CSB Bank
Trusted Heritage Smart Future

105TH ANNUAL GENERAL MEETING

ADDRESS BY MD & CEO, SHRI. PRALAY MONDAL

FRIDAY | AUGUST 21, 2026

Address by Shri. Pralay Mondal, Managing Director &CEO, at the 105th Annual General Meeting of the shareholders of CSB Bank Limited on Friday, August 21, 2026, at 11:00 A.M. IST through Video Conferencing ("VC")

Good morning to all the esteemed shareholders,

It is my privilege to warmly welcome you all to the 105th Annual General Meeting of the Bank. With Onam, the vibrant festival of colours, flowers, traditions, and games, just around the corner, I wish you and your family a very Happy Onam filled with joy, prosperity, peace, and togetherness.

Today offers an opportune moment to reflect on our SBS 2030 vision, take pride in our achievements, and outline our aspirations for the next phase of Bank's transformation journey which is the Scale Phase. In FY23, we started this journey with a clear vision: to build a strong, resilient, and future-ready CSB Bank. Since then, through the Sustain and Build Phases, we have sustained our core fortes and laid a strong foundation with the 5 core pillars of excellence; enhanced governance, a customer centric culture, rigorous compliance standards, scalable and future ready technology and a strong focus on nurturing the human capital. Together these initiatives have positioned us well to enter the Scale Phase to capitalise on the opportunities that lie ahead.

It gives me immense pride to share that, with the commencement of this fiscal year, we have entered the Scale Phase of SBS 2030, unlocking new avenues for growth and expansion. This marks a defining milestone in our transformation journey. This phase is not merely about scaling our business; it is about doing so with purpose, discipline, operational excellence, and an unwavering commitment to our customers

Our aspiration is clear: to emerge as a respected mid-sized bank, recognized for sustainable growth, robust governance, innovation, and enduring customer trust. To realize this vision, we will leverage our strengthened technology infrastructure to introduce innovative products, simplify processes, and deliver superior customer experiences, while enhancing operational efficiency across the organization.

I will touch upon the priorities a little later.

Macroeconomic and Banking Landscape:

The global environment continues to be uncertain. Financial market volatility and geopolitical uncertainties continue to persist. Global growth is projected at 3.0 percent for 2026 and 3.4 percent in 2027 with stagflation risk continue to remain a possibility . Though USA and Iran continued on a ceasefire, the uncertainty surrounding opening and control of Strait of Hormuz is impacting currencies, rates, and commodity prices. However, global growth could be boosted if blockage is removed soon and a steady supply of crude oil and chemicals is established.

On the domestic front, India continues to be one of the fastest-growing major economies in the world and is outperforming global peers. Domestic growth remains resilient aided by private consumption and fixed investments. El Nino has disrupted monsoon, but Kharif sowing is down only by 10%. Service sector activities are also robust. The major setback to the Indian economy this year was rising crude prices which put pressure on INR and domestic rates . Central Bank has brought currency situation under control by opening a FCNR swap window for Banks on NRI deposits. It has boosted the deposit growth for Indian banks improving systemic liquidity. However, the inflation risk due to higher oil prices persists.

Growth Outlook:

The economic outlook for India remains positive. The resilience in Indian economy is largely due to robust domestic demand, government infra spending and steady service sector even as global geopolitical and trade headwinds continue to pose external risks. With adequate forex reserves and reversal of portfolio outflows , the future looks stable but, we shall remain vigilant regarding evolving situation in the gulf region.

Monetary, regulatory, and fiscal policies remain aligned with the growth objectives, with the RBI projecting a real GDP growth rate of 6.7% for FY 2026-27 and CPI inflation expectation at 5.0% in FY 2026-27.

Performance Highlights:

As detailed in our Annual Report, your bank's performance over the last fiscal year remained robust despite being in the midst of a major technological overhaul. Our growth trajectory has exceeded the industry average, with key financial indicators showing stability and strength during FY 2026.

I would like to highlight some of the key performance metrices for the fiscal year 2026:

Profitability:

- Strong operating performance with an operating profit of ₹1085 crore, with a 19% YoY growth. Net profit of Rs 633 Crs.
- Total Income grew by 24% over FY 25, reaching ₹5682 crore.
- ROA stood at 1.29% for FY 26, matching the industry average
- Recorded a NIM of 3.76% as against the industry average of 3.3%.
- Cost of Deposits stood at 6.37% and Yield on Advances at 10.80%.
- The ratio of Non-Interest Income to Total income stood above 20% at 20.71%
- Cost to Income ratio stood at 62.53%.

Business:

- Total business reached ₹ 84,605 crore, marking a 23% YoY growth
- Deposits grew by 20% YoY, outpacing the industry growth of around 11.5%-- 3 year CAGR of 22%
- CASA ratio stood at 19.96%.

- Gross advances grew by 27%, compared to the industry growth rate of around 14.5% majorly driven by growth in gold loans and wholesale book - 3 year CAGR of 25%

Capital/Liquidity:

- Strong capital base with a CRAR of 20.66%, significantly above the industry average of 17.70%. Adequate headroom for future growth is there.
- A lower proportion of Risk-Weighted Assets at 38.88%, compared to the industry average.
- Leverage ratio of 7.36%.
- Comfortable liquidity, with an average LCR of 109.27% and NSFR of 121.56%

Asset Quality:

- Stable Ratios
- GNPA stood at ₹670 crore, or 1.66%.
- NNPA was ₹158 crore, or 0.40%.
- PCR was maintained at 86.33% with PWO & 76.38% without PWO.

Shareholder Return:

- EPS improved to ₹36.50, up from ₹34.23 in FY 25.
- Book Value per Share is at ₹272.
- ROE of 14.14%, compared to the industry average of 12.60%.

Looking ahead, we are well-positioned to sustain our strong performance and drive further improvements in the upcoming fiscal years.

Build to Scale: An Execution Story:

As we move from build to scale, execution becomes the defining factor of success to translate a strong foundation into accelerated, risk-managed growth. This requires an ownership mindset, speed in decision-making, and an unwavering focus on customer outcomes. At the same time, we must ensure that growth is underpinned by strong governance, compliance, and risk management practices. The successful completion of one of the most complex technology migrations in the last financial year underscores the resilience and execution capability of our team. This landmark achievement provides us with greater confidence in our ability to deliver on our long-term vision and successfully navigate the next phase of our transformation journey.

As we move forward, our strategic priorities for the Scale Phase will include:

- Accelerating **Customer Acquisition** through focused growth strategies and enhanced digital capabilities. We have established a retail liability sales vertical to fast-track the acquisition across the entire liability channel

- Strengthening our **CASA franchise**, which remains a critical pillar of long-term profitability and customer engagement.

- Creating a G**ranular Deposit Profile** enabling enhanced deposit stability, optimized funding and pricing , growth opportunities through cross sell etc. Through Targeted Offerings under Current Account, TASC accounts, focused saving accounts, integrated payment solutions and tailored asset products, we are building a proposition that fosters deeper engagement and long-term customer relationships.

- **Reshaping our Portfolio Mix** for greater resilience and balance. While gold loans continue to provide stability, profitability, and liquidity, we are steadily diversifying towards a more balanced asset composition. This transformation is well underway, with corporate businesses demonstrating strong growth momentum, BLG/MSME vertical poised to capitalize on emerging opportunities and Retail Assets being strengthened through phased revamps and product launches, carefully aligned to market conditions and our risk appetite.

- **Expanding our Footprints and market presence** is a key pillar of our growth strategy. By extending our network across geographies, we aim to deepen customer reach, improve accessibility, and unlock opportunities in both existing and emerging markets. This expansion will strengthen our ability to serve a broader customer base, enhance market penetration, reduce concentration and create a scalable platform for long-term growth.

- **Driving Operational Leverage and Productivity Improvement** is a critical enabler of steady growth and scalability. Through greater adoption of technology, simplification of processes, and disciplined execution, we are building a more agile, efficient, and customer-centric operating model. Our focus is on eliminating complexity, enhancing turnaround times, improving resource utilization, and creating capacity to support future growth, while maintaining strong controls, governance, and service quality. This will enable us to deliver superior customer outcomes, improve cost efficiency, and strengthen overall organizational effectiveness.

Rating:

CRISIL & India Ratings have reaffirmed rating of our instruments with a stable outlook

Commitment to ESG:

Our commitment to Environmental, Social, and Governance (ESG) principles remains deeply embedded in our strategic vision and will continue to guide in the scale phase. We are committed to integrating sustainability considerations into our business and financing decisions, with a focus on supporting renewable energy, climate-resilient initiatives, and projects that contribute to long-term environmental and social well-being. Through responsible capital allocation, we seek to create value for all stakeholders.

Equally important is our commitment to inclusive and responsible growth. Our social impact agenda is centred on advancing financial inclusion and expanding access to formal banking services for underserved and unbanked communities. Through community partnerships, employee volunteering initiatives, and targeted outreach programmes, we strive to create lasting and positive societal impact. At the same time, our unwavering focus on customer well-being, ethical business practices, and robust data security frameworks underpins the trust our stakeholders place in us. Together, these efforts reinforce our commitment to continued development, responsible banking, and long-term value creation.

Conclusion:

The opportunities before us are significant. The foundation is strong, the direction is clear, and our ambitions are well defined. With the support of our employees, customers, shareholders, and stakeholders, I am confident that in this Scale phase, CSB Bank will continue to grow stronger, faster, and more customer-centric than ever before. Let us make this exciting phase memorable by moving together with confidence, commitment, and a shared purpose. The Scale Phase is where preparation meets opportunity. Together, we will transform ambition into measurable progress and build a bank that delivers sustainable value for all its stakeholders.

I extend my sincere appreciation to our valued shareholders and customers for the trust, confidence, and steadfast support you continue to place in us. I am equally grateful to our Board of Directors for their strategic guidance, wisdom, and unwavering support in shaping the Bank's growth journey. I also acknowledge the directional inputs and invaluable support extended by our regulators and stakeholders, including the Reserve Bank of India, SEBI, Stock Exchanges, and the Central and State Governments.

My heartfelt thanks go to our leadership team and employees, whose dedication, resilience, and collective efforts have been instrumental in helping the Bank achieve significant milestones. Their commitment to excellence, customer focus, and ability to execute with discipline gives me immense confidence in our ability to successfully navigate the next phase of growth. Together, we are well positioned to realize our vision and create value for all our stakeholders.

Thank you.

Thrissur | August 21, 2026

Pralay Mondal
Managing Director & CEO