



Arman Financial Services Limited

Registered Office: 502-503, SAKAR III, OPP. OLD HIGH COURT, OFF ASHRAM ROAD, AHMEDABAD-380014, GUJARAT, INDIA
PH.: +91-79-40507000, 27541989 E-mail: finance@armanindia.com CIN: L55910GJ1992PLC018623

May 28, 2026

| | |
|--|--|
| To, BSE Limited P. J. Tower, Dalal Street, Mumbai-400001 | To, National Stock Exchange of India Limited "Exchange Plaza" C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai- 400051 |
| Script Code: 531179 ISIN: INE109C01017 | Symbol: ARMANFIN Series: EQ |

Dear Sir,

Sub: Press Release on Q4 FY 2025-26

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Press Release on Audited Financial Results for the Quarter / Year ended March 31, 2026, as approved by the Board of Directors at its meeting held on May 27, 2026.

The same is also being made available on the website of the Company.

Thanking you,
Yours faithfully,

For, Arman Financial Services Limited

Uttam Patel
Company Secretary



Arman Financial Services Limited

Ahmedabad, Gujarat, May 28, 2026:

Arman Financial Services Limited (NSE: ARMANFIN, BSE: 531179), a Gujarat-Based Non-Banking Financial Company (NBFC), with interests in microfinance, micro-enterprise (MSME) loans, two-wheelers loans, solar loans and Loan Against Property (LAP) announced its audited financial results for the quarter and full year ended 31st March 2026. The financial numbers are based on Ind-AS.

Consolidated Business Performance:

| Particulars (INR Crore) | Q4FY26 | Q4FY25 | YoY | Q3FY26 | QoQ | FY26 | FY25 | YoY |
|-----------------------------------|--------------|--------|--------|--------|-------|--------------|-------|--------|
| Assets Under Management | 2,728 | 2,245 | 21.5% | 2,274 | 20.0% | 2,728 | 2,245 | 21.5% |
| Gross Total Income | 176 | 199 | -11.9% | 160 | 9.7% | 646 | 730 | -11.5% |
| Pre-Provisioning Operating Profit | 59 | 102 | -41.6% | 55 | 8.4% | 226 | 333 | -32.3% |
| Profit After Tax | 41 | 13 | 221.3% | 22 | 84.9% | 57 | 52 | 8.7% |

- Consolidated Asset Under Management (AUM) reached an all-time high to ~INR 2,728 Crore
- Consolidated disbursements for FY26 stood at ~INR 2,433 crore, compared to ~INR 1,713 crore in FY25, registering a strong year-on-year growth of 42%.
 - This growth was driven by improving on-ground demand and stabilization of the independent BCM model in the microfinance segment.
 - Highest ever quarterly disbursements of ~INR 951 Crore in Q4FY26, a growth of 75% on year-on-year basis and 54% on sequential basis
- Net total income for FY26 amounted to ~INR 440 Crore, whereas Pre-Provision Operating Profit (PPoP) for stood at INR 226 Crore
- Profit After Tax for FY26 stood at INR 57 Crore, reporting a growth of 9% year-on-year
 - For Q4FY26 profit after tax stood at INR 41 Crore, a growth of 221% on sequential basis
- Shareholders' Equity as of March 31, 2026, stood at ~INR 933 Crore



Borrowing & Liquidity Profile:

- Total borrowings stood at ~INR 2,225 Crore (Including off balance sheet direct assignment (DA) liability)
- Of the total borrowings, 23.8% is through banks, 15.3% is through NBFCs & FIs, 38.0% is through NCDs and 20.1% is through direct assignments (off-balance-sheet liabilities). The rest is borrowed from DFIs like SIDBI and others
- ALM remained comfortably positive, while the Company continued to diversify its borrowing profile through DA transactions, NCDs and relationships with existing as well as new lenders.
- As on 31st March 2026, the Company has healthy Liquidity position with INR 229 Crore in cash/bank balance, liquid investments, and undrawn CC/FDOD limits
- Additionally, the company has INR 275 Crore undrawn sanctions from existing lenders

Collection Efficiency:

- Collection efficiency for the month of March 2026 stood at 96.9%.
- Segment-wise collection efficiency for the month of March 2026 was:
 - Microfinance segment – 97.0%
 - MSME segment – 96.4%
 - 2W segment – 97.7%

Asset Quality:

- GNPA stood at 3.43%; NNPA stood at 0.93%
- Cumulative Provisions stood at INR 77 Crore as on 31st March 2026 (covering 2.8% of the consolidated AUM, 3.3% on book)

Two-Wheeler, MSME Segment, Loan Against Property:

| Particulars (INR Crore) | Q4FY26 | Q4FY25 | YoY | Q3FY26 | QoQ | FY26 | FY25 | YoY |
|-----------------------------------|--------|--------|--------|--------|--------|------|------|-------|
| Assets Under Management | 730 | 560 | 30.4% | 657 | 11.1% | 730 | 560 | 30.4% |
| Gross Total Income | 60 | 55 | 10.2% | 54 | 11.9% | 217 | 185 | 17.2% |
| Pre-Provisioning Operating Profit | 16 | 25 | -35.2% | 19 | -18.2% | 79 | 87 | -9.0% |
| Profit After Tax | 10 | 13 | -23.0% | 9 | 4.8% | 41 | 43 | -5.9% |



- Expanded footprint in Uttar Pradesh and Uttarakhand, strengthened the LAP team and launched the Solar Loan vertical, which is expected to support business optimization and drive AUM growth over the next 2–4 quarters
- Assets under Management for the MSME, Two-Wheeler, LAP stood at ~INR 730 Crore
 - AUM for MSME - ~INR 554 Crore
 - AUM for Two-Wheeler - ~INR 94 Crore.
 - AUM for LAP - ~INR 80 Crore.
 - AUM for Solar Loans – ~INR 2 Crore
- Total disbursement for the MSME, Two-Wheeler, LAP and Solar stood at ~INR 636 Crore in FY26.
- FY26 Net Total Income reached a record high of ~INR 160 crore, registering a 13% year-on-year growth
- Pre-Provision Operating Profit (PPoP) for FY26 stood at ~INR 79 Crore.
 - PPoP for Q4FY26 stood at ~INR 16 Crore.
- Profit After Tax for FY26 stood at ~INR 41 Crore
 - PAT for Q4FY26 stood at ~INR 10 Crore
- GNPA for MSME stood at 3.84%; while NNPA stood at 0.85%.
- GNPA for Two-Wheeler stood at 3.95%; while NNPA stood at 1.66%.
- GNPA for LAP stood at 0.74%; while NNPA stood at 0.32%.
- The company has a strong capital base with a capital adequacy ratio of 27.86% as on 31st March 2026.

Microfinance Segment (Namra)

| Particulars (INR Crore) | Q4FY26 | Q4FY25 | YoY | Q3FY26 | QoQ | FY26 | FY25 | YoY |
|-----------------------------------|--------------|--------|--------|--------|--------|--------------|-------|--------|
| Assets Under Management | 1,999 | 1,686 | 18.6% | 1,618 | 23.5% | 1,999 | 1,686 | 18.6% |
| Gross Total Income | 117 | 150 | -22.1% | 107 | 9.9% | 433 | 552 | -21.6% |
| Pre-Provisioning Operating Profit | 41 | 77 | -46.5% | 35 | 17.3% | 143 | 245 | -41.5% |
| Profit After Tax | 29 | -0.3 | NA | 13 | 129.7% | 13 | 8 | 64.2% |



- As of March 31, 2026, Namra's AUM stands at ~INR 1,999 Crore
- Disbursements for FY26 amounted to ~INR 1,798 Crore
- During FY26, Gross Total Income stood at ~INR 433 Crore and Net Total Income reached ~INR 282 Crore
- Profit After Tax stood at ~INR 13 Crore for FY26, registering a growth of 64% year-on-year basis
 - For the quarter Profit After Tax stood at INR 29 Crore
- Total ECL provisions declined by 46.4% year-on-year to INR 48 crore, reflecting improving portfolio performance. Additionally, ~93% of the portfolio outstanding (POS) is covered under CGFMU as of March 31, 2026, strengthening the overall risk coverage framework.
- The write-off (net of recovery) during the quarter at INR 11 Crore, supported by moderation in fresh slippage and sustained recovery momentum
- Active MFI Customers stood at ~4.9 lakh.
- GNPA stood at 3.40%; NNPA stood at 0.95% as on 31st March 2026.
- As on 31st March 2026; the capital adequacy ratio for Namra stood at 41.01%.

Commenting on the Company's performance, Mr. Aalok Patel, Vice Chairman & Managing Director, Arman Financial Services said,

"After several challenging quarters marked by elevated credit stress and a cautious lending environment, I am pleased to report that Arman Financial has once again reached its peak Assets Under Management of INR 2,728 crore. While macroeconomic and sectoral challenges continue to persist, the industry is gradually witnessing improvement in business fundamentals, collection efficiencies, and overall portfolio performance.

Over these past few quarters, we undertook decisive structural changes to position the Company for sustainable, profitable growth. One of the most important steps we undertook was the complete separation of credit and recovery functions from branch operations. This change has now been successfully implemented across most branches and has led to better accountability, stronger monitoring, and improved collection efficiencies across the portfolio.

At the same time, we made meaningful changes to our underwriting approach by moving beyond traditional group-based assessment models towards more individual-level credit evaluation. We also strengthened our risk protection framework substantially, with over 90% of our microfinance portfolio now covered under the CGMFU scheme. These measures have helped improve portfolio resilience and reduce credit costs, even as the external environment continues to remain dynamic.



Our microfinance business reported an AUM of Rs. 1,999 crore during FY26, with disbursements significantly improving in the second half of the year. Asset quality also improved gradually, supported by stronger recovery efforts and tighter portfolio monitoring. Beyond microfinance, our MSME, Two-Wheeler, and LAP businesses continued to witness steady traction. On a standalone basis, AUM stood at Rs. 730 crore supported by demand across our operating geographies and consistent execution by our field teams. Asset quality in these businesses remained stable, and we continue to see these segments as important contributors to the Company's long-term growth.

Overall collection efficiency improved significantly to 96.9% in March 2026 supported by stronger field execution and improving borrower repayment trends. These improvements have come through a disciplined approach where we have maintained stricter underwriting standards and higher rejection rates to protect portfolio quality. While our investments in field teams, collection infrastructure, and monitoring have increased near-term costs, we believe this is essential to building a stronger, more sustainable business.

Looking ahead, while the broader macro environment may continue to remain uncertain at times, I believe the Company is in a much stronger position today than it was a year ago. We have adequate liquidity, a comfortable capital position, improving asset quality trends, and a team that has demonstrated resilience and execution capability through challenging periods.

Our focus going forward remains very clear to grow responsibly, maintain strong portfolio quality, improve operating efficiencies, and continue serving our customers with discipline and consistency. With improving collection trends, strengthening asset quality, and sustained demand across our lending businesses, we remain confident about the opportunities ahead”



About Arman Financial Services Limited

Incorporated in 1992, Arman Financial Services Ltd. is an Ahmedabad based, Category B Non-Banking Finance Company (NBFC), which provides lending services primarily in the Two-Wheeler, Micro-Enterprise (MSME), Microfinance, Solar and LAP segments. The Microfinance division is operated through its wholly owned subsidiary, Namra Finance Ltd, an NBFC-MFI.

Arman is one of the market leaders in the NBFC space across the underpenetrated low-income parts of the country providing livelihood promotion services such as microcredit to socio-economically backward people, who have no or little access to the formal banking system or regular NBFC services. The group mostly serves niche rural markets in Gujarat, Madhya Pradesh, Uttar Pradesh, Maharashtra, Uttarakhand, Rajasthan, Haryana, Bihar, Jharkhand, Karnataka and Telangana through a strong distribution network of 529 branches, 50+ two-wheeler dealerships spread across 162 districts in 11 states serving ~6.2 lakh customers. Company focuses on small ticket retail loans to the large underserved informal segment customers in rural & semi urban geographies. The Company has completely in-house operations with bottom-up driven credit appraisal models and rigorous collections practices tailored for the areas of operations.

Safe Harbor

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

Company:

Investor Relations Advisors:



Arman Financial Services Limited

CIN: L55910GJ1992PLC018623

Mr. Vivek Modi

Executive Director & Group CFO

vivek@armanindia.com

www.armanindia.com

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Abhishek Shah / Ms. Krunali Shah

abhishek.shah@sgapl.net / krunali.shah@sgapl.net

+91 9930651660 / +91 9820987564

www.sgapl.net