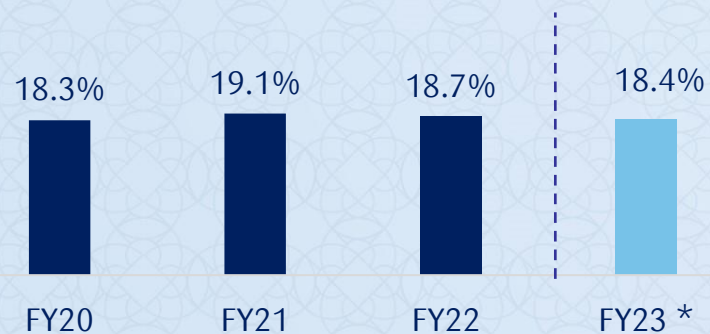
Receivables
(₹ Cr)



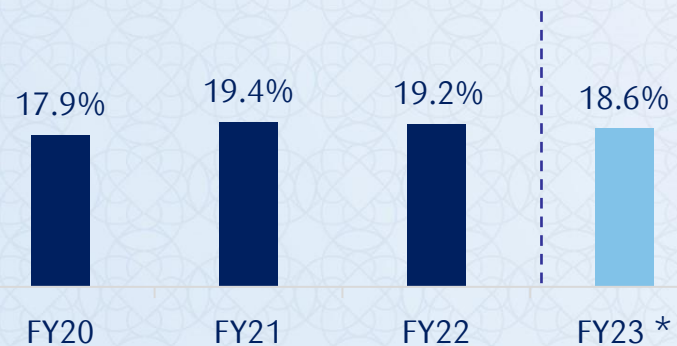
IEA, Interest earning assets = EMI + Revolver

Dominant credit card player in India

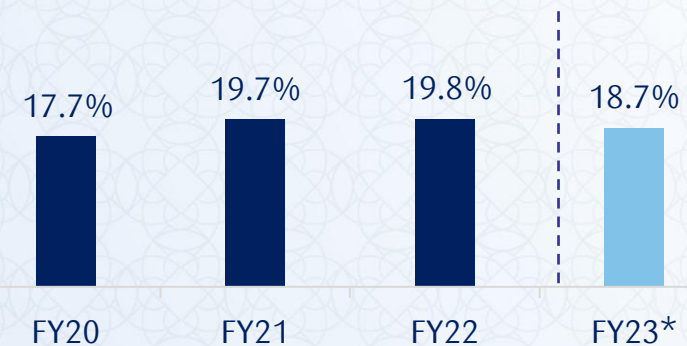
Cards in force



Spends



Transactions



*As per RBI report available till May'22

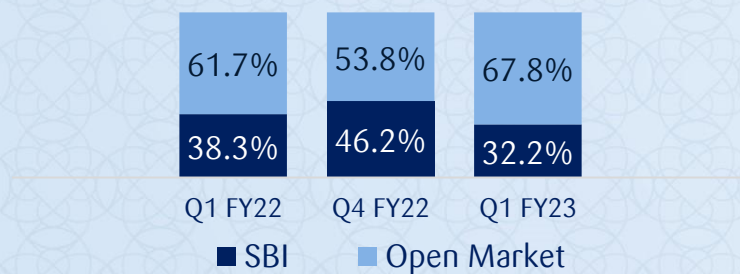
New Accounts and Cards-in-force



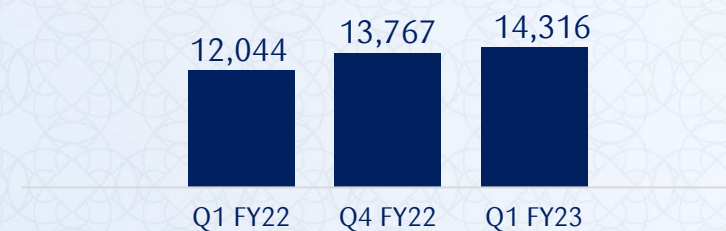
New Accounts ('000)



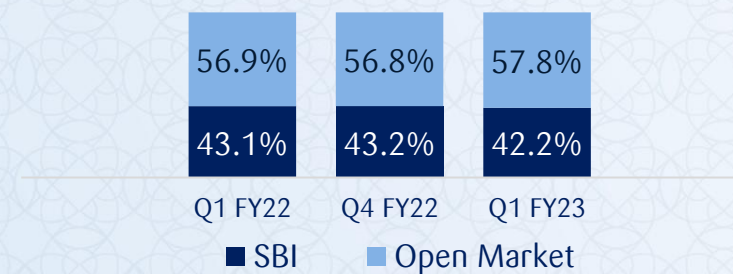
Channel wise Split



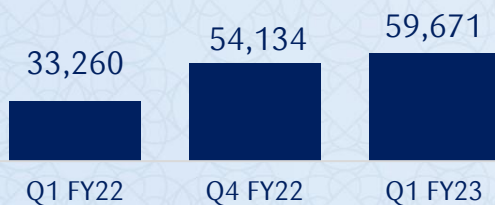
Cards-in-force ('000)



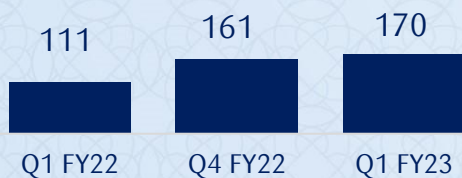
Channel wise Split



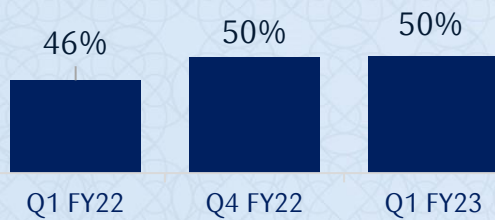
Spends (₹ Cr)



Spend per Avg Card (₹ '000)



30 day spend active rate %



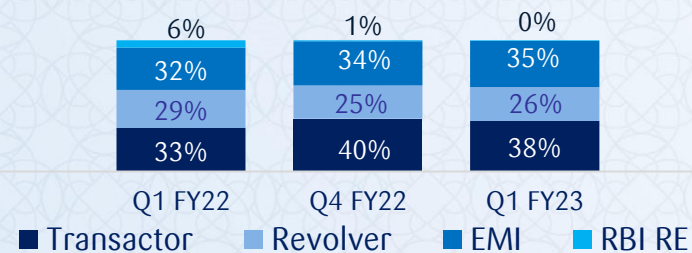
Receivables (₹ Cr)



Receivable per Card (₹)



Receivable Mix %

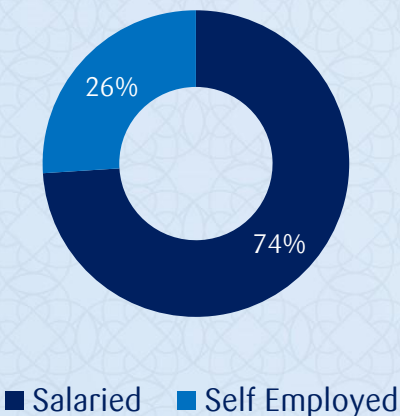


Portfolio Insights

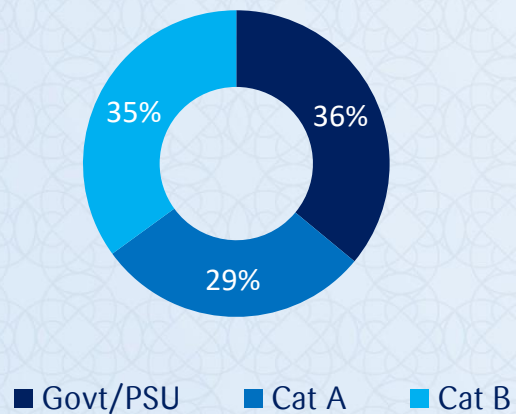


New Sourcing
For Q1 FY23

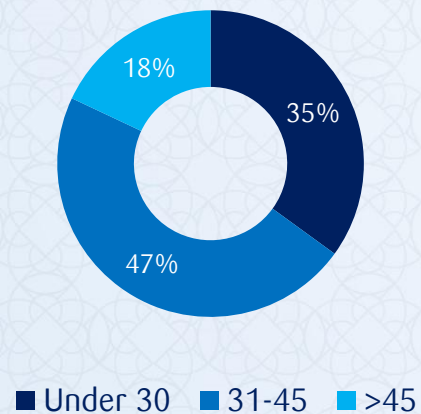
Occupation



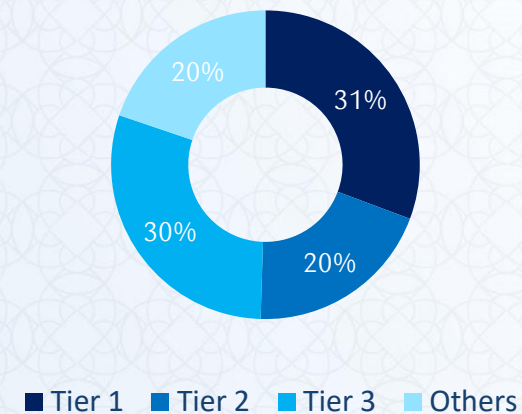
Salaried Category



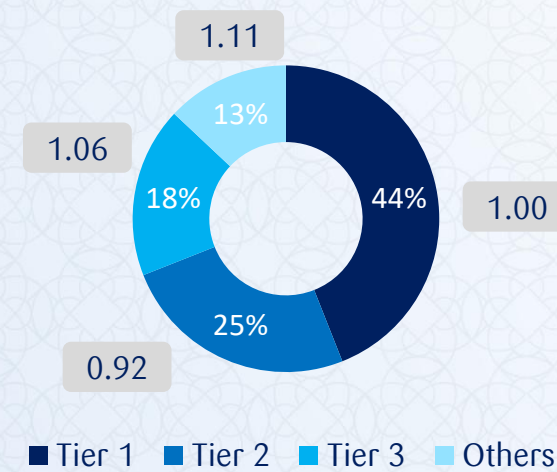
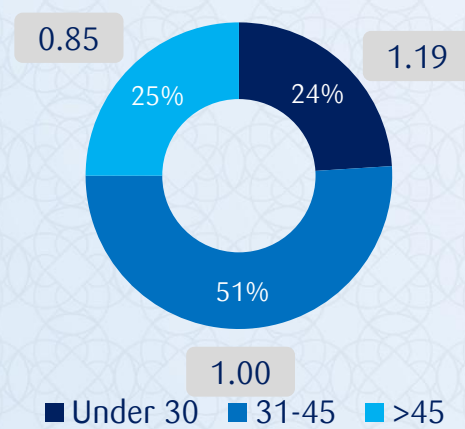
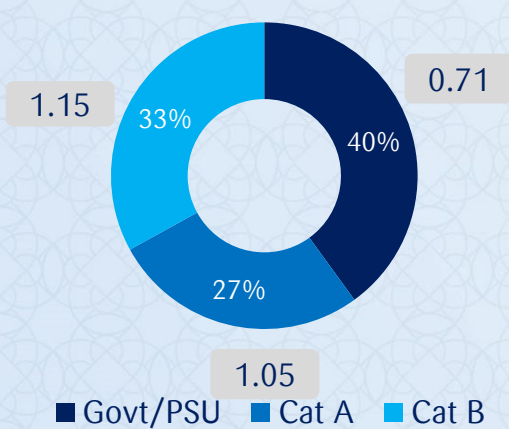
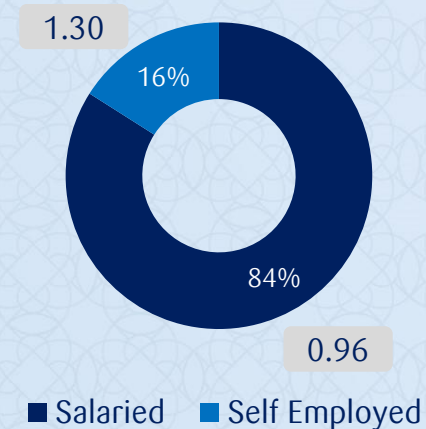
Age profile



By City Tier



Cards- in- Force
As on 30th Jun 2022



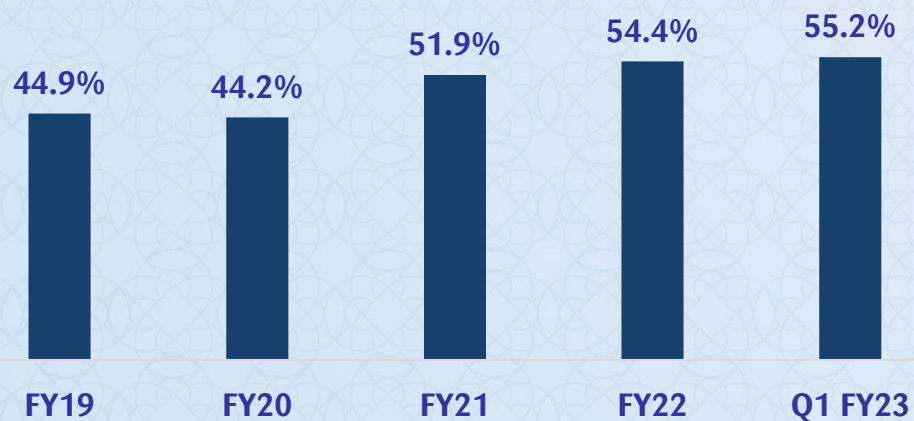
Indexed 30+ delinquency

Self employed new sourcing primarily from SBI Sourcing

Retail Spends Insights



Online Spend %



Spends Categories	Total Spends	% Growth^ POS Spends	Online Spends	Q1 FY23 Vs DJF'20*
Category 1 <i>Departmental Stores, Health, Utilities, Education & Direct Marketing</i>	▲ 7%	▲ 6%	▲ 8%	▲
Category 2 <i>Consumer durables, Furnishing & Hardware</i>	▲ 7%	▼ 5%	▲ 43%	▲
Category 3 <i>Apparel & Jewellery</i>	▼ 5%	▲ 21%	▼ 44%	▲
Category 4 <i>Travel Agents, Hotels, Airline, Railways, Entertainment & Restaurant</i>	▲ 31%	▲ 24%	▲ 37%	▲

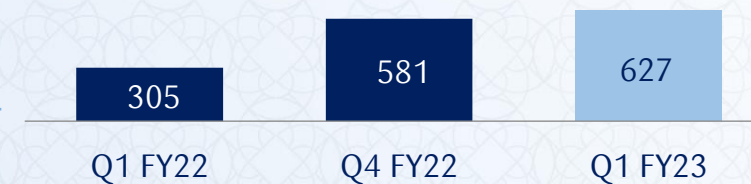
^ Q1 FY23 Over Q4 FY22 | * Total Spends of Q1 FY23 compared to Dec'19, Jan-Feb'20 : Pre-Covid Period
Category analysis excludes Fuel & Automotive Service category

Financial Results



	Q1 FY22	Q4 FY22	Q1 FY23	QoQ	YoY
Total Revenue	2,451	3,016	3,263	8%	33%
Finance Costs	229	267	308	15%	35%
Operating Costs	1,166	1,577	1,663	5%	43%
Earnings before Credit Costs	1,056	1,172	1,291	10%	22%
Credit Costs	645	393	450	15%	-30%
PBT	410	779	841	8%	105%
Cost to Income	52.5%	57.4%	56.3%	-106bps	380bps
Gross NPA	3.91%	2.22%	2.24%	3bps	-167bps
Net NPA	0.88%	0.78%	0.79%	1bps	-9bps
ROAA	4.5%	7.0%	7.0%	5bps	247bps
ROAE	18.7%	30.4%	30.8%	44bps	1217bps
EPS ₹ (Basic)	3.24	6.16	6.65	8%	105%

PAT



Credit costs include release of additional wave 3 overlay of ₹ 76 Cr in Q4 FY22

Explaining Returns



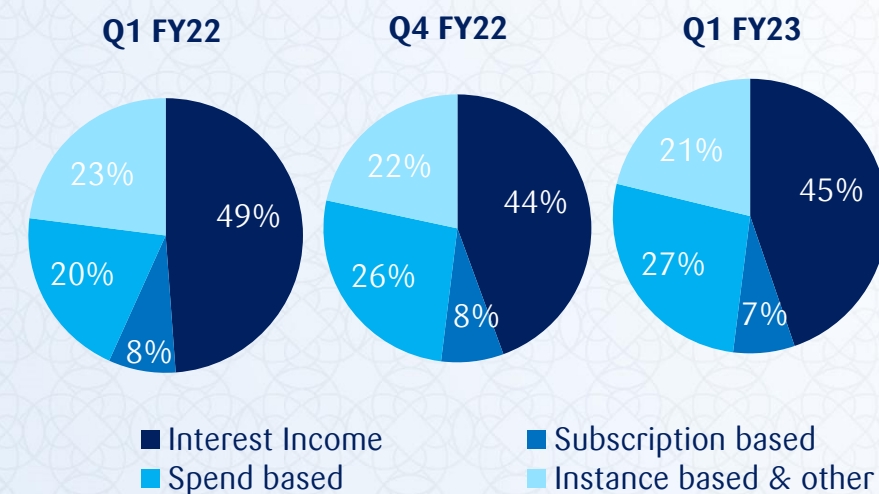
	Q1 FY22	Q4 FY22	Q1 FY23	QoQ	YoY
Interest Income	17.2%	15.2%	15.5%	35bps	-169bps
Fees and other Income	18.0%	19.1%	19.3%	24bps	128bps
Recoveries	1.3%	1.9%	1.7%	-23bps	34bps
Total Revenue	36.6%	36.1%	36.5%	36bps	-6bps
Finance Costs	3.4%	3.2%	3.5%	25bps	3bps
Net Revenue	33.2%	32.9%	33.1%	11bps	-10bps
Operating Costs	17.4%	18.9%	18.6%	-29bps	121bps
Earnings before Credit Costs	15.8%	14.0%	14.4%	40bps	-130bps
Credit Costs #	9.6%	4.7%	5.0%	33bps	-459bps
PBT	6.1%	9.3%	9.4%	7bps	329bps
Taxes	1.6%	2.4%	2.4%	2bps	82bps
ROAA	4.5%	7.0%	7.0%	5bps	247bps
Avg Assets/Avg Equity	4.1	4.4	4.4		
ROAE	18.7%	30.4%	30.8%	44bps	1217bps

Credit costs include release of additional wave 3 overlay of ₹ 76 Cr in Q4 FY22
 Credit costs / Average Assets ex release of ₹ 76 Cr in Q4 FY22 at 5.6% in Q4 FY22

Revenue



Composition Revenue from operations



	Q1 FY22	Q4 FY22	Q1 FY23	QoQ	YoY
Revenue from Operations	2,362	2,850	3,100	9%	31%
Other Income	89	166	163	-2%	83%
Total Revenue	2,451	3,016	3,263	8%	33%
Finance Costs	229	267	308	15%	35%
Net Revenue	2,222	2,749	2,954	7%	33%
Interest Income Yield [#]	18.5%	16.8%	17.1%	23 bps	-145 bps
Cost of Funds [*]	5.2%	4.9%	5.1%	25 bps	-7 bps
Net Interest Margin	14.8%	13.2%	13.2%	-1 bps	-158 bps

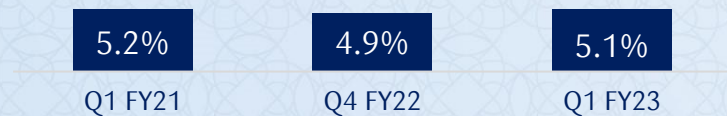
[#] Interest Income yield is based on interest income from card holders (excluding Interest income on investments, deposits & others).

^{*}Finance costs includes interest on lease. Cost of funds is calculated by adding lease liabilities, included in other liabilities, to borrowings.

Borrowings & Capital Adequacy



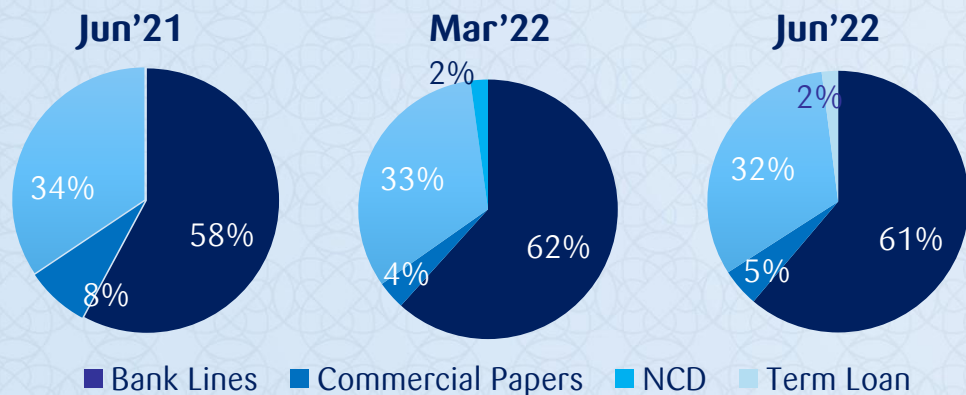
Cost of funds



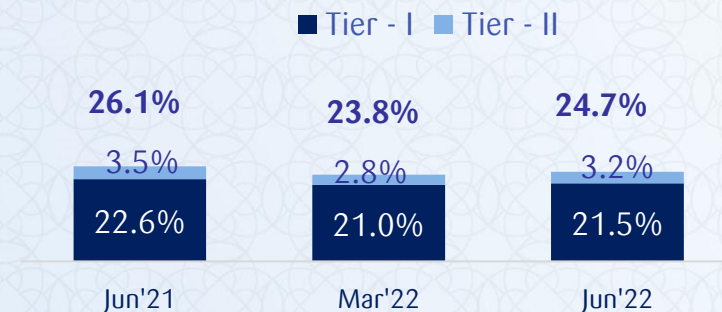
Leverage



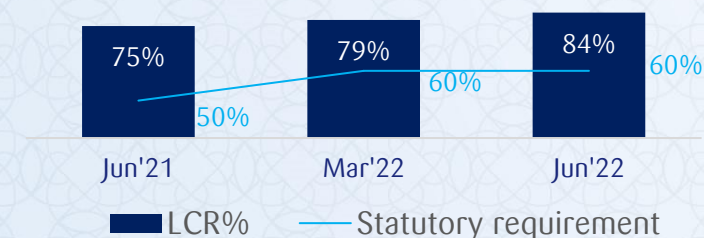
Borrowing Composition



Capital Adequacy Ratio



Liquidity Coverage Ratio



Credit Ratings :

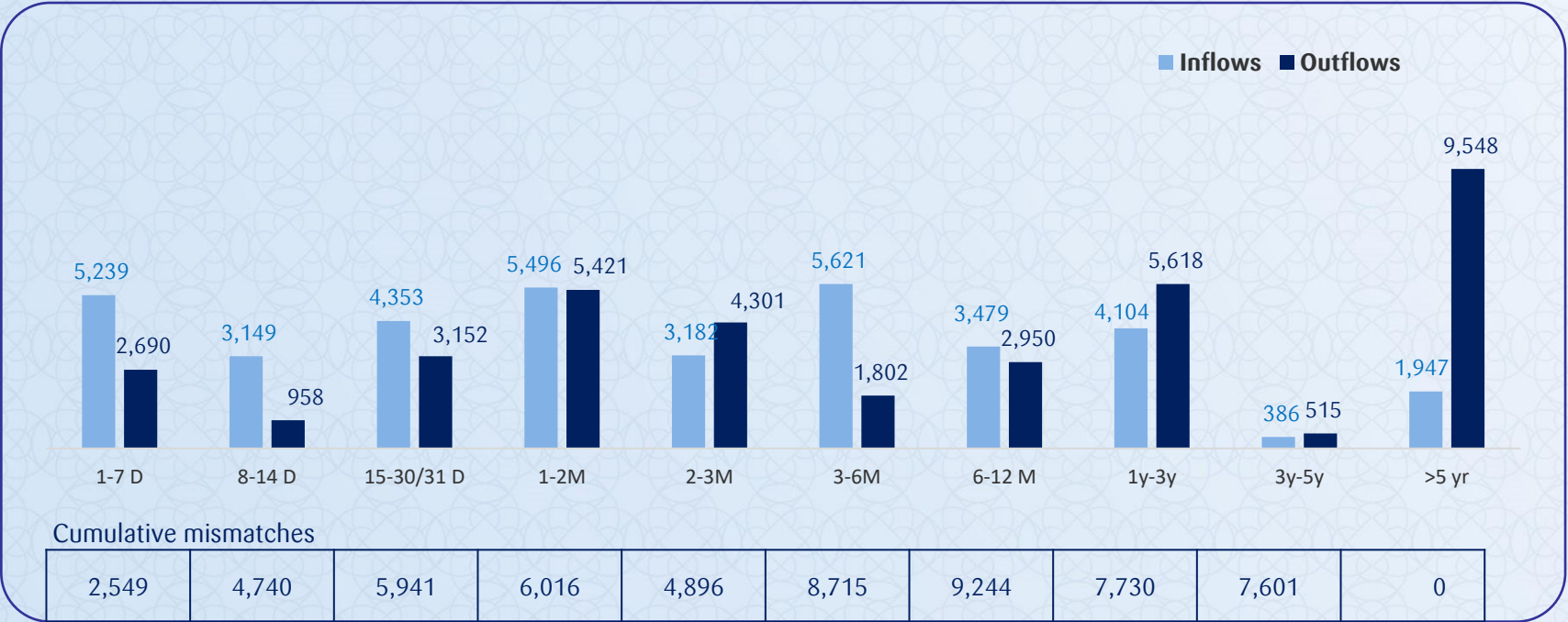
- Short Term : A1+ by CRISIL & ICRA
- Long Term : AAA/Stable by CRISIL & ICRA

Leverage = Liabilities / Tier 1 Equity

Finance costs includes interest on lease. Cost of funds is calculated by adding lease liabilities, included in other liabilities, to borrowings.

Structural Liquidity (ALM)

Asset Liability Maturity profile – Jun’22

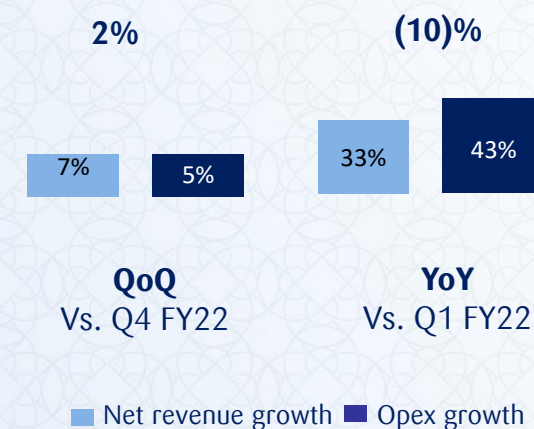


- Well matched ALM
- ₹3,659 Cr (18%) of sanctioned bank lines unutilized and available for draw down as at Jun’22

Operating Costs



Operating Leverage



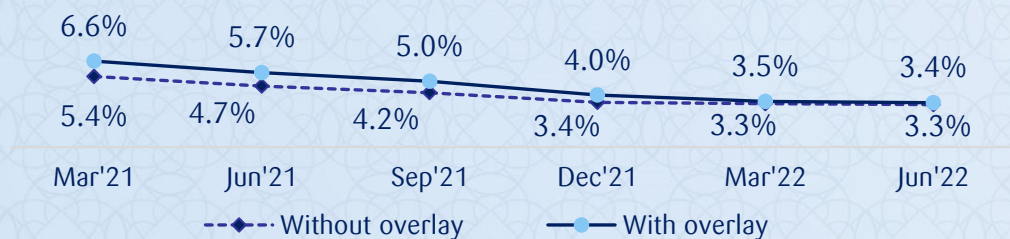
	Q1 FY22	Q4 FY22	Q1 FY23	QoQ	YoY
Employee Cost	116	121	139	15%	19%
Depreciation	33	39	39	0%	20%
Fees and commission expense ^{\$}	178	302	331	10%	86%
Other operating expenses	839	1,115	1,155	4%	38%
Operating Costs	1,166	1,577	1,663	5%	43%
Cost to Income %	52.5%	57.4%	56.3%	-106 bps	380 bps

Asset Quality

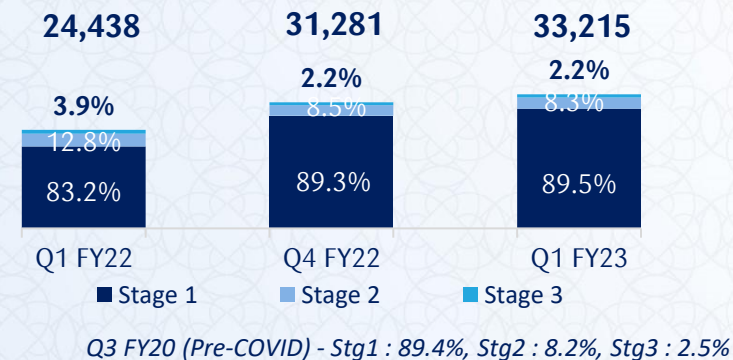


	Q1 FY22	Q4 FY22	Q1 FY23	QoQ	YoY
Impairment and losses	645	393	450	15%	-30%
Gross Credit Costs	645	393	448	14%	-31%
Recoveries	(88)	(157)	(148)	-6%	68%
Net Credit Costs	557	236	300	27%	-46%
Gross Credit Cost %	10.4%	5.2%	5.6%	35bps	-486bps
Net Credit Cost %	9.0%	3.1%	3.7%	60bps	-528bps
ECL %	5.7%	3.5%	3.4%	-8bps	-230bps
GNPA	3.91%	2.22%	2.24%	2bps	-167bps
NNPA	0.88%	0.78%	0.79%	1bps	-8bps
PCR	78.2%	65.3%	65.1%	-14bps	-1313bps

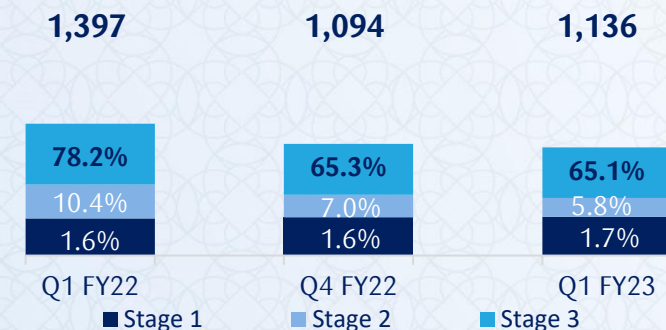
ECL Provisions



Stage Wise Receivables

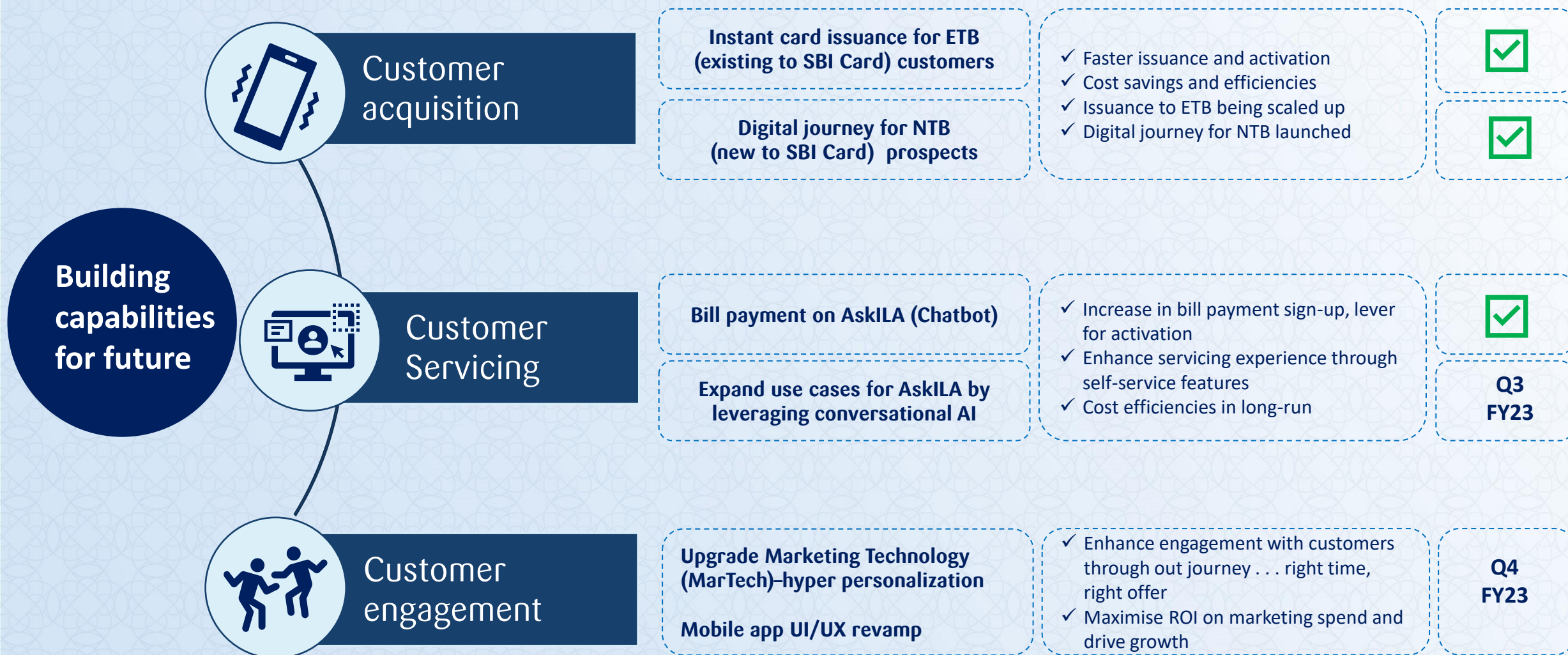


Stage Wise ECL Provisions



Credit costs include release of additional wave 3 overlay of ₹ 76 Cr in Q4 FY22
 Gross Credit costs % ex release of ₹ 76 Cr in Q4 FY22 at 6.2 %. Net Credit costs % ex release of ₹ 76 Cr in Q4 FY22 at 4.1%

Investing for Digital Transformation



Progress On Our ESG Strategy



Maturity evaluated;
Peer assessment done

Dow Jones Sustainability Index (DJSI);
Sustainalytics;
FTSE Russell

In Progress



Stakeholder consultations;
Key International Standards
Research;
Material Topics Shortlisted

Revisited Policy Framework;
Action items laid down under
each material topic

Key Initiatives Across ESG Pillars

- ✓ Women Alumni Hire Program
- ✓ Women Network Formation & Strategy Development
- ✓ Waste Segregation Methods Adoption & Measurement

- ✓ GHG Emissions Measurement Initiation
- ✓ Plastic Consumption Rationalization
- ✓ PwD Hiring Program

Our ESG Efforts



ENVIRONMENTAL

Climate Change

3.5 Lac+ Trees Saved

(From FY'18 to Q1'23)

Through paperless communication with customers

FY'18	FY'19	FY'20	FY'21	FY'22	FY'23 till Jun
29,381	39,664	55,434	69,747	119,718	36,815



Project Bhavnam: Begun plantation drive in Aravali's (Gurugram) with a mission of planting 30k trees by 2024

Waste Reduction & Energy Consumption

Continued awareness amongst employees on avoiding food wastage & energy saving

Energy consumption reduction measures

like installation of timer switches, stabilizers, etc undertaken in Gurgaon, Ahmedabad and Pune offices.



SOCIAL

Employee Learning & Development

Empowered 400+ employees

for their career advancement by upskilling them via Data science learning programs

6700+ learning hours

by full-time employees

Employee Engagement & Welfare

Increased to INR 5 Lacs

Insurance coverage to employees with added benefits

Wellness Session

Celebrated International Yoga Day by providing virtual Sessions on Desk Yoga to all employees

For Communities

Maternal and Child Mortality and Morbidity

Project undertaken to provide medical equipment to hospital in Palwal benefiting approx. 5,000 mothers and newborn in next 5 years

Disaster Management

Project with Round Table India Trust to support 2600 stranded families affected by floods in Assam for a month with necessities



GOVERNANCE

Corporate Governance

ESG added in Terms Of Reference of the CSR Committee; renamed as Corporate Social Responsibility & ESG Committee.

Business Ethics, Anti-corruption & Bribery

Employee Awareness

On ethical conduct, vigil mechanism policy and compliance risk reporting

100% coverage

Annual refresher on code of conduct and conflict of disclosure for employees

Compliance Open Forum

Open Interaction opportunity for employees for interaction with Compliance Leader

Responsible Digitalization

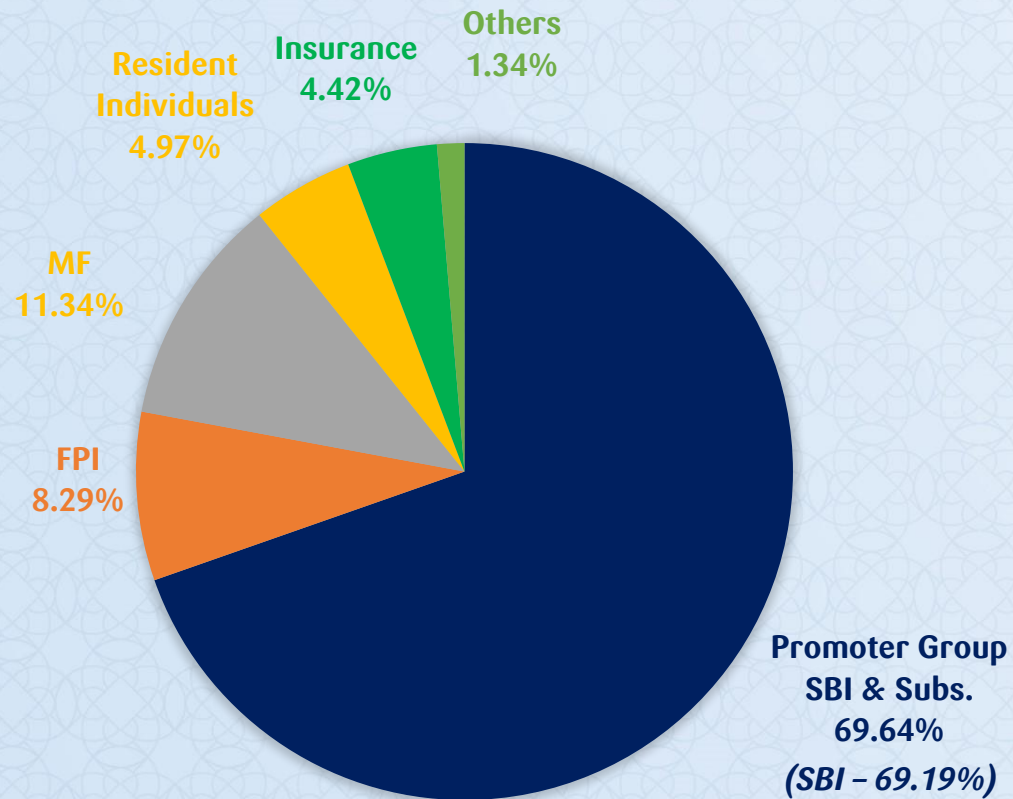
Leveraging advanced technology

For newer ways of fraud controls amongst new & existing card users

Shareholders Summary



Shareholding pattern, 30th June 2022



Top 20 Shareholders as on 30th June 2022

S. No	Name of Shareholder	%
1	State Bank Of India	69.19
2	Life Insurance Corporation of India	1.74
3	Life Insurance Corporation Of India - P&GS Fund	1.69
4	Government Pension Fund Global	0.77
5	Mirae Asset Large Cap Fund	0.65
6	ICICI Prudential Life Insurance Company Limited	0.54
7	ICICI Prudential Long Term Equity Fund Tax Savings	0.50
8	Mirae Asset Emerging Blue chip Fund	0.46
9	SBI Life Insurance Co. Ltd.	0.44
10	Vanguard Total International Stock Index Fund	0.43
11	Vanguard Emerging Markets Stock Index Funds, A series of Vanguard International Equity Index Funds	0.43
12	Nippon Life India Trustee Ltd-A/C Nippon India Large Cap Fund	0.42
13	ICICI Prudential Value Discovery Fund	0.39
14	HDFC Trustee Company Limited-HDFC Flexi Cap Fund	0.38
15	Mirae Asset Focused Fund	0.38
16	Nippon Life India Trustee Ltd-A/C Nippon India Multi Cap Fund	0.34
17	Nippon Life India Trustee Ltd-A/C Nippon India Focused Equity Fund	0.31
18	Mirae Asset Tax Saver Fund	0.30
19	Motilal Oswal Flexi Cap Fund	0.29
20	Pioneer Investment Fund	0.29

Annexures



P&L Summary



P&L	Q1 FY22	Q4 FY22	Q1 FY23	QoQ	YoY
Interest Income	1,153	1,266	1,387	10%	20%
Fees and commission income	1,099	1,427	1,538	8%	40%
Service Charges	24	35	35	-1%	46%
Business development incentive income	85	121	140	15%	65%
Insurance commission income	1	1	1	-33%	-31%
Net gain on fair value changes	0	-	-	*n.c.	*n.c.
Total Revenue from operations	2,362	2,850	3,100	9%	31%
Total Other Income	89	166	163	-2%	83%
Total Income/Revenue	2,451	3,016	3,263	8%	33%
Finance costs	229	267	308	15%	35%
Fees and commission expense	178	302	331	10%	86%
Net loss on derecognition of financial instruments under amortized cost category	2	-	-	*n.c.	*n.c.
Impairment losses & bad debts	644	393	450	15%	-30%
Employee benefits & Expenses	116	121	139	15%	19%
Depreciation, amortisation & impairment	33	39	39	0%	20%
Operating & Other expenses	839	1,115	1,155	4%	38%
Total expenses	2,041	2,237	2,422	8%	19%
Profit before tax	410	779	841	8%	105%
Profit after tax	305	581	627	8%	106%

* n.c. denotes not comparable

Balance Sheet Summary



Balance Sheet	Mar'22	Jun'22	Variance%
Assets			
Loans (Net)	30,187	32,079	6%
Cash & Bank Balances	1,106	1,053	-5%
Investments	1,297	1,555	20%
Other Financial Assets	382	509	33%
Total Financial Assets	32,973	35,196	7%
PP&E, Intangible & Right of use assets	454	454	0%
Deferred Tax Assets	219	230	5%
All other non-financial Assets	1,004	979	-2%
Total non-financial Assets	1,676	1,663	-1%
Total Assets	34,648	36,859	6%
Liabilities and equity			
Equity Share Capital	943	943	0%
Other Equity	6,810	7,430	9%
Total Equity	7,753	8,373	8%
Borrowings	22,982	24,792	8%
All other financial liabilities	2,700	2,422	-10%
Total financial liabilities	25,683	27,215	6%
Provisions	477	503	5%
Other non-financial liabilities	736	768	4%
Total non-financial liabilities	1,213	1,270	5%
Total liabilities and equity	34,648	36,859	6%

Recent Developments



Launch of Aditya Birla SBI Card

SBI Card has partnered with Aditya Birla Finance Ltd. (ABFL), to launch 'Aditya Birla SBI Card'.

The reward-centric credit card has been designed to provide customers with benefits on premium and mass brands under the Aditya Birla Group.

The card also offers significant reward points on lifestyle spends across categories like telecom, fashion, travel, entertainment & many more.



Akshaya Tritiya Offers Campaign

Print ad campaign to promote Akshaya Tritiya Offers was launched in May 2022.

High impact jacket ads were released in The Times of India covering top 8 metros. The campaign was further amplified through full page ads in 21 regional publications in 10 languages across 14 states.



SBI Card certified as a 'Great Place to Work'

A proud moment for SBI Card to be officially recognized as a Great Place to Work. This certification recognizes businesses that foster a High Trust, High Performance culture and our organization has accomplished this milestone.



'Best BFSI Brands 2022' Recognition by The Economic Times

SBI Card recognised as 'Best BFSI Brands 2022' for the third consecutive year in an event organised by ET Edge in Mumbai on 30 Mar '22.

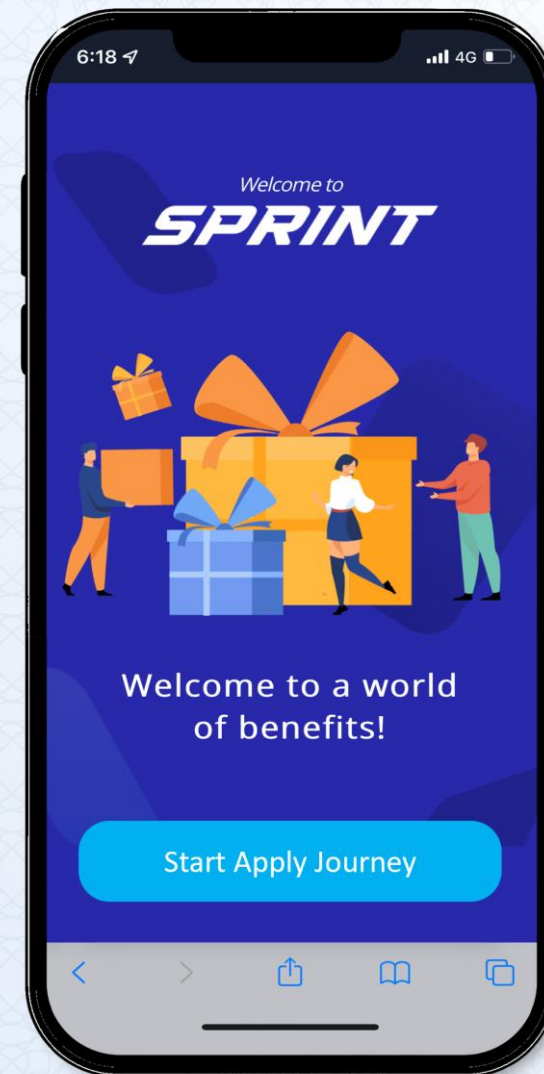


SPRINT

A seamless digital application process
for New To SBIC customers

The process enables customers to complete their credit card application in a few simple steps and get their virtual card on their phones instantly.

Wing-to-wing Digital journey with an Instant e-Card within few minutes:



Product Brief



SUPER PREMIUM



AURUM

CORE CARDS



SBI Card Elite



SBI Card PRIME



SimplyCLICK SBI Card



SimplySAVE SBI Card



Doctor's SBI Card



SBI Card Pulse



Shaurya Select SBI Card



SBI Card Unnati

CO-BRAND CARDS

RETAIL



Lifestyle HC SBI Card



Nature's Basket SBI Card



Tata Card



Aditya Birla SBI Card SELECT



Paytm SBI Card SELECT

BANKING



Central Bank SBI Card



UCO Bank SBI Card



City Union Bank SBI Card



Karnataka Bank SBI Card

TRAVEL & FUEL



OLA Money SBI Card



Club Vistara SBI Card PRIME



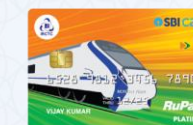
Air India Signature SBI Card



BPCL SBI Card OCTANE



Delhi Metro SBI Card



IRCTC SBI Card



Yatra SBI Card

Glossary



Term	Description
New Accounts	Sum of all accounts opened in a reporting period.
Card-in-force	Sum of all credit cards issued by us, including suspended credit cards that may be reactivated in future, net of cancelled and deactivated credit cards.
Spends	Total card spends constitutes the aggregate notional amounts transacted by our cardholders in a reporting period.
Receivables	Total credit card receivables outstanding from our cardholders at end of the reporting period.
Market share – CIF	Market share of total cards outstanding is calculated by dividing our total cards outstanding by the industry-wide total cards outstanding, as obtained from data published by the RBI.
Market share – Spends	Market share of total card spends is calculated by dividing our total card spends by the industry-wide total card spends, as published by the RBI, for the reporting period.
Averages	2-point average for quarter and 5-point for yearly calculations
Spends per card	Average card spends per cards outstanding is calculated by dividing our total card spends by the average total cards outstanding for the period (annualized)
Average loans per cards	Average loans per cards outstanding is calculated as total loans at the end of the reporting period divided by total cards at the end of the reporting period.
Yield %	Calculated as interest income from cardholders divided by average receivables for the period (annualized)
COF %	Calculated as total finance costs for the period divided by average borrowings (including lease liabilities) for the period (annualized)
Cost to Income %	We calculate our cost to income ratio as operating and other expenses divided by total income after subtracting Finance cost.
ROAA	Calculated as net profit divided by average total assets for the period (annualized)
ROAE	Calculated as net profit divided by the average shareholders' equity for the period (annualized)
EPS	Earning per share is for the period and not annualized
Shareholders' equity	Shareholders' equity is defined as sum of share capital, reserves and surplus excluding reserves created out of amalgamation

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Thank You

 **SBI card**

