Mahindra & Mahindra
Financial Services Ltd.
Mahindra Towers, 3rd Floor,
Dr. G. M. Bhosale Marg,
Worli, Mumbai - 400 018, India.

Tel: +91 22 66526000

5th August 2026

The Manager,
Listing Department

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 532720

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051
Scrip Code: M&MFIN

Dear Sir / Madam,

Sub: Announcement under Regulation 30 and 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') – Outcome of Board Meeting.

Ref: Our letter dated 28th January 2026 intimating about in-principle approval of the Board for evaluating proposal for Consolidation including Merger.

Further to our letter referenced in the caption and in compliance with Regulation 30 and 51 of the SEBI Listing Regulations, we hereby inform you that the Board of Directors of the Company, at its meeting held today, based on the recommendations of the Committee of Independent Directors and the Audit Committee, has considered and approved the Scheme of Merger by Absorption amongst Mahindra Rural Housing Finance Limited ('Amalgamating Company' or 'MRHFL') and Mahindra & Mahindra Financial Services Limited ('Amalgamated Company' or 'MMFSL' or 'the Company'), their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder ("Scheme").

The proposed merger is intended to consolidate the lending businesses of MMFSL and MRHFL into a single listed platform with a broader retail lending franchise, a simplified operating architecture, and enhanced operating leverage.

The proposed merger is expected to enable better integration of businesses, technology, risk management, operations, and support functions, while creating opportunities to deepen customer relationships across lending products over time and accelerate the growth and diversification objectives of the combined lending franchise. The Scheme will be implemented through the applicable regulatory, shareholder, and creditor approval processes, with a continued focus on customer service continuity, creditor protection, and long-term value creation for all stakeholders.

The salient features of the Scheme are as under:

a. Scheme involves the merger by absorption of MRHFL with MMFSL and consequent dissolution of MRHFL without being wound up, subject to necessary regulatory and other approvals.
b. The Appointed date for the Scheme is April 01, 2027 or such other date as may be directed or approved by the National Company Law Tribunal, Mumbai Bench (“NCLT”) or any other appropriate authority.
c. The entire assets and liabilities of MRHFL to be transferred to and recorded by MMFSL at their carrying values.
d. The NCDs of MRHFL will become NCDs of MMFSL at same terms, including the coupon rate, tenure, redemption price, quantum, nature of security, etc.

The disclosure of information in respect of the said Scheme, as required under the SEBI Listing Regulations read with SEBI Master Circular for compliance with the provisions of the SEBI Listing Regulations by listed entities dated January 30, 2026 **(“SEBI LODR Master Circular”)**, is enclosed herewith as **Annexure 1.**

The Board Meeting commenced at 9:15 a.m. (IST) and concluded at 10:35 a.m. (IST)

You are requested to take above information on record.

Thanking you.

Yours faithfully,
For Mahindra & Mahindra Financial Services Limited

BRIJBALA MOHANLAL BATWAL

Digitally signed by BRIJBALA MOHANLAL BATWAL
Date: 2026.08.05 10:50:34 +05'30'

Brijbala Batwal
Company Secretary
Membership No. F5220

Annexure 1

Disclosure under sub-paras (1) of Para (A) of Part (A) to Schedule III of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2 of SEBI LODR Master Circular

<table>
<tr><th>Sr No.</th><th>Particulars</th><th>Disclosure</th></tr>
<tr><td colspan="3">Amalgamation/ Merger</td></tr>
<tr><td>1</td><td>Name of the entity(ies) forming part of the Merger</td><td>a) Mahindra & Mahindra Financial Services Limited (‘MMFSL’)
b) Mahindra Rural Housing Finance Limited (‘MRHFL’)</td></tr>
<tr><td>2</td><td>Details in brief such as, size, turnover etc.</td><td>As on 31st March 2026
(Rs. in Crore)
<table>
<tr><th>Particulars</th><th>MMFSL</th><th>MRHFL</th></tr>
<tr><td>Paid-up capital</td><td>277.91</td><td>122.63</td></tr>
<tr><td>Turnover (Standalone)*</td><td>18,445.59</td><td>1154.02</td></tr>
</table>
*Revenue from operations</td></tr>
<tr><td>3</td><td>Whether the transaction would fall within related party transactions? If yes, whether the same is done at arm’s length</td><td>Yes. The Amalgamating Company is a subsidiary of the Amalgamated Company and as such both the companies are related party to each other.

However, the Ministry of Corporate Affairs has clarified vide its General Circular No. 30/2014 dated 17th July 2014 that transactions arising out of Compromise, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 2013, will not fall within the purview of related party transaction in terms of Section 188 of the Companies Act, 2013.

The consideration for the Scheme will be discharged on an ‘arm's length’ basis. The consideration/ share exchange ratio for the Scheme has been arrived at based on Valuation Report of Bansi S. Mehta Valuers LLP, Independent Registered Valuer and confirmed by a Fairness Opinion of Ernst & Young Merchant Banking Services LLP, Independent SEBI Registered (Category-I) Merchant Banker.</td></tr>
<tr><td>4</td><td>Area of business of the entity(ies)</td><td><u>MMFSL</u>
MMFSL is primarily engaged in financing new and pre-owned auto, utility vehicles, tractors, passenger cars and commercial vehicles through its pan India branch network and has a diversified lending portfolio across retail, small and medium enterprises and commercial customers with a significant presence in rural and semi-urban India</td></tr>
</table>

		MRHFL MRHFL is a Housing Finance Company engaged in providing housing finance through its pan India branch network
5	Rationale for Merger	The amalgamation of the Amalgamating Company with the Amalgamated Company pursuant to the Scheme of Merger would, *inter-alia*, have the following benefits: The Amalgamation will result in a single, stronger listed entity with enhanced scale, wider geographical reach, stronger capital and asset base, and unified ownership of the entire lending business in India under one roof. Integration of branch networks, technology platforms, collections, risk, and support functions will eliminate duplication, reduce audit and compliance costs, streamline regulatory processes, and optimize overheads, leading to sustainable operating efficiencies over the long term. Leveraging the Amalgamated Company's mature risk architecture, compliance framework, internal audit systems, and advanced technology investments (LMS, LOS, analytics, AI, cloud, cybersecurity), the Amalgamation will benefit from stronger oversight, improved risk culture, and enhanced process discipline under a unified governance structure. Enabling cross-selling of housing finance and other credit products to a broader customer base, enhancing customer stickiness, diversification, and integrated financial solutions. As a single entity, customer data can be seamlessly utilized within the unified framework, enabling better analytics-driven growth. Facilitating integration of domain expertise across lending segments, promote knowledge sharing, and provide differentiated growth opportunities to Employees within a larger, more dynamic organization. Rationalization of operating entities will simplify legal, regulatory and reporting compliances, and enhance transparency for regulators, investors, and stakeholders. The Merger would therefore be in the best interest of all shareholders, creditors, and employees of the respective Parties to the Scheme.

<table>
<tr>
<td>6</td>
<td>In case of cash consideration – amount or otherwise share exchange ratio</td>
<td>Share Exchange Ratio:

The shareholders of MRHFL (other than MMFSL) will be issued and allotted 1.8 equity shares of face value of Rs. 2/- (Rupees Two only) each of Amalgamated Company as fully paid up for every 10 equity shares of the face value of Rs.10 (Rupees Ten only) each fully paid up held in Amalgamating Company.

Fractional entitlement, if any, shall be rounded off to the nearest higher integer.

The Share Exchange Ratio has been arrived at based on Valuation Report of Bansi S. Mehta Valuers LLP Independent Registered Valuer and confirmed by a Fairness Opinion of Ernst & Young Merchant Banking Services LLP, Independent SEBI Registered (Category-I) Merchant Banker.</td>
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<tr>
<td>7</td>
<td>Brief details of change in shareholding pattern (if any) of listed entity</td>
<td><u>Amalgamating Company (MRHFL)</u>

<table>
<tr><th>Category</th><th>No. of shares & % of voting rights Pre-amalgamation (as of 30th June 2026)</th><th>No. of shares & % of voting rights Post - amalgamation</th></tr>
<tr><td>Promoter</td><td>12,09,52,678 (98.43%)</td><td>0</td></tr>
<tr><td>Public</td><td>3,56,737 (0.29%)</td><td>0</td></tr>
<tr><td>Non-Promoter Non- Public</td><td>15,78,455 (1.28%)</td><td>0</td></tr>
<tr><td>Total</td><td>12,28,87,870 (100%)</td><td>0</td></tr>
</table>

<u>Amalgamated Company (MMFSL)</u>

The shareholders of Amalgamating Company (other than the Company) will be issued and allotted 1.8 equity shares of face value of Rs. 2/- (Rupees Two only) each of Amalgamated Company as fully paid up for every 10 equity shares of the face value of Rs.10 (Rupees Ten only) each fully paid up held in Amalgamating Company.

Resultantly, basis the shareholding pattern of Amalgamating Company as on 30th June 2026, the Company is expected to issue 3,48,400 equity shares to the shareholders of</td>
</tr>
</table>

Amalgamating Company basis which the pre and post amalgamation shareholding pattern would be as under:

Category	**No. of shares & % of voting rights Pre-amalgamation (as of 30th June 2026)**	**No. of shares & % of voting rights Post - amalgamation@**
Promoter	72,95,82,599 (52.49%)	72,95,82,599 (52.48%)
Public	66,00,01,101 (47.48%)	66,00,35,379 (47.48%)
Non-Promoter - Non-Public	3,87,460 (0.03%)	6,71,582 (0.05%)
Total	**1,38,99,71,160 (100%)**	**1,39,03,19,560 (100%)**

The % of total shareholding is rounded upto two decimal places.

@Based on the shareholding as of 30th June 2026 and after rounding off fractional entitlement at each shareholder level in terms of the Scheme. The actual number of shares to be issued by the Company would be as per the shareholding pattern of the Amalgamating Company as on the Record Date to be determined upon the Scheme becoming effective basis which the post-amalgamation no. of shares as disclosed above may undergo a change.

Email: company.secretary@mahindrafinance.com
CIN:L65921MH1991PLC059642