niyogin

# Investor Presentation

Q3 FY2022

Niyogin Fintech Limited

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# Quarterly Highlights

# Q3FY22 Highlights

## Business



### Business Update

- Platform-centric build continues with product expansion
- Consolidated revenues grew 6.9% QoQ
- Rural Tech partner wins – Axis Bank and NDSL Payments bank to deploy our BC tech platform
- Rural Tech – Product & use case updates
  - Neobank Platform readiness-> NSDL Payments bank
  - M-ATM Switch -> NPCI certification completed
- Urban Tech – Strong momentum in wealth AUM

### Distribution Build

- 30,170 rural retailers added in Q3FY22
- Rural retailer base at 228,763 up 121.5% YoY
- Retail partner base (Urban Tech) at 4,864; up 33.0% YoY
- Retail channel (Urban Tech) activation rate in Q3FY22 is at 16.3% as against 17.7% in Q3FY21

# Q3FY22 Highlights

## Financial Update - Consolidated

### P&L Update

- Total Income for the quarter at INR 277.3 mn; up 69.1% YoY
- ESOP charge for the quarter at INR 10.2 mn
- Adj EBITDA (ex-ESOP) of INR (1.7) mn
- Non-GAAP (ex-ESOP) PBT of INR (14.9) mn

### Balance Sheet Update

- Loan book (net of provision) stood at INR 470.6 mn; up 69.4% QoQ led by transaction based credit
- We remain a zero debt and net cash company
- Cash position stood at INR 1,572.3 mn against INR 1,751.6 mn in Q2FY22. This is primarily driven by QoQ loan book deployment

# Q3FY22 Highlights

## Financial Snapshot

| Consolidated (INR mn) | Q3FY22 (Dec 31, 2021) | Q3FY21 (Dec 31, 2020) | YoY change |
|---|---|---|---|
| Total Income | 277.3 | 164.0 | 69.1% |
| Expenses | 302.4 | 163.4 | 85.1% |
| Adjusted EBITDA (ex-ESOP) | (1.7) | 16.4 | NM |
| Reported Pre-Tax Profit/(Loss) (A) | (25.1) | 0.6 | NM |
| Depreciation and Amortization | 13.2 | 13.1 | 1.3% |
| ESOP (B) | 10.2 | 2.7 | 271.7% |
| Non-GAAP PBT (C ) = (A) + (B) | (14.9) | 3.3 | NM |

~69%

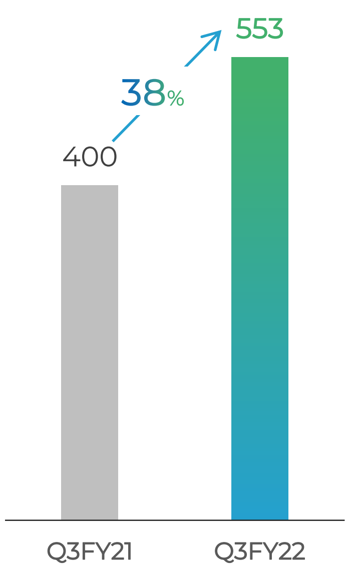
Revenue growth driven by Rural Tech business

# Businesses building to scale

## Rural Platform

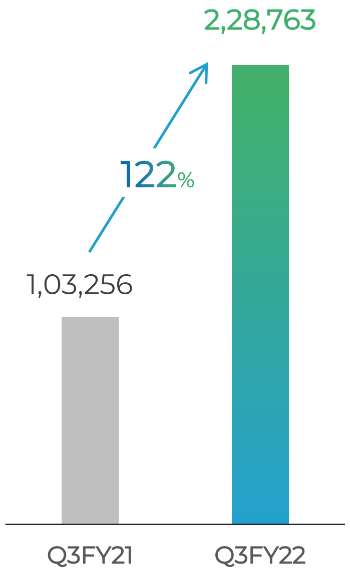
### Consistent increase in rural-tech partners..

No. of BC partners (#)



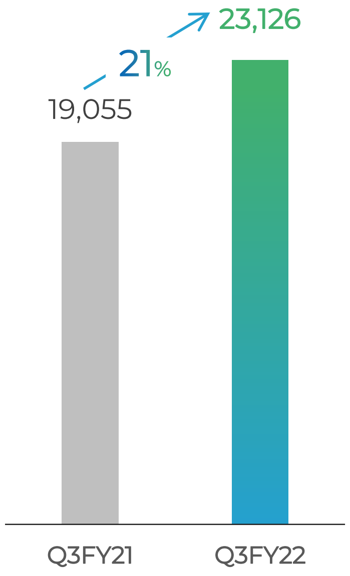

### ..leading to manifold growth in retailers.

No. of BC agents (#)



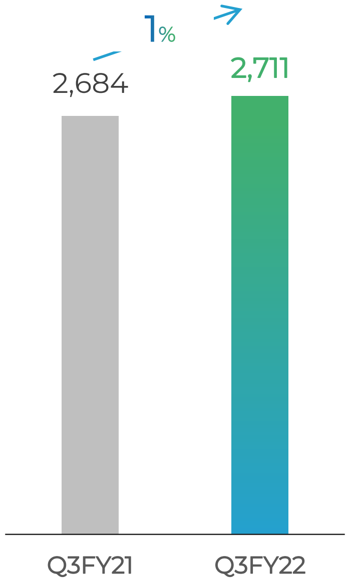

### ..and GTV growth..*

Transaction GTV with payouts (INR mn)




### ..With rise in average transaction size.

Average Transaction Size (INR)




GTV – Gross Transaction Value

*GTV growth for Q3FY21 and Q3FY22 is including retailer payouts, in-line with industry standards. In Q1FY22, the same was excluding payouts.

# Businesses building to scale

## Urban Platform

### Niyogin partners

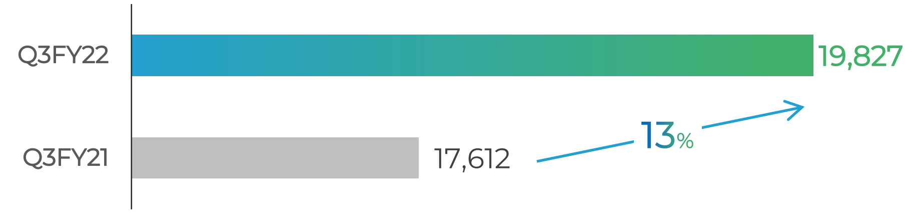
(#)


### Market access (Low CAC) via Niyogin partners

MSME market reach via partners* (#)

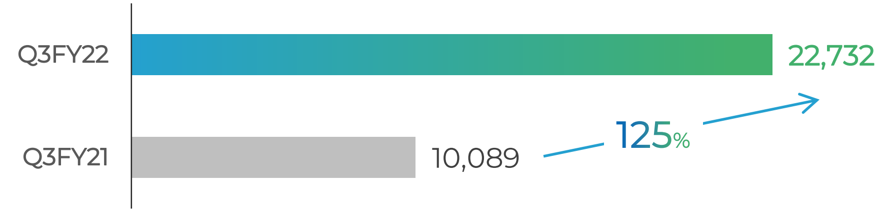

### Wealth Tech Customers

(#)




### Wealth Tech AUM

(INR mn)




* internal estimates

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# Way Forward

# Our Hypergrowth Plan

## Way forward

### What are we building?

A fintech platform infrastructure that powers businesses to deliver contextual financial services to their customers.

### What it will take?

- Building an open platform that offers different financial products which can be rapidly adapted for various products
- Stellar team with top quality talent
- Aggressive customer acquisition strategy
- Acquiring Licenses
- Forging strategic partnerships on demand & supply sides

**Entails an investment of up to INR 1 bn**

# Product Delivery Infrastructure

## Building our platform

**End Consumers**

B2C | B2B | B2G | C2G | G2C | C2B

**Service Infrastructure Layer**

- API Integration
- SDK Integration
- Ready to Use

**Embedded Services**

- Payment services
- Lending
- Cards
- Digital Banking
- Investments
- Insurance Plans

**Platform Powered by Niyogin**

- Network Provider
- Computing Provider
- Sponsoring Bank
- Credit
- Asset Management & Banks
- Insurance Companies

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# Investment Rationale

# Differentiating Factors

Why we will win?

Led by an experienced board and quality management

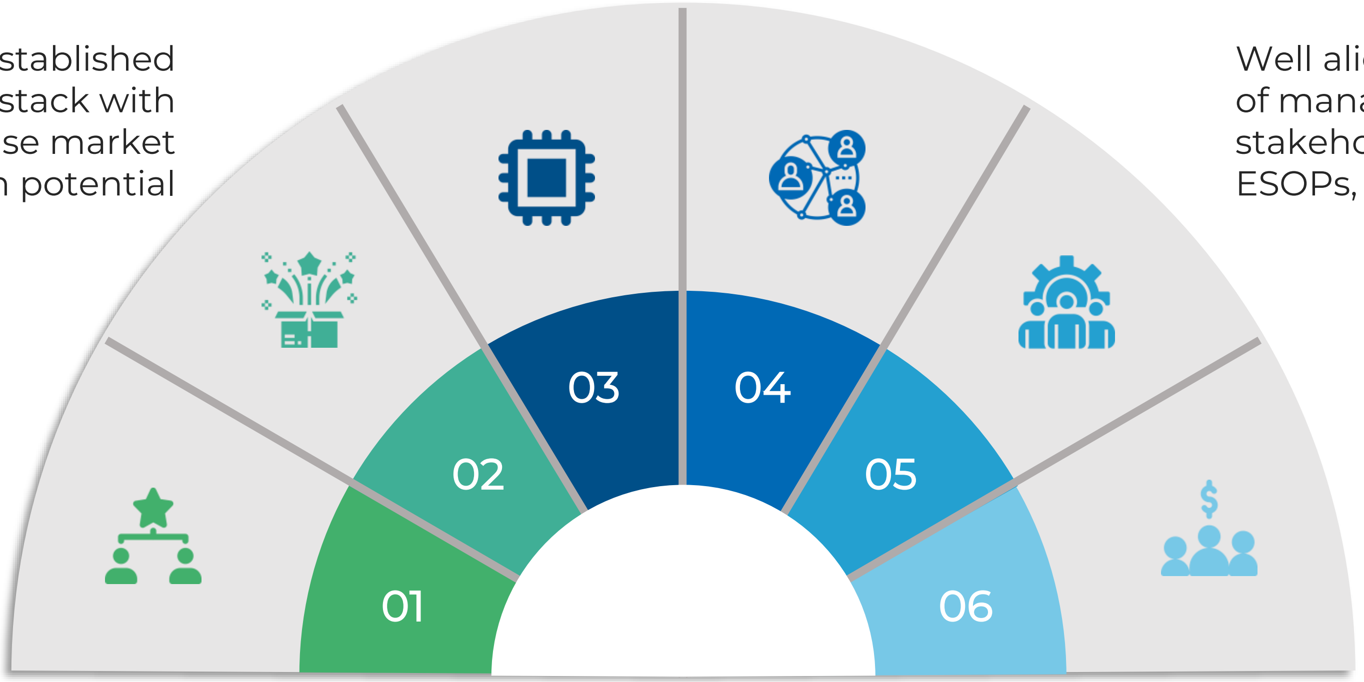
Established product stack with immense market adoption potential

Technology platform in place for achieving scale

Partner-led model minimizes our cost of scale

Well aligned interests of management & stakeholders via ESOPs, etc

High pedigree institutional shareholders support



# Investment Rationale

## Why Niyogin?

### Unique - India's early stage listed fintech company

India's unique early stage listed fintech company straddling the Rural Tech, Credit and Wealth Tech.

### Large addressable market

Targeting MSMEs and retailers :

- 63 mn MSMEs* and 70 mn rural retailers
- AEPS - US$31 bn~(3-yr CAGR @98%)
- DMT - US$20 bn# (3-yr CAGR @17%)
- Unmet credit - US$300 bn@

### Tech-centric model

Scalable tech platform with a partner-led distribution model across urban and rural India which gives us:

- A low CAC market access
- Fee/ commission-led revenue
- Opportunity for transaction-led credit

### Delivering impact

Profit with purpose enterprise to drive financial inclusion through our:

- Rural reach
- Accessibility to banking services
- Partner model enabling income augmentation

### M&A - A force multiplier

We are open to synergistic M&A opportunities in the startup ecosystem.

**Building the "Neobank" platform infrastructure to power MSMEs**

*msme.gov.in; ~NPCI; @RBI; #Internal estimates

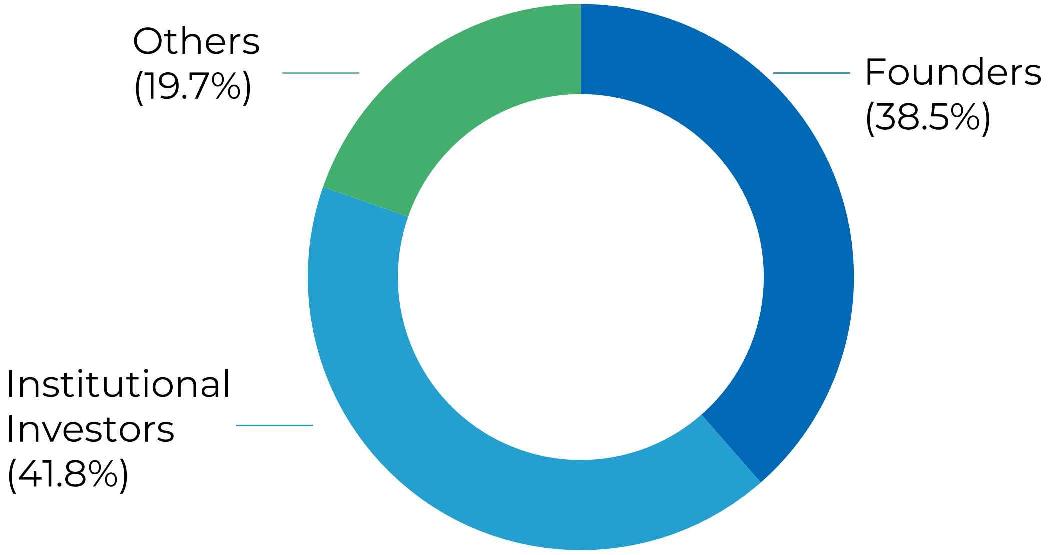
# Our Investors

Supported by top institutions

**Top Institutions**

- Ward Ferry Asian Reconnaissance Fund Limited
- Carmignac
- Alchemy Group
- Lucky Investment Managers

**Shareholding Pattern**




Note: As of December 31, 2021

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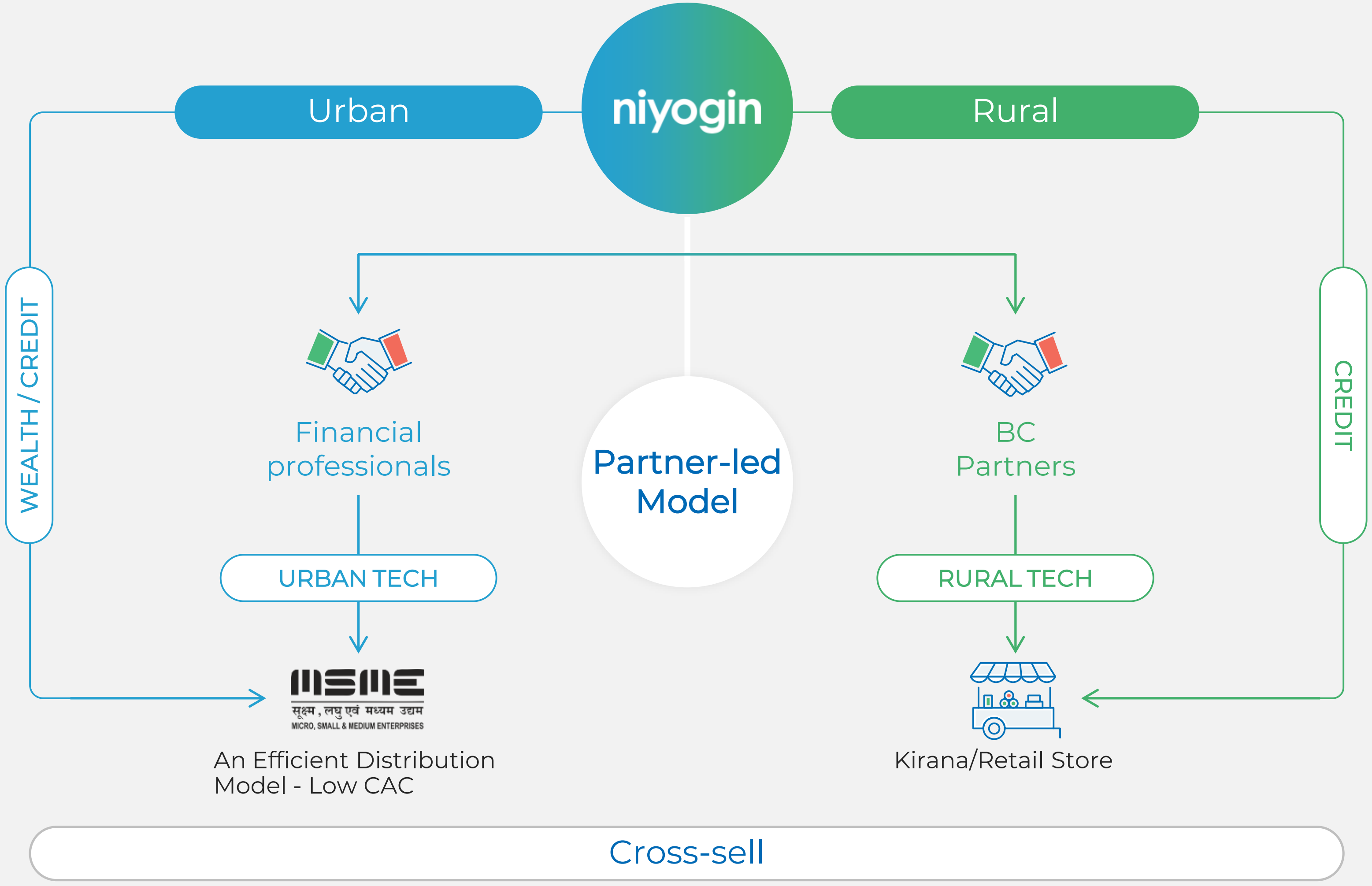
# Business Model

# Our Business Model

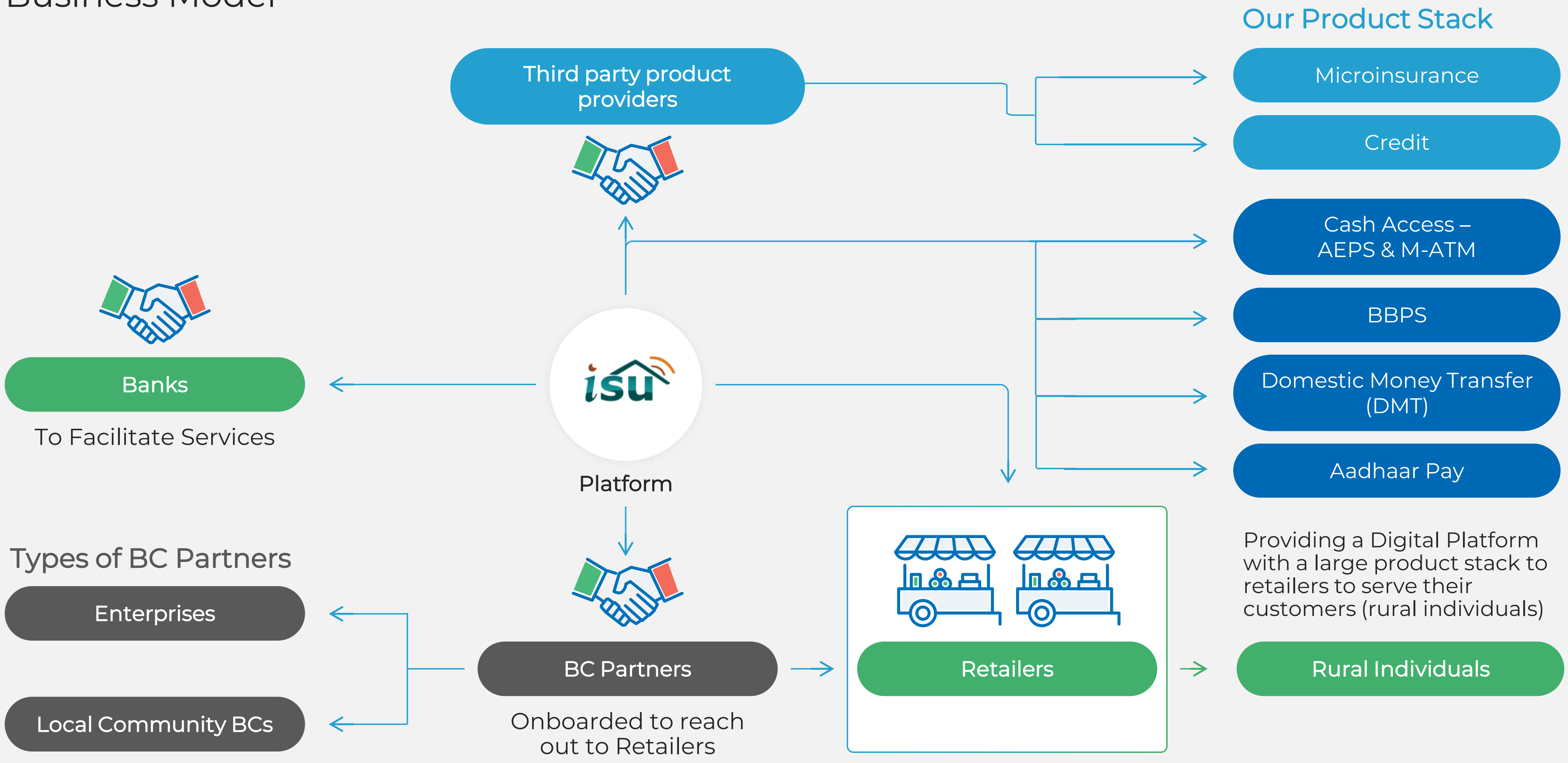
How do we do it?




Building the "Neobank" platform infrastructure to power MSMEs

# Rural Tech

## Business Model



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# About Niyogin

# About Us

Who we are & Who do we serve?

We are India's unique early stage **public listed fintech company** committed to delivering impact-centric solutions to MSMEs through Rural Tech, Credit and Wealth Tech using our partnership led model.

# Our Team

## Board of Directors

**Amit Rajpal**
NON-EXECUTIVE CHAIRMAN, CO-FOUNDER

CEO – Marshall Wace Asia;
Ex-Morgan Stanley

**Gaurav Patankar**
NON-EXECUTIVE DIRECTOR, CO-FOUNDER

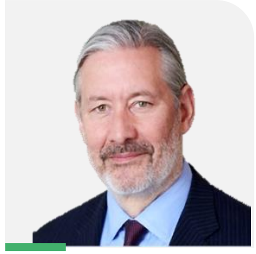
Ex-BNY Mellon, Lockheed Martin

**Tashwinder Singh**
MANAGING DIRECTOR, CHIEF EXECUTIVE OFFICER

Ex-Citigroup, KKR

**Subhasri Sriram**
INDEPENDENT DIRECTOR

Director – TVS Electronics;
Ex-Shriram City Union Finance



**Eric Wetlaufer**
INDEPENDENT DIRECTOR

Director – TMX group;
Ex-CPPIB; Fidelity

**Kapil Kapoor**
INDEPENDENT DIRECTOR

Chairman-InfoEdge India;
Ex-Nestle; ex-Global COO, Timex

**Ashby H.B. Monk**
INDEPENDENT DIRECTOR

Senior Research Engineer, School of Engineering , Stanford University;
Co-founder-Long Game Savings

# Our Team

## Management

### Tashwinder Singh
CHIEF EXECUTIVE OFFICER

Ex-Citigroup, KKR

### Rumit Dugar
CHIEF FINANCIAL OFFICER

Ex-JP Morgan, Infosys,
IDFC Securities

### Debiprasad Sarangi
CHIEF EXECUTIVE OFFICER,
RURAL TECH

Ex-iCash Card

### Mohit Gang
CHIEF EXECUTIVE OFFICER,
WEALTH TECH

Ex-HSBC, Citi

### Ravi Pratap Singh
CHIEF TECHNOLOGY &
PRODUCT OFFICER

Ex-Pine Labs, Mswipe

### Neha Agarwal
COMPLIANCE OFFICER

Ex-Essel Infraprojects

### Noorallah Charania
CHIEF OPERATING OFFICER

Ex-Aditya Birla Group, RBS,
HDFC Bank

# Niyogin - History

## How did we get here?

### 2017

- Acquired M3 Global Finance, a BSE listed NBFC, and renamed Niyogin Fintech Ltd
- Raised capital of ₹2,348 mn from institutional investors

### 2018

- Initiated business with the Credit segment offering small ticket unsecured business loans (UBL)
- Focus on market access through CA network

### 2019

- Acquired 50.01% in Moneyfront, a digital platform, adding Wealth Tech to its product stack

### 2020

- Acquired 51.00% in iServeU, a US$500 mn GTV platform adding 5 products under a new segment – Rural Tech
- SaaS based B2B product went live under Wealth Tech

### 2021 Till Date

- Achieved cash breakeven

Rural Tech

- ~ 230K touchpoints
- Initiated and scaled transaction-led credit
- Upgraded DMT product & BBPS agent institution
- Expanded product use cases - Aadhar Pay for Collections & POS for M-ATM
- Key wins – NSDL Payments Bank

Note: All years are Calendar Years

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# Thank You

www.niyogin.com

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