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CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

23.10.2024

HO:SEC:189:2024-25

To:

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex
Bandra (E), Mumbai-400051
Scrip Code: KTKBANK

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001
Scrip Code: 532652

Madam/Dear Sir,

Sub: Intimation under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- Submission of copy of presentation for Analysts / Institutional Investors on unaudited Financial Results for the quarter and half year ended September 30, 2024

We refer to our earlier letter no. HO:SEC:184:2024-25 dated 16.10.2024 intimating about the scheduling of Q2/H1FY25 Earning's Audio Conference Call for Analysts/Institutional Investors to be held on Wednesday, 23.10.2024 at 06:00 PM IST and also the modalities in connection therewith.

In compliance with the provisions of Regulation 30 read with Para A of Part A of Schedule III and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the copy of the presentation for Analysts / Institutional Investors on unaudited financial results of the Bank for the quarter and half year ended September 30, 2024. The analyst presentation has been hosted on the website of the Bank and the same is available under the link given below:
<https://karnatakabank.com/investors/quarterly-results>

This is for your kind information and dissemination.

Yours faithfully,

Sham K
Company Secretary &
Compliance Officer

INVESTOR PRESENTATION Q2 FY25



Banking with Legacy,
Embracing the Future

100 Years of Trust & Excellence





 Karnataka Bank

100-Year-Old Private Sector Bank



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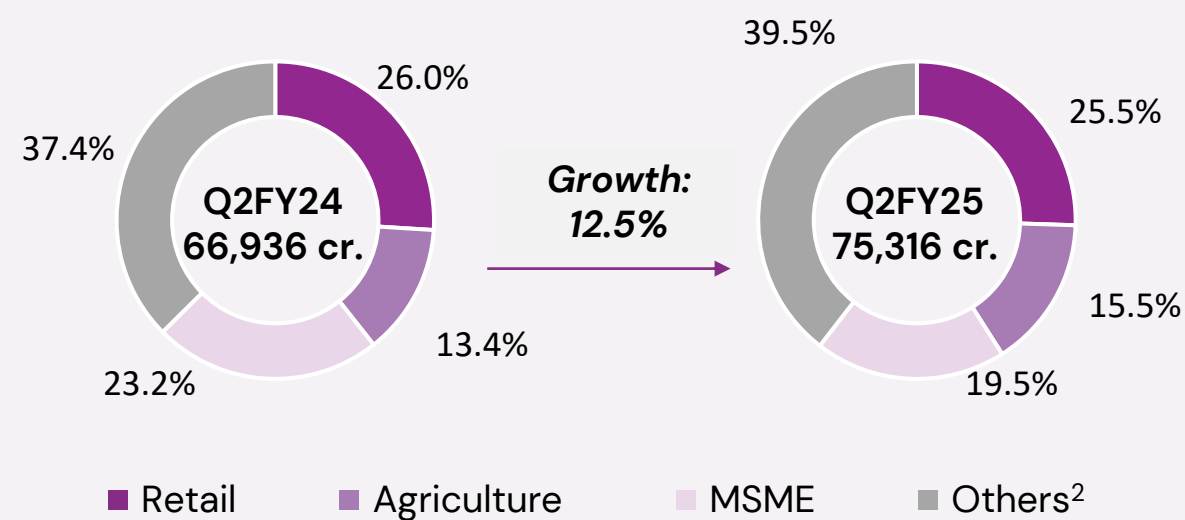
Key Achievements During Q2 FY25



Beginning of transformative steps leading to stable financial position...

Deposits and Advances Growth

Gross Advances¹

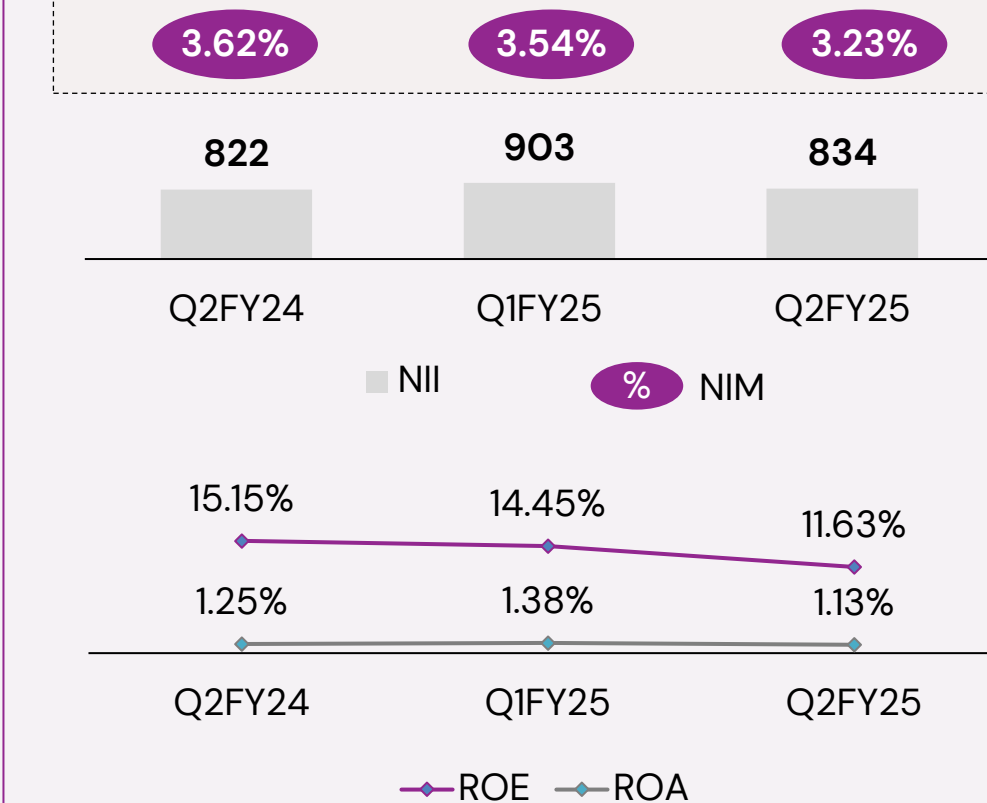


Deposits

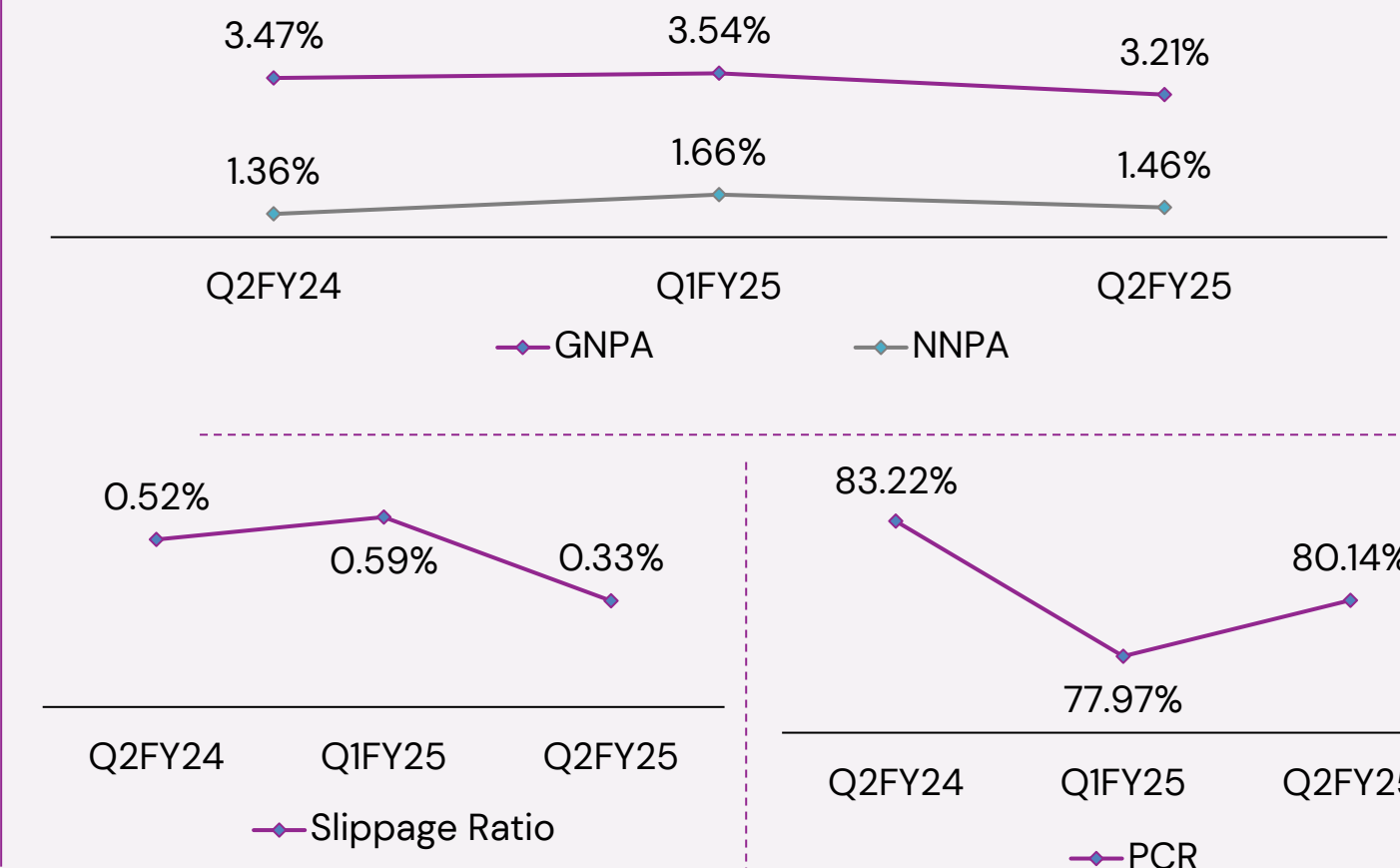


Stakeholder Value

INR cr.



Asset Quality



During the Quarter, the Bank has consciously let go of low-yielding Bulk/PSU advances and high-cost deposits. While this has impacted profitability during the period, we view this as a transitional effect. Once the retail engine gains momentum, we will see significant improvement in yields, and consequently in ROA and ROE as well.



...Well-positioned to accelerate



Restructuring completed with entire senior management now in position



Credit transformation, NBO, Sales, product organization and other **processes in place**



Technical infrastructure has been established with sufficient capacity developed



Q2 FY25 Performance at a Glance

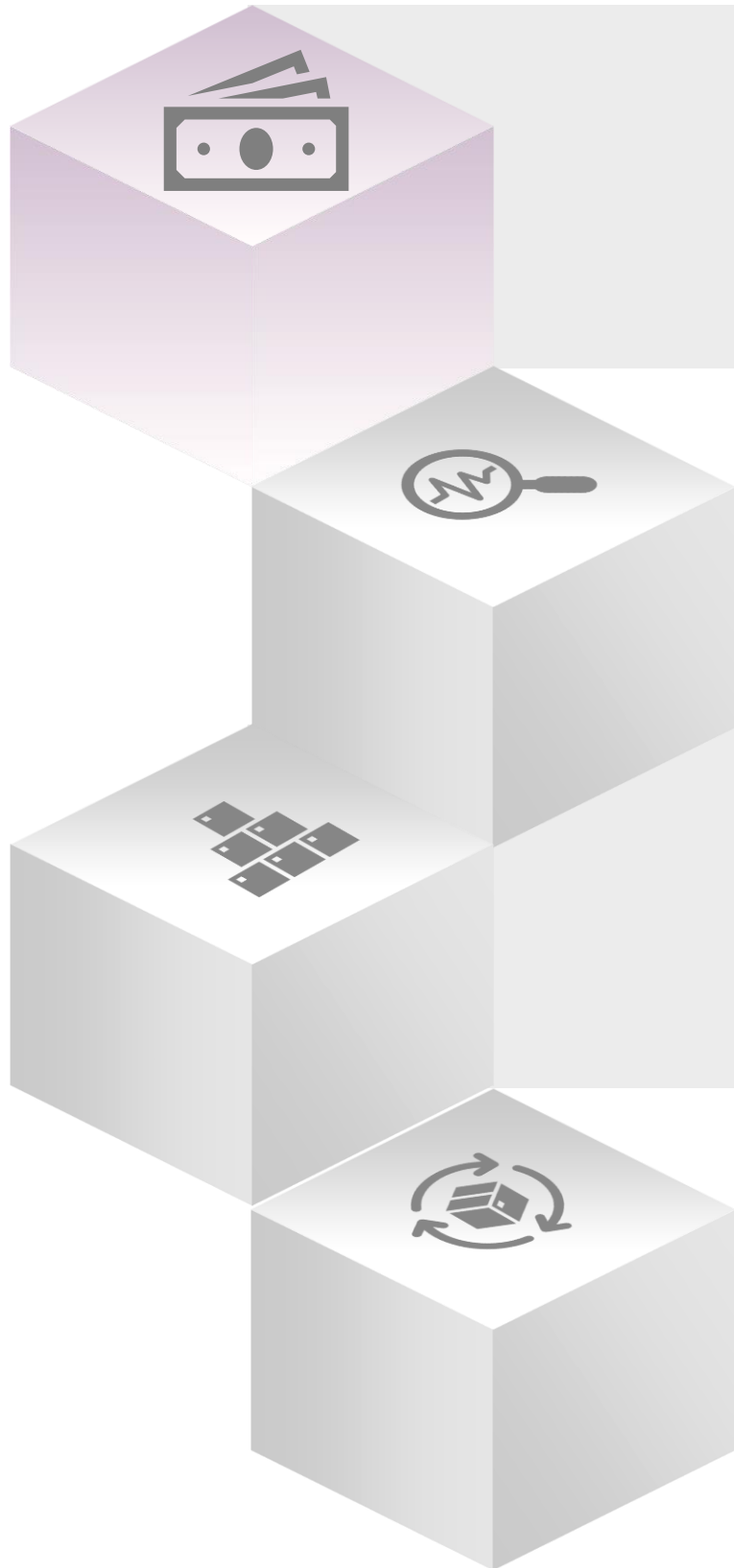
Assets		
Gross Advances / Retail Advances	Deposits	CASA
75,316 / 36,712	99,968	30.82%
↑ 12.5% YoY / ↑ 12.2% YoY	↑ 11.7% YoY	↓ 109 bps YoY
Profitability		
NIM	PAT	ROA / ROE
3.23%	336	1.13% / 11.63%
↓ 39 bps YoY	↑ 1.8% YoY	↓ 12 bps YoY / ↓ 352 bps YoY
Asset Quality		
GNPA and Standard Restructured % of Advances	NNPA	PCR (Incl. TWO)
4.89%	1.46%	80.14%
↑ 189 bps YoY	↑ 10 bps YoY	↓ 308 bps YoY

- Conscious reduction in opportunistic (PSU/Bulk) advances as rates were not favorable
- Retail advances grew by 4% QoQ from INR 35,313 crores of Q1
- Mid Corporate national and regional structures are in place.
- 8-10% of overall advances would be replaced by direct to corporate lending at a higher yield
- Bulk advances were not pursued in Q2 as the rates were not favorable.
- Sales and Regional structures for CASA and retail term deposits are in place to capitalize on upcoming growth opportunities





Q2 FY25 Performance at a Glance



Profitability*

- ▶ NII improved by 1.4% YoY (QoQ decreased 7.7%) on the back of increase in Interest Income to INR 2,234 Cr in Q2 FY25. Excluding one time IT refund of INR 81 Cr received in Q1FY25, QoQ NII growth would have been 1.5%
- ▶ NIM declined by 39 bps YoY to 3.23% in Q2 FY25, decreased 31 bps QoQ.
- ▶ PAT improved 1.8% YoY reaching INR 336 Cr but declined by 16.1 % QoQ.
- ▶ As a result, ROA and ROE declined by 25 bps and 282 bps QoQ standing at 1.13% and 11.63% respectively

Asset Quality and Liability

- ▶ In line with our guidance, Gross NPA decreased to 3.21% as on 30th September 2024 and a significant improvement of 26 bps from 30th September 2023
- ▶ Net NPA increased marginally from 1.36% as on 30th September 2023 to 1.46% as on 30th September 2024 but decreased by 20bps QoQ as compared to 1.66% in Q1 FY25
- ▶ Credit Cost improved due to lower slippages in Q2 FY25. Credit cost for the quarter stood at 0.09% as against 0.17% in Q2 FY24 and 0.11% in Q1 FY25
- ▶ CASA ratio reduced to 30.82% from 31.91% in Q2 FY24 and 30.54% in Q1 FY25.

Distribution

- ▶ Expansion of Co-lending portfolio by stitching new partnership with M/s. Ugro Capital
- ▶ Launched liability DIY platform for SA and Dormant Account Activation
- ▶ First Bank to get onboarded on ONDC rails to offer Personal Loan product
- ▶ Inaugurated 4 branches across 4 region in India to expand Karnataka bank's geographical reach

Product and Digitization

- ▶ Launched multiple new products to facilitate growth of CASA and deposits by providing improved offerings to customers
- ▶ Digital footprint increased by 1.2 lakh+ additional mobile application downloads during Q2 FY2025
- ▶ 76,000+ new debit cards added to KBL's network during Q2 FY2025

* Additionally, due to changes in accounting policy with respect to 'Investments', transitional adjustments on account of 'Available For Sale' ('AFS') portfolio and other securities has been credited to "AFS Reserve" and opening "Revenue Reserve". Had the Bank continued to follow the earlier accounting policy, income on investments would have been lower by Rs. 15.01 crore, Other Income would have been higher by Rs. 86.16 Crore and profit before tax would have been higher by ₹ 71.16 crore



Experienced Management Team...

Strengthening of Management, making the Organization Future Ready



Srikrishnan H

MD & CEO
Former MD & CEO, Jio Payments Bank; ED, Yes Bank; Founding Team, HDFC Bank



Sekhar Rao

Executive Director
Former COO, CSB Bank; National Head, RBL; Co-Founder, Savvy India



Abhishek Sankar Bagchi

Chief Financial Officer
Former CFO, NSDL Payments Bank; Dy-VP, Finance & Accounts, Axis Bank



Pankaj Gupta

Chief Digital & Marketing Officer
Formerly at Sify Technologies, HCL Services, Wipro Infotech



Gurumurthy R K

Head – Treasury
Formerly at DBS Bank, Laxmi Vilas Bank, Bank One, ING Vysya Bank



Ramaswamy Subramanian

Chief Product Officer
Former CPO, Dvara KGFS; Head – Products, Suryoday SFB



Venkat Krishnan

Chief Information Officer
Former CTO, IndusInd Bank; CIO, Ujjivan SFB; CTO, Yes Bank



Vinaya Bhat P J

Chief Compliance Officer
27 years veteran at Karnataka Bank



Niranjana Kumar

Chief Human Resources Officer
Former Head HRBP at HDFC Bank



Ravichandran S

Head – Credit Sanctions
38 years veteran at Karnataka Bank



Jayanagaraja Rao S

Head – Branch Banking
27 years veteran at Karnataka Bank



Giridhar Rajaram

Head – Wholesale & Mid-Corporate Banking
Former Mid-Corporate at DBS Bank and SAB



Sreenivas Mylavarapu

Head – Retail Lending, SME, MSME & Agri
23 years of experience in secured and unsecured lending



Venkateswarlu Mallineni

Head – Liabilities Assets
24 years experience in Retail Banking and Liabilities Business



..Guided by an Independent Board

With no Shareholder Holding >5% Share Capital in the Bank



P Pradeep Kumar

Part Time Chairman, Independent Director
Former MD, State Bank of India



Justice A V Chandrashekar

Independent Director
Former Judge, High Court of Karnataka



Kalmanje Gururaj Acharya

Independent Director
Senior Partner, M/s. K G Acharya & Co.;
Former Independent Director, State Bank of Mysore



Srikrishnan H.

MD & CEO



Uma Shankar

Independent Director
Former ED, Reserve Bank of India



Jeevandas Narayan

Independent Director
Former MD, State Bank of Travancore;
Deputy MD, State Bank of India



Sekhar Rao

Executive Director



Dr D S Ravindran

Independent Director
Former Principal Secretary, Govt. of Karnataka



Harish H V

Independent Director
Former Partner, Grant Thornton;
Founder ECube Investment Advisors



B R Ashok

Non-Executive Director
Partner, M S K C & Associates



Balakrishna Alse S

Independent Director
Former ED, Oriental Bank of Commerce

Financial Highlights

Banking with Legacy,
Embracing the Future

Celebrating 100 years of trust





Financial Highlights

Karnataka Bank at a Glance

Particulars	Q2FY25	Q1FY25	Growth Q-o-Q	Q2FY24	Growth Y-o-Y
Total Business	175,284	175,619	(0.2%)	156,468	12.0%
Gross Advances / % Retail	75,316 / 48.7%	75,455 / 46.8%	(0.2%) / 194bps	66,936 / 48.9%	12.5% / (15bps)
Deposits	99,968	100,164	(0.2%)	89,532	11.7%
Retail Deposits	69,109	69,469	(0.5%)	60,962	13.4%
Gross NPA	3.21%	3.54%	(33bps)	3.47%	(26bps)
Net NPA	1.46%	1.66%	(20bps)	1.36%	10bps
CASA Ratio	30.82%	30.54%	28bps	31.91%	(109bps)
NII	834	903	(7.7%)	822	1.4%
NIM %	3.23%	3.54%	(31bps)	3.62%	(39bps)
PAT	336	400	(16.1%)	330	1.8%
ROA	1.13%	1.38%	(25bps)	1.25%	(12bps)
ROE	11.63%	14.45%	(282bps)	15.15%	(352bps)
PCR	80.14%	77.97%	217bps	83.22%	(308bps)



Financial Highlights

Karnataka Bank at a Glance

Particulars	Q2FY25	Q1FY25	Growth Q-o-Q	Q2FY24	Growth Y-o-Y
Fee Income or Commission Income	223	229	(2.6%)	197	13.3%
Non-interest Income / Total Income	270 / 2,504	279 / 2,557	(3.3%) / (2.1%)	250 / 2,276	8.2% / 10.0%
Credit Cost	0.09%	0.11%	(2bps)	0.17%	(8bps)
Slippage Ratio	0.3%	0.6%	(26bps)	0.5%	(19bps)
Cost to Income	58.3%	52.8%	552bps	51.3%	699bps
Networth	11,043	10,880	1.5%	8,254	33.8%
Net NPA to Networth	9.8%	11.3%	(148bps)	10.8%	(96bps)
RWA to Total Assets	54.8%	54.9%	(10bps)	54.7%	14bps
CD Ratio	75.34%	75.33%	1bps	74.76%	58bps
Yield on Advances	9.55%	9.52%	3bps	10.09%	(54bps)
Cost of Deposits	5.54%	5.51%	3bps	5.29%	25bps
Cost of Funds	5.58%	5.57%	1bps	5.36%	22bps
CRAR	17.58%	17.64%	(6bps)	16.20%	138bps
Tier-1 Capital	15.93%	15.94%	(1bps)	13.11%	282bps



Financial Highlights

Karnataka Bank at a Glance

Particulars	H1FY25	H1FY24	Growth Y-o-Y	FY24
Total Business	175,284	156,468	12.0%	171,059
Gross Advances / % Retail	75,316 / 48.7%	66,936 / 48.9%	12.5% / (15bps)	73,002 / 46.6%
Deposits	99,968	89,532	11.7%	98,058
Retail Deposits	69,109	60,962	13.4%	66,665
Gross NPA	3.21%	3.47%	(26bps)	3.53%
Net NPA	1.46%	1.36%	10bps	1.58%
CASA Ratio	30.82%	31.91%	(109bps)	31.97%
NII	1,737	1,637	6.1%	3,299
NIM %	3.38%	3.65%	(27bps)	3.52%
PAT	736	701	5.1%	1,306
ROA	1.25%	1.35%	(10bps)	1.19%
ROE	13.12%	16.52%	(340bps)	13.71%
PCR	80.14%	83.22%	(308bps)	79.22%



Financial Highlights

Karnataka Bank at a Glance

Particulars	H1FY25	H1FY24	Growth Y-o-Y	FY24
Fee Income or Commission Income	451	429	5.2%	928
Non-interest Income / Total Income	549 / 5,061	573 / 4,559	(4.3%) / 11.0%	1319 / 9,617
Credit Cost	0.20%	0.44%	(24bps)	0.84%
Slippage Ratio	0.9%	1.0%	(9bps)	2.8%
Cost to Income	55.4%	49.2%	624bps	53.2%
Networth	11,043	8,254	33.8%	10,344
Net NPA to Networth	9.8%	10.8%	(96bps)	10.9%
RWA to Total Assets	54.8%	54.7%	14bps	53.9%
CD Ratio	75.34%	74.76%	58bps	74.45%
Yield on Advances	9.53%	10.03%	(50bps)	9.94%
Cost of Deposits	5.53%	5.22%	31bps	5.34%
Cost of Funds	5.58%	5.29%	29bps	5.42%
CRAR	17.58%	16.20%	138bps	18.00%
Tier-1 Capital	15.93%	13.11%	282bps	16.17%



Financial Highlights

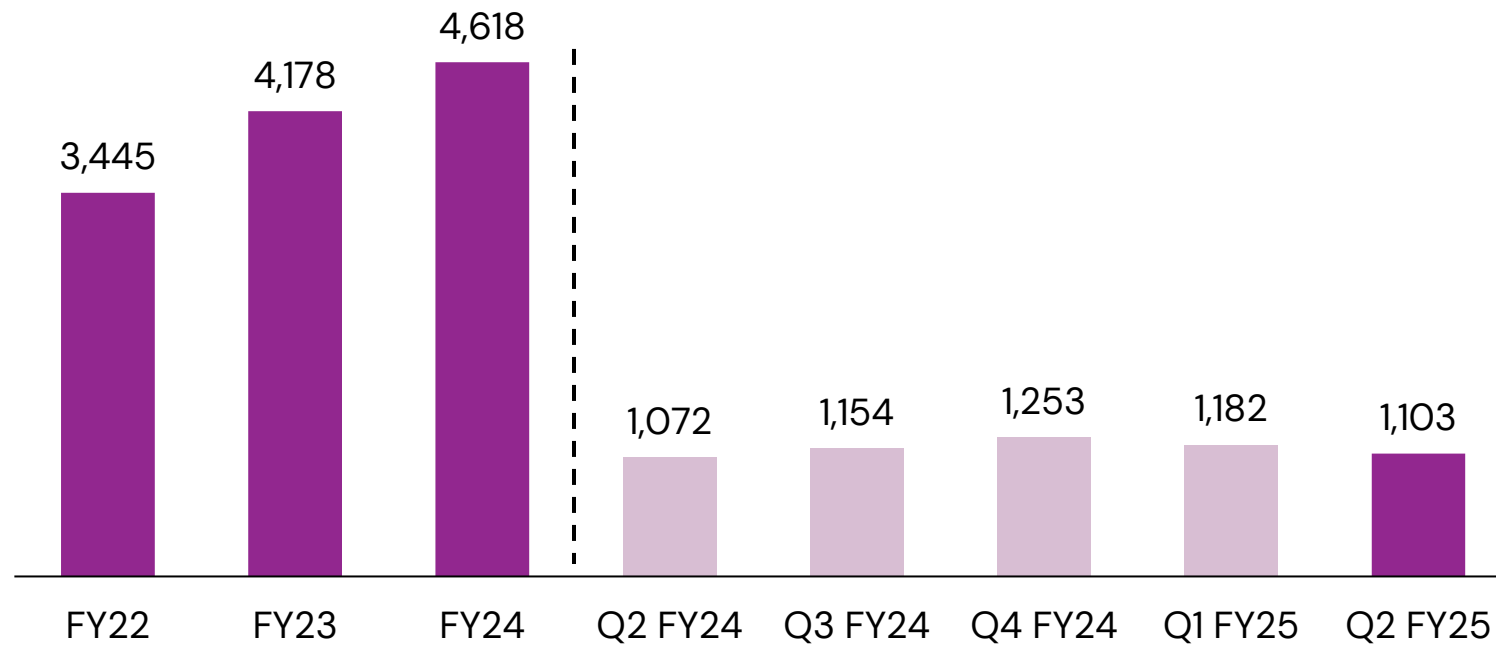
Balance Sheet

Particulars	H1FY25	H1FY24	Growth Y-o-Y	FY24
Property & Assets				
Cash & Balance With Rbi	7,392.12	6,441.91	14.8%	7,656.07
Balance With Banks & Money At Call & Short Notice	445.37	443.63	1.0%	336.67
Investments	21,460.28	23,958.23	-10.4%	24,302.05
Advances	73,952.28	65,422.32	13.0%	71,508.64
Fixed Assets	945.95	875.45	8.1%	914.64
Other Assets	11,915.34	8,714.72	43.9%	11,366.50
Total	116,111.34	105,856.26	10.3%	116,084.57
Capital and Surplus				
Capital	377.66	312.87	20.7%	377.26
Reserves & Surplus	10,430.51	7,747.68	34.6%	9,164.96
Deposits	99,967.99	89,531.73	11.7%	98,057.83
Borrowings	2,432.34	5,324.21	-54.3%	4,399.53
Other Liabilities & Provisions	2,166.44	2,238.81	24.8%	2,778.71
Net Profit	736.40	700.96	5.1%	1,306.28
Total	116,111.34	105,856.26	10.3%	116,084.57

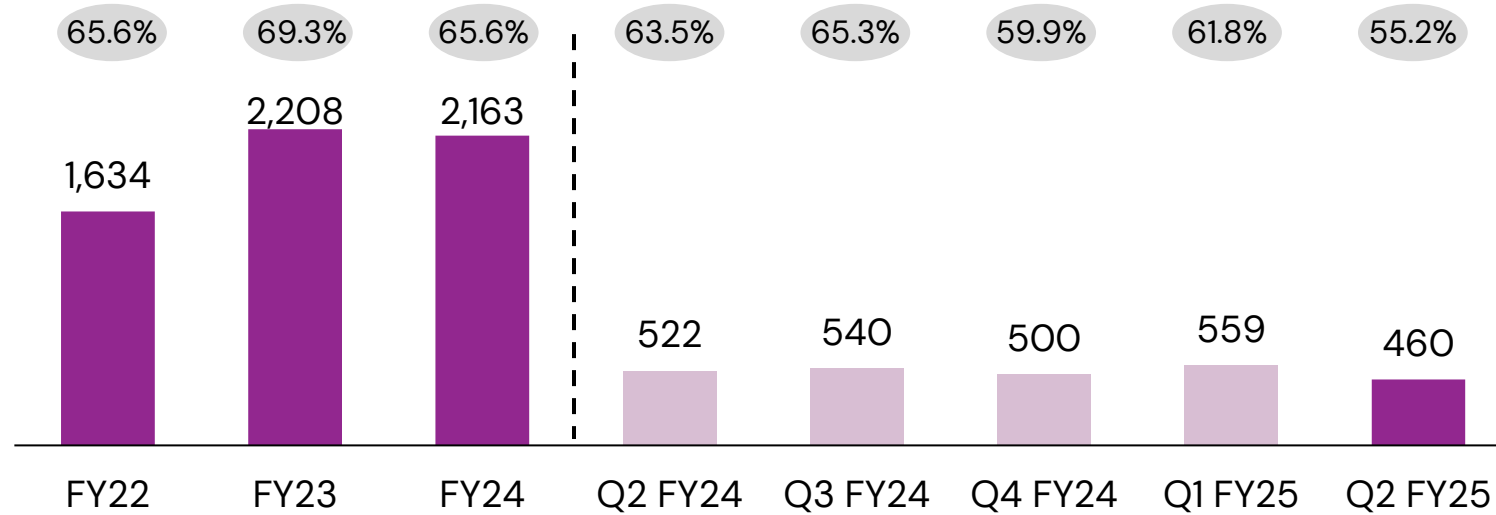


Profitability

Operating Revenue (INR Cr.)

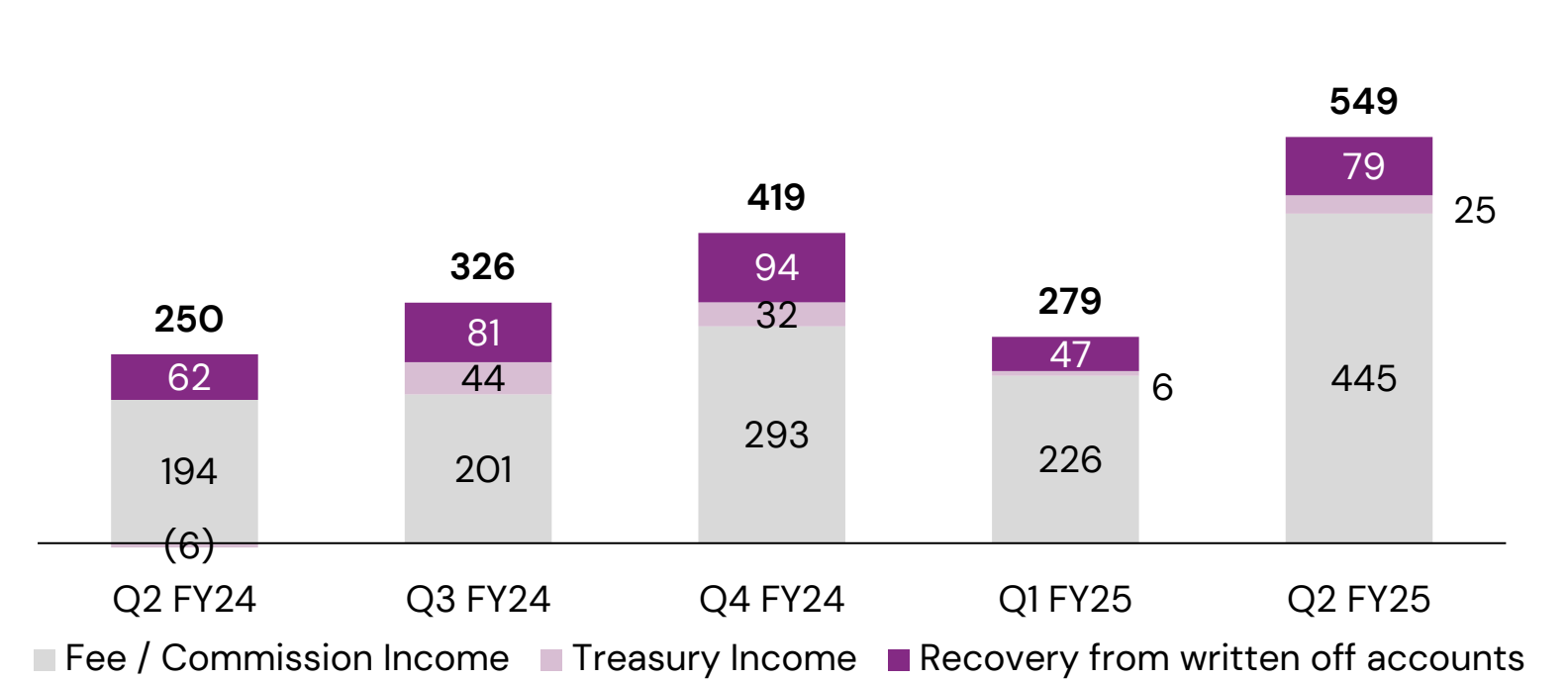


Operating Profit (INR Cr.)

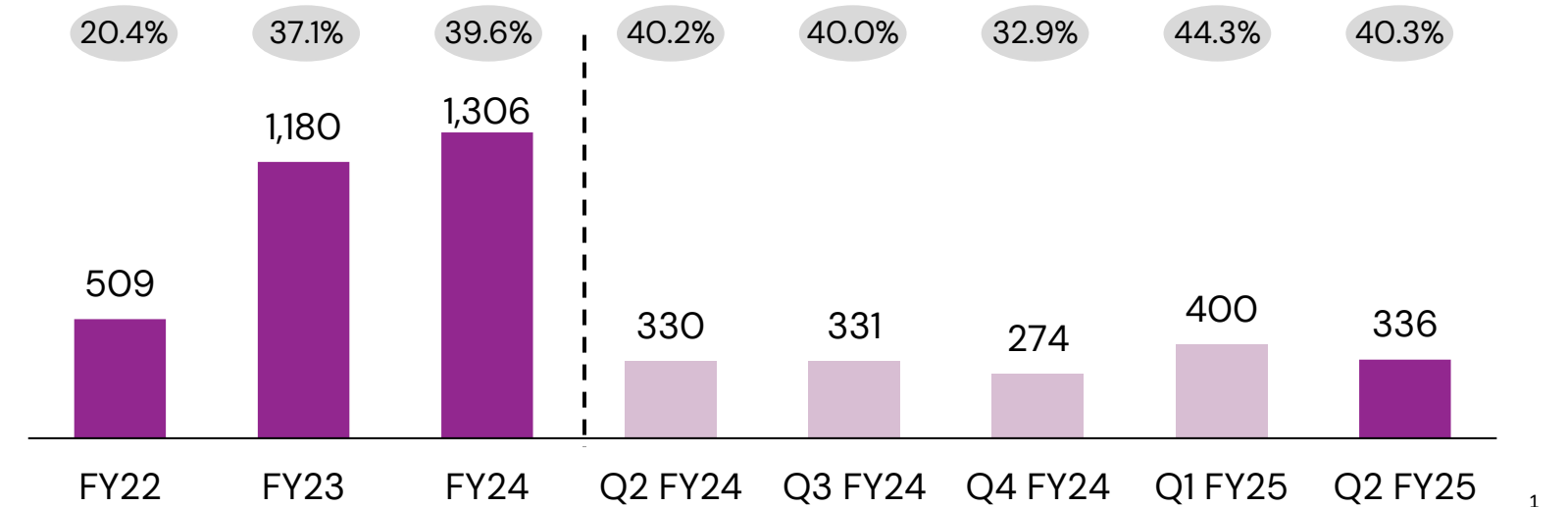


Operating Profit Margin (% of NII)

Other Income (INR Cr.)



PAT (INR Cr.)

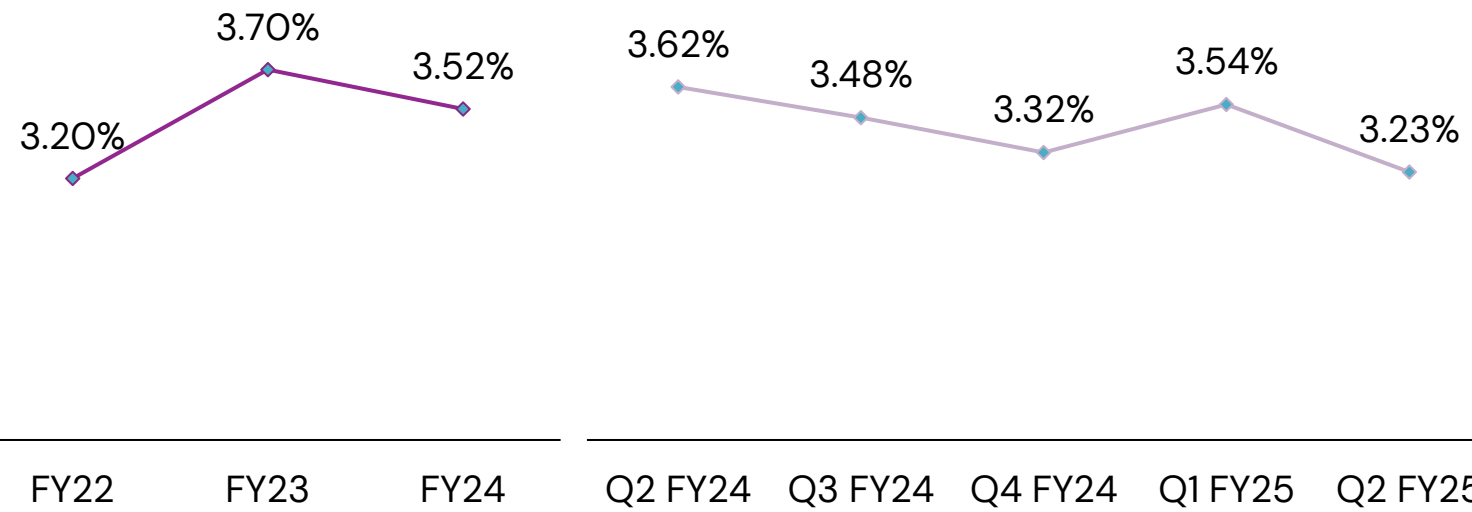


PAT Margin (% of NII)

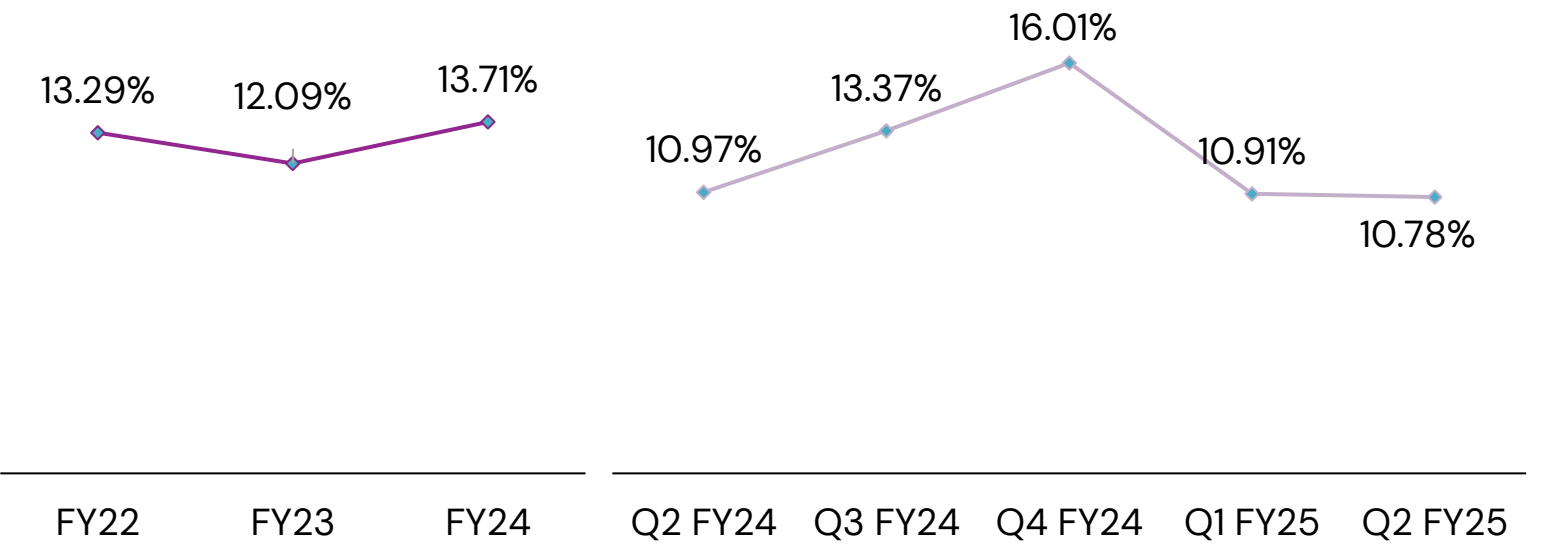


Profitability

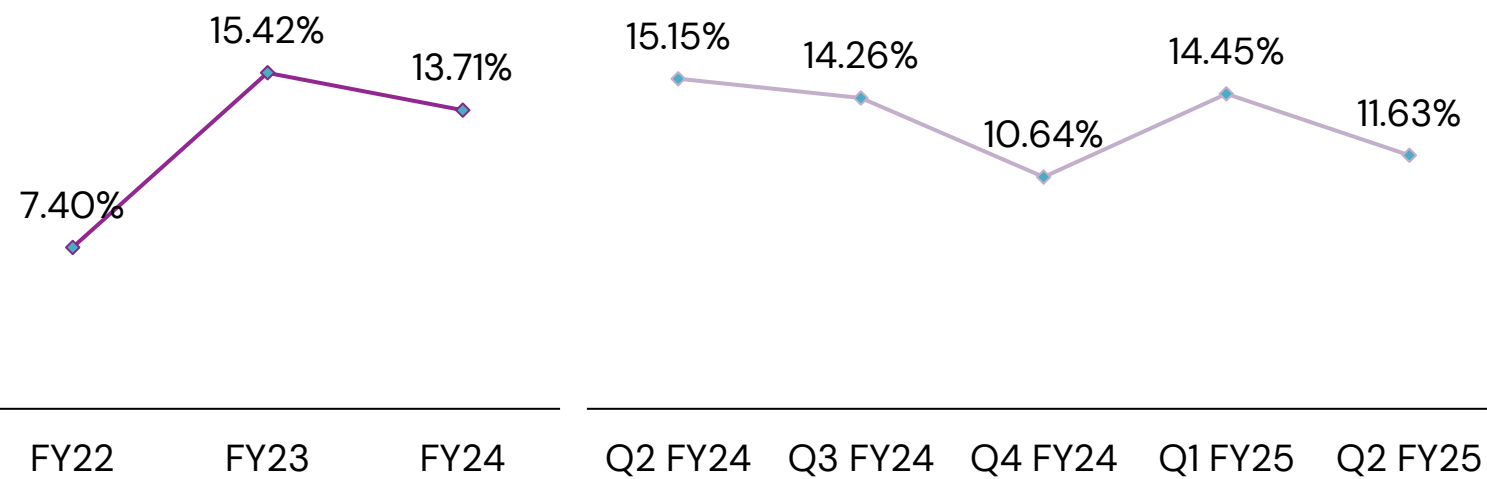
Net Interest Margin



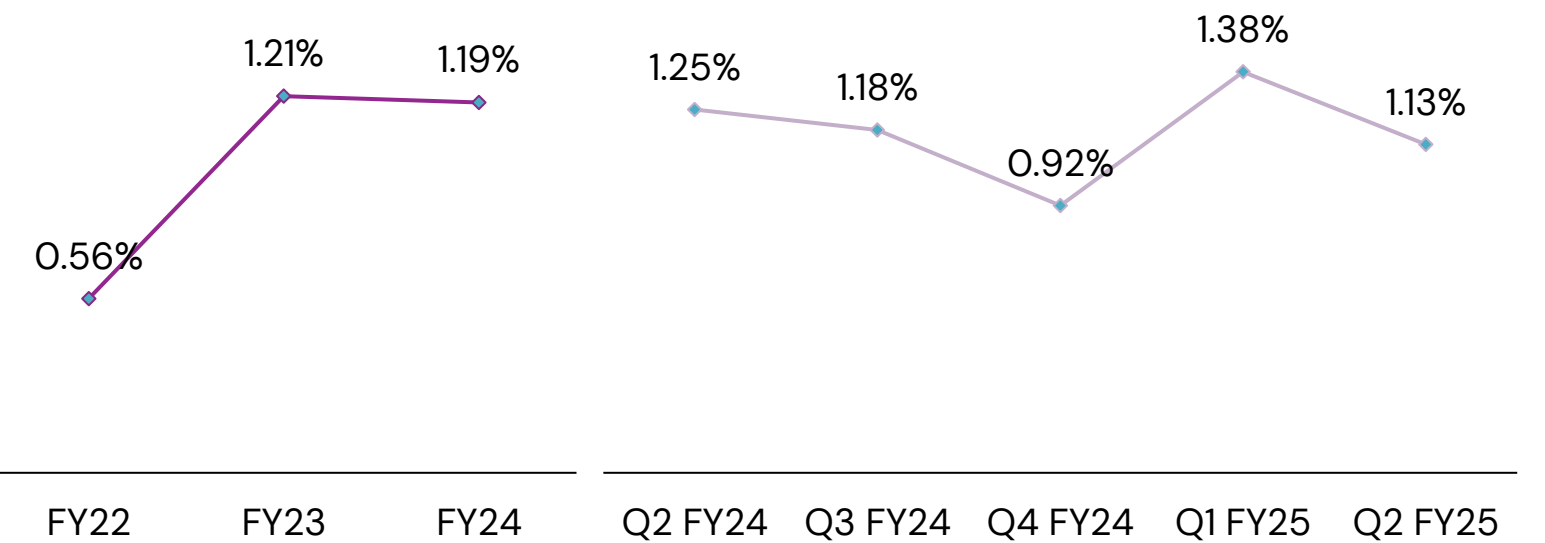
Non-Interest Income to Total Income



Return on Equity



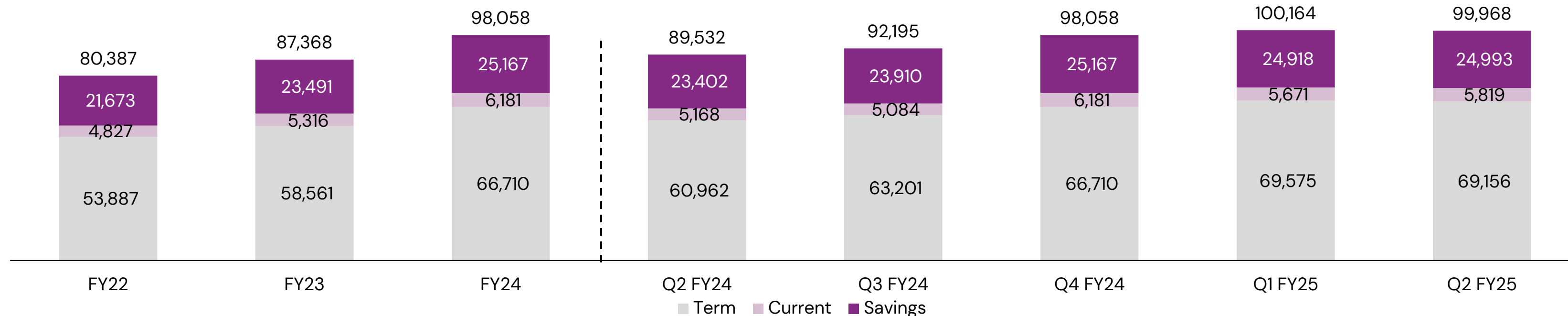
Return on Assets



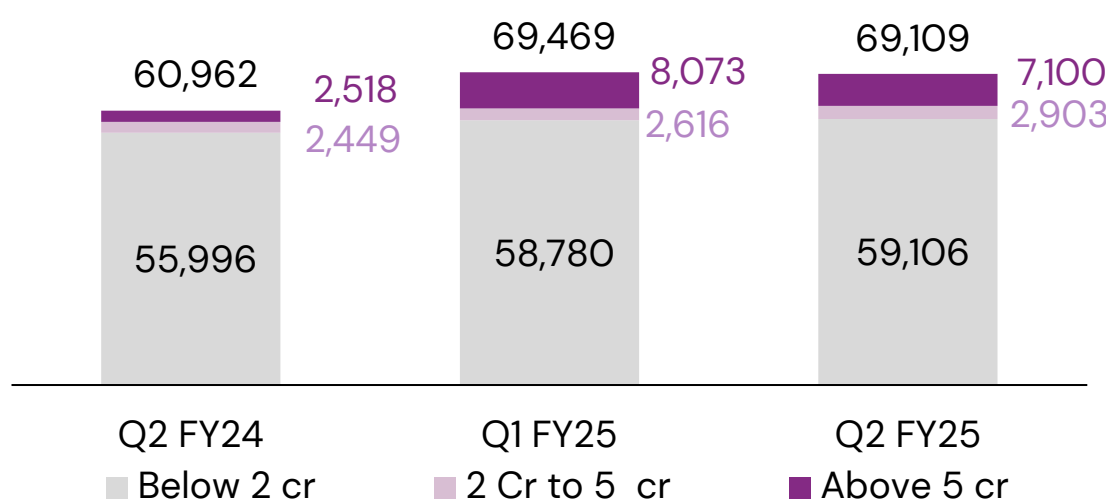


Liability Profile

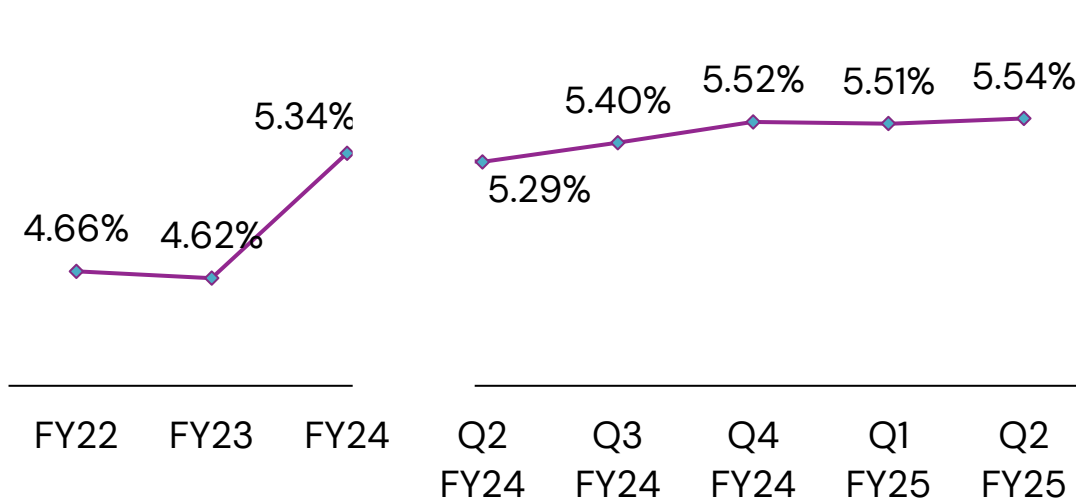
Deposit Profile (INR Cr.)



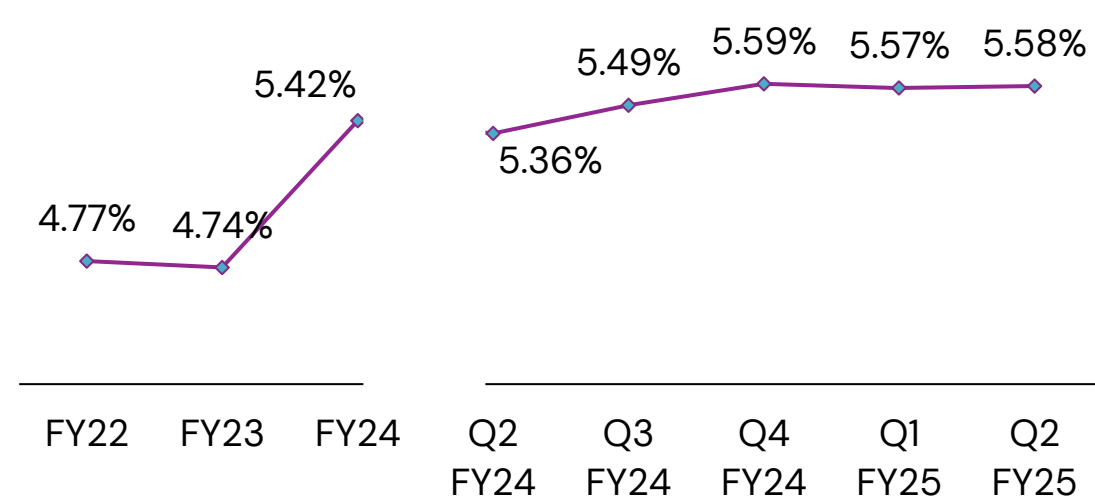
Retail Term Deposit Breakup¹ (INR Cr.)



Cost of Deposits



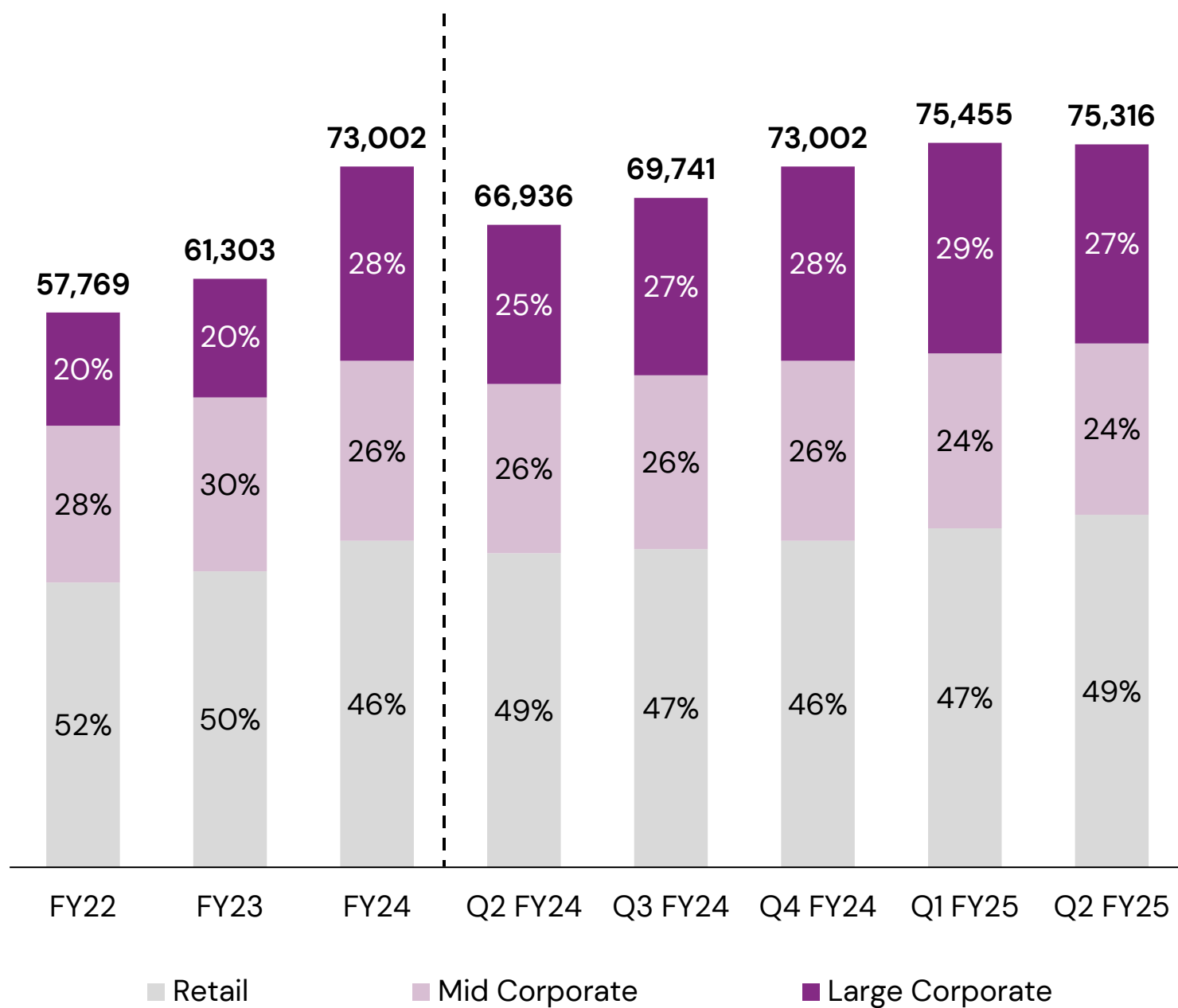
Cost of Funds



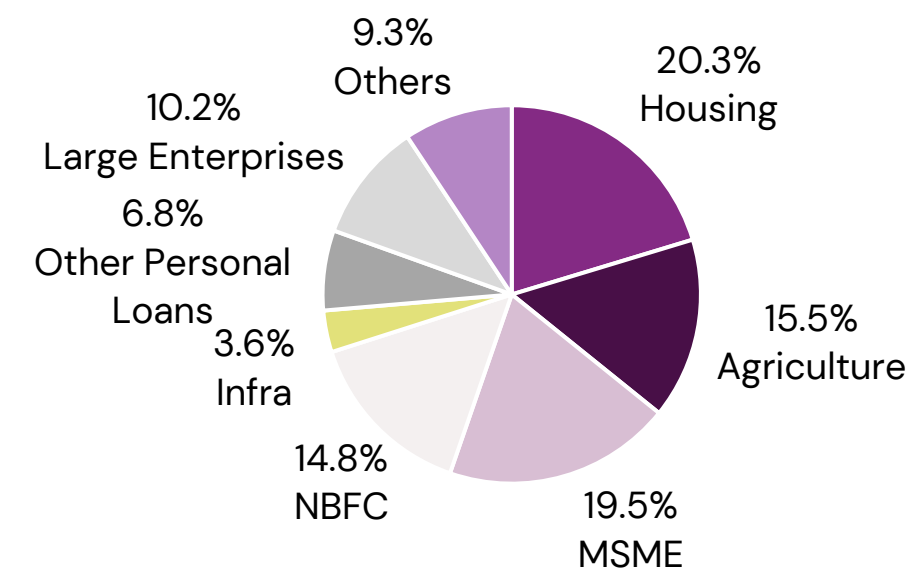


Advances

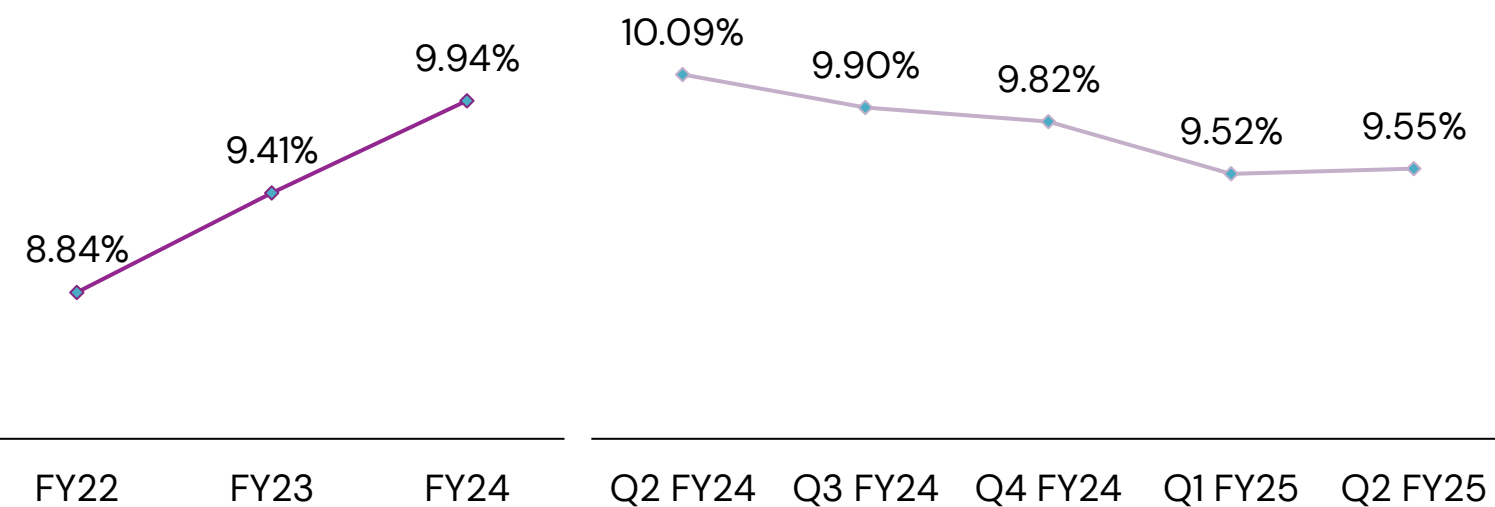
Gross Advances Profile¹ (INR Cr.)



Sectoral Loan Exposure



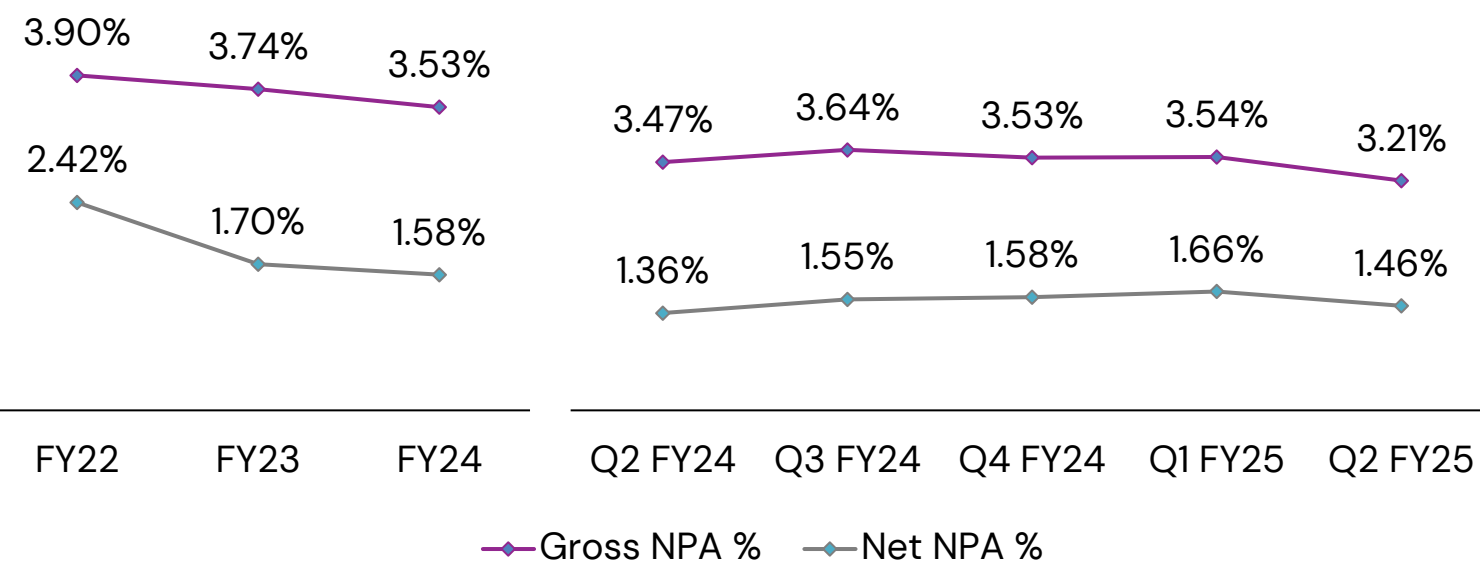
Yield on Advances



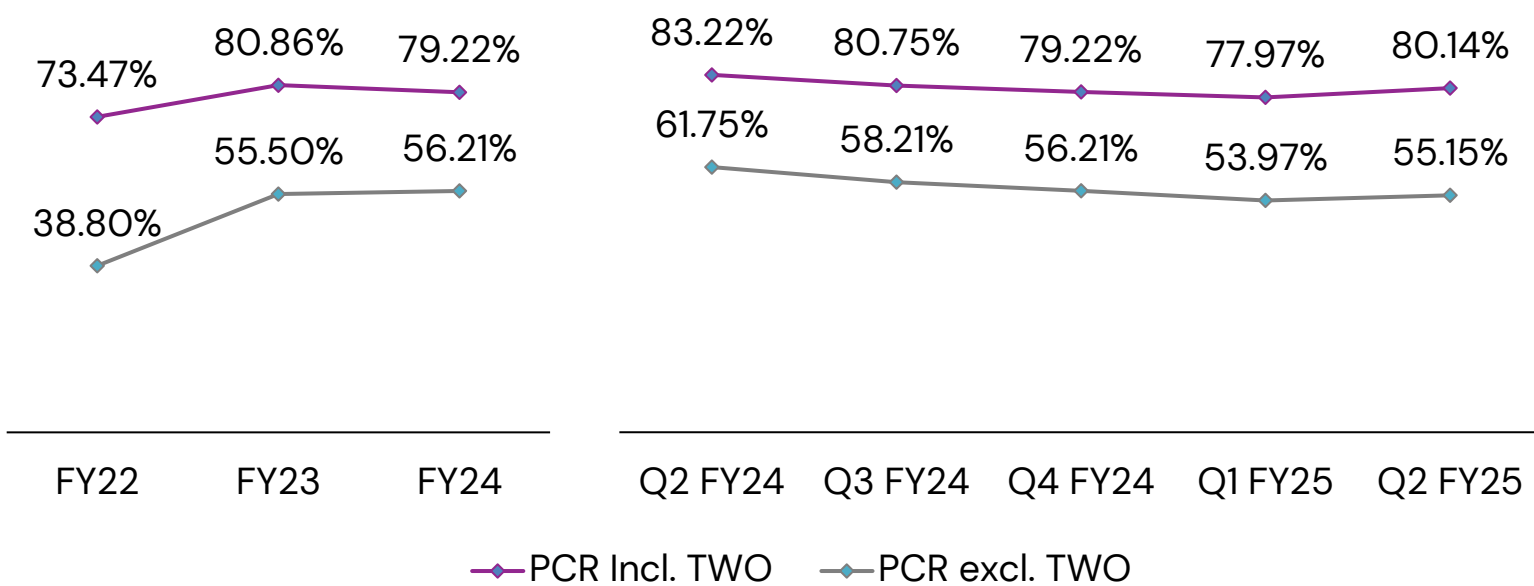


Asset Quality

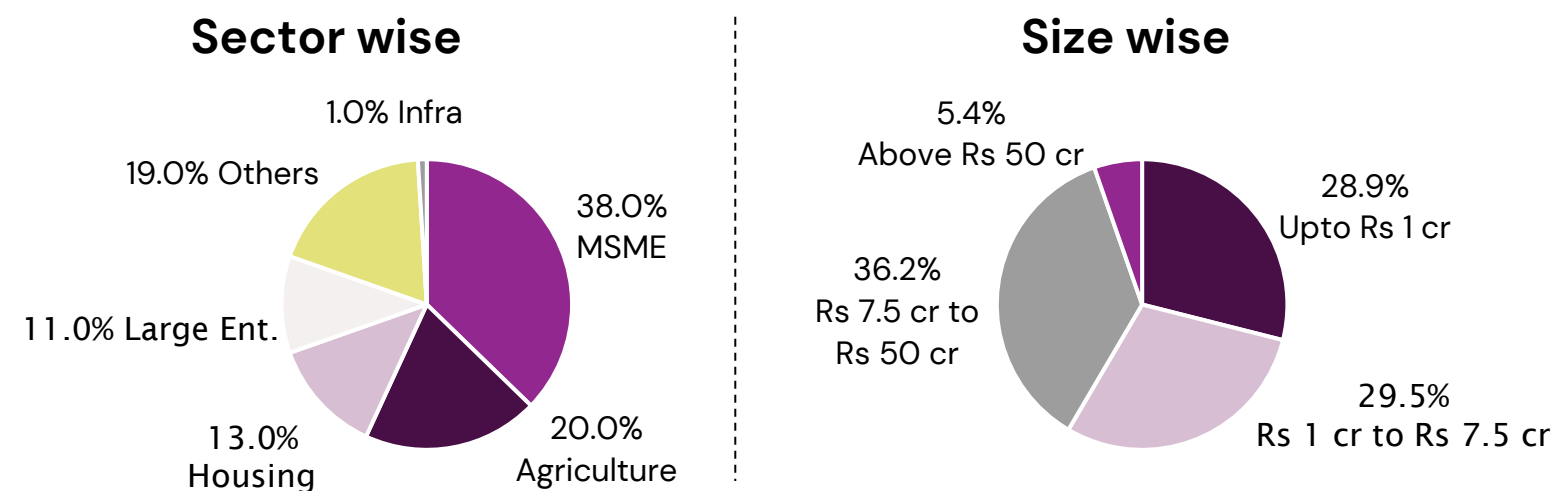
GNPA & NNPA



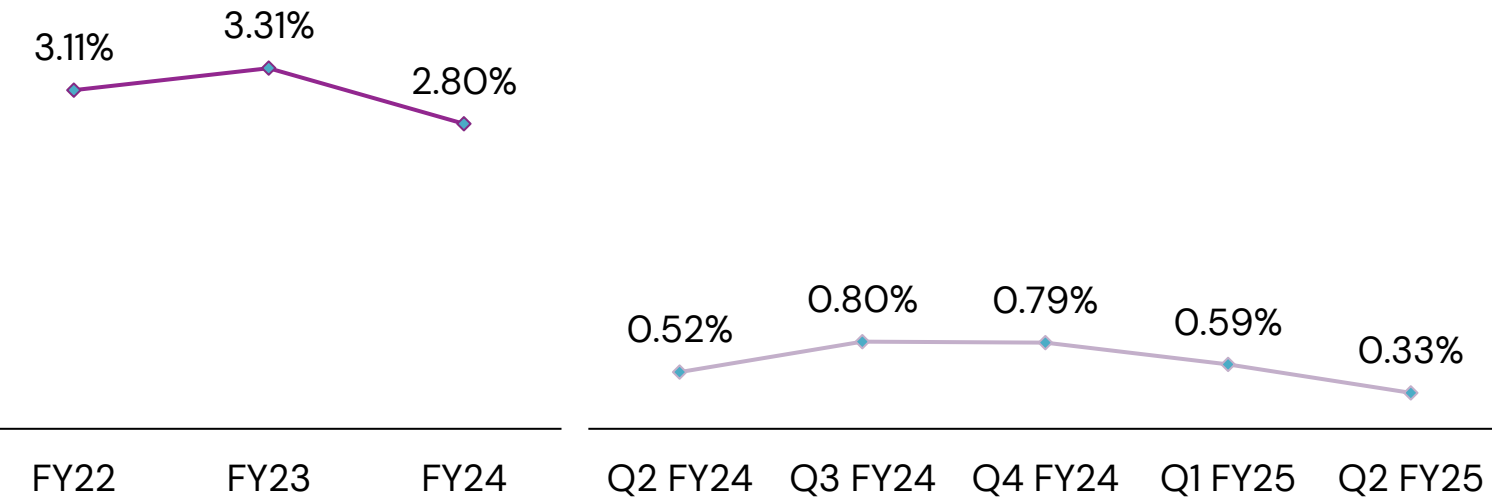
Provision Coverage (Incl. & excl. TWO)



GNPA Breakup



Slippage Ratio

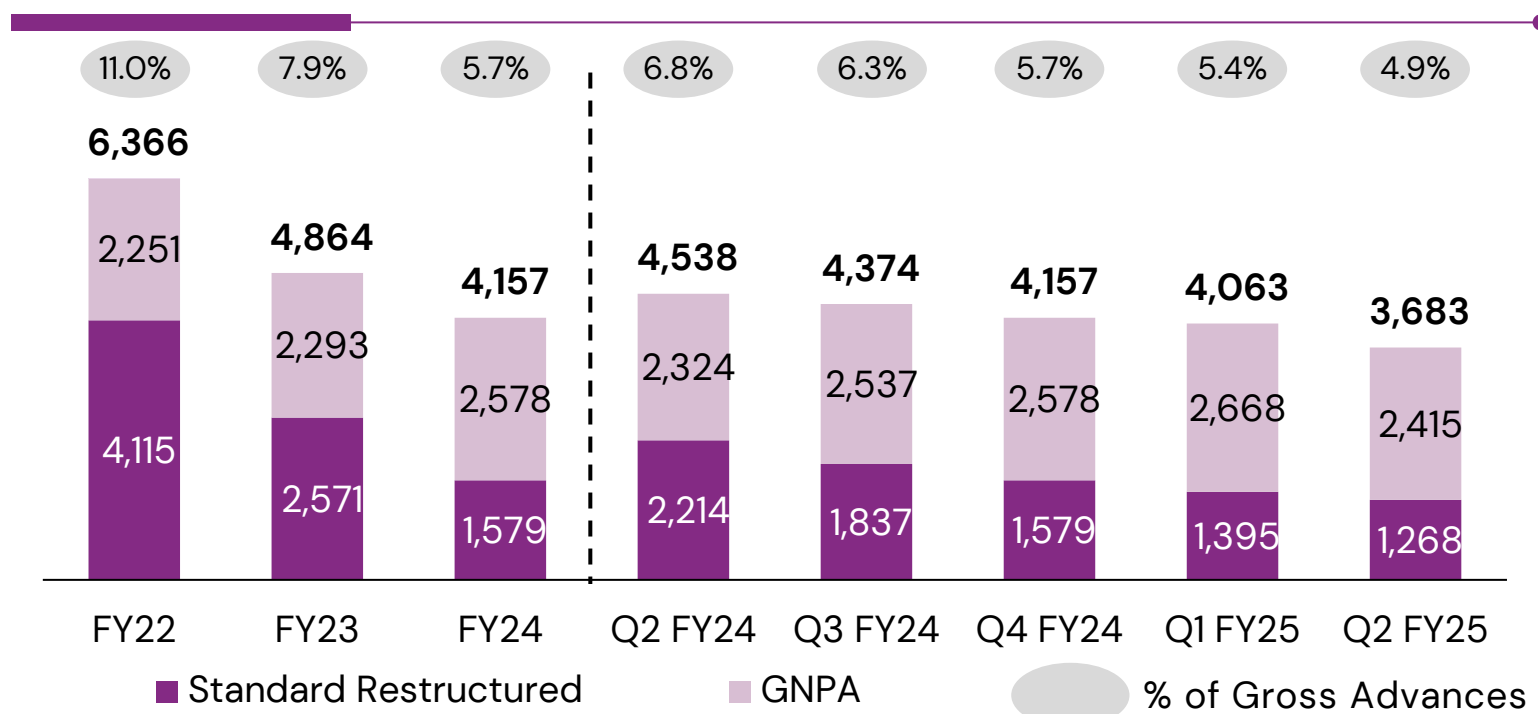




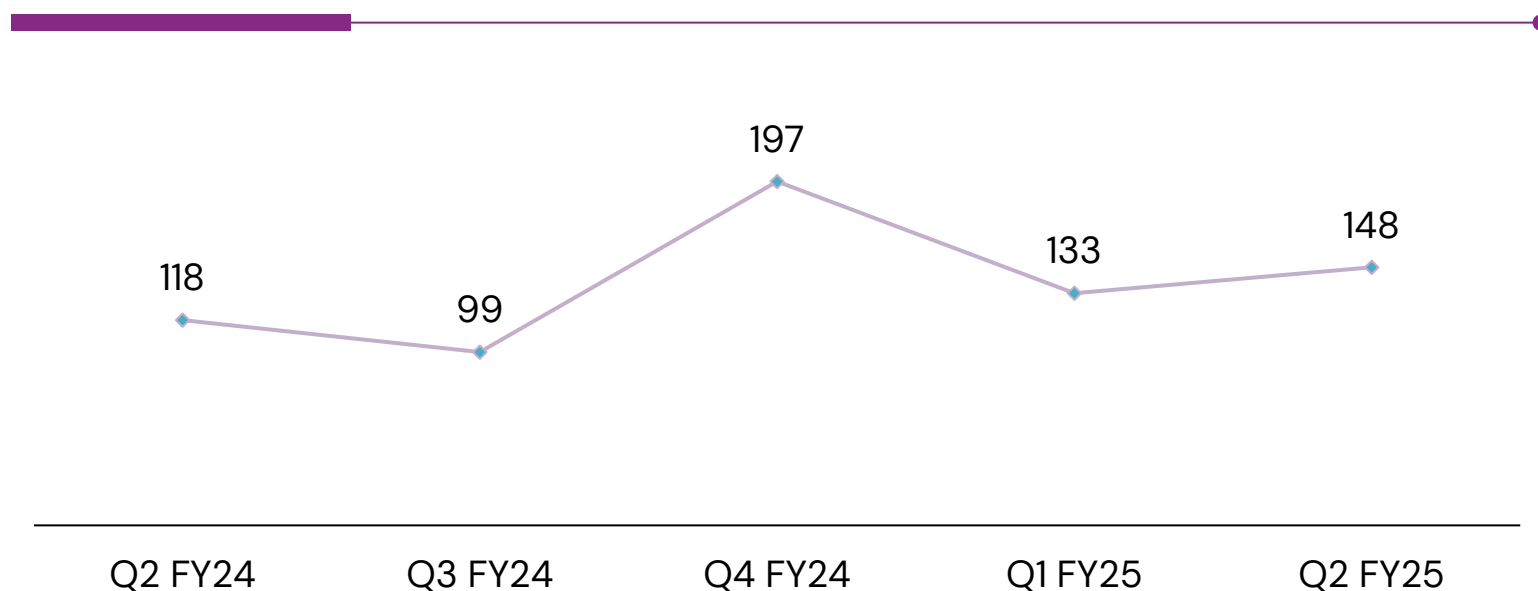
Asset Quality

Restructured Portfolio

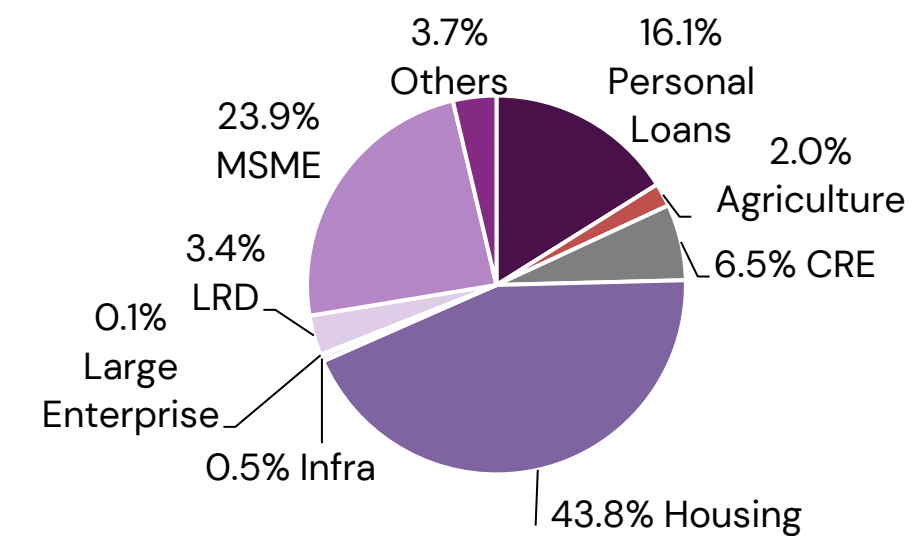
GNPA & Restructured Assets (INR Cr.)



Recoveries (excluded upgraded accounts) (INR Cr.)

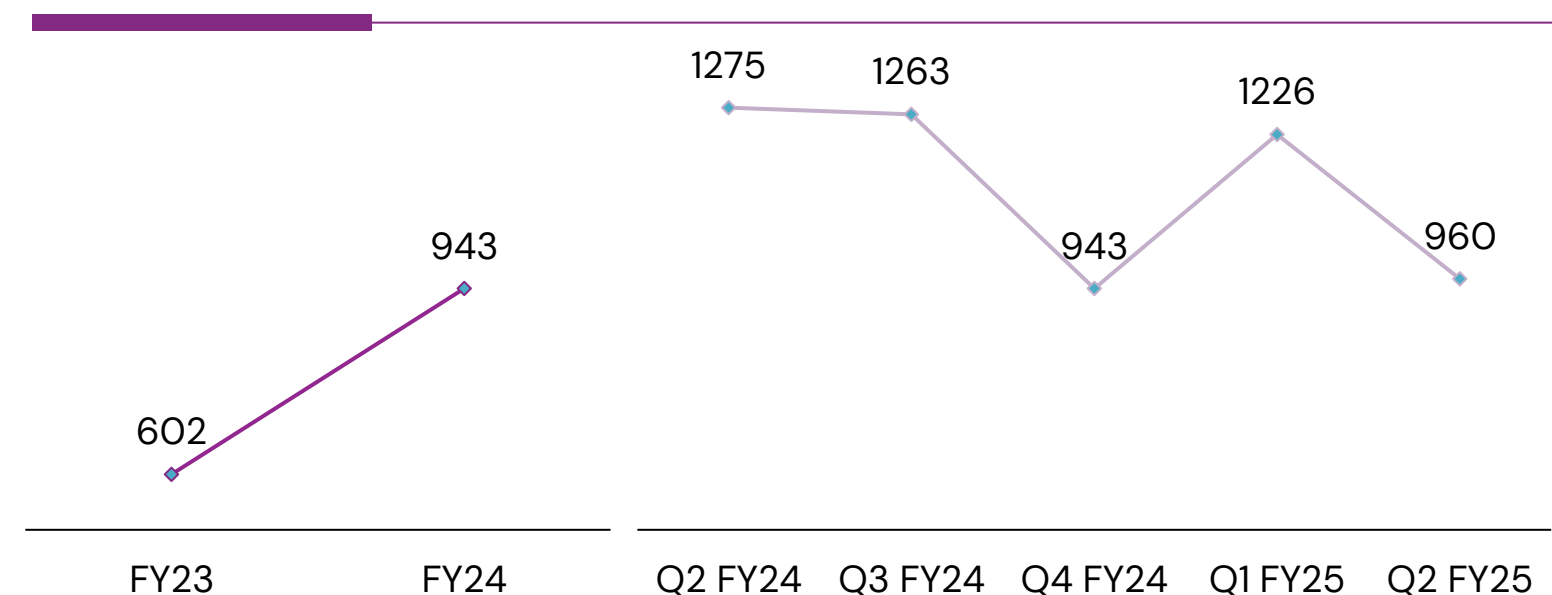


Standard Restructured Portfolio – Break-up



Q2 FY2025 – INR 1,268 Cr.

Special Mention Account – 2¹ (INR Cr.)





Asset Quality

Movement of NPA

Particular (INR Cr.)	Quarterly			Annual
	Q2 FY25	Q1 FY25	Q2 FY24	FY24
Opening Gross NPA	2,668.45	2,578.42	2,315.88	2,292.91
Additions	242.67	416.49	313.68	1,650.20
Sub Total (A)	2,911.12	2,994.91	2,629.56	3,943.11
Slippage ratio	0.33	0.59	0.52	2.80
Reduction				
Up-gradation	181.12	98.70	80.42	355.02
Recoveries (excluding upgraded accounts)	148.01	133.12	117.82	582.45
Technical/ prudential Write Off	167.07	94.64	107.12	427.22
a. Technical written off	163.87	93.38	103.82	395.44
b. Other written off	3.20	1.26	3.30	31.78
c. By Sale	-	-	-	-
Sub Total (B)	496.20	326.46	305.36	1,364.69
Closing Gross NPA (A-B)	2,414.92	2,668.45	2,324.19	2,578.42



Asset Quality

Sector-wise Breakup Analysis

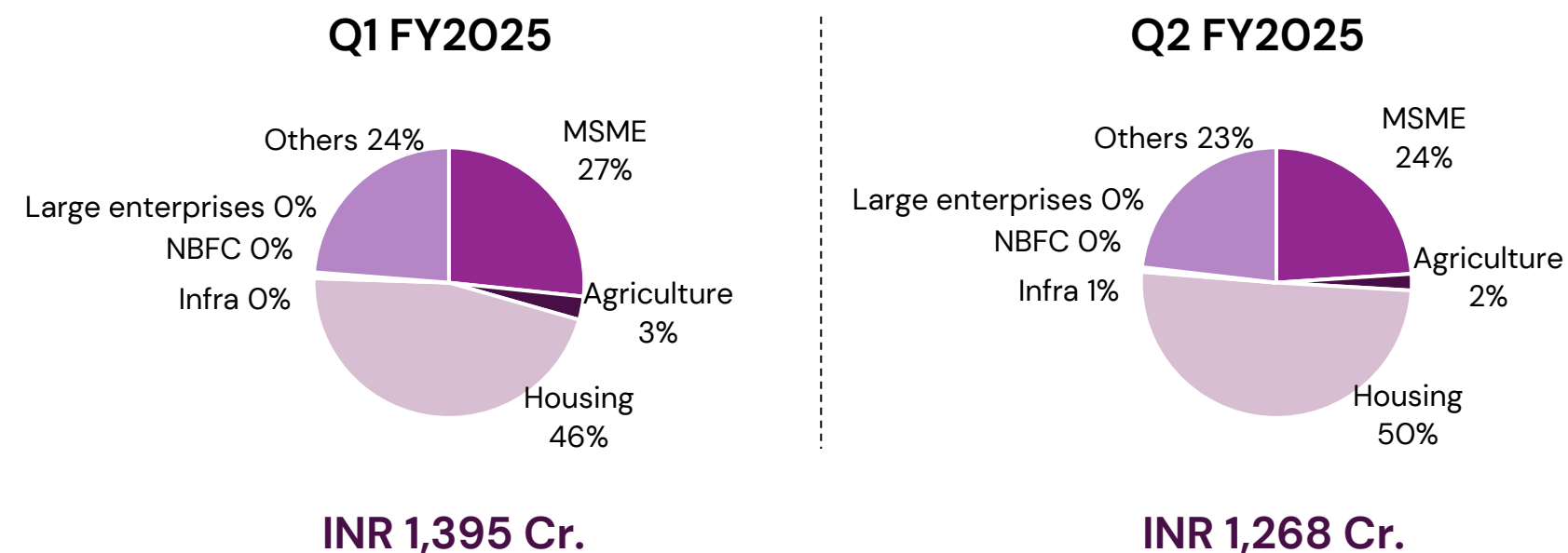
Gross Advances Breakup (INR Cr.)

	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
MSME	15,528	15,425	14,774	14,832	14,677
Agriculture	8,944	9,235	10,029	10,901	11,643
Housing	14,455	14,630	15,006	15,031	15,289
Infra	1,799	2,615	2,167	2,604	2,685
NBFC	10,028	10,466	11,837	11,161	11,120
Large enterprises	5,611	6,563	7,084	8,534	7,678
Others	10,571	10,807	12,105	12,392	12,224
Total	66,936	69,741	73,002	75,455	75,316

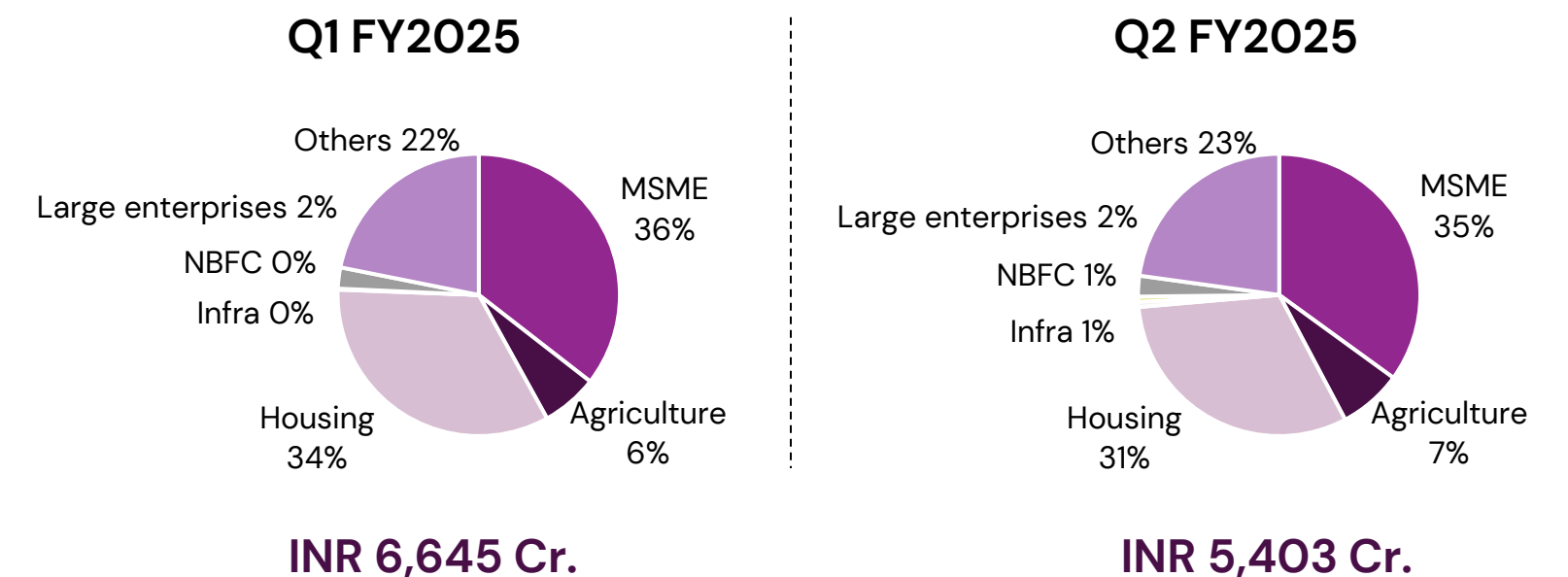
Non-Performing Assets Breakup (INR Cr.)

	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25
MSME	1,113	1,194	1,163	1,011	923
Agriculture	591	627	610	557	485
Housing	255	283	319	423	372
Infra	25	23	14	13	12
NBFC	-	-	-	-	-
Large enterprises	181	203	258	260	256
Others	159	207	214	404	367
Total	2,324	2,537	2,578	2,668	2,415

Standard Restructured Assets



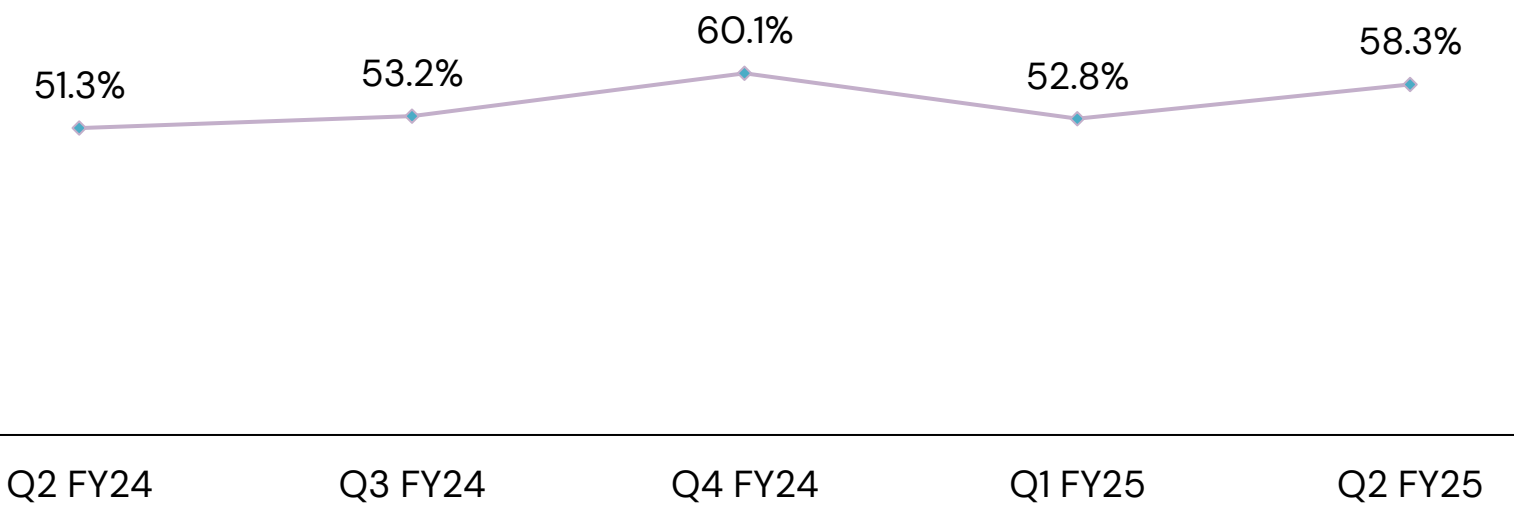
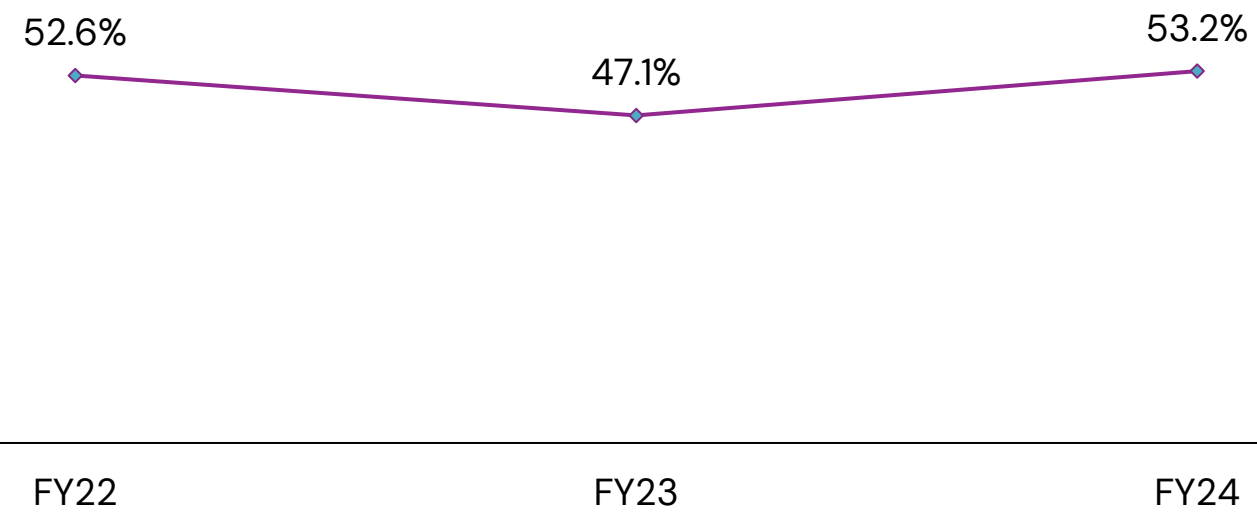
Special Mention Account Breakup



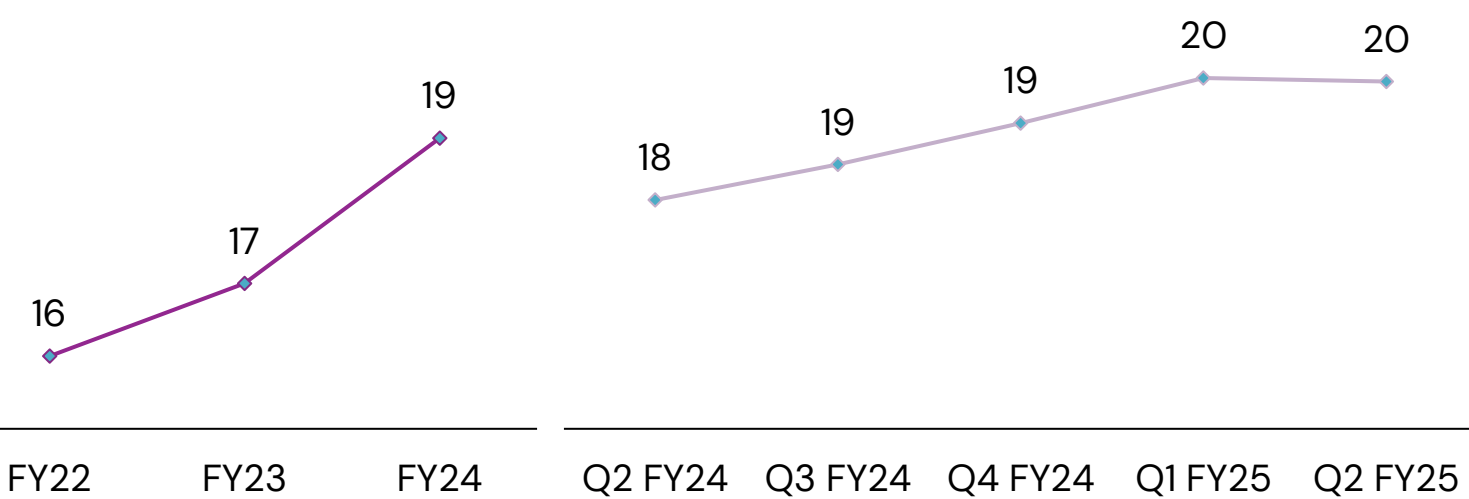


Efficiency Ratio

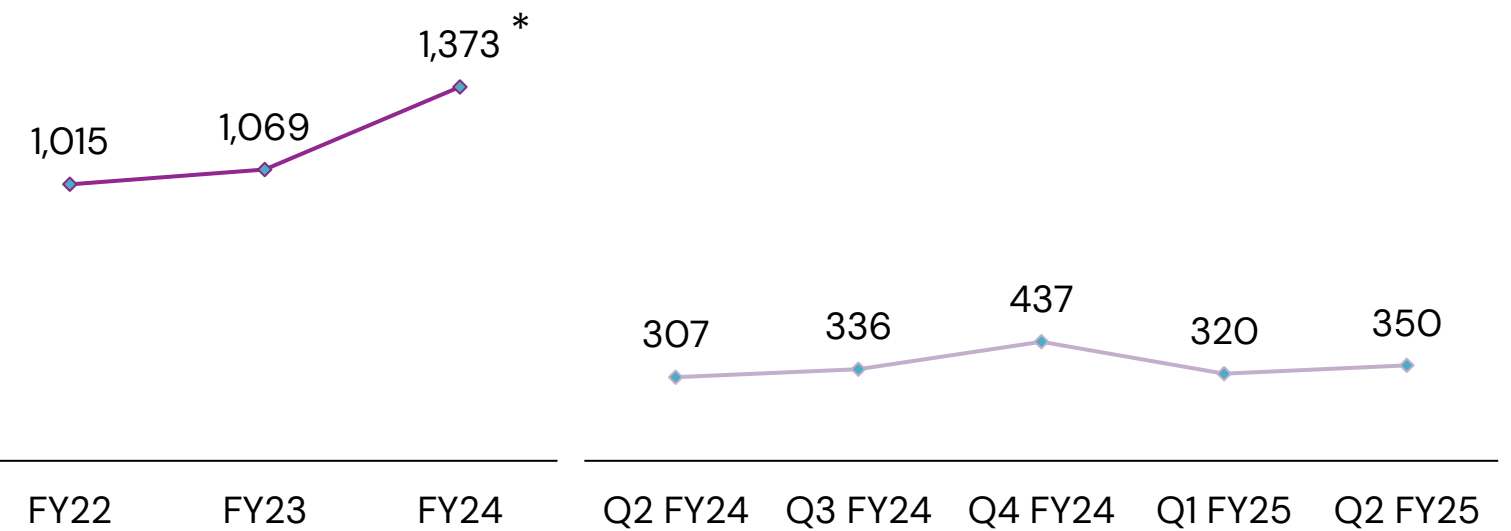
Cost to Income Ratio



Business per Employee (INR Cr.)



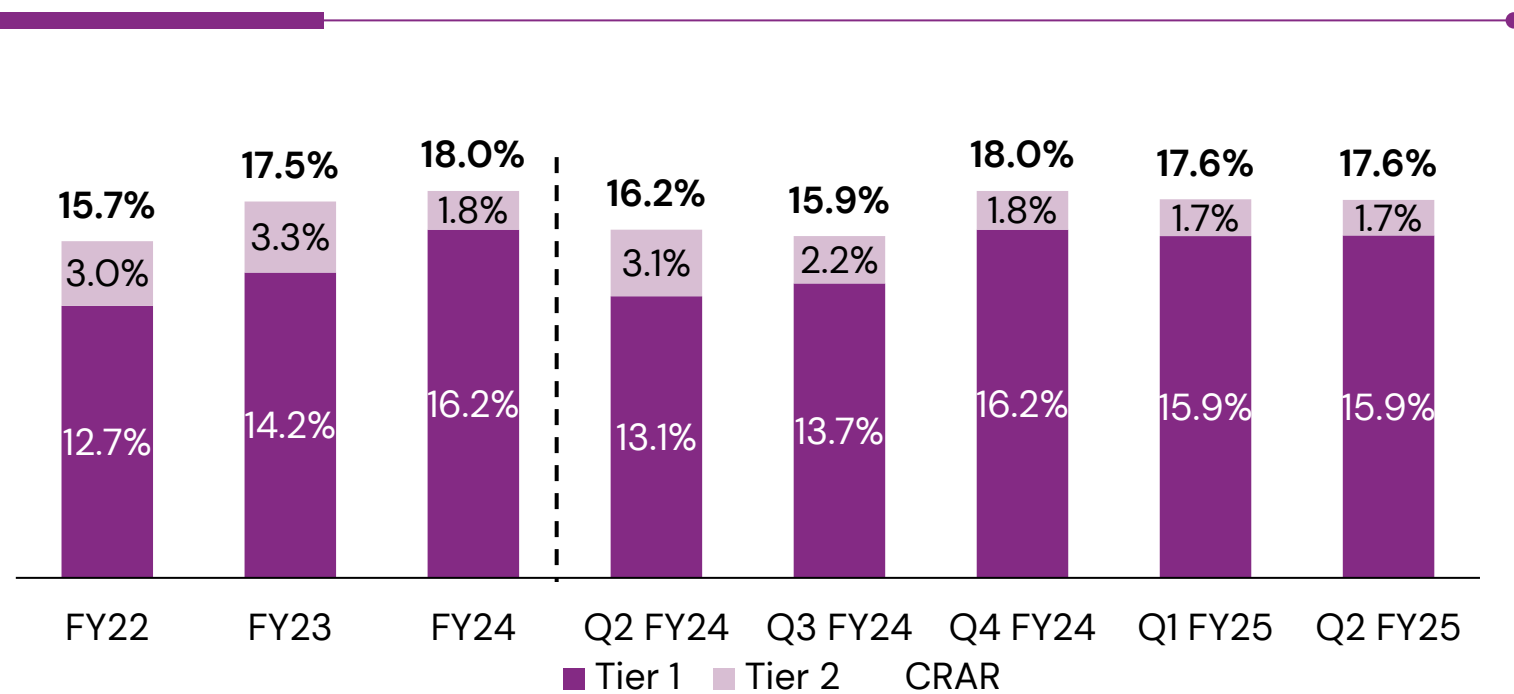
Staff Cost (INR Cr.)



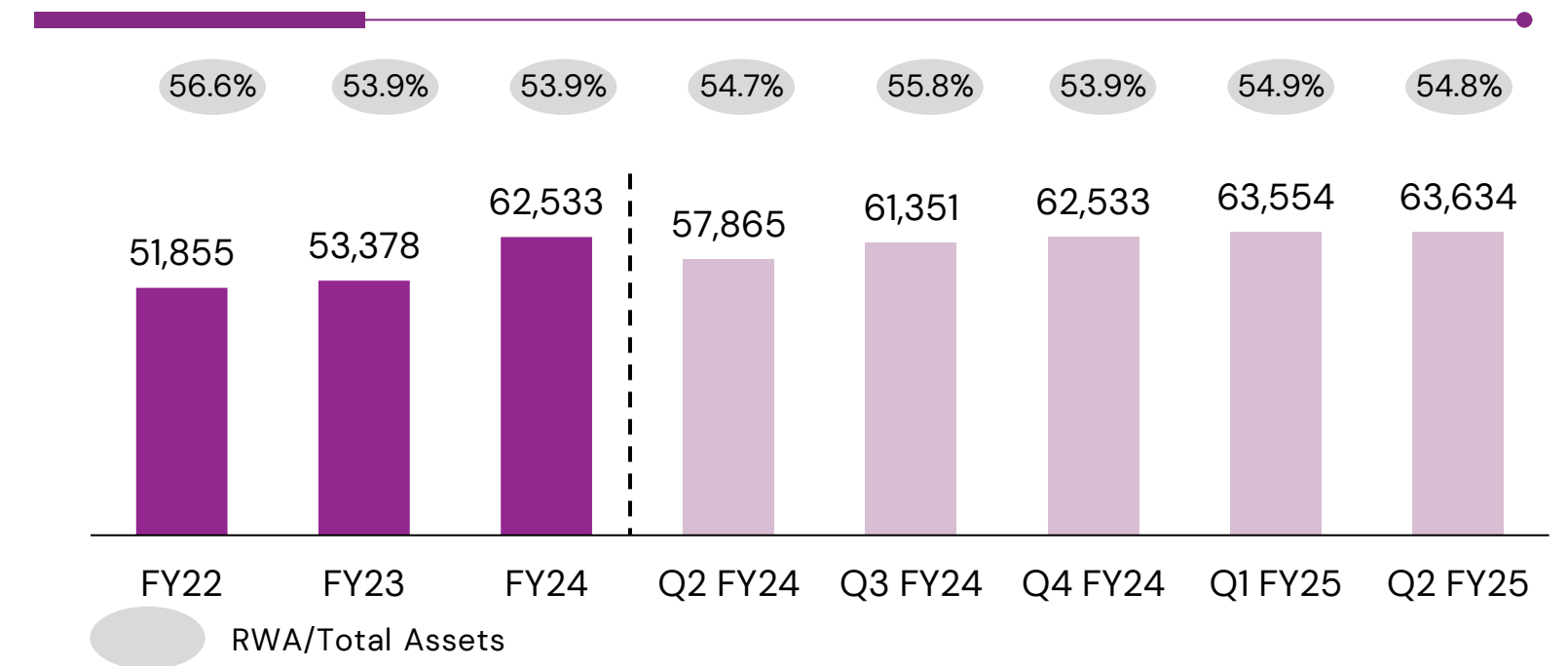


Key Ratios

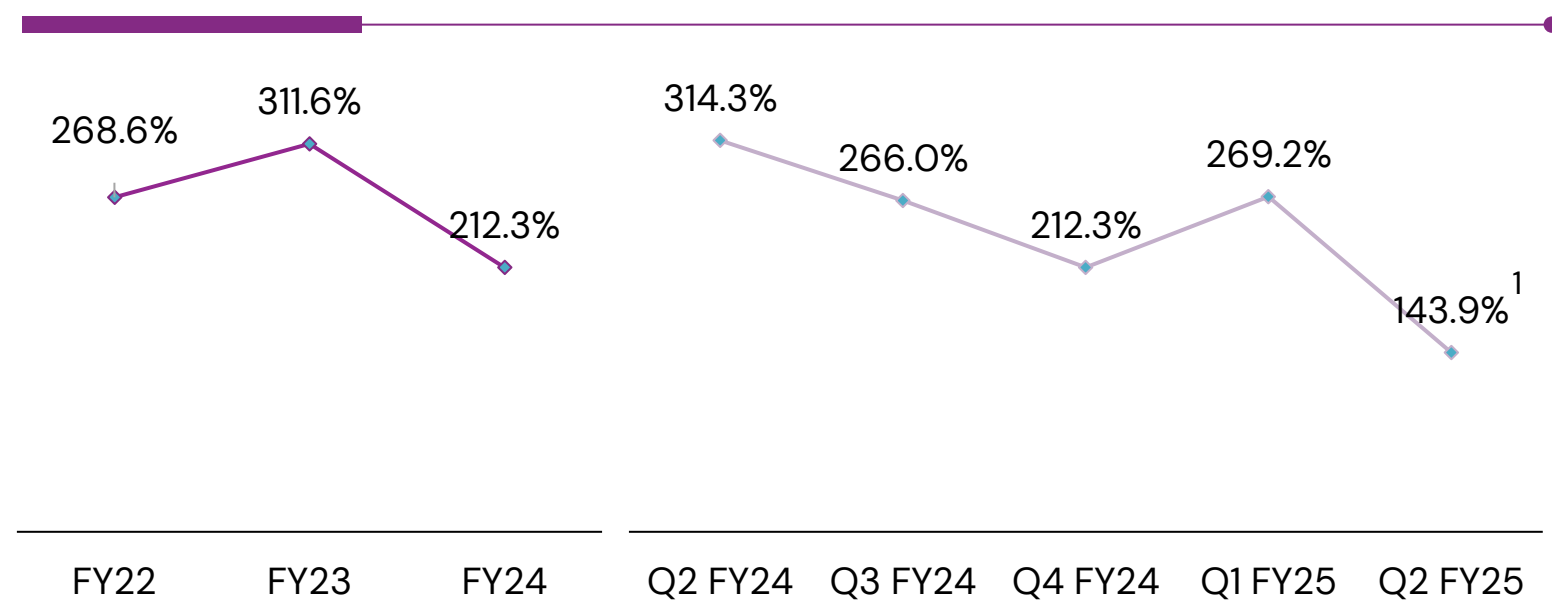
Capital Adequacy Ratio



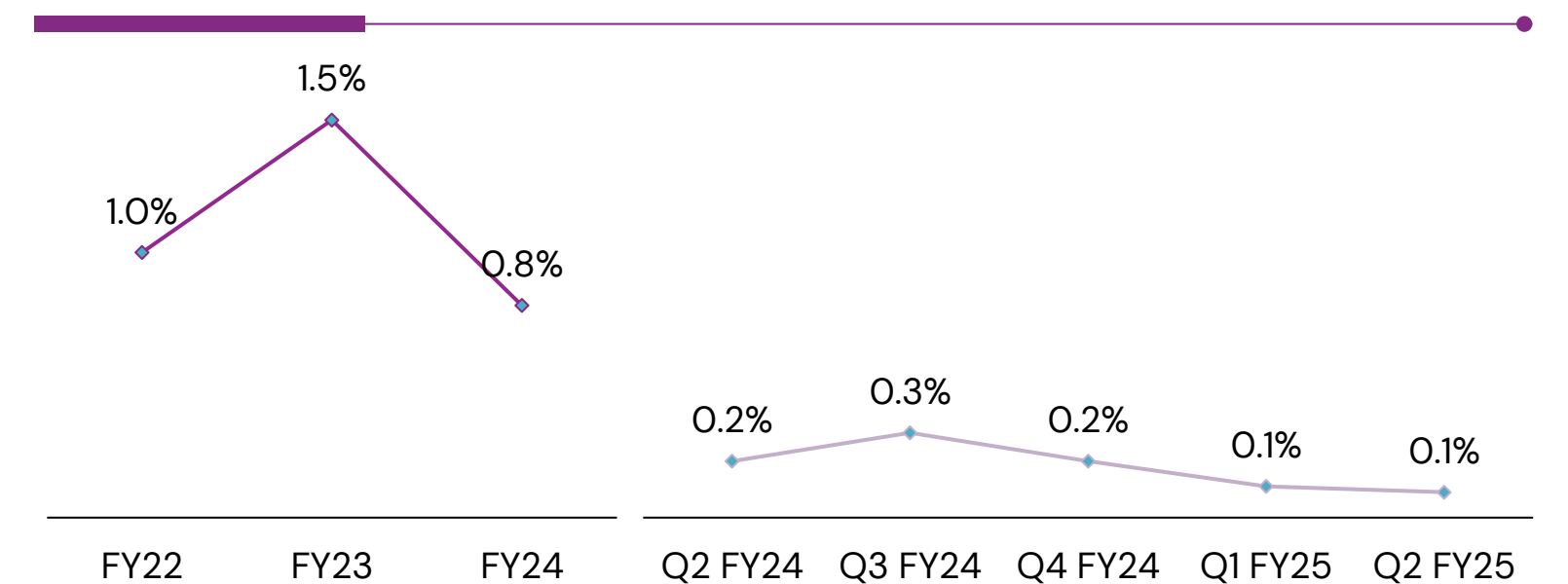
Risk Weighted Assets (INR Cr.)



LCR



Credit Cost



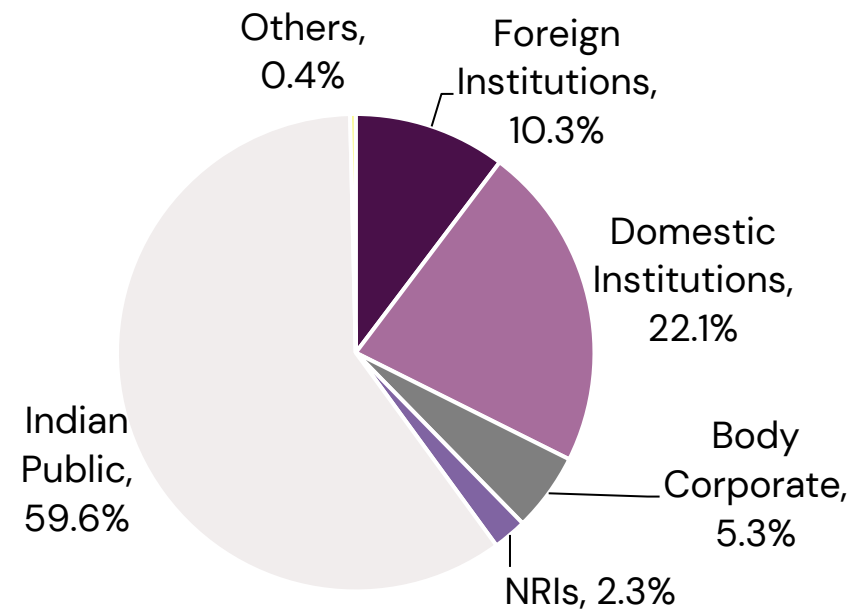
Note: In line with RBI's revised draft guidelines on Liquidity Coverage Ratio (LCR), the Bank has made certain changes in arriving at the values of Level 1 High Quality Liquid Assets (HQLA) and runoff factors considered for arriving at Outflow/Inflow. Due to these changes, the LCR as on 30th September stands at 143.93% as against the statutory target of 100%



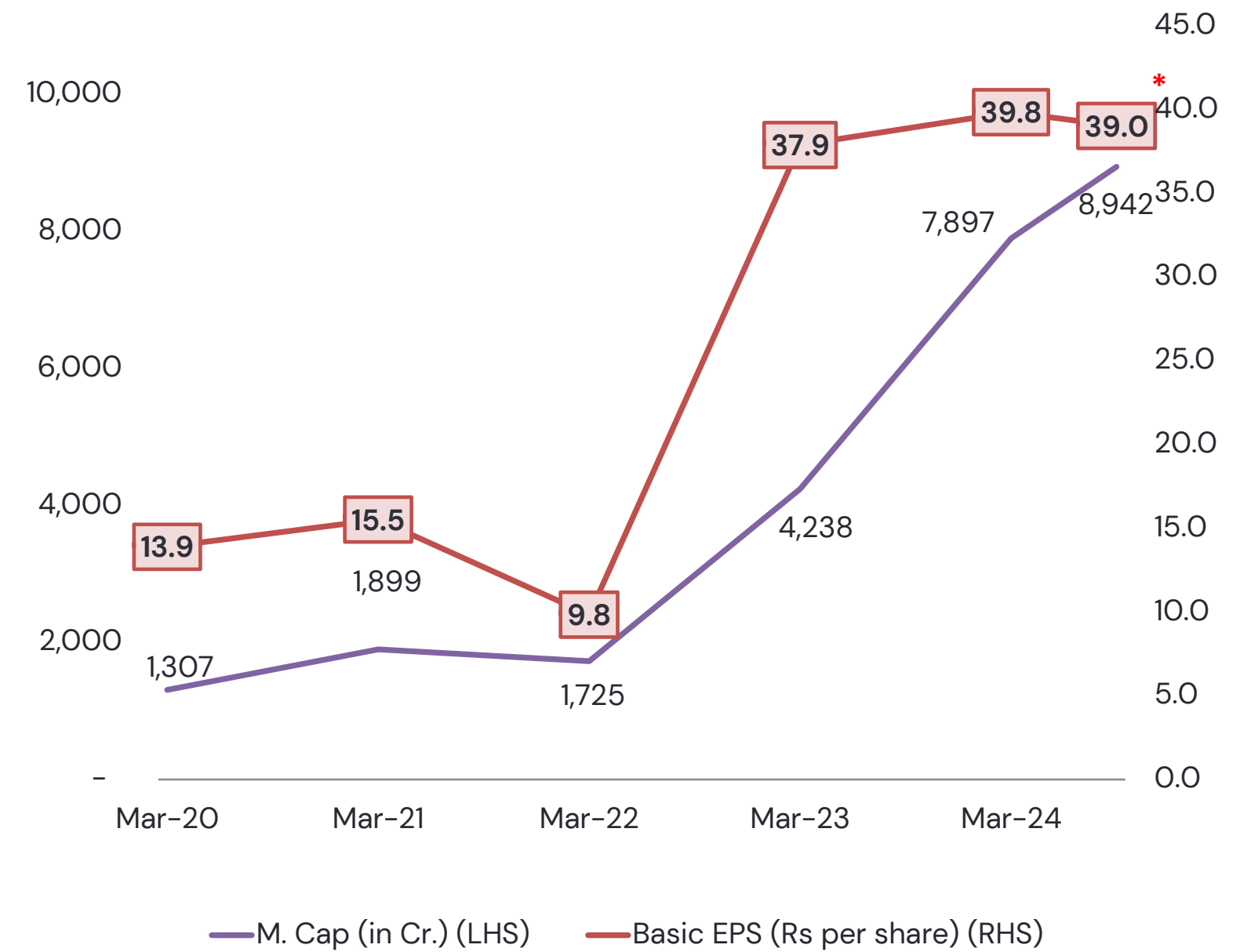


Shareholder Value

Shareholding Pattern



EPS & Market Capitalisation



Accelerating our Transformation Journey

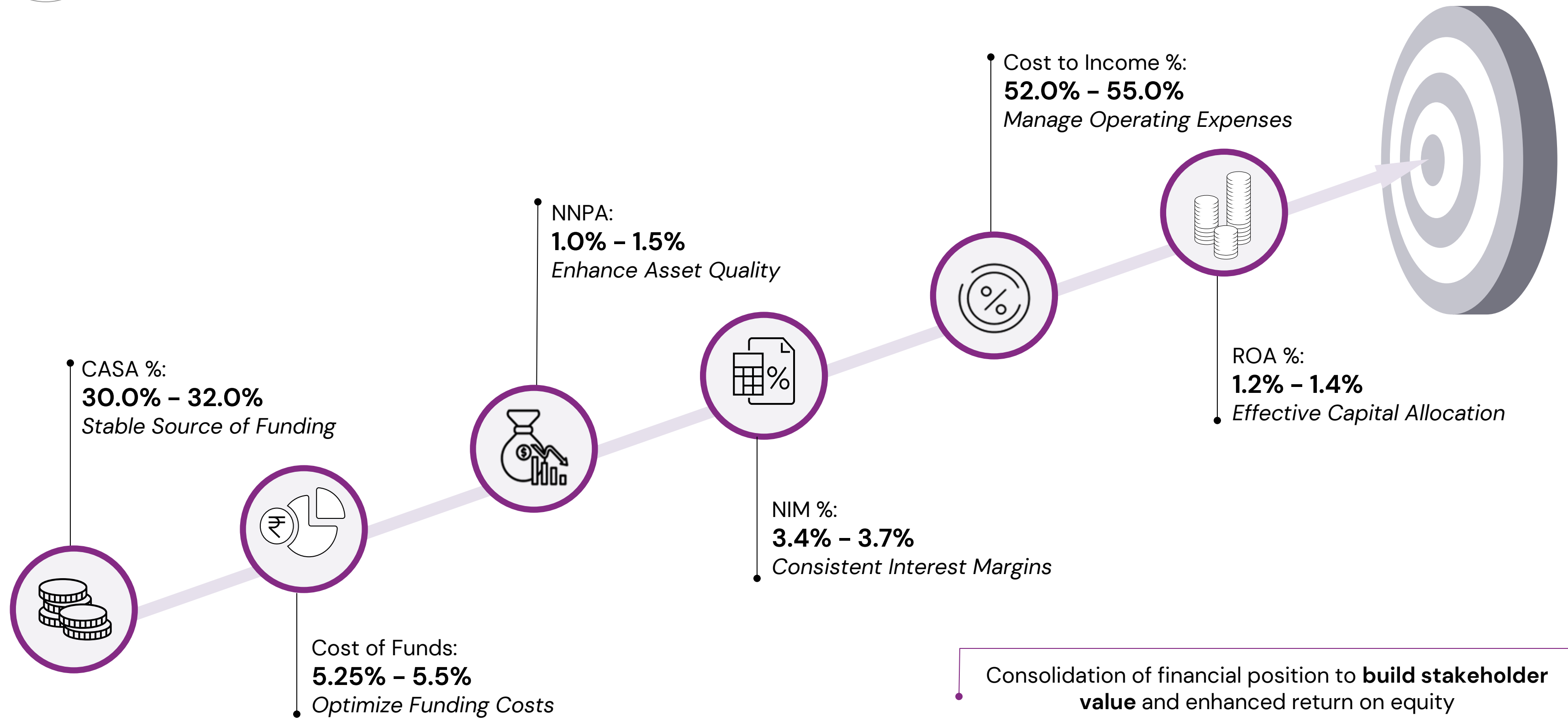
Banking with Legacy,
Embracing the Future

Celebrating 100 years of trust





Targeted Performance Improvement to Boost Returns





Products

Building a Comprehensive Portfolio of Products

Customer-centric approach for creating products

Leverage Cross-sell & Up-sell opportunities

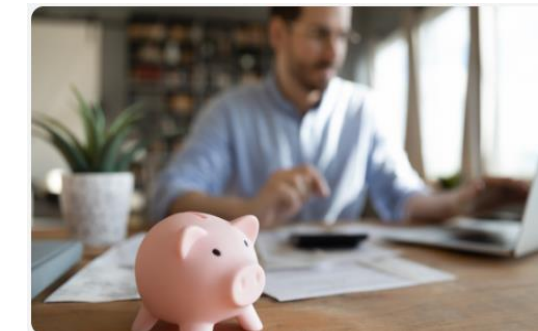
Comprehensive product suite

Pipeline of products for continuous growth

Retail

Agriculture

MSME



Retail loans

Liability Products

ADC Channels

Agri Schemes

MSME Products

Financing

- G-Perl – Personal Loans for Govt Employees launched.
- KBL PEAK Education Loans – to be launched soon
- Pre-Approved Digital Personal Loans to be launched soon

- Digital Current Account Journey launched
- KBL Genius Student Savings account to be launched soon

- CBDC – Digital Rupee-launched
- GFF launch of UPI Delegate payments & Rupay NCMC NFC features.
- KBL One – Corporate Mobile App launched

- KBL Krishi Bhoomi – Loans for Purchase of Agri Land – launched
- KBL Krishik Tractor – Loans for Purchase of Tractor – launched
- KBL Saathi – Loans for SHG/JLG – to be launched soon

- KBL CA Credit Line – Exclusive Loans for Practicing Chartered Accountants launched
- KBL Dropline Overdraft – Flexible Financing for MSMEs launched

- KBL Supply Chain Finance platform under build – To be launched.
- KBL Medical Equipment Loans – Empowering Healthcare MSMEs – To be launched

New products focused on 'RAM' – Retail, Agriculture and MSME



Digital and Technology

Digital Touchpoints



3,590,465

Mobile App Installations

↑ 3.5% QoQ



762,883

Net Banking Users

↑ 1.9% QoQ



5,416,540

Debit Cards

↑ 1.4% QoQ



100,964

QR related metrics

↑ 15.1% QoQ



1,632,014

E-Passbook Downloads

↑ 0.3% QoQ



1,505

ATM Networks

↑ 0.1% QoQ



Digital and Technology

Awards



Best Digital Transformation Initiative (Private Bank)

5th Annual BFSI Technology Excellence awards 2024 Hosted by Quantic



Best Business Innovation – IDC Foundry

IDC Foundry – CIO100 “Best Innovators with Gen AI & Cloud in Analytics Centre of Excellence



Digital and Technology

Moving towards a Digital-First Bank

Creating a disruptive "Bank within a Bank"

Our Objectives



Increase in Customer Base



Enhanced Customer Satisfaction



Organisational Productivity



Financial Growth

Infrastructure to Meet Our Objectives



First-in-class digital factory



Integrated Risk and Finance framework to support Bank's regulatory/ management reporting under implementation in OFSAA



Scalable and configurable No-Code, Low-Code platform for business account



Products and Business Solutioning have been integrated into the Technology and Digital Hub



ACoE data platform to assist in-house capabilities and monitor business outcomes

Strategic implementation of digital projects to achieve our objectives



First Bank to get onboarded on ONDC rails to offer Personal Loan product



Launch of DML Dairy Maintenance Loan product to farmers through Dairy Neo Banking Partnership



Launch of multilingual Corporate Website in Hindi and Kannada languages



Launch of eBG – Electronic Bank Guarantee facility to customers of the bank







Digital and Technology

Scalable and Reliable Architecture

Embedding **data & analytics** in business processes for data-driven decision making








Foundation of Architecture

-  First-in-class scalable central data repository **on cloud** with data quality management and remediation capabilities
-  Predictive, business/strategy and descriptive **analytics use-cases**
-  Enhancement of the **Data Link** to enable seamless communication and exchange of information
-  Integrated analytics with business processes to enable **data driven decision making**

Integration with the Business

-  **Retail Loan Propensity**
Target Retail loan propensity for better product proposition for customers
-  **Micro Market Analysis**
External information on throughputs/market at a pin code level to plan operations
-  **Deposit Propensity**
Deposit propensity for core augmentation
-  **Primary Bank Index**
Analyse overall wallet share of customer with the Bank through Customer360
-  **Portfolio Management**
Product Portfolio performance & Managed Account Monitoring
-  **Collection Prioritisation**
Optimise collection efforts through advances analytics
-  **Behaviour Scorecard**
Proactively monitor and control delinquency levels

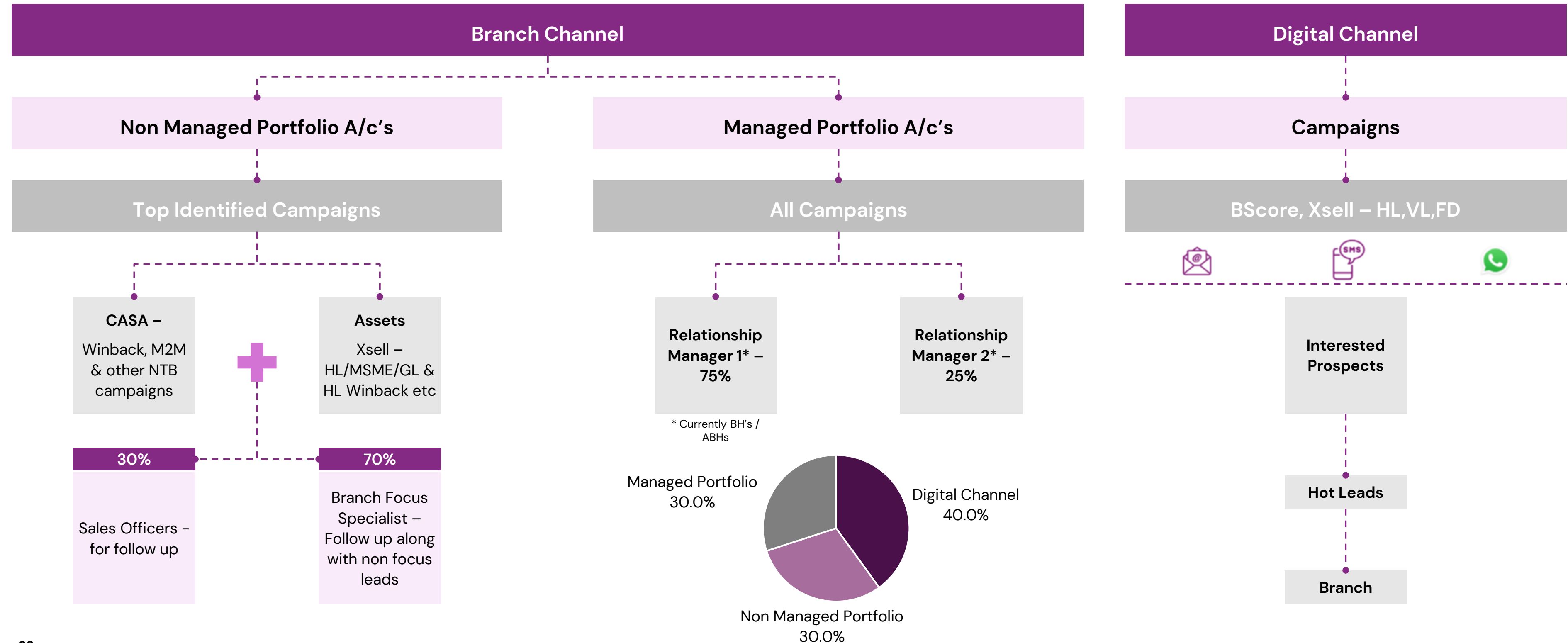
Impact on the Business

-  **CASA & Term Deposits**
-  **Retail Advances**
-  **Product & Account Productivity**
-  **Internet and Mobile banking users**
-  **Assets**
-  **Operations and Governance Efficiency**
-  **NPAs**



Analytical Centre of Excellence – Business Adoption

Propensity Engagement Distribution

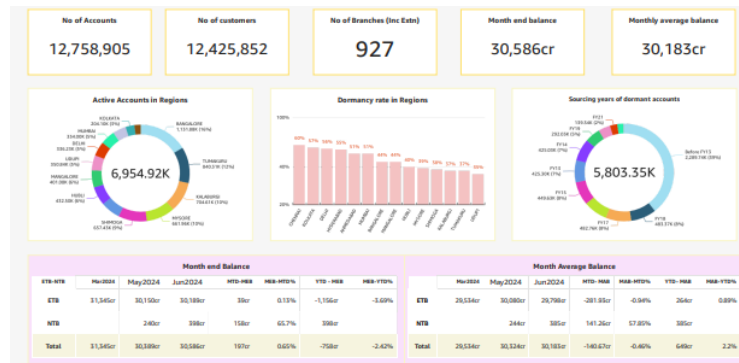




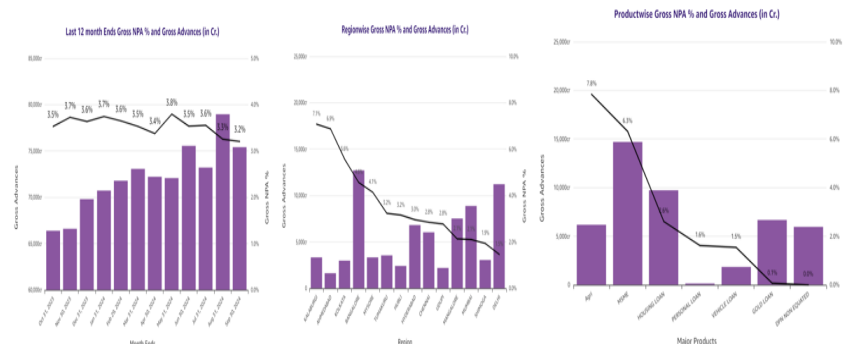
Digital and Technology

Best in class Analytics Factory: 360day PitStop

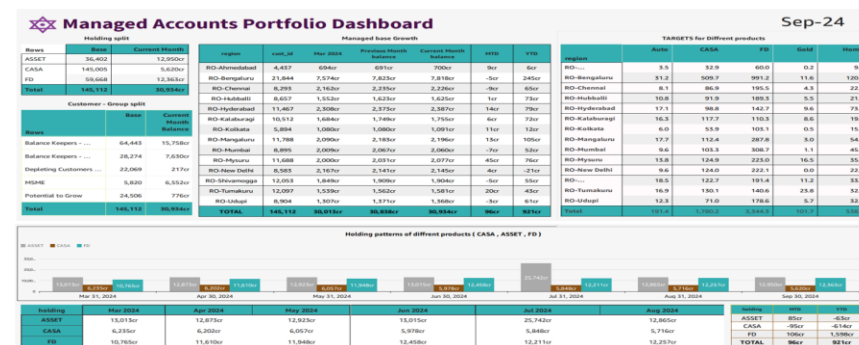
Business Dashboards Driving Agility and Precision in Decisions



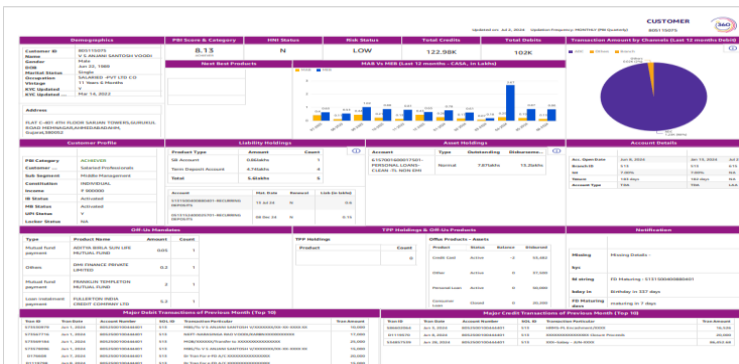
CASA Balance Buildup Dashboard



Product Portfolio Dashboard



Managed A/c Portfolio Dashboard



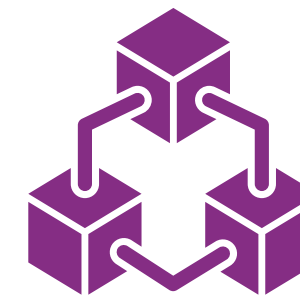
Customer 360 Dashboard

11+ Dashboards, 2 New in Q2
40+ Business and Predictive models live

Business Systems ensuring New Insights have Rails for Outcomes

Live - Customer Relationship Management (CRM) & Customer Engagement Channels

Live - Early Warning Signals (EWS) & Collection Prioritization



Coming Soon - Martech Platform

Coming Soon - Unsecured Collection Platform

4+ Digital systems Live & 2 to be executed in H2

Key Business Outcomes



Focus Branch Strategy (Aligned to Catchment Analytics)



~1 mn Engaged Customers (2X lift in engagement)



Realization of Planned P&L Impact (15% incremental p.a)

Our Strengths and Strategies

Banking with Legacy,
Embracing the Future

Celebrating 100 years of trust





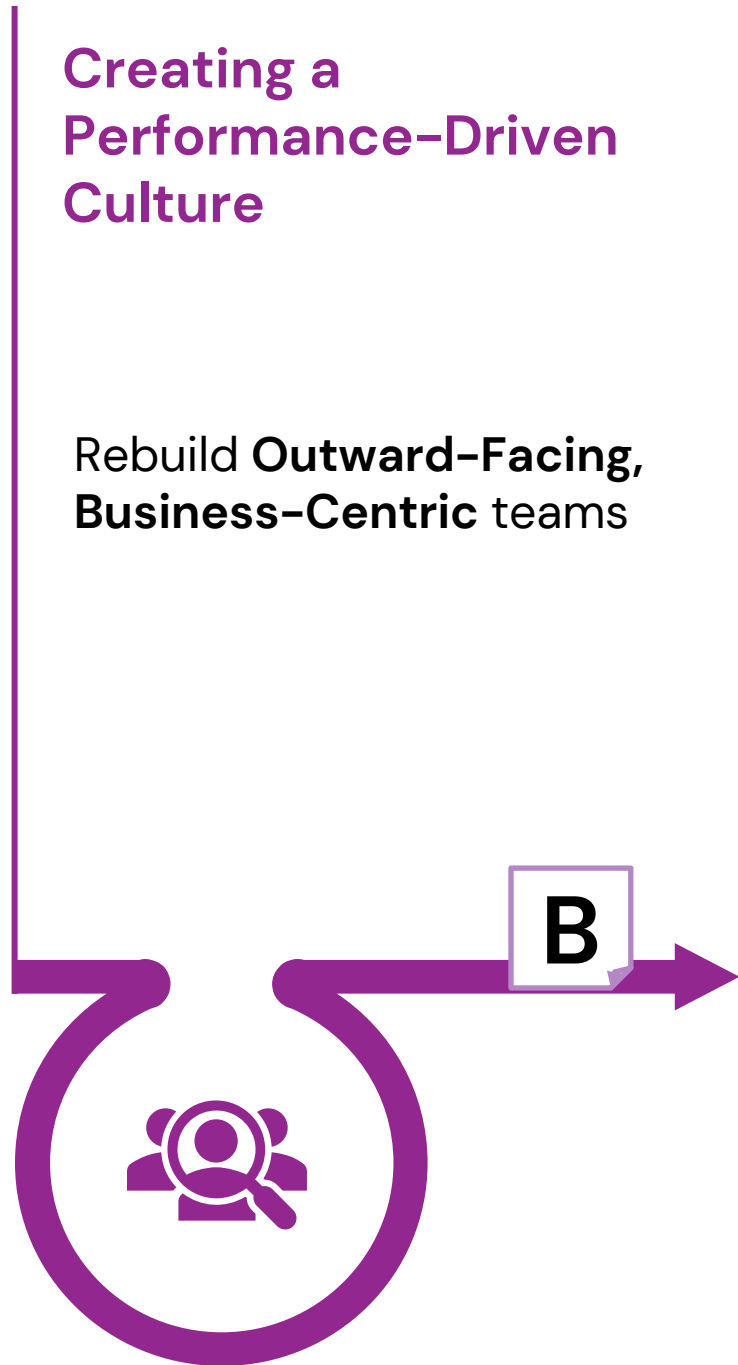
Strategic Roadmap



A

Delivering Excellence in Core Businesses with Underlying Technology Platform

Through tech-driven **Processes, Products & People** targeting Rural, MSME and Retail sector



B

Creating a Performance-Driven Culture

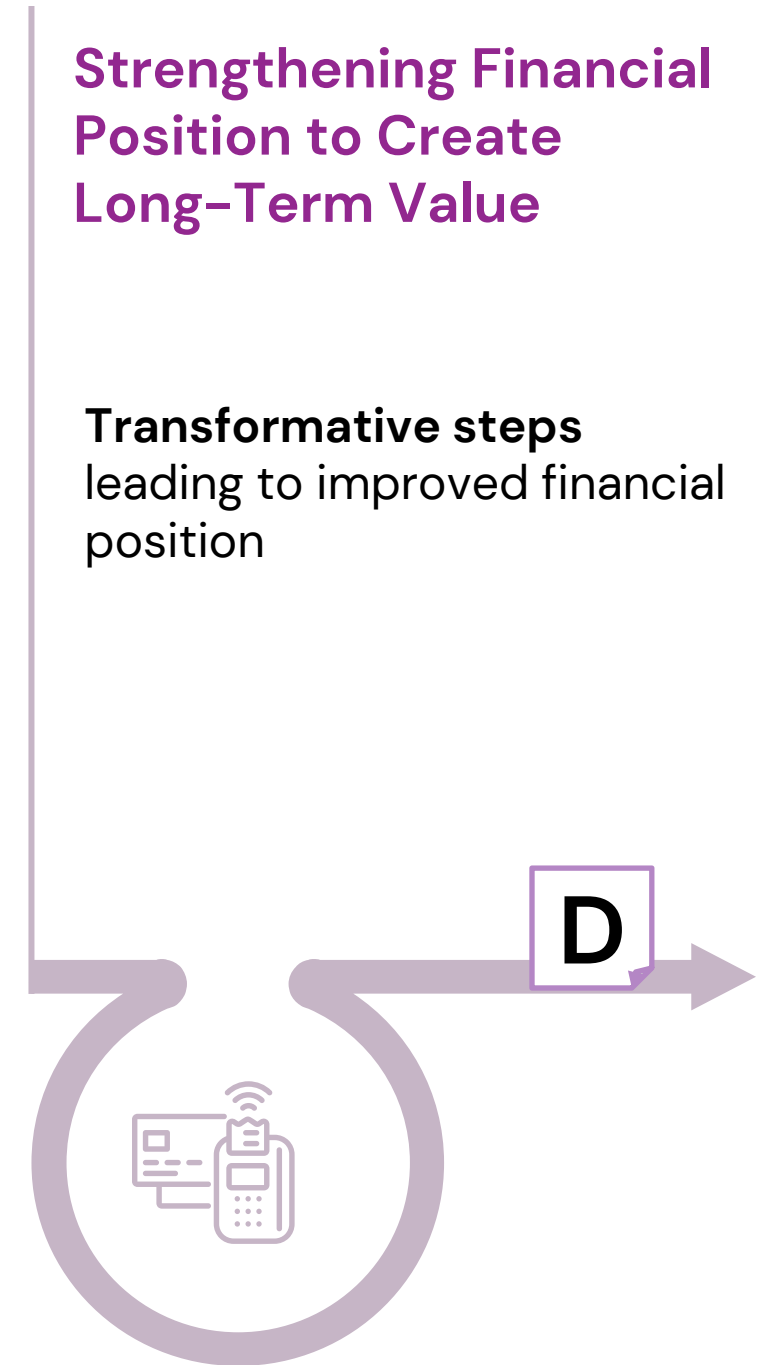
Rebuild **Outward-Facing, Business-Centric** teams



C

Digitalisation and Partnership to Accelerate Book Growth

Digital First private sector Bank



D

Strengthening Financial Position to Create Long-Term Value

Transformative steps leading to improved financial position



Driving Excellence in Proven Core Competencies



Consistent Emphasis on our Strength Areas



100 Year Legacy

Our Legacy

13 Mn

Happy customers

Building on Our Legacy

- Tradition with Innovation
- Outbound Sales Culture
- Startup-like Agility



MSME & Rural Focus

35.0%

Share of MSME & Agri-Loans

46.4%

Branches in Rural & Semi-Urban Areas

- Capitalise on community network
- MSME and Rural to be key growth drivers



Retail Focus

45.5%



48.7%

Increase in % of Retail Advances from FY20 to Q2 FY25

- Enhanced RoA and RoE
- Focus on Retail – Home, Gold Loans



Bharat Ka Karnataka Bank

4.1%¹

Market share in Karnataka

22 States

Pan-India presence

- Wider Geographical Presence
- Digital and Data-driven client acquisition
- Cross Selling





Driving Excellence in Proven Core Competencies

A.

Diversified Offerings with Established Brand Equity

Retail and Personal Banking



- Housing
- Vehicle
- Gold
- Loans against property
- Personal loans
- Education

Agriculture Banking



- Agriculture & allied activities
- Farm development
- Agricultural land purchase
- Farm mechanization
- Hi-tech agriculture
- Agricultural infrastructure & ancillary

MSME



- Working capital finance for traders & manufacturing industries
- Term loans & infrastructure finance
- Business development loans
- Corporate loans
- Professional & self-employed loans
- CV / CE loans

Services



Simple & smarter digital loans



Centralized processing



Immediate in-principle sanction



Dedicated sales team

Facilities



Dedicated technical experts (AFOs)



Agri Development Branches (ADBs)



Rural godown loans



Farm machinery/ vehicle loans

Facilities



GST Based Loans



Quick digital underwriting



Loans to women entrepreneurs



KBL Equipment Loan digi journey



Driving Excellence in Proven Core Competencies

A.

Key Capabilities in Place to Leverage Opportunities in the Government Business

Focused to be one of the top govt. collection Banks



Empaneled as '**Agency Bank**' for direct tax collection



Integrated on **National Jan Samarth** portal



State-level Treasury integrations for collection of revenue (Khajane-II in Karnataka and MAHAKOSH in Maharashtra)



National Savings Institute (NSI)
(to on-board customers for savings schemes)



Live with **Customs and GST collection** through OTC and Internet Banking



Launch of **Flexi Fixed Deposits** scheme for government departments and allied institutions



Live with **Direct tax collection** offering various payment methods



Live on **RBI Central Bank Digital Currency (CBDC)** platform

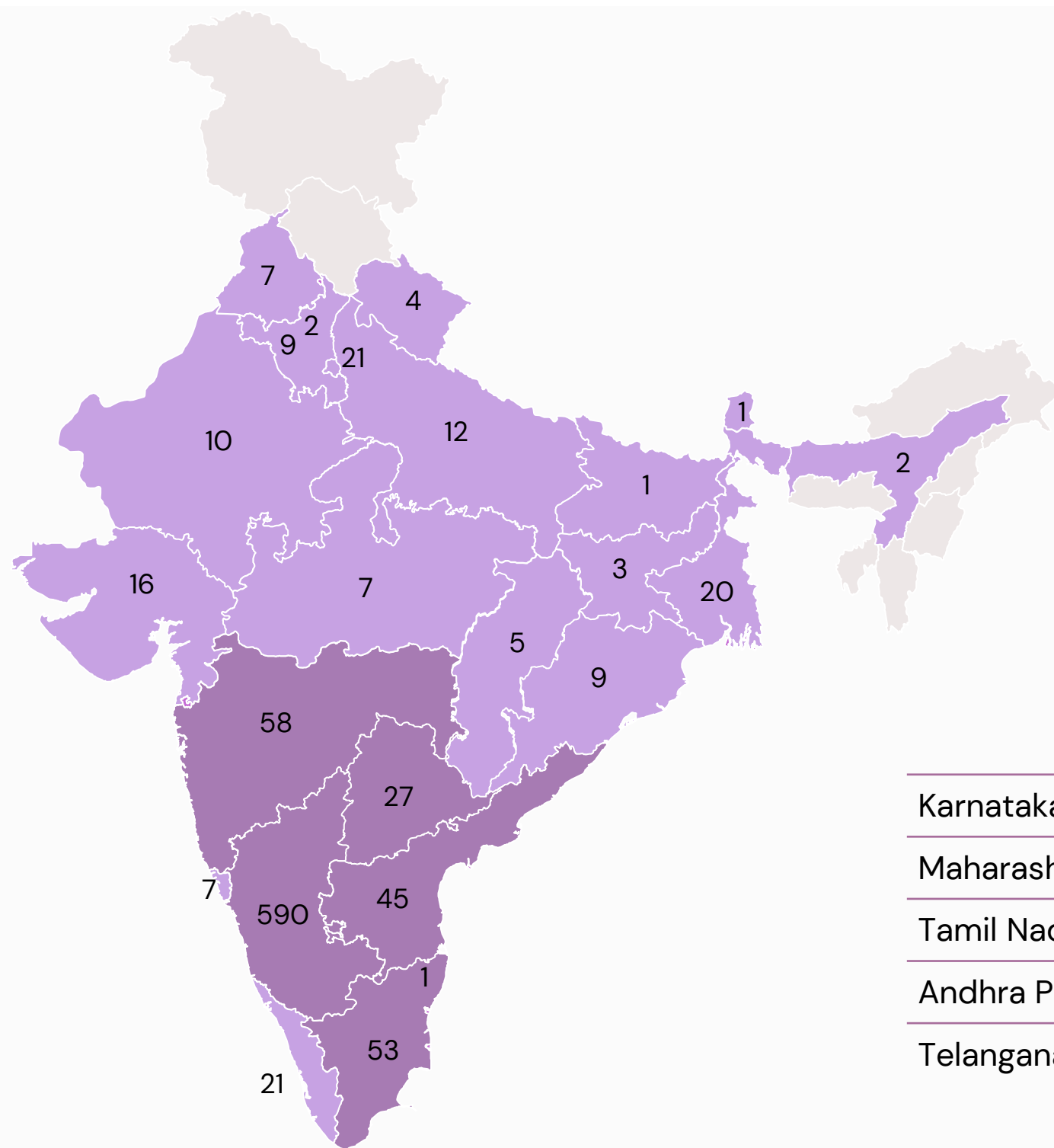
Working towards "one-stop" digital solution for all statutory payments



Driving Excellence in Proven Core Competencies

A.

Strong Geographical Footprint



Steady Growth in Locations Served



931

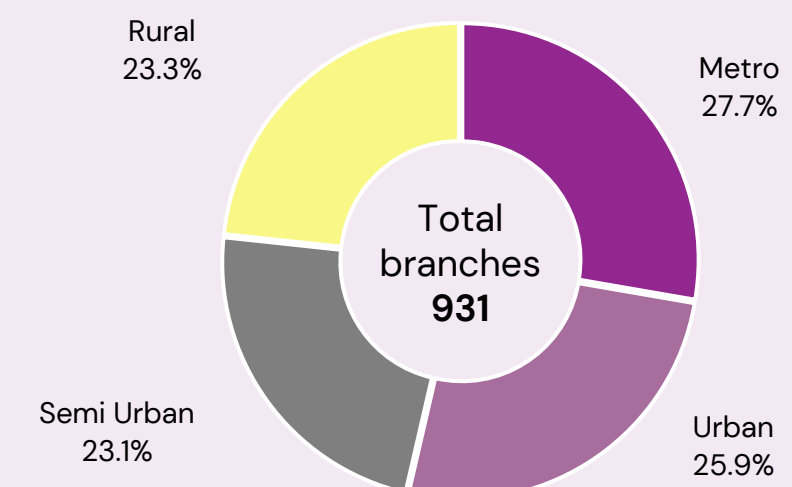
Branches



1,505

ATM and Recyclers

Presence Across All Tiers





Creating a Performance Driven Culture

B.

Rebuild Outward-Facing, Business-Centric Teams





Digitalisation Propelling Robust Book Growth



Foundation in place to Drive Next Leg of Digital Innovation

State-of-the-art **'Technology, Digital & Product Hub'** at Bengaluru

- **40,000 sq. ft.** super built-up area
- **300+** skilled employees
- **Products and Business Solutioning** have been integrated covering technology, digital and analytics

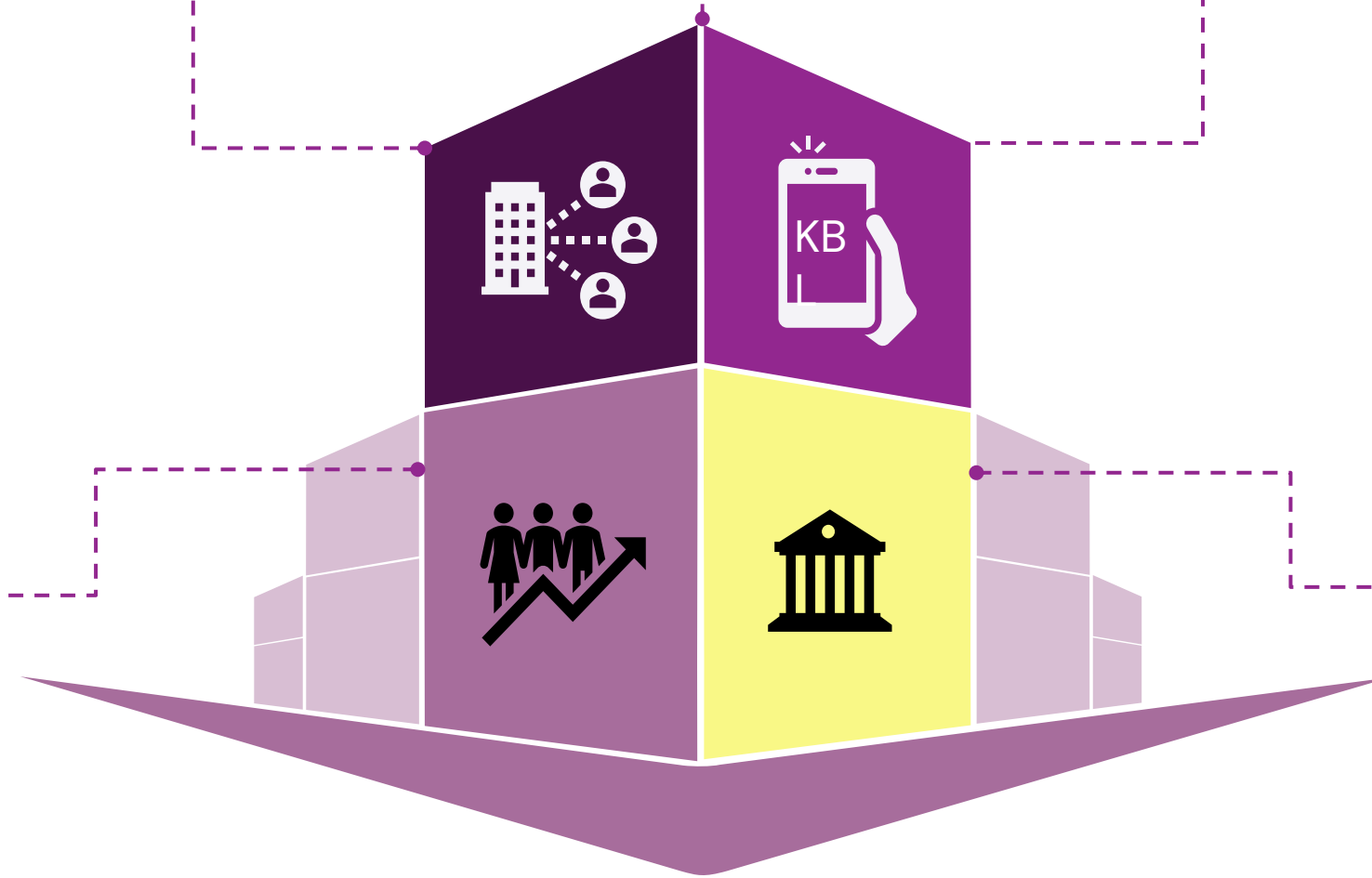
- **Live with CRM:** Integration of customer data and interactions across Marketing and Sales department
- Enhance customer engagement and improve business productivity

Launched revamped **website (English, Kannada)** and **customer app**

- Developer portal featuring over **570+ APIs**
- **KBL Mobile Plus** provides a user-friendly mobile interface with intuitive navigation

- **Partnerships with FinTechs** to drive digital banking
- **Increase Product Penetration** per customer through analytics-enabled cross selling

- **Cloud Data Platform** for ACoE
- Four Modules from OFSAA including **fund transfer and profitability module** under implementation
- Scalable and configurable platform for business account





Digitalisation Propelling Robust Book Growth



Initiatives towards Digitisation

Executed initiatives



Colending partnership expansion - UGro



Hyperlocal SEO



Dairy Maintenance Loans leveraging ULI



Personal Loans leveraging ONDC



Liability Platform: : DIY SA, Dormant Account Activation



Hindi Kanada Website

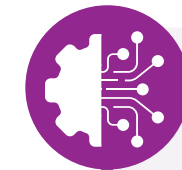
Planned future initiatives for 2025



Pre-approved and Flow-Based Loans



National Back Office Transformation



Core Systems (Collections/LOS/LMS) Transformation



Supply Chain / Trade Finance Platform



Data Governance and Warehouse Transformation



Unified Digital Retail Sales and Credit Hub



Digital Omnichannel Transformation





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