



Analyst Presentation Half Yearly Results | H1FY24

October 16, 2023

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Business Overview

October 16, 2023

Indian financial landscape poised for growth in the coming decade...



450 Mn working population with favorable demographics and **12th largest by HNI population** to drive digital financial services adoption



Favorable demographics



Rising affluence



Financialization of Savings



Rising entrepreneurship


- Increasing user activity across the entire funnel of smartphone-led, online usage of commerce and services
- India to become a **USD 10 Tn economy** by 2035
- Higher consumption and digitalization to fuel the growth



Presenting a large digital financial services offering (FY26E)



~INR 60 Tn NBFC



~INR 15 Tn GWP (Life and Non-life)

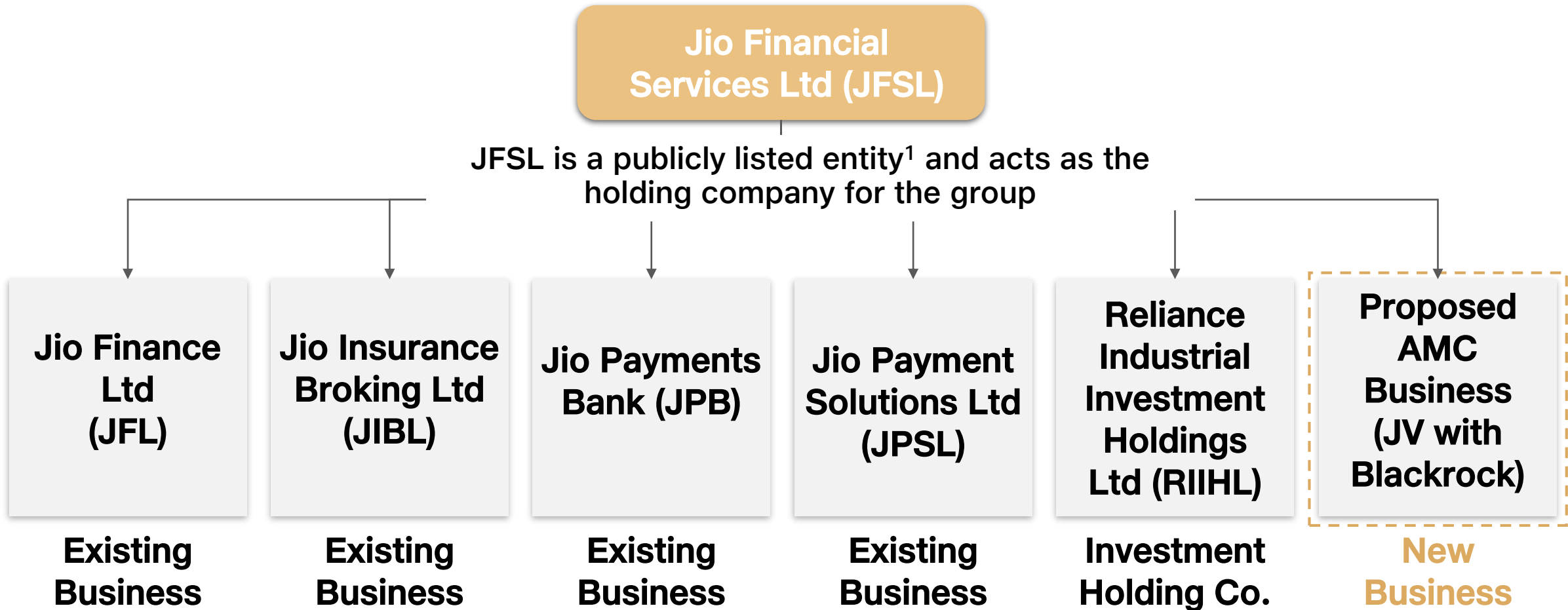


~INR 79 Tn MF AUM



INR 3892 Tn Total Digital Payments

... presenting JFSL opportunity to provide a unique & holistic suite of financial service offerings



¹The Company shall meet eligibility criteria for CIC and apply to RBI for conversion to NBFC-CIC within six months of the date of the Scheme becoming effective or three months of the date of listing of our Equity Shares, whichever is earlier. In addition, Jio Information Aggregator Services Limited is a 100% owned subsidiary

Our ambition...

Vision

- Digitally deliver range of financial products to promote financial well-being

Guiding Principles

- Reputation and trust with stakeholders
- Regulation
- Return of Capital
- Return on Capital

Customers

- Focus on Consumers, Merchants and MSMEs to provide customized products

Products

- Diversified product offerings across lending, protection, investments and transactions.

...is to democratize financial services & provide access to simple, affordable, innovative, and intuitive products and services

Technology will be our key growth differentiator

Base technology in place to be enabled by AI, alternate data and bolt-on features



1

Capitalizing on new entrant advantage - absence of legacy systems resulting in significant cost efficiencies & enhanced computing capabilities

2

AI and analytics driven organization creating enriched customer profiles for tailored offerings

3

Power to leverage alternate data to facilitate non-linear growth

4

Agile approach to quickly adapt to market dynamics and changing customer needs - including use of open source technology

Low cost of servicing and enhanced customer experience enabled by digital touchpoints

...leveraging our inherent strengths

Capital

Strong capital base to fund growth strategy and meet regulatory requirements

Experienced Leadership

Highly experienced board and management ensuring highest standards of corporate governance

Brand Familiarity

Well-established brand presence that drives trust and recognition

Proximity to customers

Extensive physical network facilitating easy customer access

We are adopting a D2C¹ approach leveraging the ecosystem to drive low cost of acquisition



D2C approach

- Direct to customer approach driving cost efficiencies and enabling personalized customer interactions

Leveraging the ecosystem

- Incorporate alternate data models for 360-degree customer view and tailored offerings

Unified JFS app

- Developing an unified app with for diverse financial needs of customers, actively engaging with them throughout their life journey

We offer a holistic product suite...

Lending

- **Personal loan for salaried and self-employed individuals** with end-to-end digital journey launched in MyJio app in Mumbai
- **Consumer durable loan** launched across 300 stores pan-India
- Products in pipeline: Business and merchant loans for self-employed individuals, sole proprietors and small business entities; Auto loans, Home loans, Loans against Shares

Insurance Broking

- Established partnership with **24** insurance companies (Life - 5, General - 15, Health - 4) offering wide range of products such as General, Life, Auto Insurance, Health Insurance, Embedded insurance, Corporate solutions & Employer-Employee benefits

... and with end-to-end digital journeys and enhanced customer experience



Payments Bank

- Successfully relaunched **savings account** with a seamless end-to-end digital journey
- Successfully relaunched **bill payments**
- Plan to launch **debit cards**
- On-ground network of **~2,400 business correspondents**

Payment Solutions

- Successfully launched **Sound Box** in pilot stage
- Generating **substantial data footprint** and enhancing our **customer engagement** across digital channels, and in turn enriching and facilitating other businesses

We are fostering an organisation-wide understanding of ESG¹ principles, actively integrating ESG policies and frameworks for integration into our products and making conscious efforts to align with BRSR² reporting principles

Best-in-class practices for harnessing alternate data within the guardrails of DPDP Act¹



Risk management & credit underwriting

- Pre-assessment & profiling of customers leveraging conventional and alternate data sources within the guardrails of DPDP Act¹
- End-to-end digital journey with real time underwriting of customers

Collections and monitoring

- AI models for real-time monitoring of potential risks
- AI led preemptive and curative collection measures using behavioral analytics

Efficient Risk management, Credit underwriting and Collections lead to lower credit cost



Financials

October 16, 2023

Financial Highlights for H1 FY24



- **101% increase in Consolidated PAT**
 - Rs. 668 crores in Q2FY24 from Rs. 332 crores in Q1FY24
 - Includes Dividend Income of Rs. 371 crores (Rs. 154 crores in Associates)
- **Consolidated Total assets at Rs. 119,598 crores on Sept. 30, 2023**
 - Consolidated net worth at Rs 115,631 crores on Sept. 30, 2023 from 114,120 on March 31, 2023
- **Stand alone Profit after tax at Rs 89 crores in Q2FY24 from Rs. 145 crores in Q1FY24**
 - Lower interest earning assets in Q2-2023 reflecting transfer of group company shares
- **Stand alone net worth at Rs.24,288 crores on Sept. 30, 2023**

Statement of Profit and Loss (1/2)



Rs. in crore	Consolidated			Standalone			
	Q1-2024	Q2-2024	% change	Q2-2023	Q1-2024	Q2-2024	FY-2023
Interest Income	202	186	(7.83)	2	110	93	42*
Dividend	-	217	-	0	-	-	0
Fees & Commission Income	38	42	8.51	-	0	-	-
Net gain on fair value changes	174	164	(5.98)	1	104	56	3
Total Income	414	608	46.82	3	215	149	45
Staff expenses	12	31	166.70	-	4	12	-
Other Operating Expenses	42	40	(4.41)	0	15	14	(4)
Total Expenses	54	71	32.73	0	19	25	(4)
Pre provisioning operating profit	360	537	48.93	3	196	124	49

* Includes interest on income tax refund

Statement of Profit and Loss (2/2)



Rs. in crore	Consolidated			Standalone			
	Q1-2024	Q2-2024	% change	Q2-2023	Q1-2024	Q2-2024	FY-2023
Pre provisioning operating profit	360	537	48.93	3	196	124	49
Provisions		(0)					
Share of Associates & Joint ventures, net of tax*	67	218	225.20				
Profit before tax	427	754	76.56	3	196	124	49
Provision for taxation	95	86	(9.57)	1	50	35	18
Profit after tax	332	668	101.31	2	145	89	31
<i>Ratios</i>							
EPS – Basic (in Rs. not annualized)^	642.22	1.05	-	3.92	281.46	0.14	60.46
EPS – Diluted (in Rs. not annualized)^	0.52	1.05	-	3.92	0.23	0.14	60.46

Balance Sheet



Rs. in crore	Consolidated			Standalone		
	On Mar. 31, 2023	On Sept. 30, 2023	% change	On Mar. 31, 2023	On Sept. 30, 2023	% change
Assets						
Cash and Bank Balances	6,044	6,255	3.49	5,000	5,001	-
Investments	1,08,141	1,12,490	4.02	19,401	18,848	(2.85)
Loans	41	0	-	-	-	
Other assets	704	852	21.08	402	501	24.54
Total Assets	1,14,930	1,19,598	4.06	24,803	24,350	(1.83)
Net worth	1,14,120	1,15,631	1.32	24,054	24,288	0.97
<i>Equity share capital</i>	2	6,353	-	2	6,353	-
<i>Other Equity</i>	<i>1,14,118</i>	<i>1,09,278</i>	<i>4.24</i>	<i>24,052</i>	<i>17,935</i>	<i>(25.43)</i>
Borrowings	-	-	-	743	-	-
Other Liabilities	809	3,967	-	6	61	-
Total Liabilities	1,14,930	1,19,598	4.06	24,803	24,350	(1.83)

1

JFS will increase financial services penetration by transforming and modernizing them with a digital-first approach

2

Strong Capital base to fund growth strategy, meet regulatory requirements, and provide buffers for contingencies

3

Experienced Board and Management team to ensure high standard of Corporate Governance

4

JFS plans to democratize financial services for 1.42 billion Indians, giving them access to simple, affordable, innovative, and intuitive products and services.



Thank you