

IDFCFIRSTBANK/SD/16/2025-26

April 17, 2025

The Manager - Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C - 1, G - Block
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051
NSE - Symbol: IDFCFIRSTB

The Manager - Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
BSE - Scrip Code: 539437

Sub.: Presentation on Fund Raising by the Bank

Dear Sir / Madam,

Further to our intimation made earlier with regard to Outcome of the Board Meeting held on April 17, 2025, we enclose herewith, the Presentation in connection with the fund raise of upto ~₹ 7500 crore.

The above information is also being hosted on the Bank's website at www.idfcfirstbank.com, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Please take the above on record.

Thanking you,

Yours faithfully,
For **IDFC FIRST Bank Limited**

Satish Gaikwad
General Counsel and Company Secretary

Encl.: As above



IDFC FIRST Bank | आई डी एफ सी फर्स्ट बैंक

BKC BRANCH

Fund raising by IDFC FIRST Bank

17th April 2025

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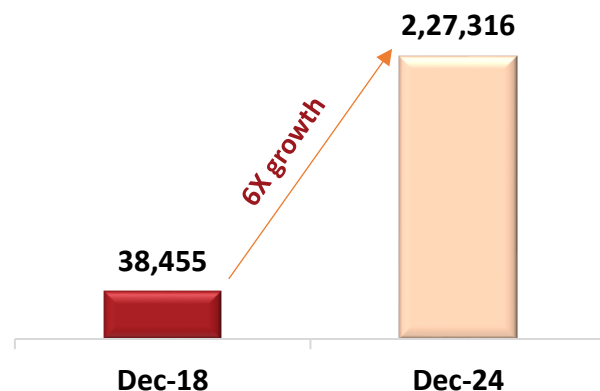
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About IDFC FIRST Bank

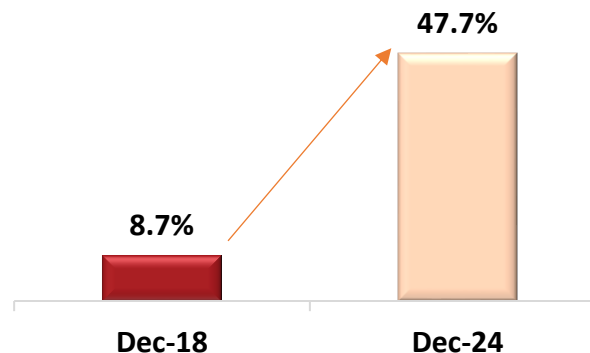
Vision	<ul style="list-style-type: none">IDFC FIRST Bank is a new-age private sector bank, with a vision to create a world class bank in India, focused on Ethical, Digital, and Social Good Banking.
Network	<ul style="list-style-type: none">It operates 971 branches spread over 60,000 locations including cities, towns, and villages across India.
Universal Bank	<ul style="list-style-type: none">Over the last six years, IDFC FIRST Bank has undergone a successful transformation from its legacy as an infrastructure-focused DFI to becoming a modern, technology-driven, pan-India, universal bank.It is a full suite Universal Bank offering services across Retail, MSME, rural, corporate, FX, Trade, wealth management, private banking, Fastag, cash management, NRI and treasury solutions.
Digital Capabilities	<ul style="list-style-type: none">While it has a physical network, it is built with digital capabilities in approach, scale and scope. Bank's mobile banking app was rated #1 in India and #4 globally by Forrester in <i>Digital Experience: Indian Mobile Banking Applications, Q3 2024</i> and <i>Digital Experience Review™: Global Mobile Banking Apps, Q4 2024</i>.With AI/ ML-based underwriting models and APIs with India's digital ecosystems, it has built capabilities for originating high-quality Retail, Rural, and MSME loans, and has built a stable corporate Banking business.
Growth	<ul style="list-style-type: none">Bank's customer deposits grew by 25.2% YoY and Loans & Advances grew by 20.3% YoY (March 31, 2025, provisional disclosure).
Brand	<ul style="list-style-type: none">Brand awareness score increased from 2 in 2021 to 29 in 2025 (<i>global research firm Kantar survey</i>)
Rating	<ul style="list-style-type: none">Credit rating at AA+ stable (long-term) by CRISIL, India Ratings, ICRA, and CARE, and AAA (FD) by CRISIL
ESG	<ul style="list-style-type: none">The Bank has high ESG scores from globally reputed rating agencies including DJSI, Refinitiv, Sustainalytics and MSCI

Bank has built capabilities to grow deposits and advances significantly

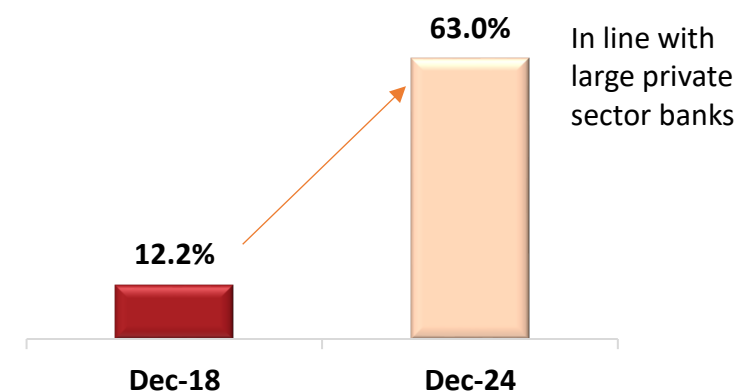
Customer Deposits (Rs. Crore)



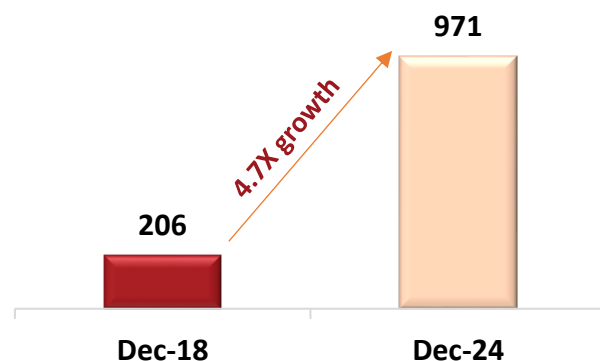
CASA Ratio %



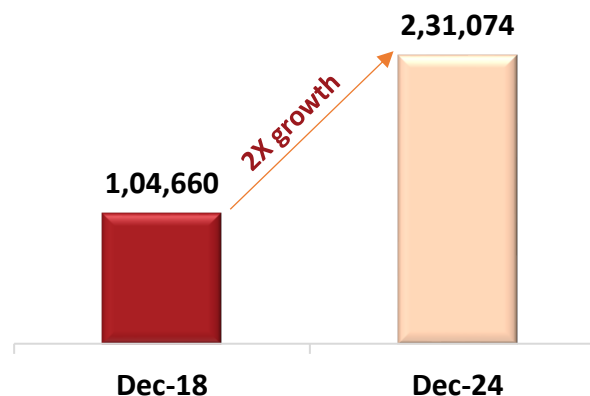
LCR Retail Deposits as % to Total Average Deposits*



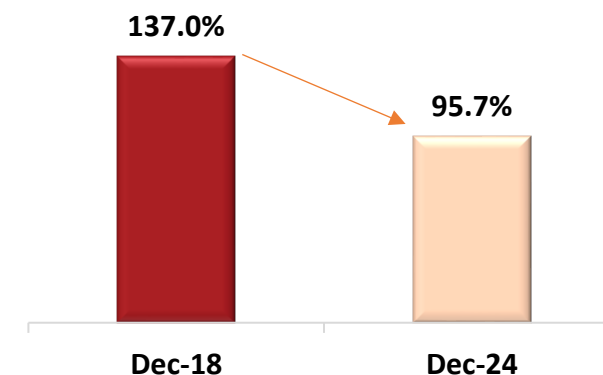
Branches



Loans & Advances (Rs. Crore)



Credit Deposit Ratio %

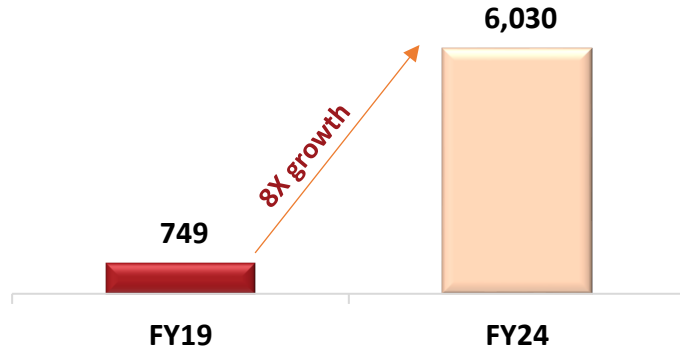


Credit Deposit ratio, including investment in corporate bonds reduced from 169% in Dec 18 to 97.5% in Dec 24. Loans & Advances include credit substitutes

* Based on average deposits for the quarter ending December 31, 2024

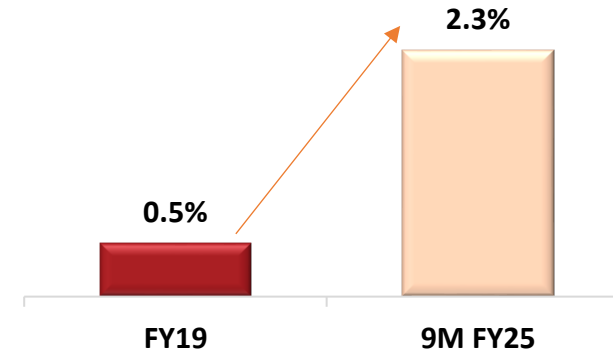
And made good progress on profitability

Core Operating Profit (Rs. Crore)



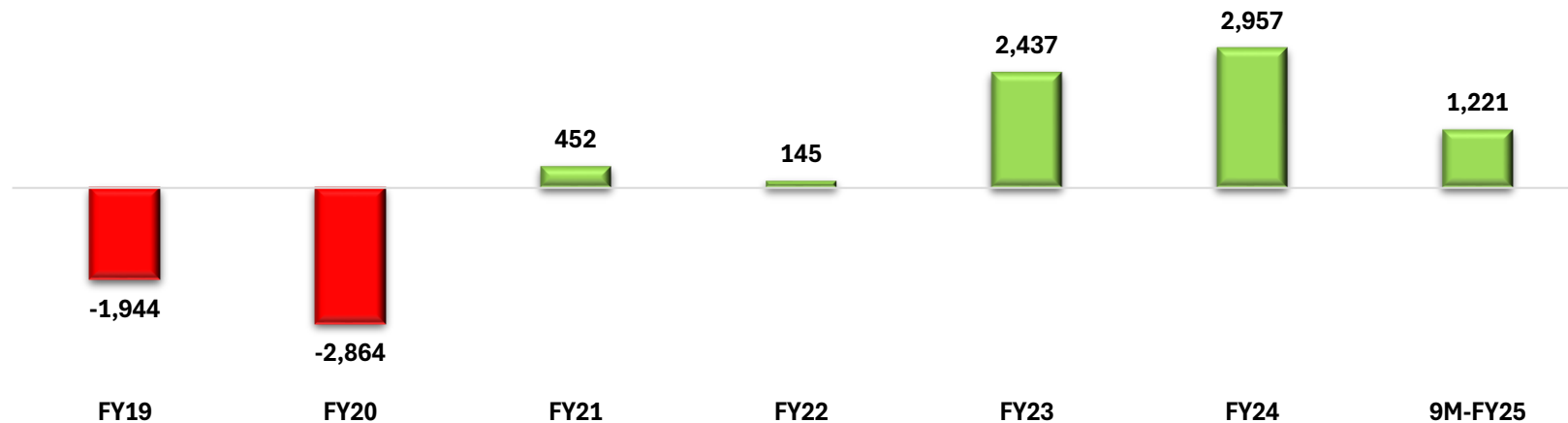
Core operating Profit grew 8x against balance sheet growth of 2.2X. Demonstrates strong incremental profitability at Bank

Core PPOP as a % of Average Total Assets



Bank has adequate Operating Profits for absorbing credit costs. Operating Profits to increase with scale

Net Profit (Rs. Crore)



Core operating profit (Core PPOP) excludes trading gains. All FY 19 numbers are as per reported financials for the full year.
9M FY 25 Core Operating Profit was Rs. 5,451 cr

9M-FY25 Profitability impacted by the crisis in the MFI Industry

- PAT of the Bank for 9M-FY25 has reduced by 45% YoY.
- Reduction in PAT is largely because of the crisis in the overall MFI industry.
- MFI loans are done for meeting weaker section PSL, for inclusive lending, and for profitability.
- MFI crisis had two impacts on the Bank
 - a. Increase in the credit provisions in FY25.
 - b. Bank reduced MFI portfolio which led to reduced income in 9M FY 25 from the MFI business
- All other businesses are performing well in terms of asset quality
- Impact of MFI crisis is tapering off with improvement in collection efficiency in this business.

Set-up stage businesses moving towards profitability

We have primarily three key components which sum up to the overall profitability of the Bank.

- (a) **Loans :** Already has strong profitability with Cost: Income at 55% (9M-FY25). Operating Profit strong at 4.3% (Fig 1)
 - (b) **Deposits:** Raising Deposits involves branches, ATMs, technology, brand, systems, people etc. This is making loss yet because of set-up stage but moving consistently towards profitability every year. This will break even with scale. (Fig 2)
 - (c) **Credit Cards:** Credit Cards is currently making loss because it is a newly launched business, but is fast moving towards profitability. Operational breakeven achieved in 9M-FY25 within 4 years (Launched in FY22). (Fig 3)
- Deposits, Credit Cards and other newly launched businesses expected to break even with scale which will improve overall profits at the Bank.

Fig 1: Loans

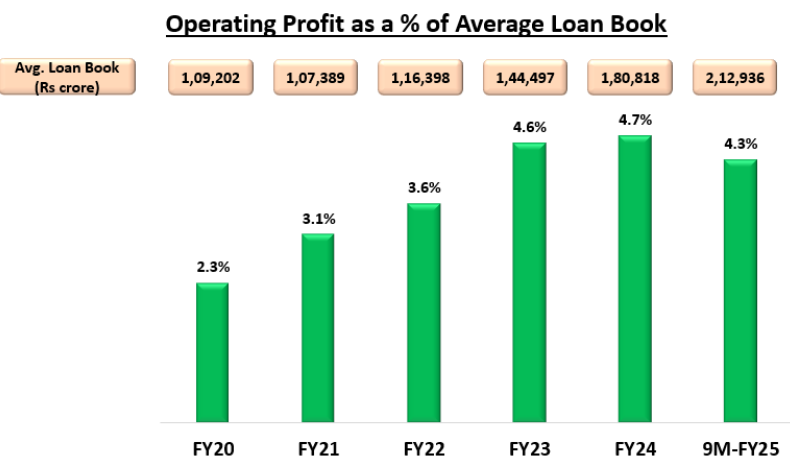


Fig 2: Deposits

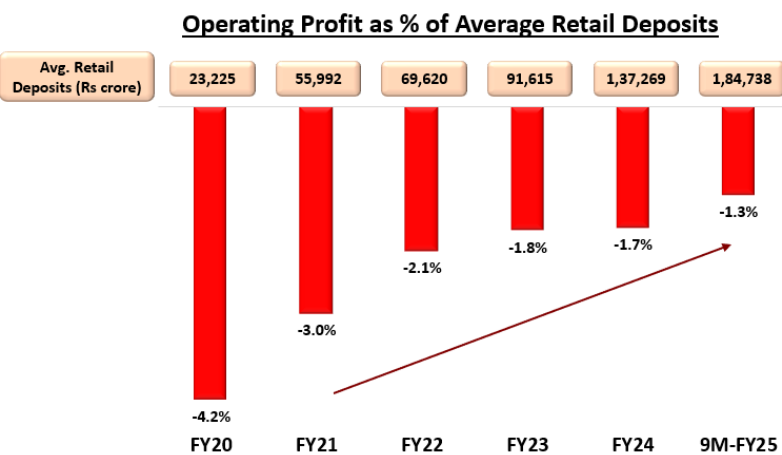
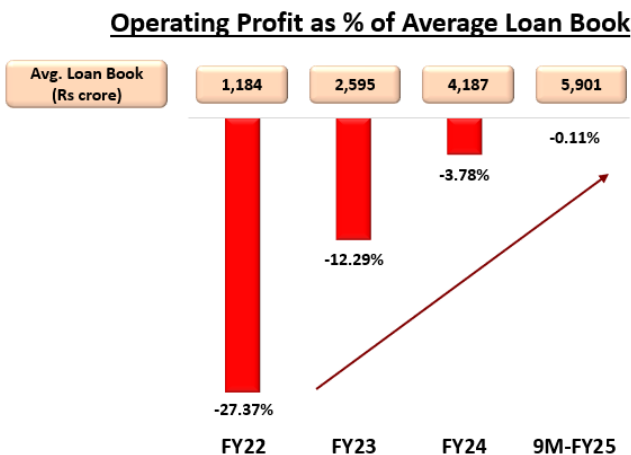
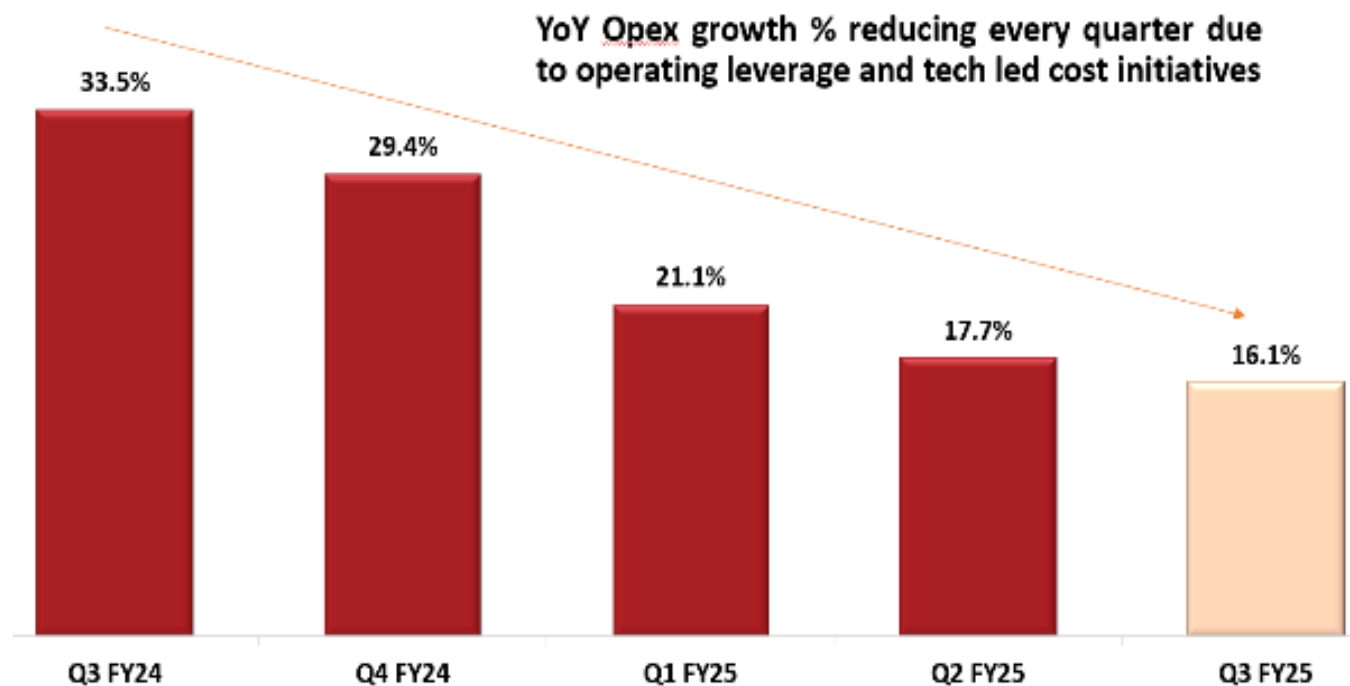


Fig 3: Credit Cards



Improving Operating Leverage is the key focus of the Bank

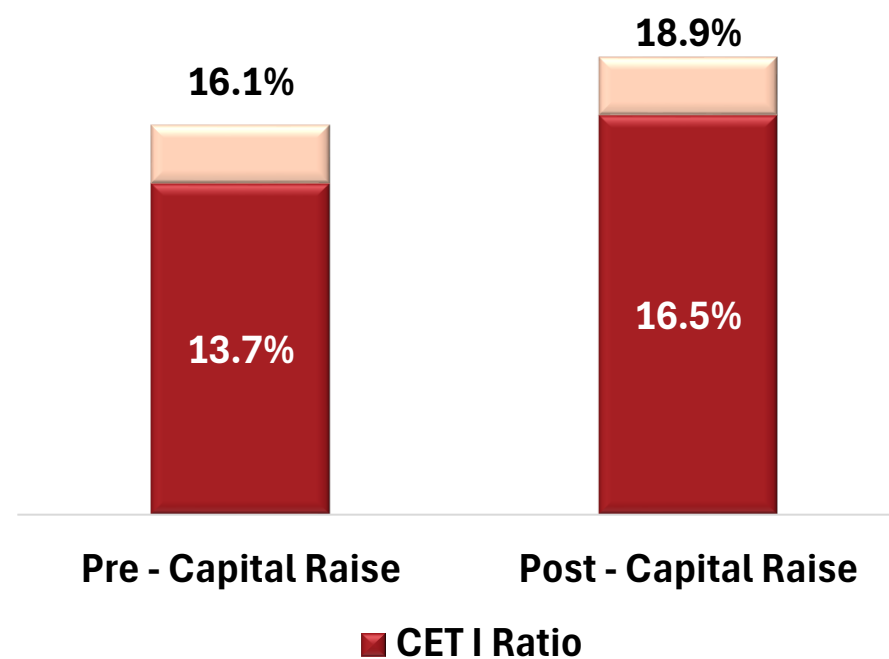


- Tech transformation projects and cost cuts delivering results, YoY growth in Opex is reducing for the last four consecutive Quarters based on initiatives taken at the Bank.
- We expect to cut further costs using technology, resulting in improved operating leverage.

Rationale: Growth Capital to scale up the bank for profitability

1. The Bank has set up a branch network, ATMs, brand and technology to build a stable deposit franchise. Bank launched multiple businesses like credit cards, cash management, wealth management etc to be a full-fledged universal bank. These businesses **need to be scaled up** for optimal profitability.
2. Further, the Bank proposes to **grow the overall loan** book at ~20% for the next few years
3. To enable such **scale up**, the Bank is raising the required capital for growth (details provided in page no 8)
4. The large fund raise will increase the capital adequacy and reduce the need for frequent fundraising at the Bank.
5. This high capital adequacy will position the Bank for strong and profitable growth

Capital Adequacy Ratio (%)



The overall capital adequacy and CET-I ratio has been calculated on capital position as of December 31, 2024

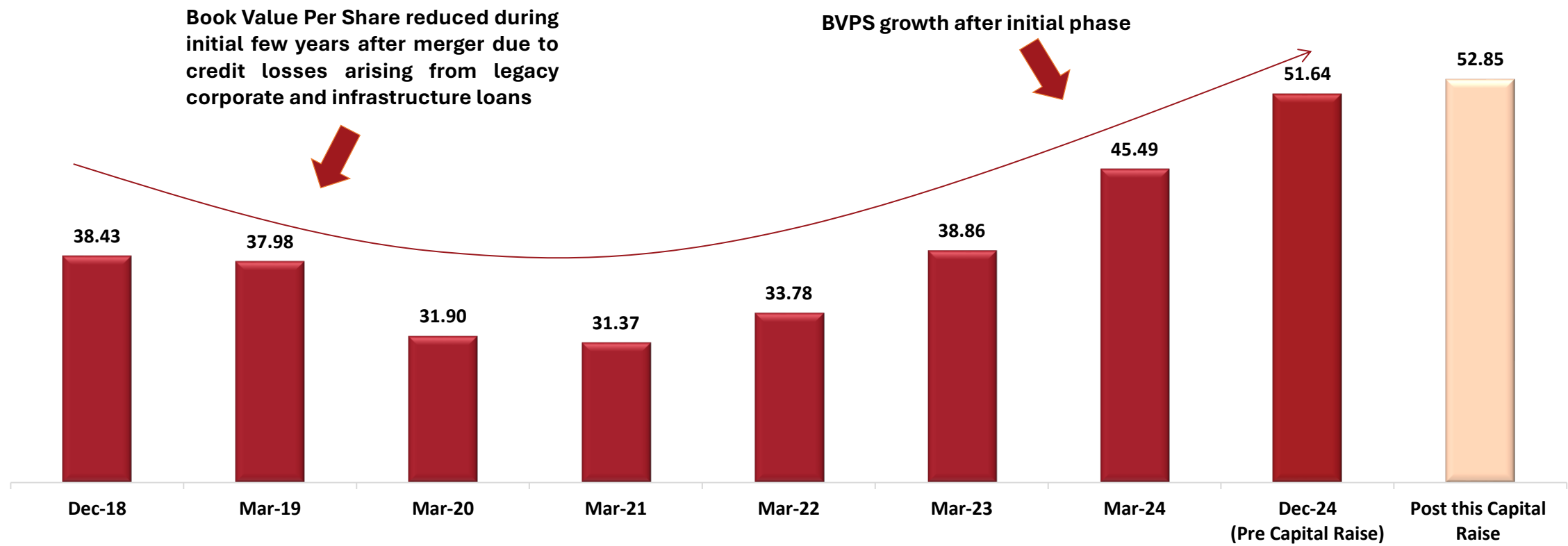
Proposed Transaction

- The Bank is planning to raise ~Rs. 7,500 crore of fresh equity capital through issuance of Compulsorily Convertible Preference Shares (CCPS) at a price of Rs. 60 per share.
- CCPS amounting to ~Rs. 4,876 crore to be issued to Currant Sea Investments B.V., an affiliate company of Warburg Pincus LLC, and CCPS amounting to ~Rs. 2,624 crore to be issued to Platinum Invictus B 2025 RSC Limited, a wholly owned subsidiary of Abu Dhabi Investment Authority (ADIA), managed by its Private Equities Department.
- Currant Sea Investments B.V. to hold 9.48% and Platinum Invictus B 2025 RSC Limited to hold 5.10% of the Bank on post-money basis on conversion of CCPS.
- The proposed issues are subject to shareholder and regulatory approvals.

BVPS growing since March 2021

The proposed fund raise will increase the Book Value per Share (BVPS) by 2.3%

Book Value per share (BVPS, in Rs.)



About Warburg Pincus and ADIA

About Warburg Pincus

Warburg Pincus LLC is the pioneer of private equity global growth investing. A private partnership since 1966, the firm has the flexibility and experience to focus on helping investors and management teams achieve enduring success across market cycles. Today, the firm has more than \$87 billion in assets under management, and more than 220 companies in their active portfolio, diversified across stages, sectors, and geographies. Warburg Pincus has invested in more than 1,000 companies across its private equity, real estate, and capital solutions strategies.

The firm is headquartered in New York with offices in Amsterdam, Beijing, Berlin, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information, please visit www.warburgpincus.com.

About Abu Dhabi Investment Authority (ADIA)

Established in 1976, the Abu Dhabi Investment Authority (“ADIA”) is a globally diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation.



THANK YOU