

May 9, 2023

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai 400001

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051

Security Code: **523405**

Symbol: **JMFINANCIL**

Dear Sirs,

Sub: **Press Release**

In continuation of our letter of even date enclosing therewith the audited financial results of the Company for the financial year ended March 31, 2023, we are enclosing a copy of the Press Release being issued by the Company.

We request you to kindly take the above on your record and disseminate the same on your website, as you may deem appropriate.

Thank you.

Yours truly,

For **JM Financial Limited**

Dimple Mehta
Company Secretary & Compliance Officer

Encl.: as above.

PRESS RELEASE
For Immediate Release

JM Financial's consolidated loan book stood at Rs. 15,653 crore, an increase of 20.25% YoY for Q4FY23.

Mumbai, May 9, 2023: While approving the financial results for the last quarter and financial year ended March 31, 2023, the Board of Directors has recommended a final dividend of **Re. 0.90 per share** (face value of Re.1/-).

Business Update for Q4FY23

• Investment Bank

- Strategy to integrate the Investment Bank to provide holistic solutions to corporate, institutional and ultra-high networth clients is working well and is minimizing the cyclicity in the business. Post approval of Scheme of Arrangement, private wealth and PMS business to get demerged thereby becoming a part of the Investment Bank segment
- Pipeline of equity and debt capital market transactions is extremely robust
- Strong traction in financial institutions financing book (FIF), team is in place to drive the business
- Focus to maintain RoE in high teens in the business

• Mortgage Lending

- Wholesale mortgage lending
 - Strong loan book growth to drive earnings
 - Pre-Covid loan book stood at Rs. 1,571 Cr as of March 31, 2023
 - Strong pipeline of transactions
- Retail mortgage lending
 - Branches have expanded to 93 as of March 31, 2023 from 55 as of March 31, 2022
 - Systems, process and teams in place to drive collection and business expansion
 - Discussion for exploring a potential combination with Indostar Home Finance Private Limited

• Distressed and Alternative Credit

- Working towards resolution of assets and acquisition of new assets (two new retail portfolios acquired during the quarter)
- One time additional provision on Security Receipts of Rs. 246 crore made on corporate assets on account of expectation of

outcomes/uncertainties at various resolution proceedings in the NCLT/other courts having jurisdiction in India

• **Platform AWS**

- Building value through investments primarily for digital and asset management businesses over the next two years. We invested ~Rs. 94 crore across digital, asset management and PMS business in FY2023
 - Asset Management: 58 people hired during the year across positions. Investment in building teams, expanding reach through branch networks, improving digital capabilities and increasing engagement with distributors
 - Digital businesses: Building FinTech platform which cuts across WealthTech, LendingTech, and InvestmentTech domains

Summary of Consolidated results FY 23 – Q4 compared to FY 22 – Q4

(Rs. in Cr)

Particulars*	Quarter ended March 31, 2023	Quarter ended March 31, 2022	% Increase / (Decrease)
Total income	871.16	839.22	3.81%
Pre-Provision Operating Profit	291.93	372.02	(21.53%)
Profit before tax	300.24	321.59	(6.64%)
Net profit after tax and before NCI	216.64	228.40	(5.15%)
Net profit after tax, NCI and share of associate	164.51	178.79	(7.99%)
<i>Additional provision on Security Receipts (post tax and post NCI)</i>	(107.40)	-	N/M
Net profit after tax, NCI and share of associate	57.11	178.79	(68.06%)

* Pre-Provisioning Profit, Profit Before Tax is before considering the impact of Rs. 246 Cr (Post tax impact of Rs.184 Cr) on account of additional provision considered in Security Receipts ("SRs") on a few accounts in our distressed credit business for Q4FY23 (Nil for Q4FY22). Net Profit after tax, NCI and share of associate is prior to adjusting a loss of Rs. 107.40 Cr.

Summary of Key Statistics

(Rs. in Cr, unless otherwise stated)

Particulars	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Quarter ended December 31, 2022
Loan book**	15,653	13,017	15,234
Gross NPA	3.35%	4.27%	3.60%
Net NPA	2.14%	2.67%	2.23%
SMA-2	0.14%	3.13%	1.07%
Total Provision to Loan book	3.08%	5.81%	4.11%
Loan book under the Resolution Framework for Covid-19 by RBI	0.33%	0.81%	0.35%
EPS (Rs.)*	0.60	1.87	1.99
Consolidated net worth^	8,084	7,634	8,025
BVPS (Rs.)^	84.66	80.01	84.05
Gross debt /equity^	1.45x	1.22x	1.34x
Cash and Cash equivalents	2,207	3,637	2,109

*Q4FY23 PAT includes loss of Rs. 107.40 Cr from additional provision on SRs of few accounts in our distressed credit business, which is Nil for Q4FY22.

^ Computed after reducing goodwill of Rs.52.44 Cr from shareholders' funds and excludes borrowings for episodic financing

**Loan book for the lending entities and does not include episodic financing book and SEBI Margin Trade Financing Book which is a part of the Platform AWS business

Summary of segment-wise Loan book

(Rs. in Cr)

Particulars	Quarter ended March 31, 2023	Quarter ended March 31, 2022	YoY Increase / (Decrease)	Quarter ended December 31, 2022
Wholesale Mortgage	8,445	6,286	34.36%	7,938
Bespoke	2,636	4,287	(38.51%)	3,811
Retail Mortgage	1,918	1,170	63.88%	1,572
FI Financing	1,592	440	2.62x	1,009
Capital Market	1,062	834	27.23%	904
Total	15,653	13,017	20.25%	15,234

Commenting on the results and financial performance, Mr. Vishal Kampani, Non-executive Vice Chairman, JM Financial Limited, said,

“FY22-23 was marked by uncertain geopolitical developments, global inflation and bouts of market volatilities. On the back of recession concerns, the markets delivered mixed and range-bound performances.

Given the market volatility, we reported reasonable results for the quarter and financial year ended 2023 especially given the absence of IPO financing product which contributed meaningfully to the earnings in the last financial year. During the quarter, we have also taken additional provision of Rs. 246 crore in the distressed credit business across assets due to delay in their respective resolutions on account of various factors such as proceedings in the National Company Law Tribunal, Other Courts, etc. The distressed credit business has generated a profit at the operating level without considering these provisions of Rs. 30 crore.

In line with the guidance provided, we continue to grow our loan book across verticals. We continued our investments in asset management, digital

business and portfolio management services. We are excited with the progress on our FinTech platform which cuts across WealthTech, LendingTech, and InvestmentTech domains. We will continue to invest in these businesses in the current financial year as well.

Our employee base across the group has increased by 1,281 over the last two financial years to 3,259 as of March 31, 2023.

Our retail mortgage business has scaled further and continued the growth momentum with the number of branches increasing to 93 as of March 31, 2023. We are exploring strategic options including a potential combination and listing of the retail mortgage portfolio of JM Financial Home Loans Limited and the home finance business of Indostar Home Finance Private Limited including other mortgage-backed business of Indostar.

This year is a seminal for us, as JM Financial group is one of the very few financial services players to complete 50 years in business."

Summary of Segment-wise performance FY 23 – Q4 compared to FY 22 – Q4

(Rs. in Cr)

Consolidated Net Profit*	Quarter ended March 31, 2023	Quarter ended March 31, 2022	% Increase / (Decrease)
Investment Bank	82.87	97.17	(14.72%)
Mortgage Lending	56.95	30.38	87.46%
Alternative & Distressed Credit (adj)	16.31	9.66	68.85%
Platform AWS	(14.90)	14.13	(205.45%)
Others	23.28	27.45	(15.19%)
Total Adjusted Consolidated Net Profit	164.51	178.79	(7.99%)
<i>Additional provision on Security Receipts (post tax and post NCI)</i>	(107.40)	-	N/M

Consolidated Net Profit*	Quarter ended March 31, 2023	Quarter ended March 31, 2022	% Increase / (Decrease)
Total Consolidated Net Profit	57.11	178.79	(68.06%)

* Prior to adjusting Rs. 107.40 Cr from additional provision on SRs of few accounts (Nil for Q4FY22).

Awards & Recognitions

The Asset Triple A Country Awards for Sustainable Finance 2022

- JM Financial Limited awarded for the Best corporate and institutional adviser, India
- JM Financial Limited awarded for the Best equity adviser, India.

-ends-

The press release and audited financial results are available on our website www.jmfl.com

About JM Financial

JM Financial is an integrated and diversified financial services group. The Group's primary businesses include (i) **Investment Bank (IB)** shall cater to Institutional, Corporate, Government and Ultra High Networth clients and includes investment banking, institutional equities and research, private equity funds, fixed income, syndication and finance; (ii) **Mortgage Lending** includes both wholesale mortgage lending and retail mortgage lending (affordable home loans and secured MSME); (iii) **Alternative and Distressed Credit** includes the asset reconstruction business and alternative credit funds; and (iv) **Asset management, Wealth management and Securities business (Platform AWS)** shall provide an integrated investment platform to individual clients and includes wealth management business, broking, PMS and mutual fund business.

As of March 31, 2023, the consolidated loan book stood at **~Rs. 156.5 BN**, distressed credit business AUM at **~Rs. 135.6 BN**, wealth management AUM at **~Rs. 815.7 BN**, mutual fund AAUM at **~Rs. 29.7 BN**.

The Group is headquartered in Mumbai and has a presence across **744** locations spread across **206** cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

For more information, log on to www.jmfl.com or **contact:**

<p>Manish Sheth Group Chief Financial Officer</p> <p>Tel.: +91 22 6630 3460 Email: manish.sheth@jmfl.com</p> <p>Manali Pilankar Corporate Communication</p> <p>Tel.: +91 22 6630 3475 Email: manali.pilankar@jmfl.com</p>	<p>Nishit Shah Business Strategy & Investor Relations and CFO – JM Financial Products Limited</p> <p>Tel : +91 22 6630 3522 Email : nishit.shah@jmfl.com</p> <p>Gagan Kothari CFO – JM Financial Credit Solutions Limited</p> <p>Tel.: +91 22 6630 3360 Email: gagan.kothari@jmfl.com</p>
--	---

Forward - Looking statements

This press release ('document') containing JM Financial Group's activities, projections and expectations for the future, may contain certain forward-looking statements based upon the information currently available with the Company or any of its subsidiaries and associate companies. The financial results in future may vary from the forward-looking statements contained in this document due to uncertainties and unforeseen events that may impact the businesses of the JM Financial Group. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

This document is for information purposes only and any action taken by any person on the basis of the information contained herein is that person's responsibility alone and neither JM Financial Group nor any of their directors or employees will be liable in any manner for the consequences of such actions.