

Date: May 19, 2021

To
BSE Limited
Corporate Relationship Department
25<sup>th</sup> Floor, Phiroze Jeejeeboy Towers,
Dalal Street, Mumbai – 400001

**Scrip Code:** 538772

**Sub:** Investor Presentation – May 2021

Dear Sir/Madam,

Pursuant to Regulation 30 (6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") read with Part A of Schedule III of the Listing Regulations, we are enclosing herewith the Investors' Presentation for May 2021.

Pursuant to Regulation 46 (2) (o) of the Listing Regulations, the aforesaid information is also being made available on the website of the Company i.e. www.niyogin.com

Thanking You, Yours faithfully, For Niyogin Fintech Limited

Neha Agarwal Company Secretary & Compliance Officer ACS 41425

Encl: a/a

Niyogin Fintech Limited

# niyogin

# **Investor**Presentation

**MAY 2021** 





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# **About** Us

Who we are & Who do we serve?



We are India's only
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



**Sutapa Banerjee**INDEPENDENT DIRECTOR

Ex-ANZ Grindlays, ABN AMRO



**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



Makarand Patankar PROMOTER DIRECTOR

Founder – Information Interface India Pvt Ltd; Ex-Glaxo



Noorallah Charania WHOLE-TIME DIRECTOR

Ex-Aditya Birla Group, RBS

# **Our** Team

#### Management



**Tashwinder Singh**CHIEF EXECUTIVE OFFICER

Ex-Citigroup, KKR



**Debiprasad Sarangi** CHIEF EXECUTIVE OFFICER, RURAL TECH

Ex-iCash Card



**Himanshu Rajpal**CHIEF BUSINESS OFFICER

Ex-Standard Chartered, PepsiCo, Euronet, PayPal



**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



Rumit Dugar CHIEF FINANCIAL OFFICER

Ex-JPMorgan, Infosys, IDFC Securities



Parag Chopde CHIEF RISK OFFICER

Ex-RBL Bank, Exim Bank (T) Ltd; Citi



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



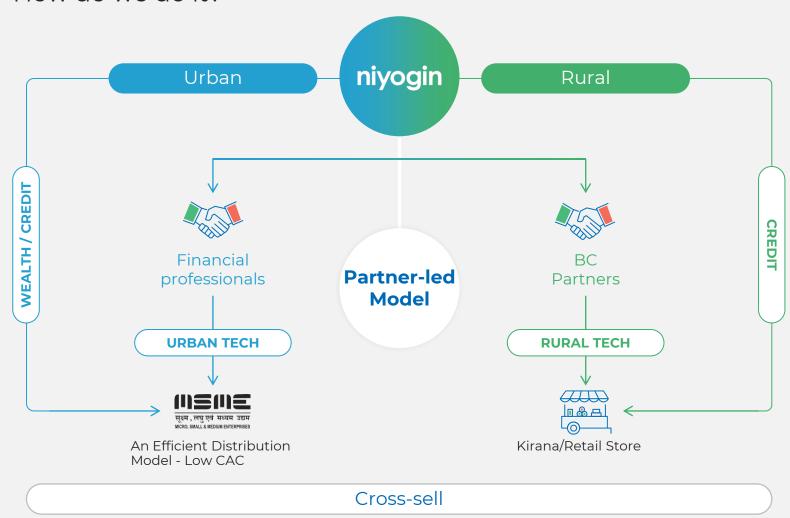
#### 2021 Till Date

- Achieved cash breakeven
- Rural Tech crosses
   130K touchpoints
- Initiated iServeU credit segment

Note: All years are Calendar Years

# Our Business Model

How do we do it?



Serving MSMEs & rural retailers via a digital model



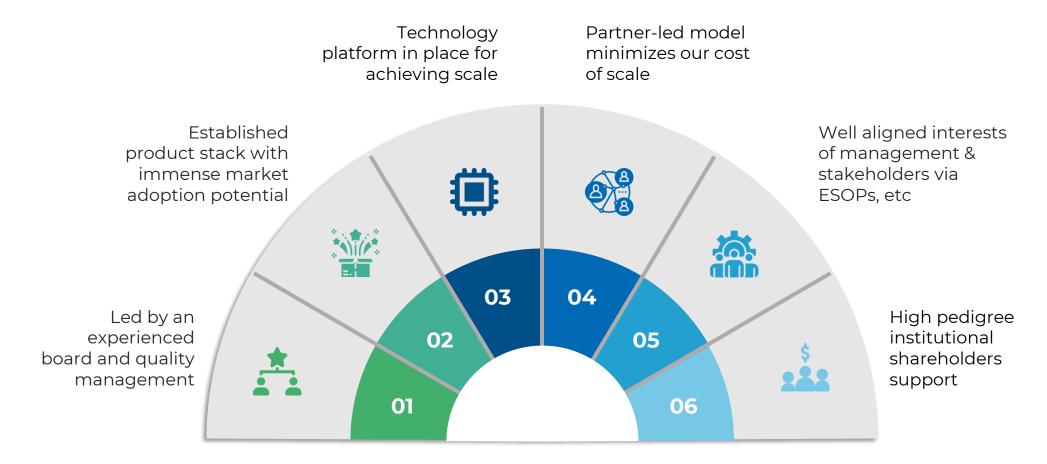
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# **Differentiating** Factors

Why we will win?



#### **Investment** Rationale

#### Why Niyogin?



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

India's only 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<sup>@</sup>



# 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.

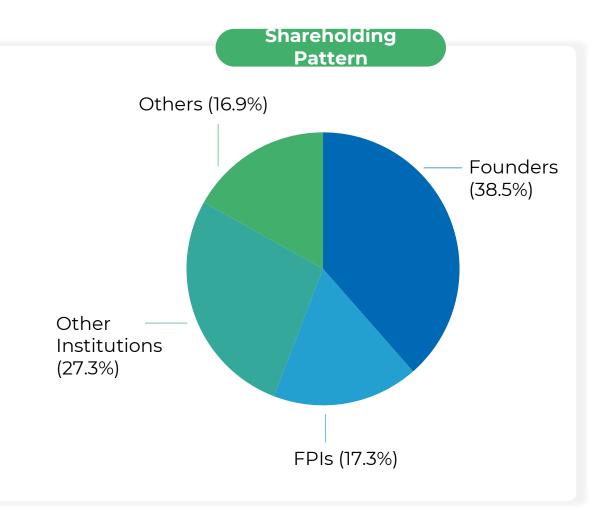
<sup>\*</sup>msme.gov.in; ~NPCI; @RBI; #Internal estimates

# Our Investors

#### Supported by top institutions

#### **Top Institutions**

- Ward Ferry Management
- Carmignac
- Alchemy Group
- Lucky Investment Managers



Note: As of 31st March 2021



# Addressable Market Opportunity

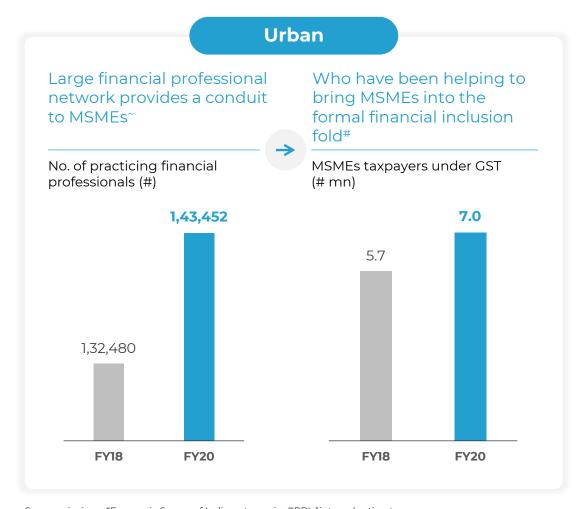


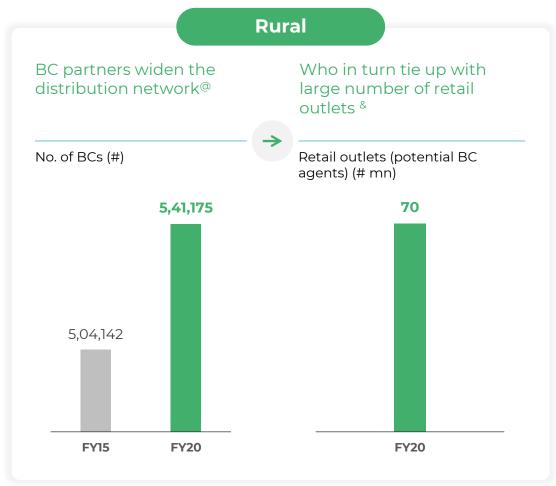
Potential Market Opportunity

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### Potential Market Opportunity (1/2)

#### Our market access



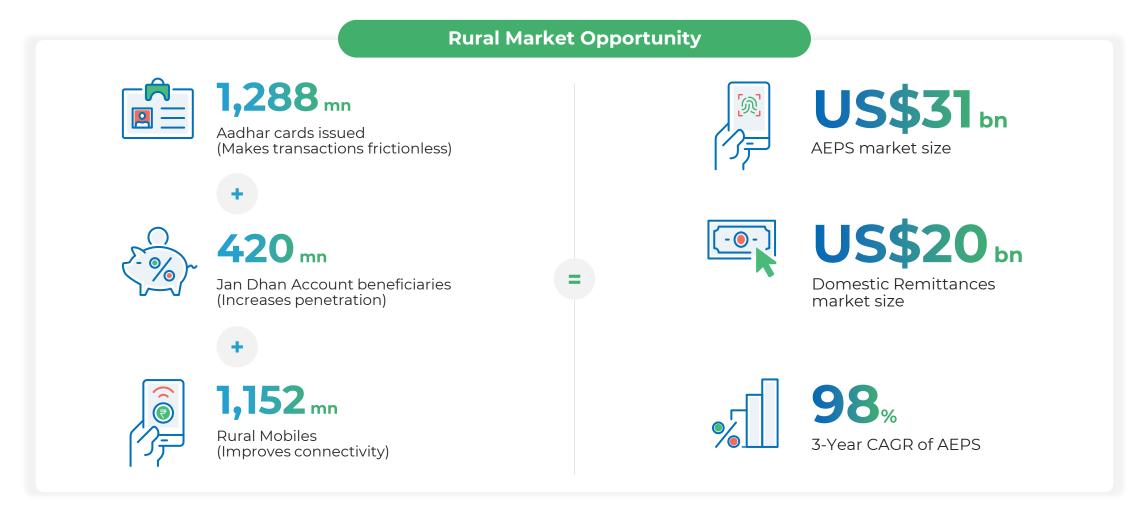


Source: ~icai.org; #Economic Survey of India, gstn.org.in; @RBI; &internal estimates



## Potential Market Opportunity (2/2)

What are we leveraging on?



Source: PwC, PMJDY, TRAI, UIDAI, Internal estimates



# Our Business Verticals



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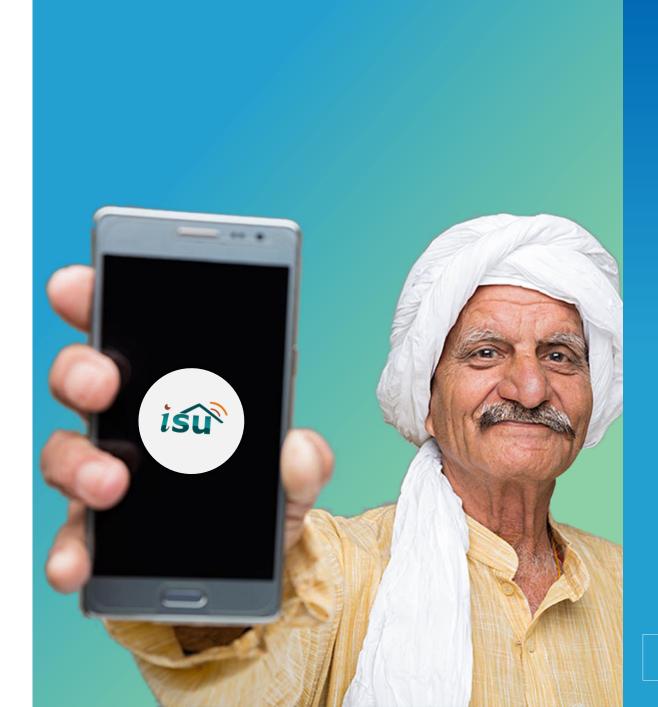


iServeU – Rural Financial Inclusion Platform



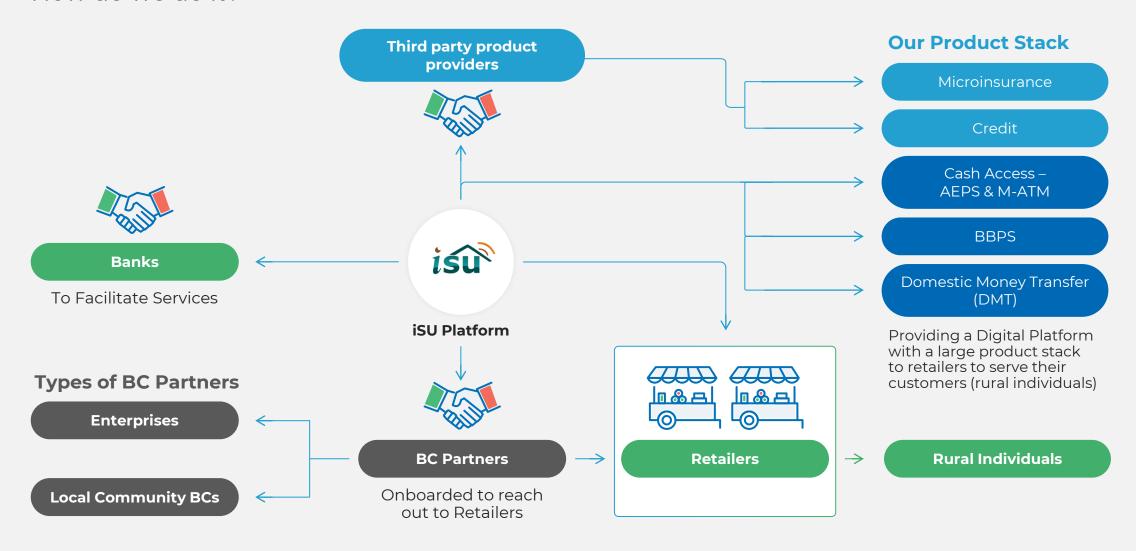
#### What do we do?

Empowering retail stores (MSMEs) in Rural India via digital platform to offer localized/hyperlocal financial services

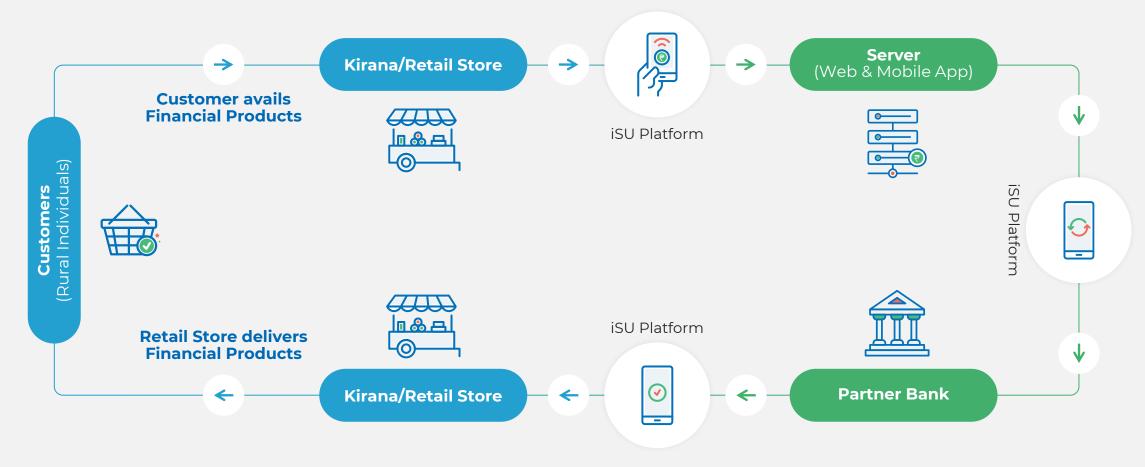




How do we do it?



How do we operate?



Flow of financial products through our tech platform

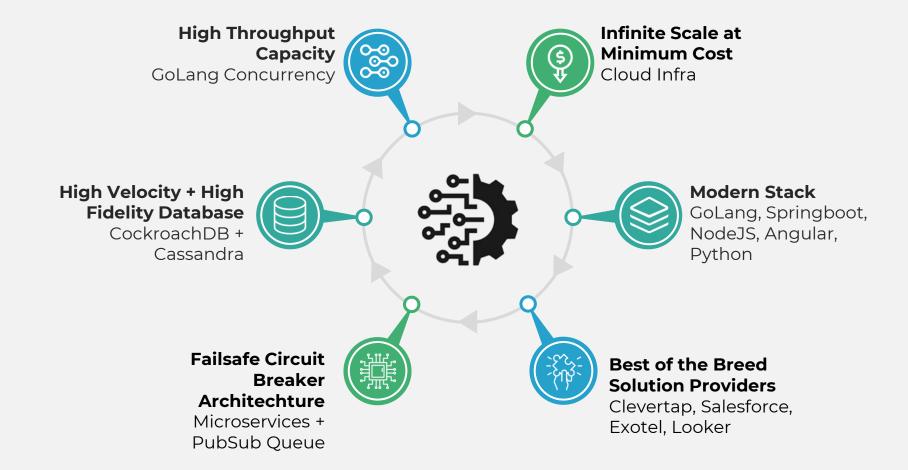


#### Revenue Model

Who is Banks/ Insurance Retailers Partners Borrowers paying us? companies  $\psi$  $\forall$  $\downarrow$  $\downarrow$ Fee per DMT & Hardware Device One-time Software Interest Insurance For what? AEPS/M-ATM setup fees Commission Income transaction License Commissions Others Fee

## Technology

Scalable Architecture



How are we creating an impact?



Niyogin's Rural Tech platform empowers its various stakeholders by offering

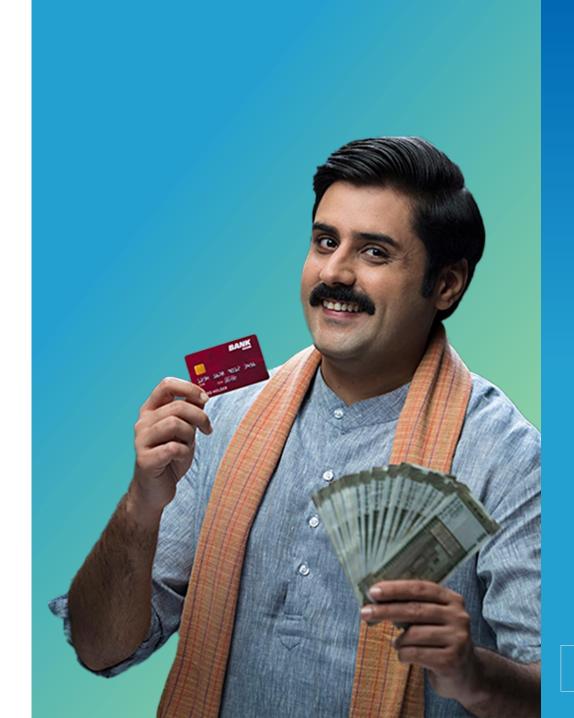


Income augmentation to Retailers

2

Network monetization for Partners 3

Optimizes market access and product delivery for Banks

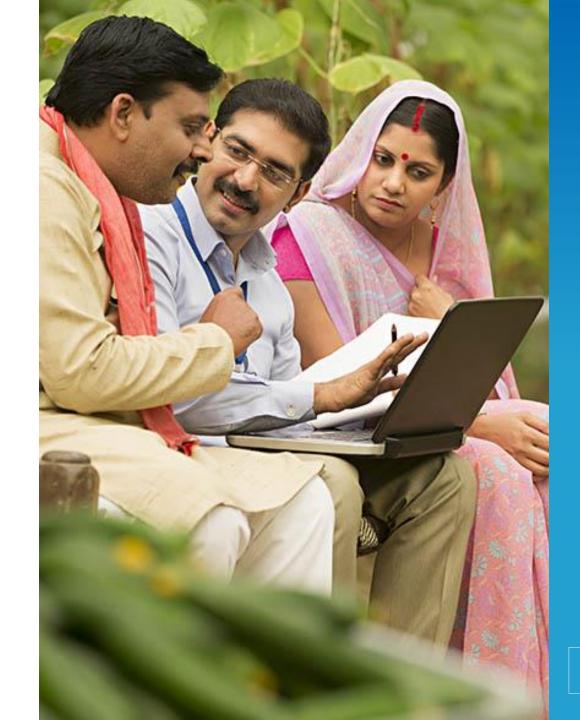


# Credit

What do we do?

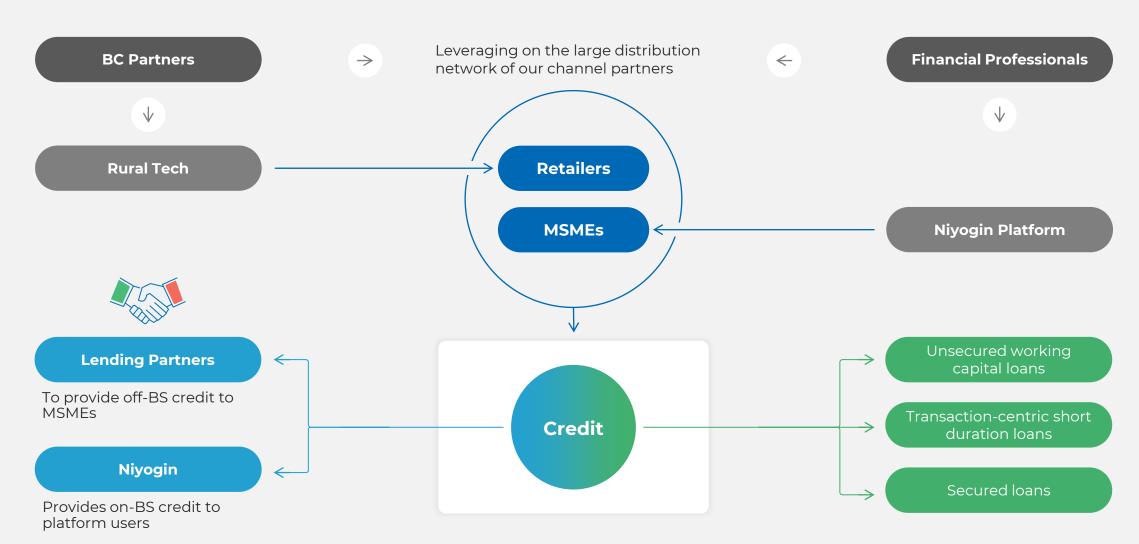


Providing Capital access to MSMEs & retailers via channel partners



# Credit

How do we do it?



# **Wealth** Tech

Moneyfront – Digital platform for Wealth Advisory & Analytics

# **Moneyfront**

#### What do we do?

Niyogin's Wealth Tech platform serves urban areas by offering



A SaaS enabled tech platform to financial consultants to serve MSMEs 2

Analytical services to wealth managers of large enterprises

3

A platform for individuals to help them in financial planning



# **Business** Summary

#### Our services explained

	Rural Tech	Credit	Wealth Tech
What	Empowering retail stores (MSMEs) to provide – DMT, AEPS, M-ATM, BBPS, Microinsurance	Helping MSMEs access capital	Helping MSMEs & MSME owners manage wealth
How	Digital	Digital	Digital
Revenue	License Fee Commission Hardware Sales	Interest Income Commission/Fee	License Fee Commission
M&A	Product Scale	Product Market Access	Product Scale
Future Outlook	Rural financial inclusion via Neobank Model	Aggregator & Transaction data-led credit	Scale

# Our Revenue Drivers

Identifying the Monetization levers

Verticals		License Fee	Commission/Fee Int	terest Income	Others
	Direct Money Transfer (DMT)				
	Cash Access				
Rural Tech	BBPS				
	Microinsurance				
	Hardware Sales				<b>✓</b>
	Platform Setup				
Credit	Unsecured working capital and short-term transaction-based loans				
	Direct-to-Individuals				
Wealth Tech	SaaS B2B				
. 5 5	Analytics				



# Peer Analysis



Peer Analysis – Qualitative

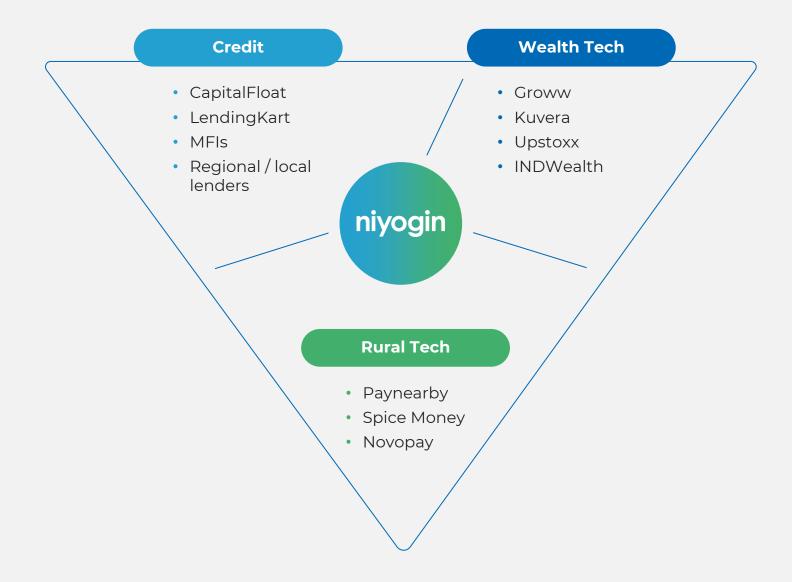
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#### Peer Analysis - Qualitative

What sets us apart?

Niyogin has competitors in every business segment. However, with its large product stack, it lies at the intersection of all its domestic peers.





# Financial Highlights



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# **Q4FY21** Highlights

#### Business

#### **Business Update**

- iServeU integration completed
- Expansion of financial professionals network and iServeU retailers for long term footprint
- Rural Tech business launched Aadhar pay, enabling digital-to-digital transfer
- Launched transaction-based credit on our Rural Tech platform
- Added new fee-led product partnerships in our Urban Tech distribution business

#### **Distribution Build**

- 27,826 retailers added in Q4FY21
- Rural retailer base at 131,082 up 143% YoY
- 359 retail partners added in Q4FY21
- Retail partner base (Urban Tech) at 4,017, up 109% YoY
- Retail channel (Urban Tech) activation rate for FY21 at 19%



# **Q4FY21** Highlights

#### Financial Update - Consolidated

#### **P&L Update**

- Total Income for the quarter at INR 183.9 mn, up 116.0% YoY
- Additional ECL charge of INR 34.0 mn taken as management overlay given the second COVID wave in India.
- ESOP charge for the quarter at INR 15.2 mn
- Non-GAAP (ex ESOP) PBT of INR (40.7) mn

#### **Balance Sheet Update**

- Loan book stood at INR 455.0 mn, down 64.0% YoY
- We remain a zero debt and net cash company
- Cash position further strengthened and stands at INR 1,559.0 mn
- GNPA (adjusted for FLDG) at 7.6% adequately covered through our provisioning

.



# **Q4FY21** Highlights

#### Financial Snapshot

Consolidated (INR mn)	<b>Q4FY21</b> (31st Mar 2021)	<b>Q4FY20</b> (31st Mar 2020)	YoY change
Total Income	183.9	85.1	116.0%
Total Expenses	239.8	152.1	57.6%
EBITDA	(40.2)	(55.0)	NA
Reported Pre-Tax Profit/(Loss) (A)	(55.9)	(67.0)	NA
Depreciation and Amortization	15.1	11.3	33.6%
ESOP (B)	15.2	5.9	157.6%
Non-GAAP PBT (C ) = (A) + (B)	(40.7)	(61.1)	NA

116%

Revenue growth driven by Rural Tech business

**EBITDA** 

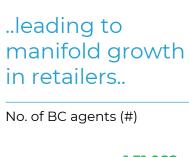
Reduction in loss despite management overlay in our loan book

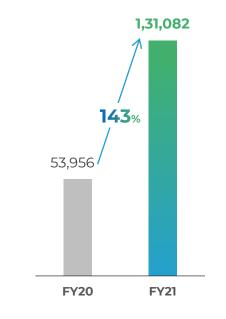


#### Businesses built to scale

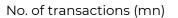
#### Rural Platform

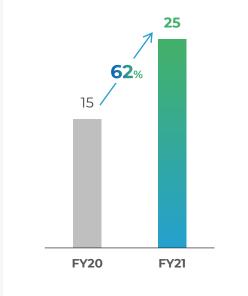




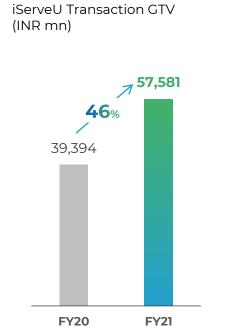


# ..fuelling rise in volumes..





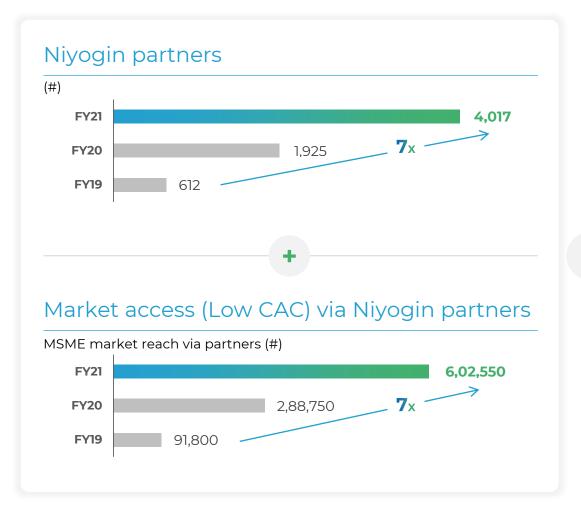
#### ..and rise in value.

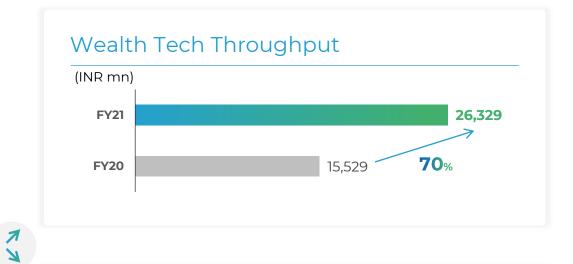


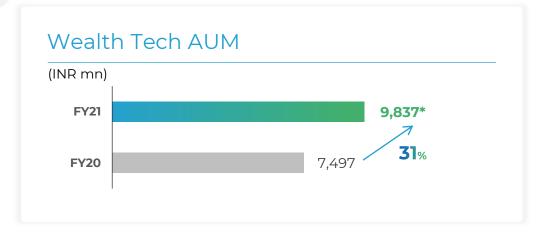


#### Businesses built to scale

#### Urban Platform







\*Note: Short-term impact due to wealth customers' draw down for tax payment, the AUM as on April 30, 2021 stands at INR 11,099.5 mn



# Financial Snapshot

#### Annual

Consolidated (INR mn)	FY18*	FY19*	FY20	FY21
	(31 <sup>st</sup> Mar 2018)	(31 <sup>st</sup> Mar 2019)	(31 <sup>st</sup> Mar 2020)	(31 <sup>st</sup> Mar 2021)
Total Income	122.3	228.5	280.5	506.3
Total Expenses	148.8	310.3	527.0	578.8
EBITDA	(21.3)	(49.0)	(202.6)	(20.0)
Reported Pre-Tax Profit/(Loss) (A)	(26.5)	(81.8)	(246.5)	(72.5)
Depreciation and Amortization	5.2	30.8	40.9	50.1
ESOP (B)	-	37.4	38.9	33.4
Non-GAAP PBT (C ) = (A) + (B)	(26.5)	(44.4)	(207.6)	(39.1)

506.3 mn

Revenues crossed the INR 500.0 mn mark



Impacted due to management overlay of INR 55.7 mn

<sup>\*</sup>Standalone for FY2018 & FY2019, Consolidated figures considered in FY2020 and FY2021 post Moneyfront and iServeU acquisition.



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# **Definitions**

#### Understanding the jargons

1.	<b>AEPS</b>	Aadhar Enabled Payment Sys	tem

- 2. AUM Assets Under Management
- 3. BBPS Bharat Bill Payment System
- 4. BC Business Correspondent
- 5. CAC Customer Acquisition Costs
- 6. DMT Domestic Money Transfer
- 7. GTV Gross Transaction Value
- 8. L-F-L Like For Like
- 9. M-ATM Micro ATM
- 10. ML Machine Language
- 11. M&A Mergers & Acquisitions
- 12. MSME Micro, Small & Medium Enterprises
- 13. NBFC Non-Banking Financial Company
- 14. Partners Collectively refers to financial professionals and BC partners
- 15. SaaS B2B Software as a Service Business to Business



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# niyogin

# Thank You

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