

November 14, 2022

BSE Limited  
Department of Corporate Services  
1<sup>st</sup> 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 unaudited financial results for the second quarter and half year ended September 30, 2022, 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**

**Prashant Choksi**  
Group Head – Compliance, Legal  
& Company Secretary

Encl.: as above.

PRESS RELEASE  
For Immediate Release

**JM Financial's consolidated loan book stood at Rs. 14,670 crore, an increase of 32.50% YoY for Q2FY23.**

**Mumbai, November 14, 2022:** The Board of Directors of JM Financial Limited, at its meeting held today, approved the unaudited financial results for the second quarter and half year ended September 30, 2022.

**The Board of Directors have declared an interim dividend of Re. 0.90 per share of the face value of Re.1/- each.**

**Summary of Consolidated results FY 23 – Q2 compared to FY 22 – Q2**

**(Rs. in Cr)**

<b>Particulars</b>	<b>Quarter ended September 30, 2022</b>	<b>Quarter ended September 30, 2021</b>	<b>% Increase / (Decrease)</b>
Total income	877.13	969.49	(9.53%)
Pre-Provision Operating Profit	347.08	431.18	(19.50%)
Profit before tax	317.82	317.31	0.16%
Net profit after tax and before non- controlling interest	237.98	228.30	4.24%
Net profit after tax, non-controlling interest and share of associate	180.01	174.43	3.20%

**Summary of Key Statistics**

**(Rs. in Cr, unless otherwise stated)**

<b>Particulars</b>	<b>Quarter ended September 30, 2022</b>	<b>Quarter ended September 30, 2021</b>	<b>Quarter ended June 30, 2022</b>
Loan book**	14,670	11,072	12,606
Gross NPA	3.85%	2.32%	3.52%

Particulars	Quarter ended September 30, 2022	Quarter ended September 30, 2021	Quarter ended June 30, 2022
Net NPA	2.44%	1.38%	2.31%
SMA-2	1.26%	4.50%	2.19%
Total Provision to Loan book	4.02%	6.42%	4.51%
Loan book under the Resolution Framework for Covid-19 by RBI	0.37%	0.87%	0.45%
EPS (Rs.)	1.89	1.83	1.78
Consolidated net worth*	7,916	7,281	7,809
BVPS (Rs.)*	82.91	76.35	81.83
Gross debt /equity*	1.21x	1.08x	1.10x
Cash and Cash equivalents	1,388	3,957	2,878

\* 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

### Summary of segment-wise Loan book

(Rs. in Cr)

Particulars	Quarter ended September 30, 2022	Quarter ended September 30, 2021	YoY Increase / (Decrease)	Quarter ended June 30, 2022
Wholesale Mortgage	7,321	6,577	11.31%	6,014
Bespoke	3,821	2,737	39.61%	3,652
Retail Mortgage	1,392	855	62.81%	1,271
FI Financing	995	103	8.66x	461
Capital Market	1,141	800	42.63%	1,208
<b>Total</b>	<b>14,670</b>	<b>11,072</b>	<b>32.50%</b>	<b>12,606</b>

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

“Amid the unrelenting elevated inflation and volatile global environment, the domestic economy has demonstrated relative resilience. Equity capital markets have been volatile due to geopolitical developments and increase in rates. On the other hand, credit growth has witnessed an upward trajectory.

Last financial year we had strong earnings from IPO financing activity which has substantially reduced this financial year due to regulatory changes both at RBI and SEBI.

In line with our earlier guidance, we gained strong momentum this quarter in our lending verticals and grew the loan book to Rs.14,670 crore. The increase in loan book will reflect in the earnings in the balance part of this year and the next financial year. Our retail mortgage investments continue with the expansion of JM Financial Home Loans to 75 branches and the business is expected to grow at a faster pace.

Despite challenging equity markets, we reported strong earnings in the Investment Bank segment on the back of our strong fixed income franchise.

Our alternative and distressed credit business had reported record profitability last year on the back of strong resolutions. We are selectively adding assets and continue to prioritize focus on resolution of existing assets.

We continue our strategic investments in the Platform AWS segment through additional hires, digital marketing and building digital friendly and physical infrastructure.

Being an integrated and well capitalized financial services player, we are in a position of strength to leverage growth opportunities.”

**Summary of Segment-wise performance FY 23 – Q2 compared to FY 22 – Q2**

(Rs. in Cr)

<b>Consolidated Net Profit</b>	<b>Quarter ended September 30, 2022</b>	<b>Quarter ended September 30, 2021</b>	<b>% Increase / (Decrease)</b>
Investment Bank	97.62	65.24	49.63%
Mortgage Lending	35.49	30.27	17.24%
Alternative & Distressed Credit	9.88	23.65	(58.22%)
Platform AWS	7.62	33.74	(77.42%)
Others	29.40	21.53	36.55%
<b>Total Consolidated Net Profit</b>	<b>180.01</b>	<b>174.43</b>	<b>3.20%</b>

**Business Update**

➤ **Investment Bank**

During the quarter, our completed investment banking transactions include:

- Book Running Lead Manager to the Initial Public Offer of Equity Shares of Harsha Engineers International Limited (~Rs. 755 Cr)
- Fairness Opinion to the Board of ABB India Limited on valuation of its wholly owned subsidiary Turbocharging Industries and Services and India Private Limited

During the quarter, we acted as an:

- Arranger to the Private Placement of NCDs of Small Industries Development Bank of India (Rs. 4,000 Cr & Rs. 3,905 Cr), Indian Oil Corporation (Rs. 2,500 Cr), Bank of Baroda (Rs. 2,474 Cr), Canara Bank (Rs. 2,000 Cr), Union Bank of India (Rs. 1,320 Cr), THDC India Limited (Rs. 800 Cr), Tata Capital Housing Finance (Rs. 722 Cr & Rs. 129 Cr), L&T Finance (Rs. 700 Cr), Indian Renewable Energy Development Agency (Rs. 648 Cr), Tata Capital Financial Services (Rs. 250 Cr), Shriram Transport

Finance Company (Rs. 200 Cr), Axis Finance (Rs. 100 Cr) and Mahindra & Mahindra Financial Services (Rs. 80 Cr)

During the quarter, the average daily trading volume of our institutional equities business stood at **Rs. 802 Cr.**

The Private Equity platform had completed the first closing of PE Fund III and now is in the process of further fund raising. JM Financial India Fund III has also finalized four investments. Further, JM Financial India Fund II has completed ten investments and is now fully invested.

### ➤ **Mortgage Lending**

The total lending book\* (comprising of loan book of JM Financial Credit Solutions Limited and JM Financial Home Loans Limited) stood at **Rs. 9,450 Cr** as at September 30, 2022.

Our wholesale mortgage lending focuses on metro cities, viz., MMR, Pune, Bangalore, Chennai, Hyderabad and NCR. Further details in respect of the wholesale mortgage lending are as under:

- SMA 2 numbers decreased from 2.75% as of June 2022 of the portfolio to 0.93% as of September 2022 of the portfolio. During this period, the loan book\* has increased from Rs. 6,865 Cr as of June 2022 to Rs. 8,415 Cr as of September 2022.
- Debt to equity stood at 1.28x.

*\*Loan book does not include episodic financing book, if any*

The residential sales across all geographies and ticket sizes have been robust. With the rapid consolidation in the sector, top developers are garnering a high market share. We anticipate new project launches by top developers. Demand trends are expected to remain strong driven by favourable demographics, increasing urbanisation, amenities and work force. This is expected to increase the demand for project finance. We are witnessing a

strong pipeline of transactions and expect the lending traction to improve in a benign competitive environment.

➤ **Alternative and Distressed Credit**

During the quarter, we evaluated several sale of NPAs by Banks/NBFCs and closed one deal. The quarter witnessed recoveries of **Rs. 123 Cr** backed by recovery from restructured accounts, sale of assets, settlement and NCLT process etc. Security Receipts of **Rs. 89 Cr** were redeemed and the outstanding Security Receipts stood at **Rs. 11,349 Cr** as on September 30, 2022 as compared to **Rs. 11,405 Cr** as on June 30, 2022. The contribution of JM Financial Asset Reconstruction Company Limited towards the Security Receipts stood at **Rs. 3,340 Cr** as on September 30, 2022 as compared to **Rs. 3,240 Cr** as on June 30, 2022. During the quarter, we received resolution plan for one account which has been approved by the Committee of Creditors (CoC) and the same is now pending for NCLT approval.

➤ **Asset Management, Wealth Management and Securities business (Platform AWS)**

The AUM\* of our wealth businesses stood at **Rs. 81,082 Cr** comprising of

- Private wealth management at **Rs. 57,679 Cr** (excluding custody assets) as on September 30, 2022 as compared to **Rs. 61,660 Cr** as on June 30, 2022 and **Rs. 63,760 Cr** as on September 30, 2021. Out of which, Equity AUM stood at **Rs. 37,346 Cr** as on September 30, 2022 as compared to **Rs. 34,422 Cr** as on June 30, 2022 and **Rs. 28,314 Cr** as on September 30, 2021.
- Retail wealth management at **Rs. 22,247 Cr** as on September 30, 2022 as compared to **Rs. 20,710 Cr** as on June 30, 2022 and **Rs. 18,841 Cr** as on September 30, 2021.
- Elite wealth management at **Rs. 1,156 Cr** as on September 30, 2022 as compared to **Rs. 967 Cr** as on June 30, 2022 and **Rs. 793 Cr** as on

September 30, 2021. We have built out a strong team of 91 relationship managers under Elite Wealth Management.

*\* Assets under Management (AUM) comprises distribution assets and advisory assets, as applicable*

The PMS team size stood at 25 as of September 30, 2022 from 12 as of September 30, 2021.

Over the last quarter, we have recruited 13 people in our mutual fund asset management business.

During the quarter, the average daily trading volume of our retail broking business stood at **Rs. 26,532 Cr.**

### **Borrowing Profile**

We continued our focus on diversifying our sources and maturities for our borrowing profile. As on September 30, 2022 our long term borrowing as a proportion of total borrowing stood at **approximately 80%** and short term borrowing as a proportion of total borrowing stood at **approximately 20%**. Short term borrowing also includes working capital loans / borrowing for brokerage business.

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The press release and unaudited financial results are available on our website [www.jmfl.com](http://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 September 30, 2022, the consolidated loan book stood at **~Rs. 146.7 BN**, distressed credit business AUM at **~Rs. 113.5 BN**, wealth management AUM at **~Rs. 810.8 BN**, mutual fund AAUM at **~Rs. 30.3 BN**. The Group is headquartered in Mumbai and has a presence across **682** locations spread across **197** 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](http://www.jmfl.com) or **contact:**

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#### **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.

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