

July 6, 2024

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai – 400 001

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**

Please find enclosed 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**

Hemant Pandya
Company Secretary & Compliance Officer

Encl.: as above.

PRESS RELEASE

For Immediate Release

JM Financial agrees to consolidate its holding in wholesale debt syndication and distressed credit business under one platform

Mumbai, July 6, 2024: The Board of Directors at its meeting held today approved the following transactions (**“Proposed Transaction”**):

- Acquisition of 42.99% stake in JM Financial Credit Solutions Limited (**“JMFCSL”**) by JM Financial Limited (**“JMFL”**) for a consideration of approximately Rs. 1,282 crore. Post transaction, the stake held by JMFL in JMFCSL shall increase from 46.68% to 89.67% and
- Acquisition of 71.79% stake in JM Financial Asset Reconstruction Company Limited (**“JMFARC”**) by JMFCSL from JMFL for a consideration of approximately Rs. 856 crore. Post transaction the stake held by JMFCSL in JMFARC shall increase from 9.98% to 81.77%.

The Proposed Transaction shall result in a net cash outflow of approximately Rs. 426 crore from JMFL and shall be funded from surplus cash. The Proposed Transaction is subject to applicable regulatory, shareholders and other approvals and is expected to be completed in 3-6 months.

Strategic rationale for the Proposed Transaction

- Consolidating the distressed credit business under its wholesale debt syndication platform, JMFCSL. The platform shall leverage the experience of its talent pool through different economic cycles to achieve higher risk adjusted returns.
- Over the last 15 years, JM Financial Group has developed significant expertise and relationships both in the wholesale and distressed credit businesses. This expertise shall be channelized to pivot from an on balance sheet business model to a diversified originate to distribute / syndication model across asset classes.

- JM Financial Group's ownership in JMFCSL increases to 89.67%. The Group's share in the consolidated profits shall accordingly increase and JMFL shall have enhanced control of JMFCSL including capital allocation and distribution of profits.
- Post the aforesaid consolidation of shareholding, JMFL's investments shall primarily be towards the expansion of both, its retail capital market led business (retail broking, wealth management and asset management) and retail home financing business.

Commenting on the Proposed Transaction, Mr. Vishal Kampani, Non – Executive Vice Chairman, JM Financial Limited, said,

“The Proposed Transaction shall align our corporate and capital structure offering greater flexibility to optimise capital allocation and distribution of profits to our shareholders. We foresee significant long term growth opportunities emerging for our businesses and are well positioned to leverage them in the evolving market scenario.”

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The press release is available on our website www.jmfl.com

For more information, log on to 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 JM Financial Limited ("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.