

A blue-tinted background image showing a family of four in a cafe. A woman is seated on the left, smiling and looking down at a cup. A man is seated next to her, looking at a tablet. Another man is seated on the right, smiling and looking at the tablet. A child is seated in the background, also looking at the tablet. The scene is set in a bright, modern cafe with large windows and indoor plants.

niyogin

Investor Presentation – Q4

May 2019

We are niyogin

India's first end-to-end
digital lending platform

Our Vision

Sanskrit for “**empowerment**”, niyogin is born out of a deep understanding of the real problems faced by small businesses every day - beginning with collateral free access to credit. We are a passionate team of people who are **re-imagining the future of small businesses in India by applying technology, data, analytics and human understanding**

Our vision is to be the country's **best small business centric organization**, empowering customers through an ecosystem of products, partnerships, technology and exceptional customer experience.

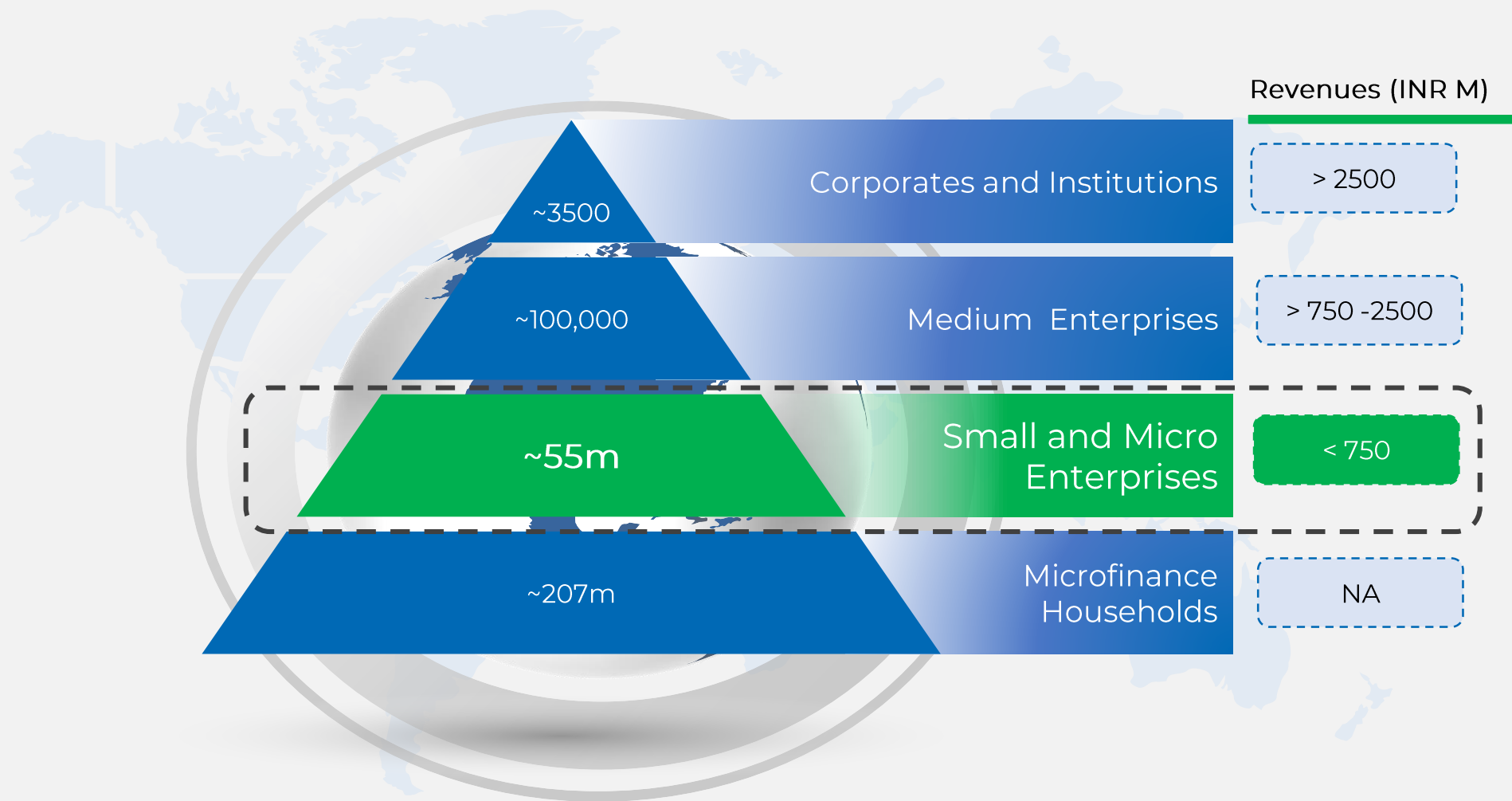
Our Mission

Our mission is to **give small businesses access to a holistic support system**, through cost efficient, innovative technology and a committed network of partners



LARGE
UNDERSERVED
MARKET

Small and micro
enterprises with
turnover less than
~\$10m

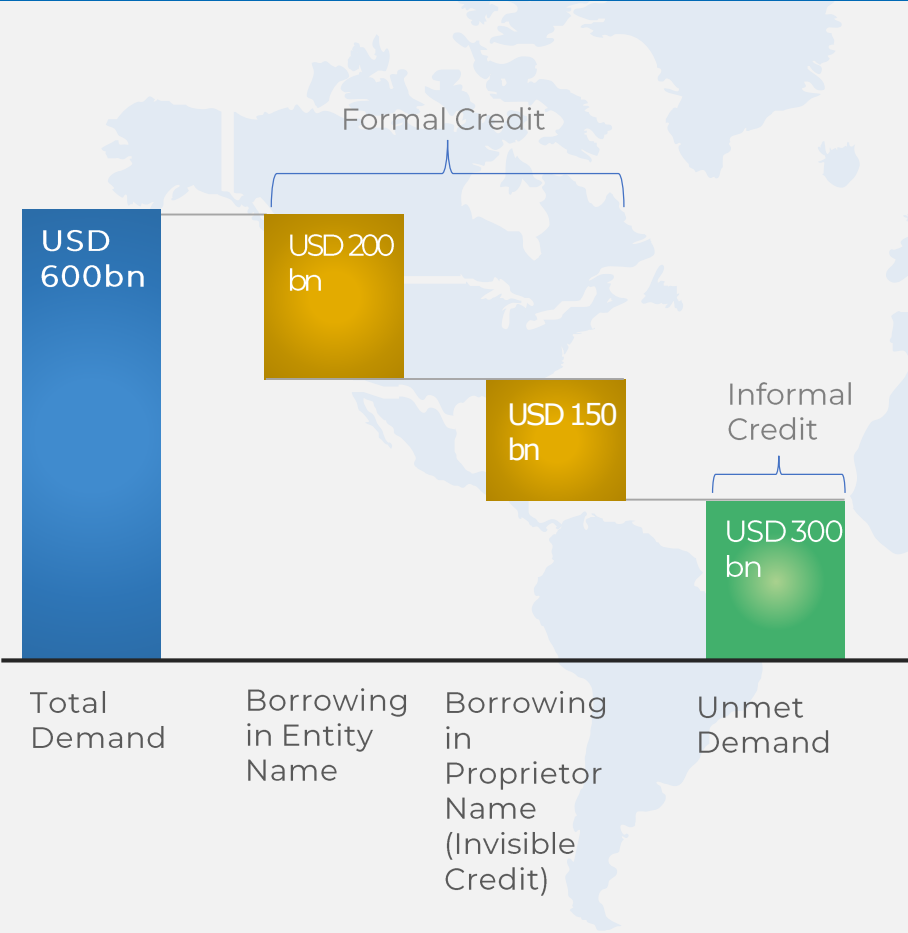


Sources : E&Y Evolving Landscape of microfinance in India, 2016
Annual report – MSME India 2017-18

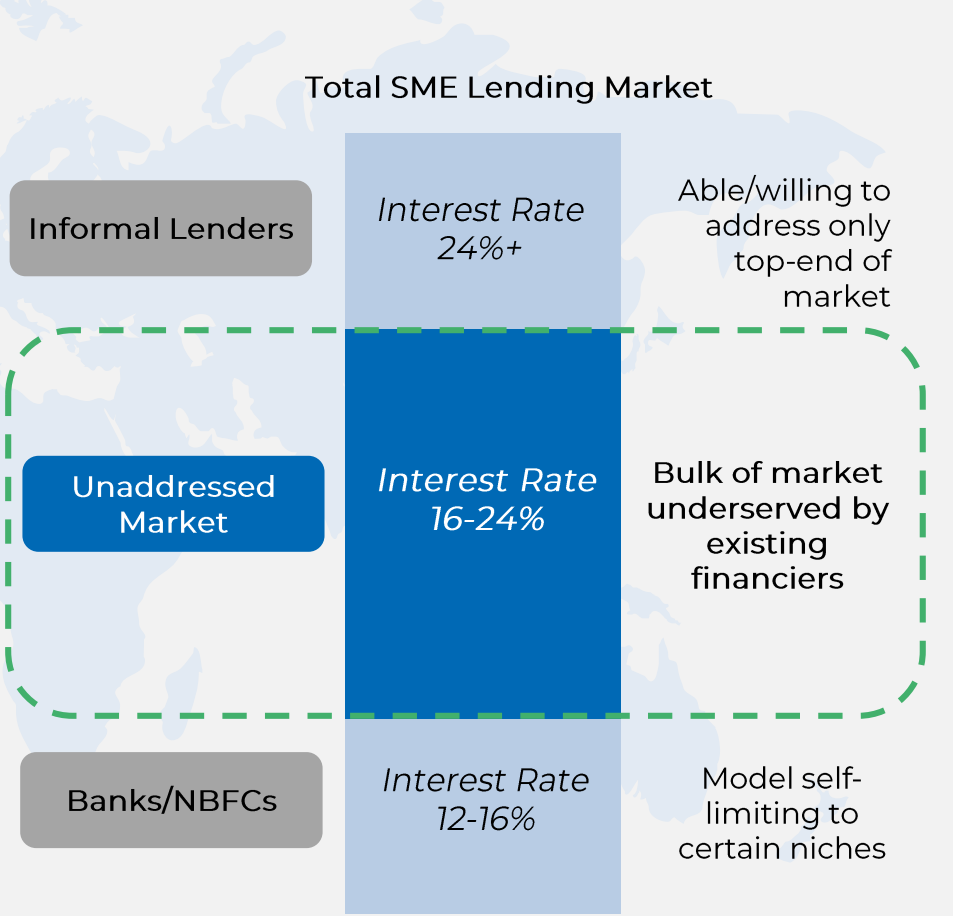
INCREASING
CREDIT GAP

The estimated MSME credit gap is ~US\$300bn growing at 7%+ per annum

Expected Finance Gap in MSME Sector



Unaddressed market with extremely attractive yields



Source: BCG report, Nov 2018

LARGE
OPPORTUNITY =
MICRO & SMALL
FIRMS

Our target market
comprises of micro
and small enterprises,
with turnover <\$3m
and credit gap \$105 b

Credit Gap in MSME - India

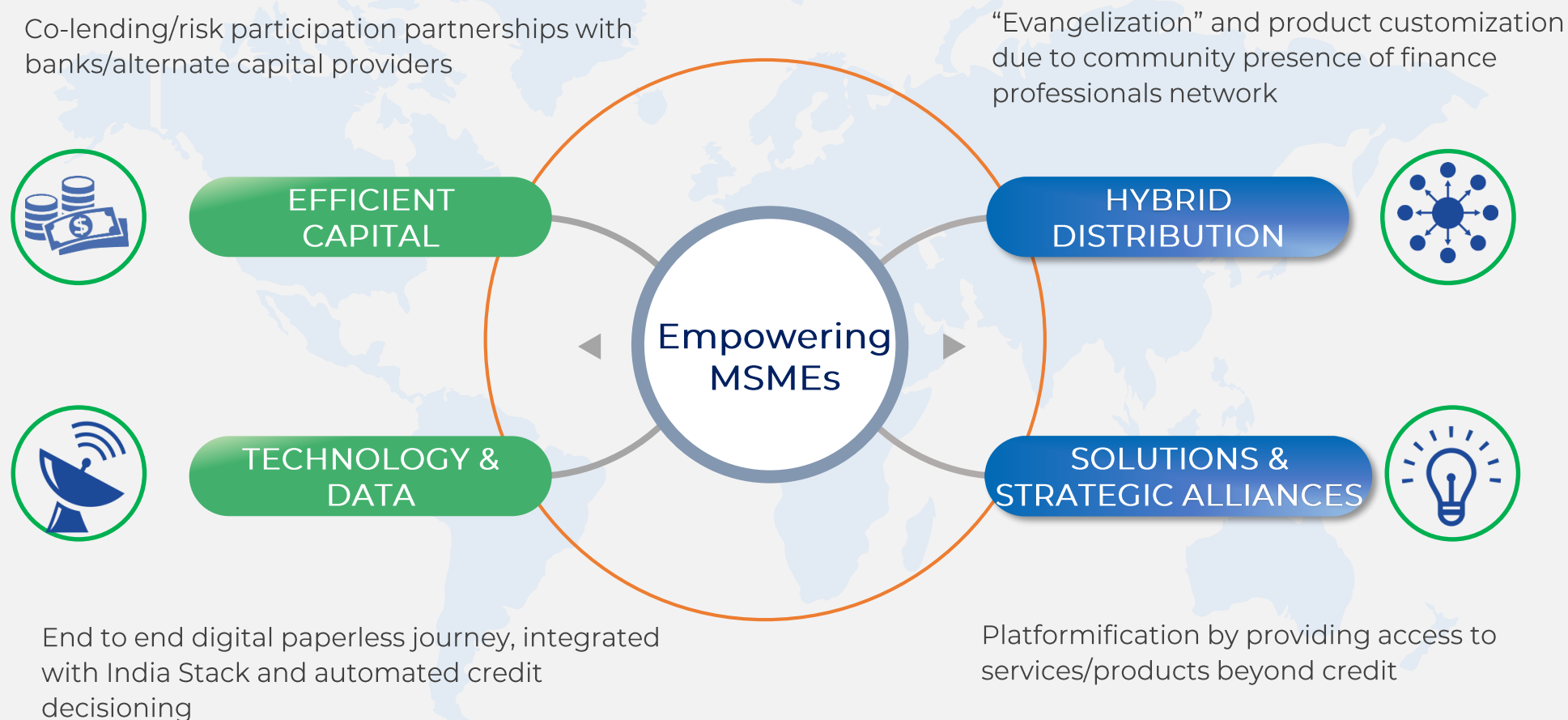
Revenue Segment (INR m)	No. of Units (mn)	Credit Demand (INR tr)	Bank Credit Supply (INR tr)	Credit Gap (INR tr)
< 1.5 m	41.4	4.1	0.9	3.2
1.5 m - 3 m	5.6	1.7	0.6	1.1
3 m - 15 m	4.5	4.8	2.1	2.7
15 m - 30 m	1.3	2.3	1.0	1.3
30 m - 180 m	1.8	7.2	3.6	3.6
Total	54.6	20.1	8.2	11.9

Source: Deloitte Analysis, MSME Annual Report, RBI, Industry Reports
*data doesn't capture details of medium enterprises with revenue > INR 750m

There is a large funding gap between microfinance and commercial capital that can be filled by a formalized lending process to micro and small enterprises and niyogin aims to address through its innovative business model

NIYOGIN CAPITALISING ON THE OPPORTUNITY

Externalizing the 4 key components beyond credit to create an ecosystem which enables multifaceted partnerships and engagement is the ultimate goal of niyogin



THE JOURNEY

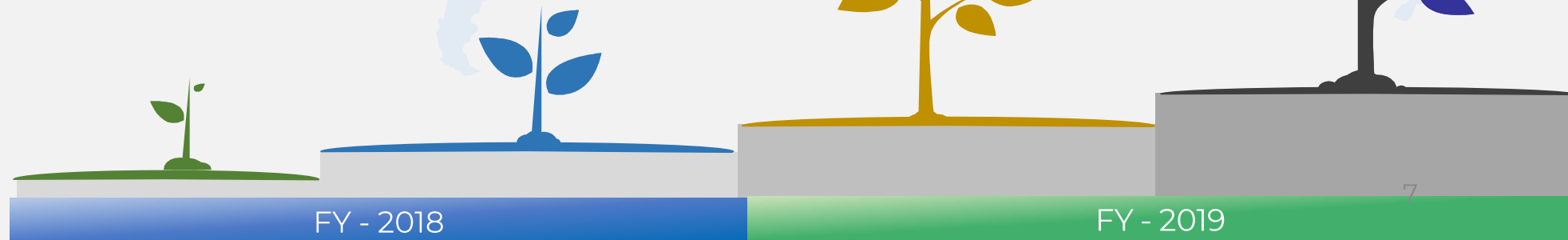
We raised equity capital in 2017 & developed a scalable technology & digital platform for our MSME business

BUILT A STRONG FOUNDATION

- ✓ Capital raise of \$40m
- ✓ Setting up a strong management and execution team
- ✓ Creating meritocratic culture
- ✓ Technology, data and digital infrastructure built in 7 months
- ✓ Designing our credit, collections and operations processes
- ✓ Testing our market hypothesis in Maharashtra

COMMERCIALISATION

- Partners : 600+ partners onboarded and originating loans for us
- Expansion of our distribution across 10 states and 131 locations
- Disbursals : INR 600m+
- Customers : 400+ customers
- Direct to Customer Channel launched
- Strategic partnerships announced
- Acquisition of Moneyfront, a new age wealth management platform
- Digital Engagement Centre - drives partner & omni channel customer onboarding and activation



EXPANDING BEYOND CREDIT

Exploring the wealth
management
opportunity while
creating a value-based
ecosystem with the
customer at the center

Moneyfront benefits with...



Capital infusion to
accelerate growth



Access to physical
distribution channel

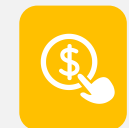


Tech and Data
Sciences
infrastructure

niyogin benefits with...



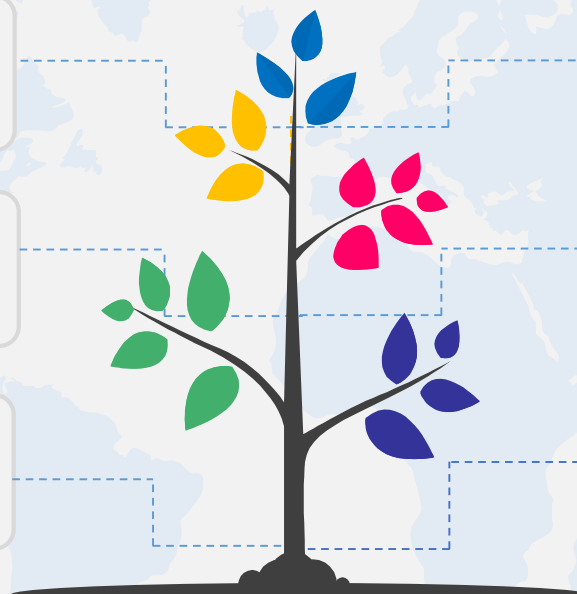
Expanding into a fast
growing "white space"
beyond MSME credit



Value proposition on
the liability side for
MSMEs



Access to individual
customer base of 10K+ &
AUM of ~USD 71 Mn (INR
5000 Mn)

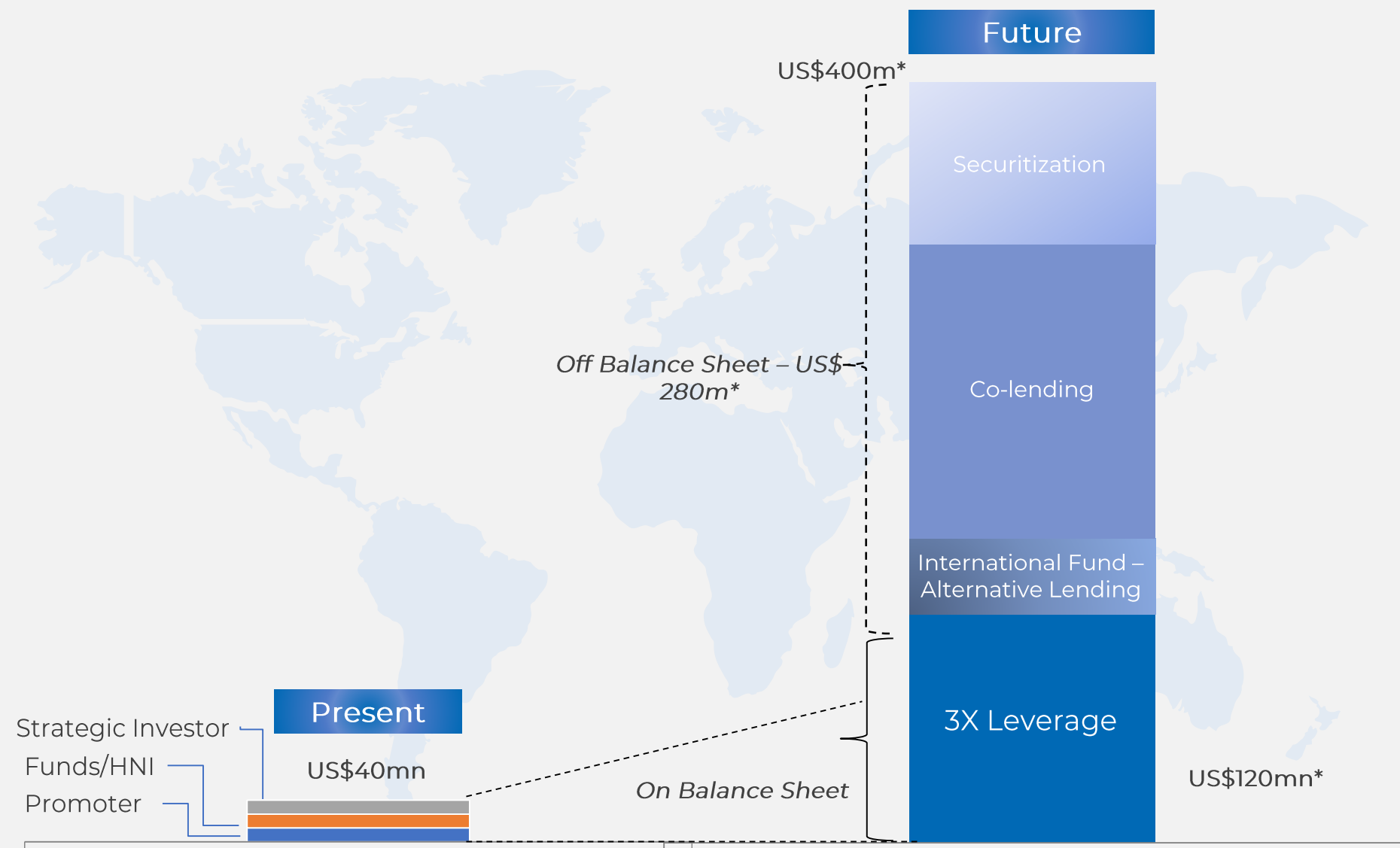


With this strategic partnership, niyogin (50.1% controlling stake) and Moneyfront will have the solutions, platform and distribution heft to address the credit and the wealth needs of the underserved customers in non-urban locations pan India

The transaction is subject to regulatory and other approvals as maybe required pursuant to the applicable legal provisions

DIFFERENTIATOR - 1
EFFICIENT CAPITAL

A balance sheet light capital strategy based on risk participation while enabling cost-effective extension of credit



The niyogin capital model enables flexible alignment of institutional risk appetite to appropriate target segments

*proposed numbers basis current capital of niyogin

DIFFERENTIATOR – 2

HYBRID DISTRIBUTION

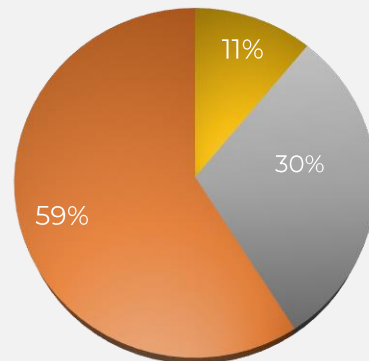
Enables steady growth
of customer acquisition
and loan origination
funnel

Partner Profile

- Average experience of ~10 years
- Deep understanding of the market
- Average customer base >100 MSMEs

Partner Acquisition

■ 3i and referrals ■ Relationship referrals ■ Digital



Partner Onboarding

- Activity takes less than 5 minutes
- Ease of onboarding resulting 14x growth in FY19
- Multi geography granular presence in 100+ locations
- Risk based origination initiation:-
 - Pre qualifying criteria > invite code sent
 - Complete partner KYC
 - Reference Checks
 - NRM visit > Risk categorization

Omni Channel Distribution

- Straddles retail, wholesale and direct lending across multiple locations
- Onboarded 600+ financial advisor partners
- On ground engagement and activation driven by experienced and trained relationship management team

Empowering local connects with a digital first approach

DIFFERENTIATOR – 3

TECHNOLOGY

India's first paperless digital lending platform for MSMEs

- 26 Applications
- 72+ APIs
- Open source stack
- Secure Cloud Infrastructure

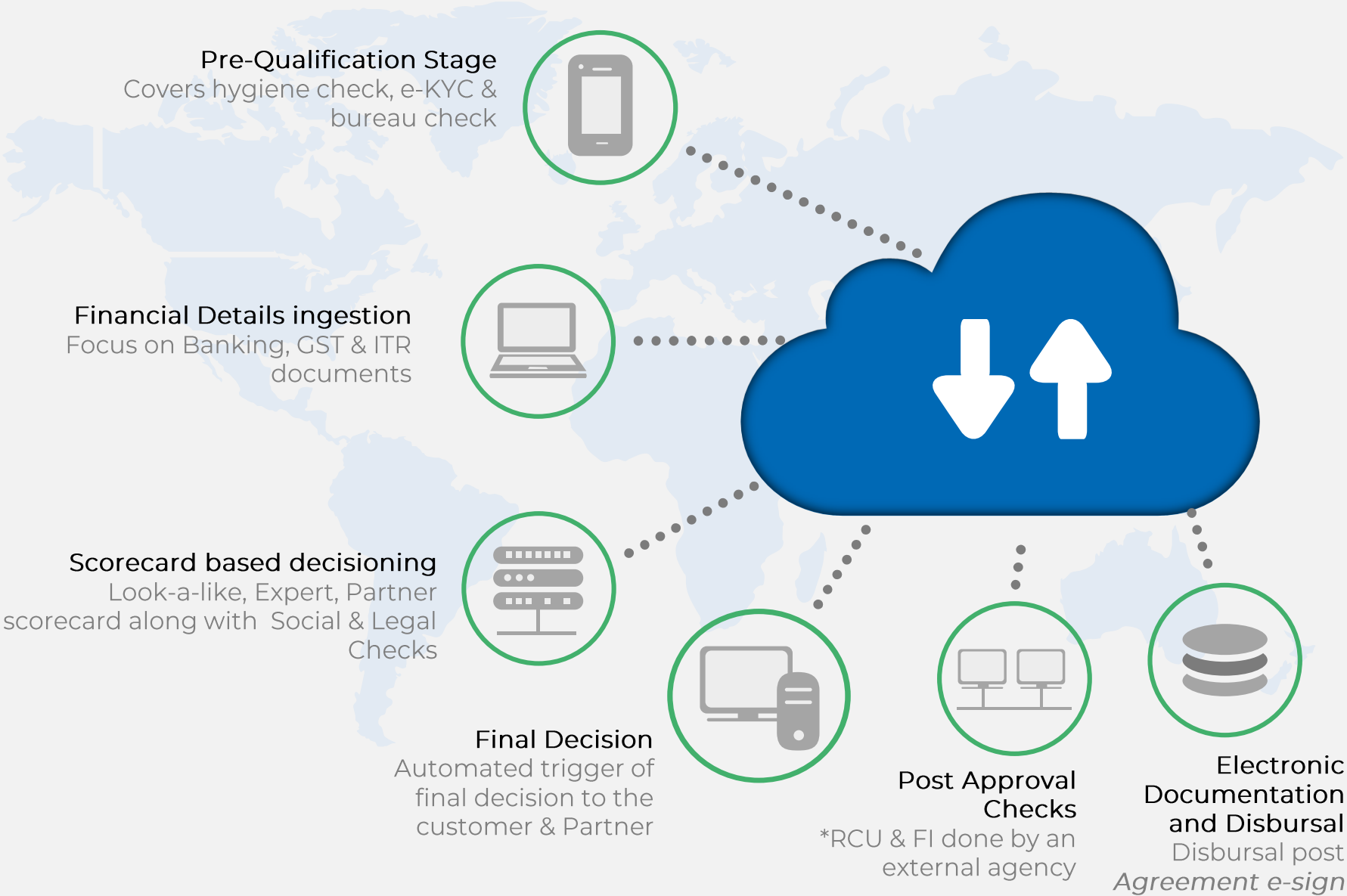
Bi-modal IT approach to deliver digital ecosystem and platform within 7 months



DIFFERENTIATOR - 4

CREDIT

Credit and underwriting processes are optimally automated to reduce TAT and increase scalability



*RCU – Risk containment units & FI – Field Investigation

FINANCIAL SNAPSHOT

FY18 vs FY19

INR M	FY2019 (31 Mar 2019)	FY2018 (31 Mar 2018)	YoY Change
Revenue	242.3	122.3	98%
Expenses	308.4	148.8	107%
Reported Profit/(Loss) (A)	(66.1)	(26.5)	-
Depreciation and amortization (B)	26.1	5.2	402%
ESOP (C)	36.8	-	-
Cash Profit/(Loss) (A+B+C)	(3.2)	(21.3)	-
Non-GAAP Profit/(Loss) – Ex ESOP charges (A+C)	(29.3)	(26.5)	-

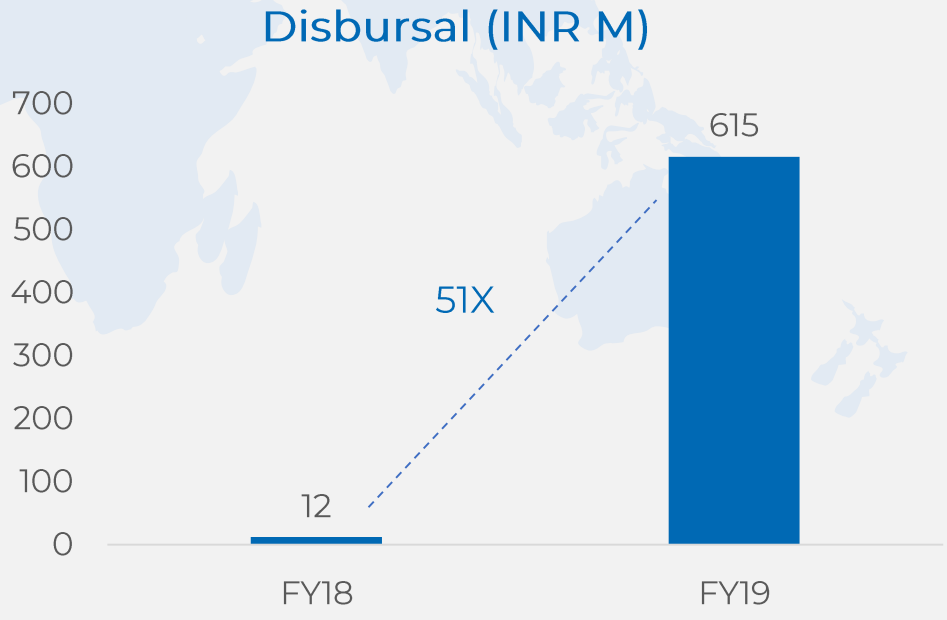
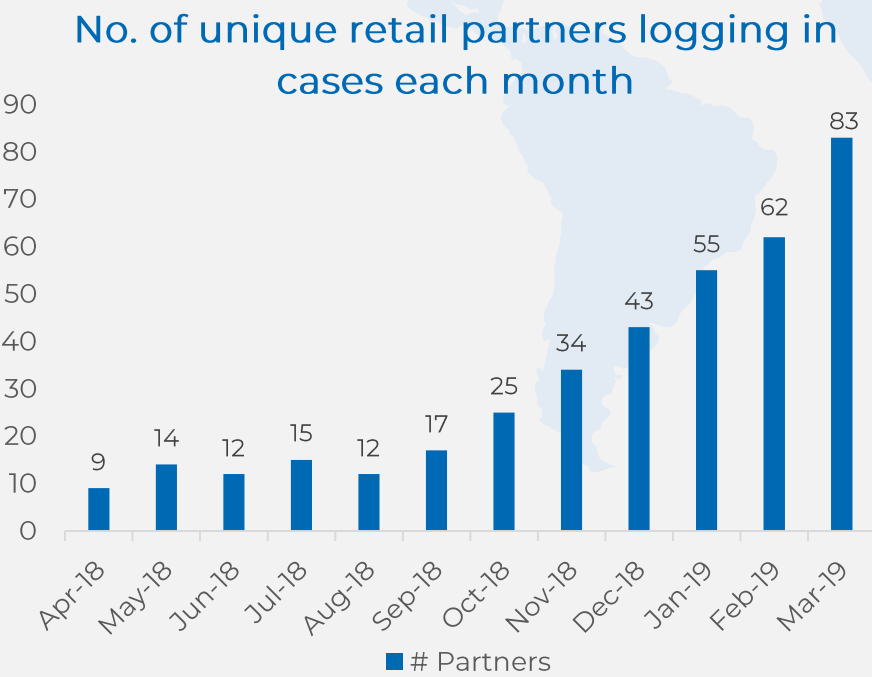
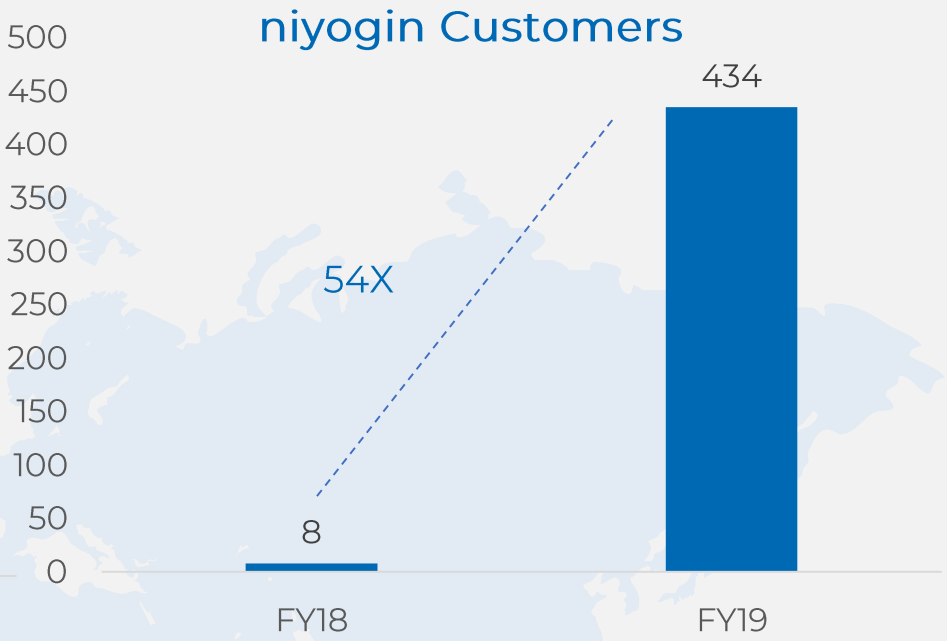
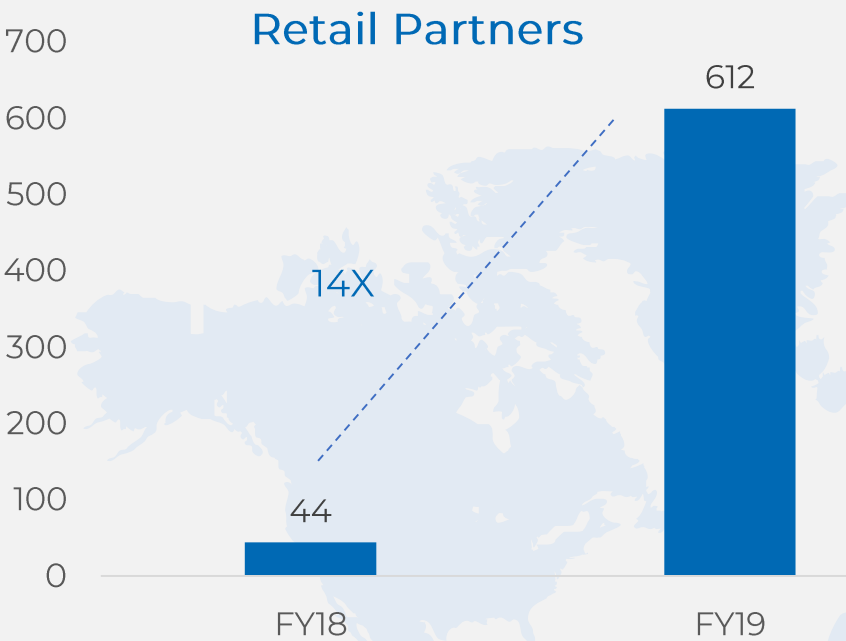
- 98% Y-o-Y increase in revenues
- Cash loss moderate at INR 3.2 M

FINANCIAL SNAPSHOT

Q4'19 vs Q3'19

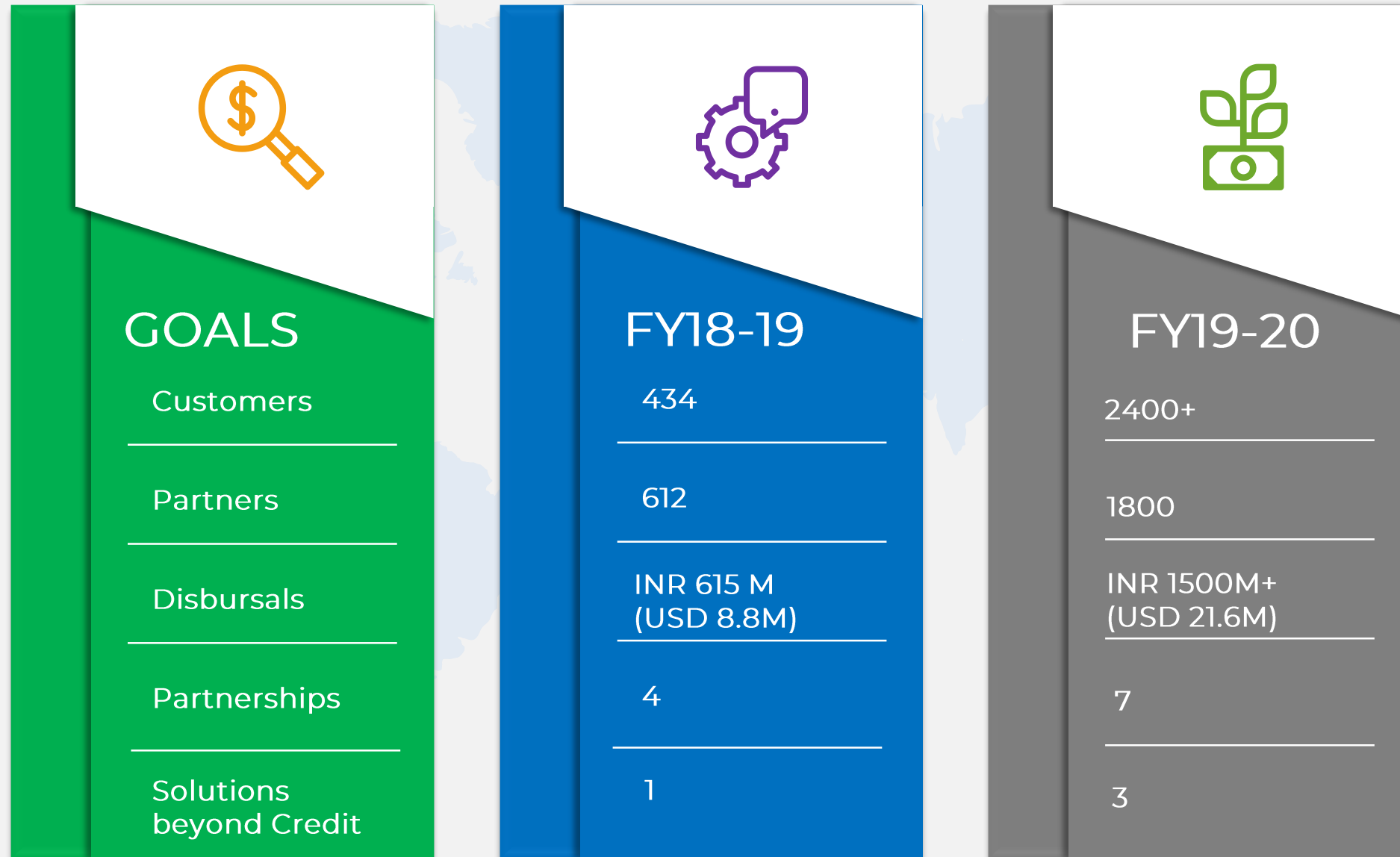
INR M	Q4 FY2019 (31 Mar 2019)	Q3 FY2019 (31 Dec 2018)	QoQ Change
Revenue	64.5	63.9	0.9%
Expenses	87.9	92.9	-5.4%
Reported Profit/(Loss) (A)	(23.4)	(29.0)	–
Depreciation and amortization (B)	6.7	6.6	1.5%
ESOP (C)	16.9	15.14	11.6%
Cash Profit/(Loss) (A+B+C)	0.2	(7.3)	–
Non-GAAP Profit/(Loss) – Ex ESOP charges (A+C)	(6.5)	(13.86)	–

- 25% Q-o-Q increase in customer revenues
- 9% Q-o-Q decrease in non-ESOP core operating expenses



BUSINESS OUTLOOK

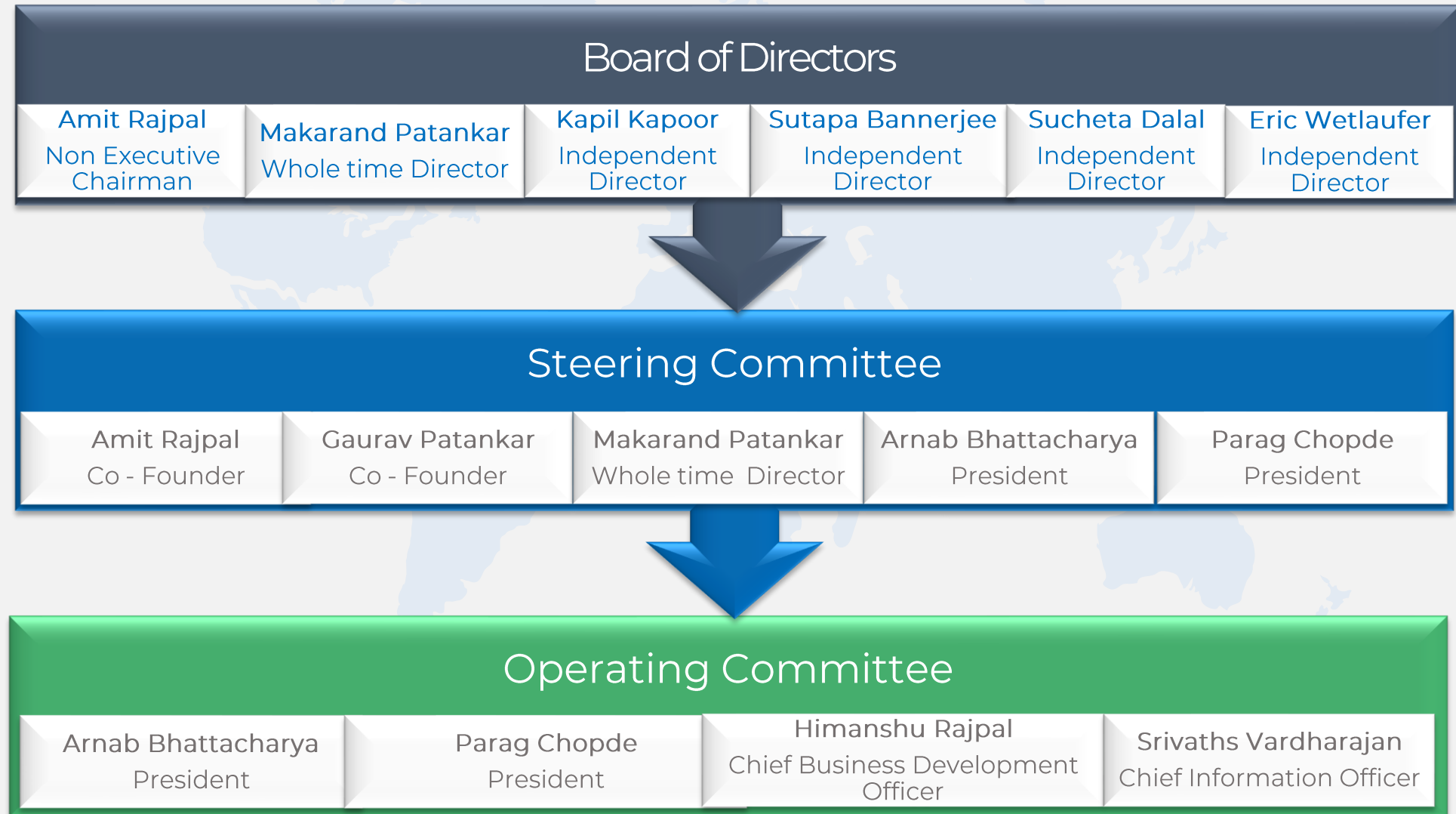
- Expect to increase partner count by 3X YoY
- Growth to be driven by retail channel and partnerships
- Solutions beyond credit remain focus area



FY19- based on average USDINR=69.99. FY20E based on USD/INR = 69.18 as on 29 Mar 2019 closing rates

STRONG
GOVERNANCE
STRUCTURE

To calibrate growth of
niyogin in a responsible
manner



niyogin

FOUNDERS

Our founders are
proven Financial
Institutional Investors



Amit Rajpal

Amit is the CEO of Marshall Wace Asia and is an expert in the area of financial services, investing and research with 20+ years of experience

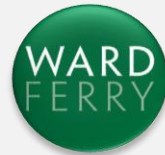


Gaurav Patankar

Gaurav is currently the Director of EM Investment Strategy at Bank of America Merrill Lynch and over the last 20 years has been an activist investor focused on emerging markets having worked at BNY Mellon, Citigroup, Millennium Partners and Lockheed Martin Pension and the co-founder of Information Interface India (niyogin's parent)

KEY INVESTORS

Our investor base
comprises of well
established
institutional funds
and HNWI



WF Asian Reconnaissance Fund Limited



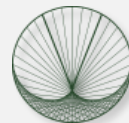
Carmignac Emerging Portfolio



Alchemy India Long Term Fund Ltd



Strategic India Equity Fund



Vikasa India EIF I Fund

LEADERSHIP

Capable team brings
best practices from
established
organizations



Arnab Bhattacharya
President



Parag
Chopde
President



Himanshu Rajpal
Chief Business
Development
Officer



Srivaths Vardharajan
Chief Information
Officer



Shanmugham
Chief Credit
Officer



Noorallah
Charania
Chief Operations
Officer



Mandar Godbole
Company
Secretary



Vijay Sankar
Head of
Collections



Kapil Kini
Head of Sales



Sandeep Akolkar
Chief Finance
Officer



Runit Dugar
Head of Strategy,
Product & IR

The leadership team has a combined experience of 200+ years, having worked for companies such as:



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Disclaimer

Thank You

BOARD OF DIRECTORS

Esteemed board to calibrate growth of niyogin in a responsible manner

Amit Rajpal

Amit is an expert in the area of financial services investing and research with 20+ years of experience with Morgan Stanley and Marshall Wace. He is credited with being the youngest Managing Director in Morgan Stanley at the age of 30

Makarand Patankar

Mr. Patankar has over 40 years of experience in strategic and financial roles across financial services, pharmaceutical, healthcare and retail sector companies and has pioneered 3i

Kapil Kapoor

Kapil is the Chairman of Infoedge India limited and has been serving on their Board of Directors since 2002. Kapil has an MBA from IIM Ahmedabad and a bachelors degree in Economics Honors from the Shri Ram College of Commerce, Delhi University

Sutapa Bannerjee

Sutapa has 24 years of experience in financial services across multinational banks - ANZ Grindlays and ABN AMRO. Sutapa was voted as the 'Top 20 Global Rising Stars of Wealth Management' by the institutional investor group in 2007 and as the top '50 most Powerful Women by Fortune India in 2012

Sucheta Dalal

Recipient of Chameli Devi Award for outstanding journalism and Femina's Woman of Substance Award and the Padma Shri by the Government of India, Sucheta has worked with India's leading newspapers including the Financial Editor of The Times of India, Consulting Editor with Indian Express and Financial Express, amongst others

Eric Wetlaufer

Eric Wetlaufer provides counsel as a director, advisor and investor to a range of large public to smaller private companies with a particular focus on technology and financial sectors. He currently serves on the Board of Directors of the TMX Group and of Soulpepper Theatre Company and is an advisor to GrainDiscovery, CryptoNumerics and Aion Foundation