

A Legacy of **Excellence**
built with **Integrity**

A Future of **Purpose**
led by **Innovation**



JM Financial Limited – Update

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JM Financial Group : Five Decades in Financial Services Business

• Liquidity, Leverage and Capitalization

- **Liquidity** : Group-wide liquidity of ~Rs. 4,764 crore (41% of Networth as of December 31, 2023) apart from short term loan assets
- **Low Leverage** : Gross Debt / Equity : 1.5x and Net Debt / Equity : 1.2x as of December 31, 2023. ~80% of borrowing is from long term sources
- **Strong equity cushion in the business** : Equity base of Rs. 11,602 crore as of December 31, 2023 (equity base has almost doubled, whereas leverage has increased by ~Rs. 2,266 crore since FY 2018)

• Track Record

- Successfully navigated through the uncertainties arising from demonetization, NBFC funding crisis, credit defaults, Covid-19 etc.
- Presence of five decades in financial services business, strong commitment to all stakeholders

• Diversified business profile

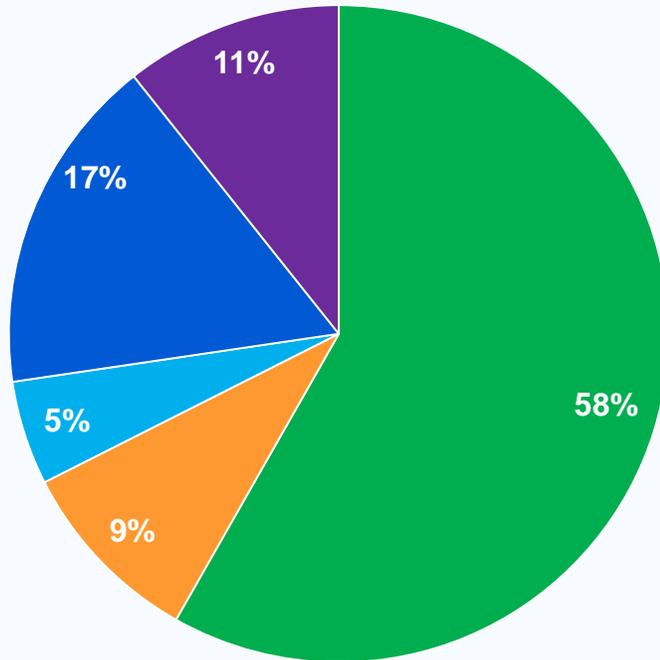
- Healthy mix of net interest and net non-interest income (~67% of net revenue for 9MFY24 from net non-interest income)

• Next steps after recent developments

- Fully co-operate with regulators on the next steps
- Focus on other business activities in the normal course
- Considering to buyback a portion of commercial paper maturities

Liquidity Position as of March 7, 2024

Break up of liquid assets



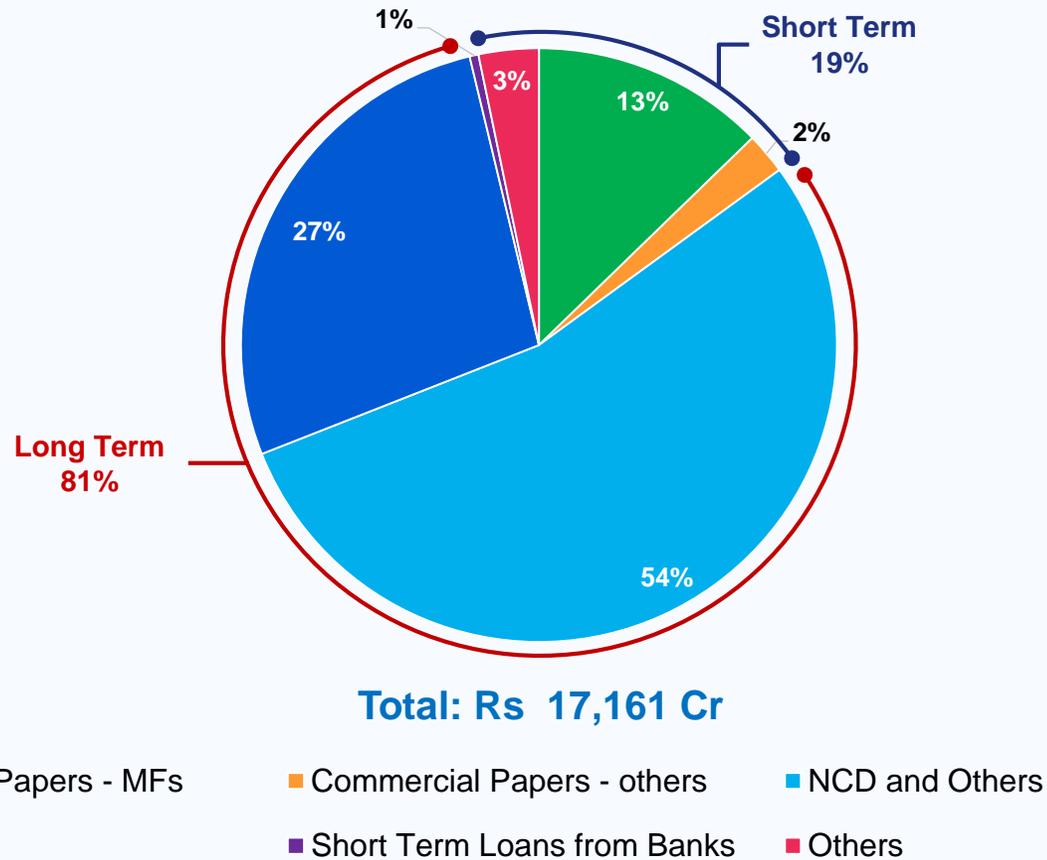
Total: Rs 4,764 Cr

- Mutual Fund (Liquid and Overnight Schemes)
- Bank and Fixed Deposits (unliened)
- Gsec/State Dev Loans/T-bills
- Listed Instruments - Equity, REIT, Arbitrage Assets
- Corporate Bonds and Debt MFs

- Strong liquidity position
- Liquid assets can be realized into cash at short notice
- Over and above liquid assets, the Group has diverse short term assets across businesses
- Strong pre-payments expected
- Leverage of broking entities is backed by deposits placed with exchanges for trading / margin requirement and short term assets

Borrowing Profile as of March 7, 2024

Break up of borrowing by instrument

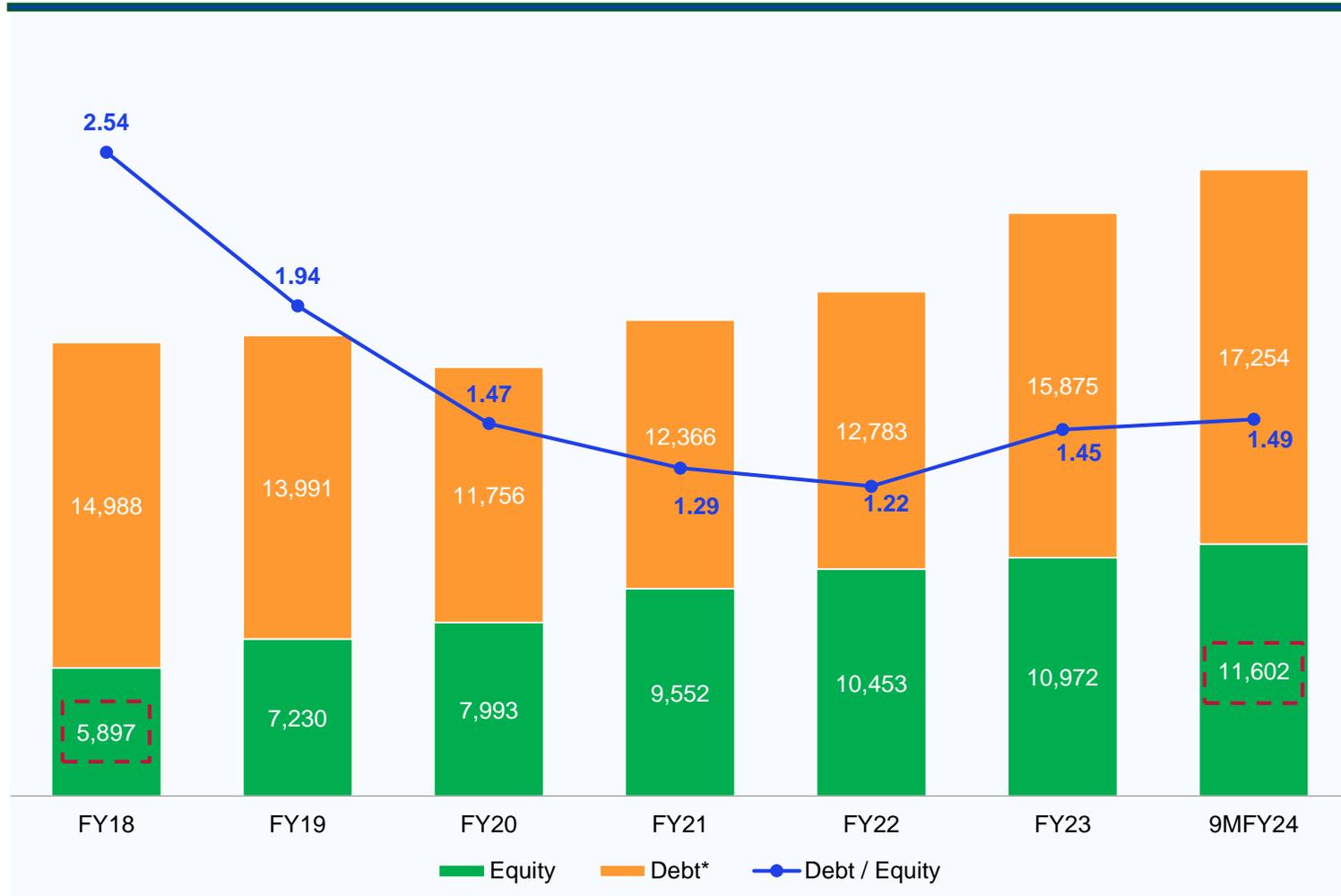


Long term rating (ex JMF ARC) is AA (Stable) and Short term rating is A1+

- No CP borrowing in JM Financial Asset Reconstruction Company, JM Financial Credit Solutions and JM Financial Home Loans
- Short term borrowing is primarily in JM Financial Services and JM Financial Products and backed by short term assets / fixed deposits placed with exchanges

Strong Equity Capital in the business : Equity base has doubled over last 5 years

Debt / Equity – Leverage



- Overall Group Network has doubled over the last 5 years due to strong profitability and external capital raise
- Debt has increased by 15% over last 5 years
- Debt / Equity ratio is much lower than FY18

Annexure

ALM Statement as of March 7, 2024

JM Financial Limited (Consolidated) – Adequate assets for all liabilities

Estimated Repayment of liabilities out of existing Cashflow (Rs. in Crore)						
Particulars	March-24*	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Total
Opening Liquidity (MFs, bank balance & FDs)	3,218	5,631	5,470	6,290	6,522	3,218
G-sec, SDLs and treasury bills	244	-	-	-	-	244
Other liquid investments	1,302	-	-	-	-	1,302
Total Liquidity (A)	4,764	5,631	5,470	6,290	6,522	4,764
INFLOW:						
1. Assets repayments (including Interest)	1,501	1,705	2,276	1,253	1,496	8,231
2. Sale of Investments / bonds / SR	245	130	184	136	383	1,077
Total Inflow (B)	1,746	1,835	2,460	1,389	1,878	9,308
OUTFLOW:						
1. Repayment towards CP from MFs	383	698	100	200	800	2,181
2. Repayment towards CP from others	25	360	-	-	-	385
3. Repayment towards ICD	25	-	10	5	-	40
4. Repayment towards NCD	-	285	906	234	306	1,731
5. Repayment towards term Loan	340	336	331	321	322	1,649
6. Interest Payments	105	317	295	397	344	1,458
Total Outflow (C)	878	1,996	1,641	1,157	1,772	7,444
Closing liquidity (D) = (A + B - C)	5,631	5,470	6,290	6,522	6,628	6,628

Notes: Apart from the above liquidity, there are undrawn credit lines of ~Rs. 123 crore
The above numbers are management estimates and unaudited
No fresh disbursements / investments and borrowings are assumed during the aforesaid period
* As of March 7, 2024