

A background image of a family in a cafe, overlaid with a blue tint. A woman is smiling and looking down at a cup on the table. A man is leaning over the table, looking at papers. Another man is sitting next to him, also looking at the papers. A child is visible in the background, sitting at another table.

niyogin

Investor Presentation

Q2 - FY20

niyogin

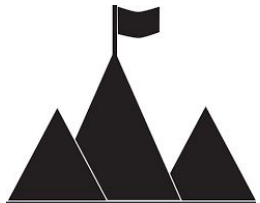
We are niyogin

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

Our Vision



Our Mission



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**

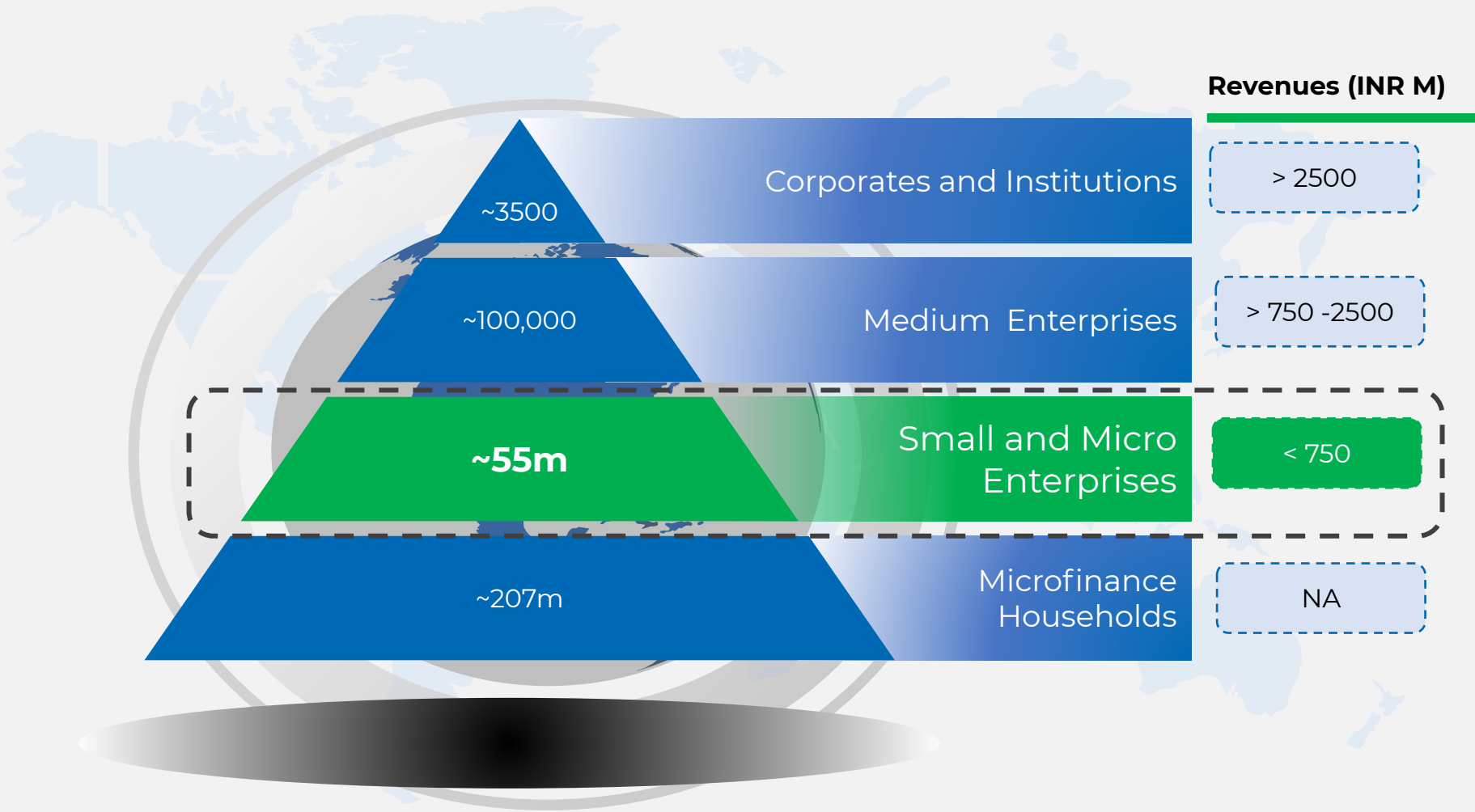
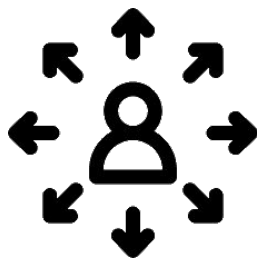
Our vision is to be the country's **best small business centric organization**, empowering customers through an ecosystem of products, partnerships, technology and exceptional customer experience.

Our mission 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

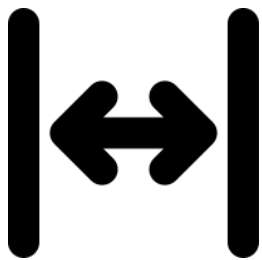
Small and micro
enterprises with
turnover less than
~\$10m



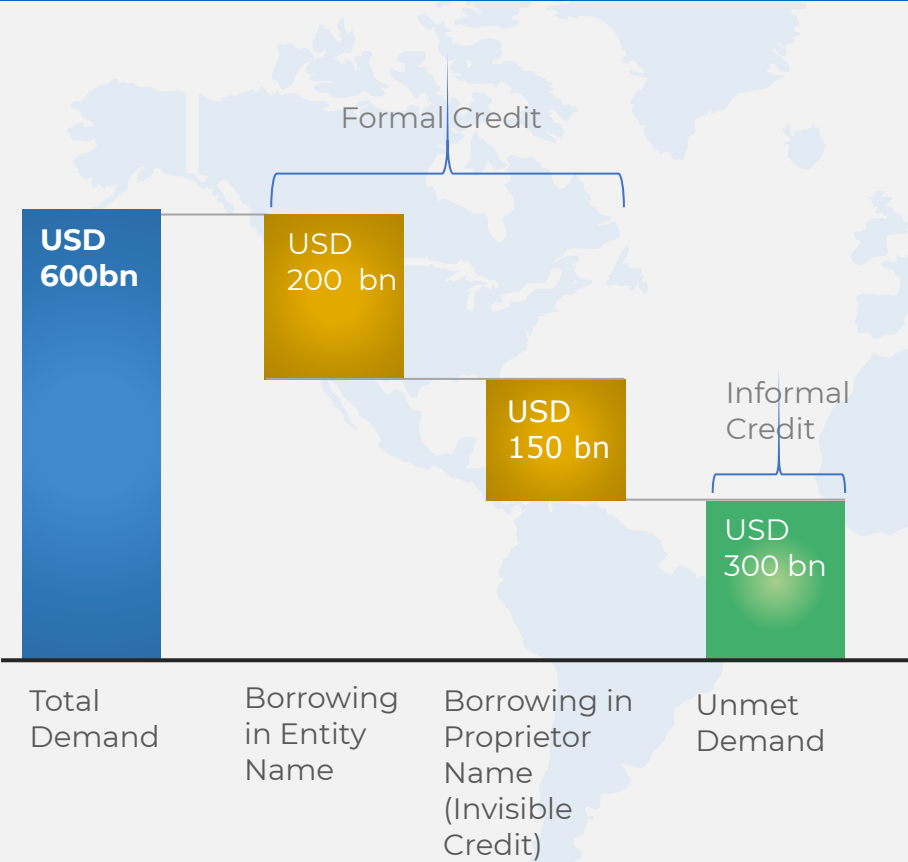
Sources : E&Y Evolving Landscape of microfinance in India, 2016
Annual report – MSME India 2017-18

INCREASING
CREDIT GAP

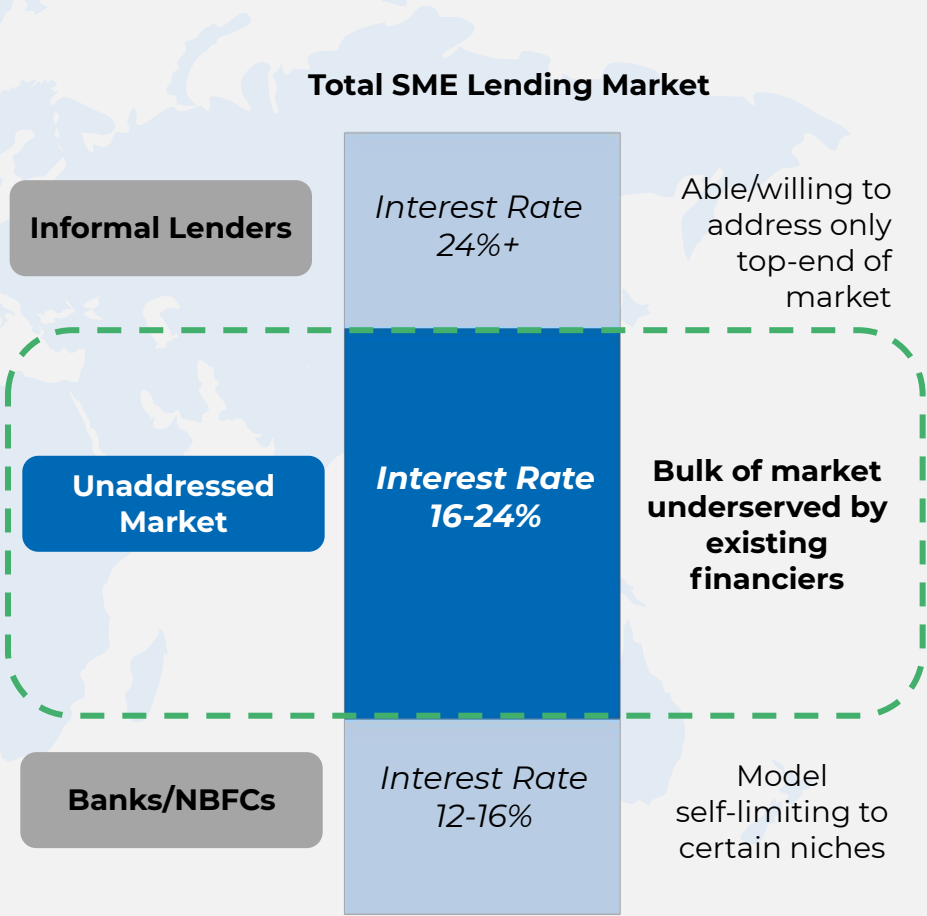
The estimated MSME credit gap is ~US\$300bn growing at 7%+ per annum



Expected Finance Gap in MSME Sector



Unaddressed market with extremely attractive yields



Source: BCG report, Nov 2018

TARGET MARKET= MICRO & SMALL FIRMS

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



Our target market - Too big for MFI , Too small for Banks

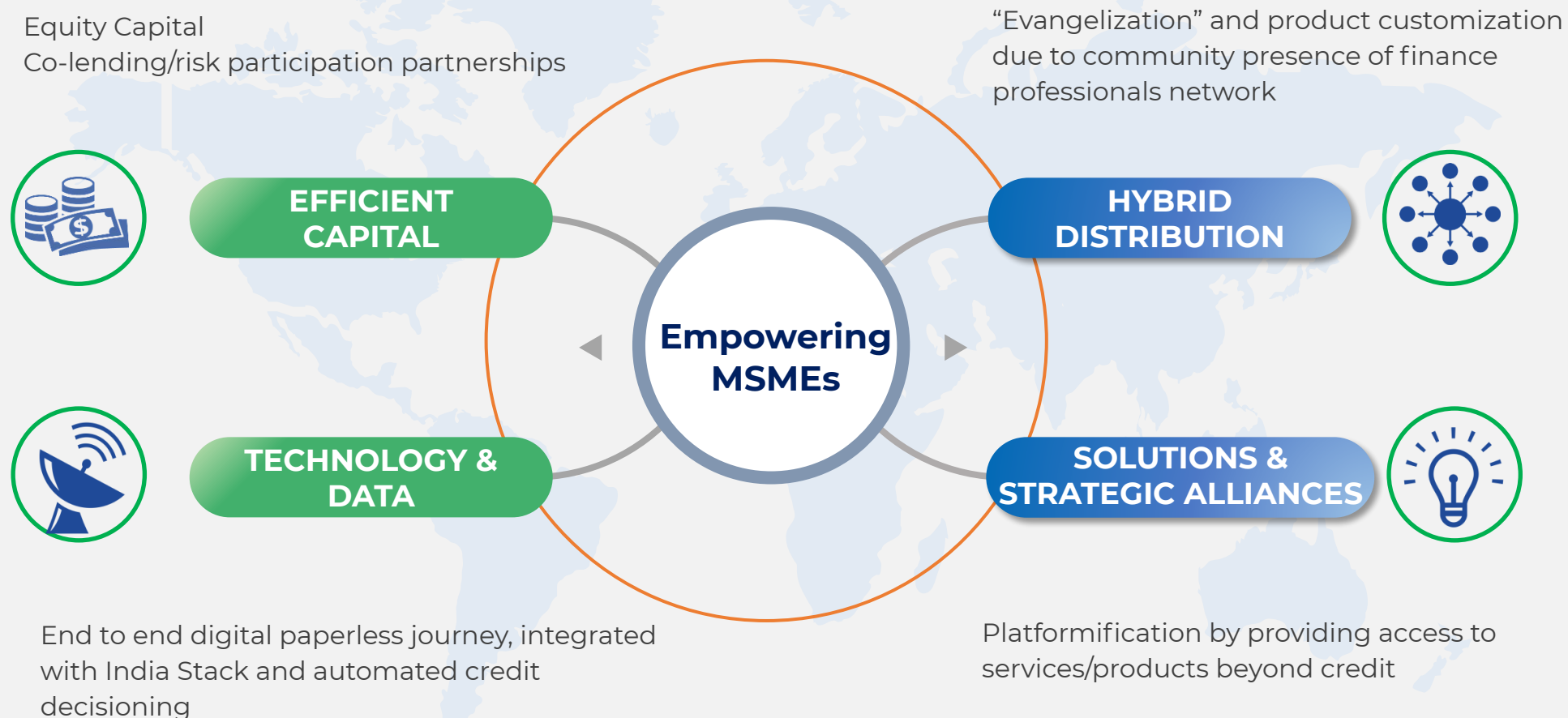
Revenue Segment (INR m)	No. of Units (mn)	Credit Demand (INR tr)	Bank Credit Supply (INR tr)	Credit Gap (INR tr)
< 1.5 m	41.4	4.1	0.9	3.2
1.5 m - 3 m	5.6	1.7	0.6	1.1
3 m - 15 m	4.5	4.8	2.1	2.7
15 m - 30 m	1.3	2.3	1.0	1.3
30 m - 180 m	1.8	7.2	3.6	3.6
Total	54.6	20.1	8.2	11.9

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

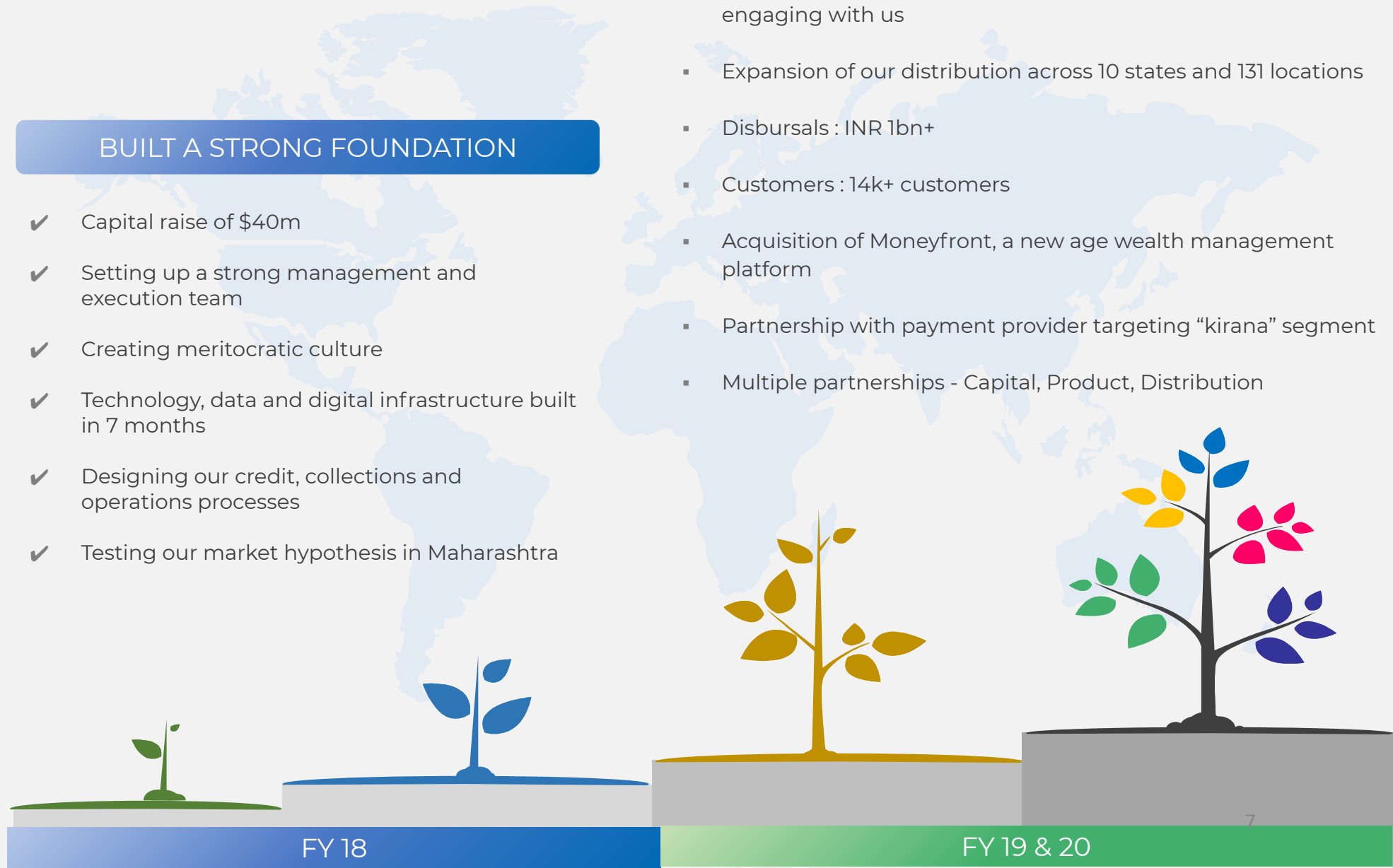
NIYOGIN CAPITALISING ON THE OPPORTUNITY

Externalizing the 4 key components to create an ecosystem to efficiently service MSMEs



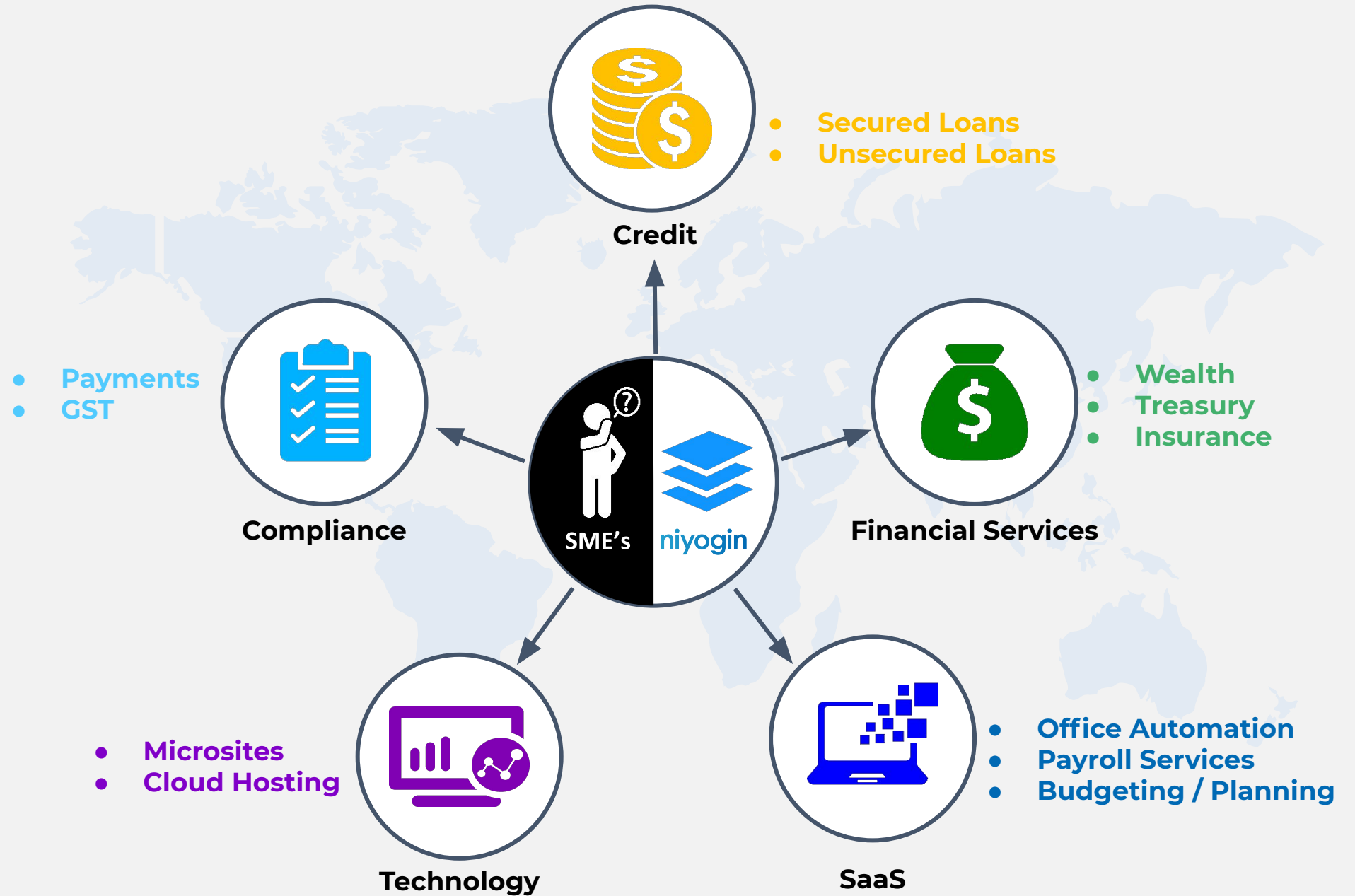
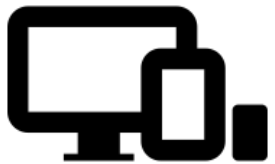
THE JOURNEY

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



PLATFORM LED MODEL

Our aim is to be the
“Go to platform” for
MSMEs that addresses
their business needs



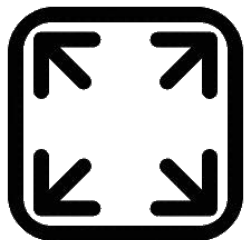
IMPACT

niyogin aims to have a positive impact towards MSME's in every sphere possible



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...



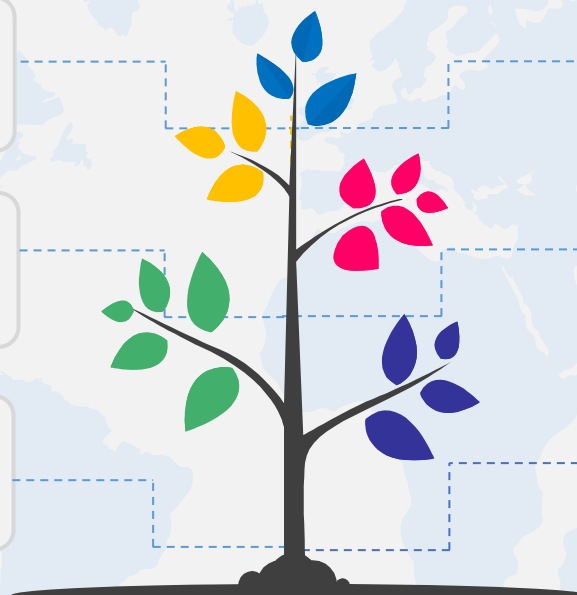
Expanding into a fast
growing "white space"
beyond MSME credit



Value proposition on
the liability side for
MSMEs



Access to customer base
of 13K+



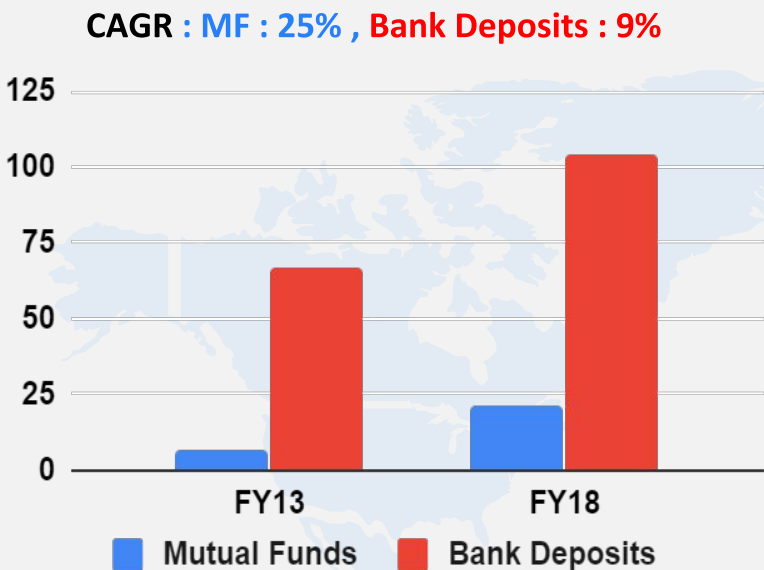
With this strategic partnership, niyogin (50.1% controlling stake) and Moneyfront will have the solutions, platform and distribution heft to address the credit and the wealth needs of the underserved customers in non-urban locations pan India

WEALTH TECH
MARKET
OPPORTUNITY

Indian wealth
management
ecosystem



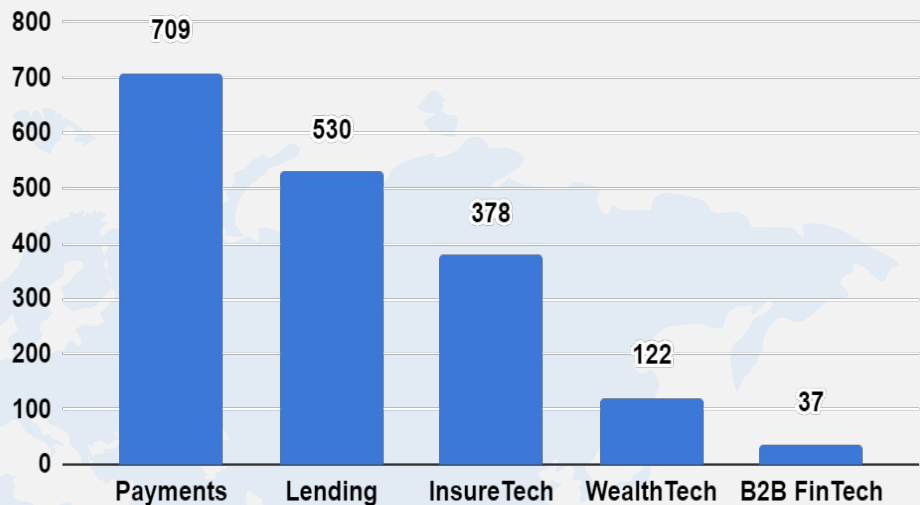
Wealth AUM India (INR .trn)



Increasing
Individual Wealth



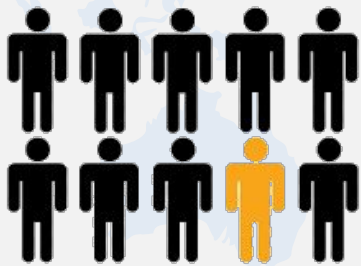
VC/PE Funding India (\$ mil)



High Tech
Adoption Rate



Low Penetration
Levels



Source : a)Source: AMFI, RBI, CRISIL Research; Note: Bank deposits includes nationalised banks, private sector banks and foreign banks
b)Emerging technologies disrupting the financial sector PWC 2019

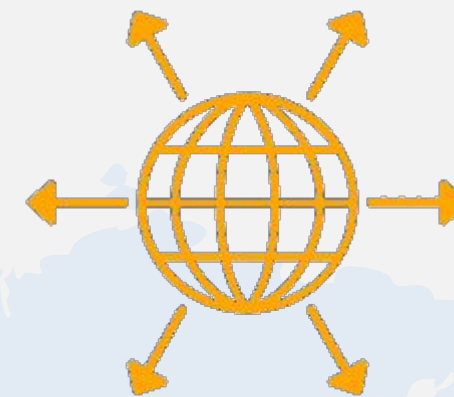
niyogin

MONEYFRONT : DIGITAL WEALTH PLATFORM

Large digital wealth
management
opportunity



**Similar target
Market**



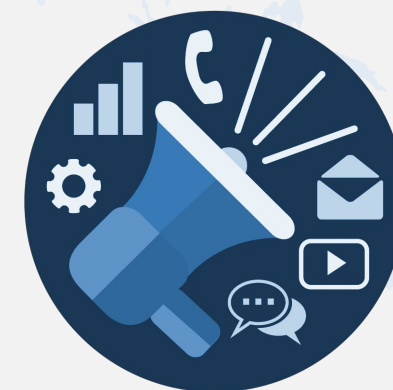
**SME platform
expansion**

AUM (INR)
6000 M +

AUM / Cust (INR)
2 M+



**Access to
partner network**

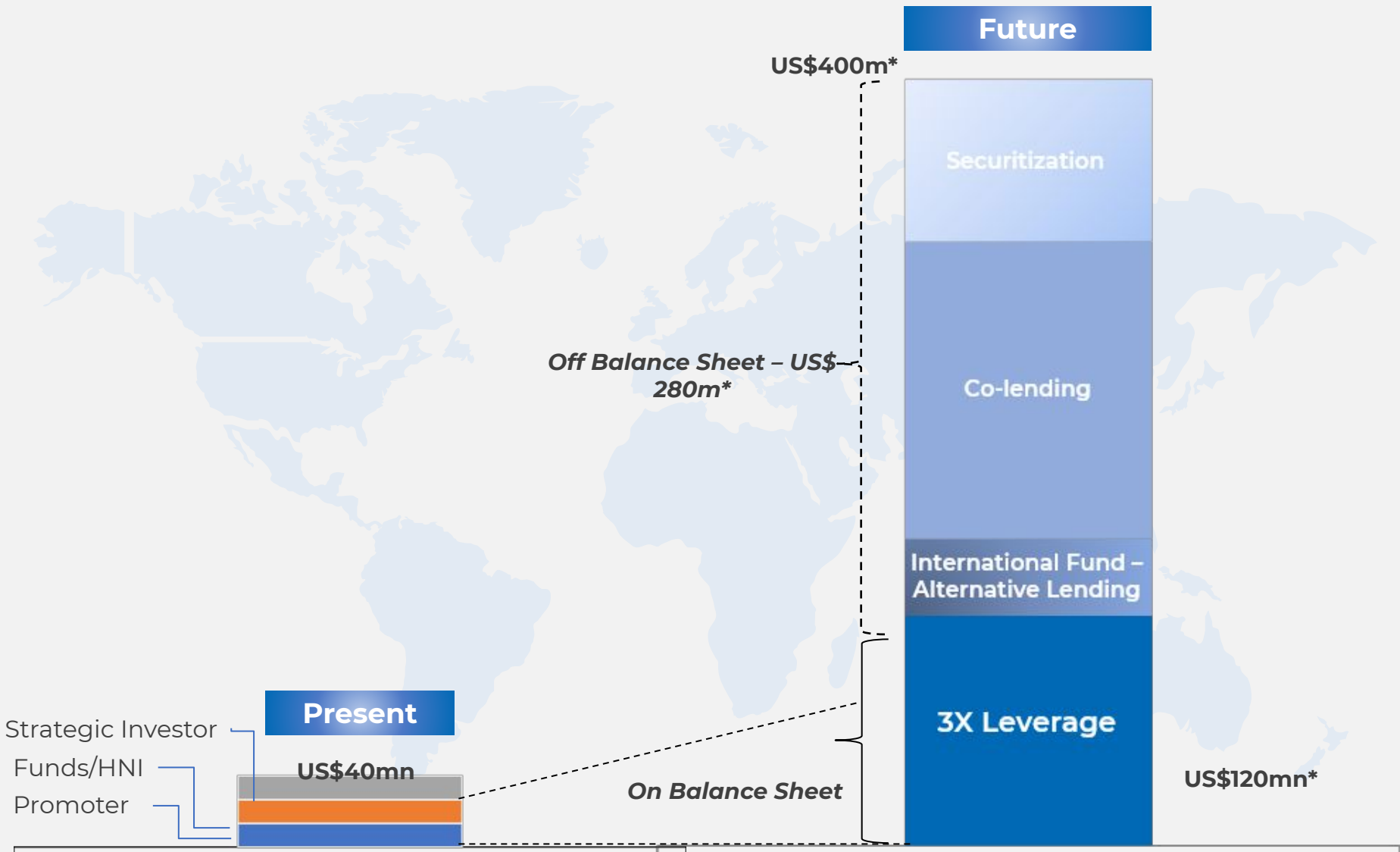


**Combined
Marketing**

DIFFERENTIATOR - 1

EFFICIENT CAPITAL

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



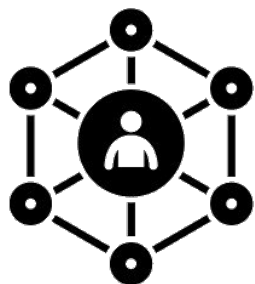
The niyogin capital model enables flexible alignment of institutional risk appetite to appropriate target segments

**proposed numbers basis current capital of niyogin*

DIFFERENTIATOR – 2

HYBRID DISTRIBUTION

Enables steady growth
of customer acquisition
and loan origination
funnel

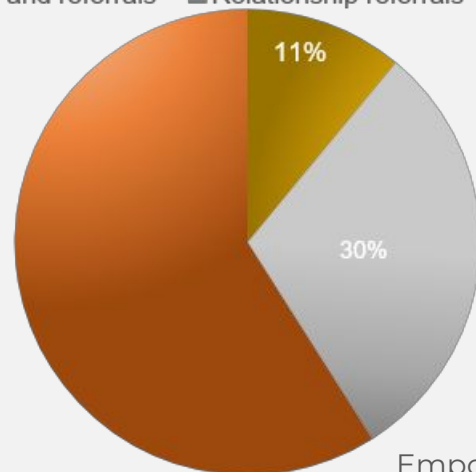


Partner Profile

- 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 800+ 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

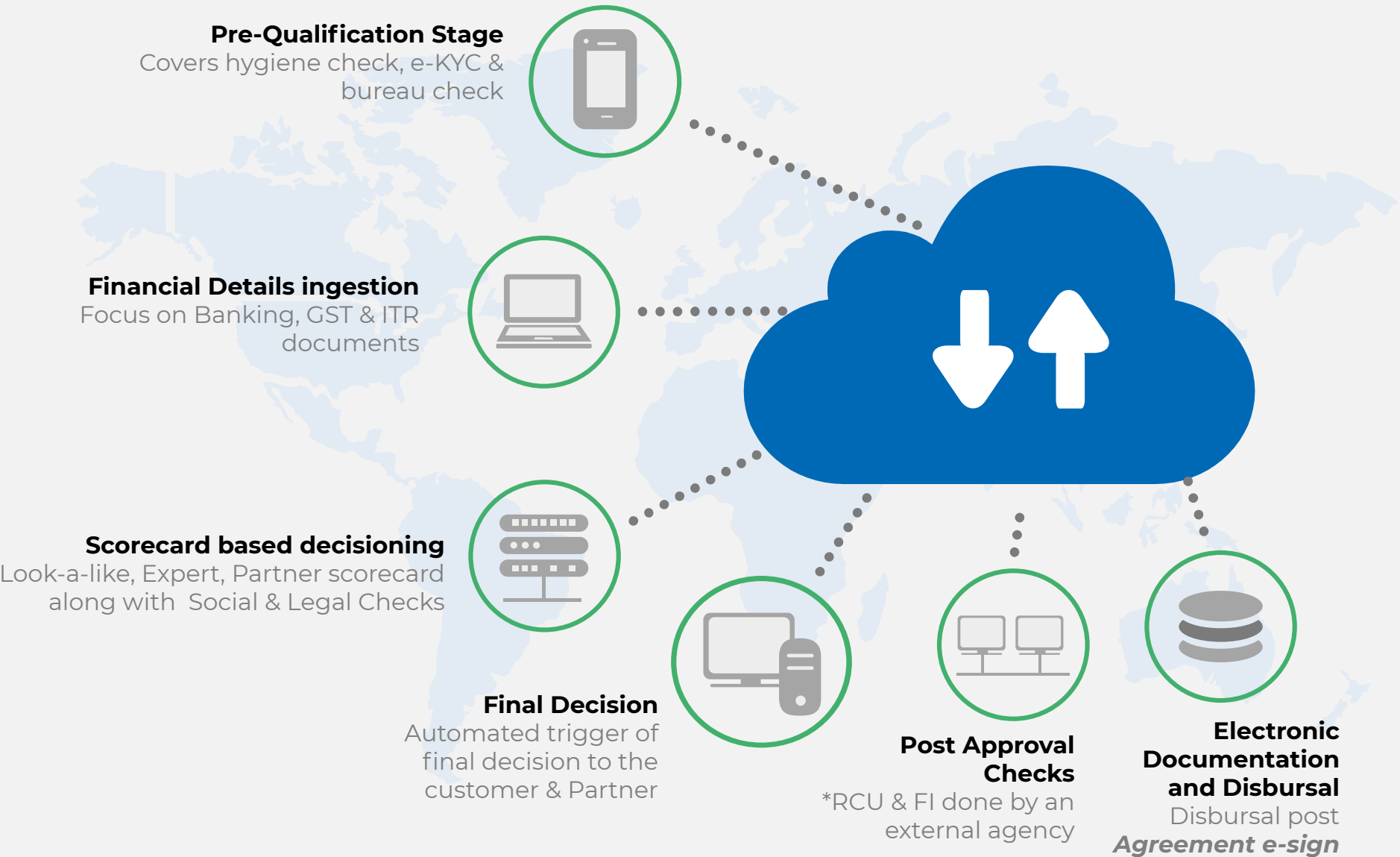
- 26 Applications
- 72+ APIs
- Open source stack
- Secure Cloud Infrastructure



DIFFERENTIATOR - 4

CREDIT

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

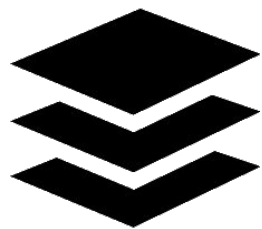


*RCU – Risk containment units & FI – Field Investigation

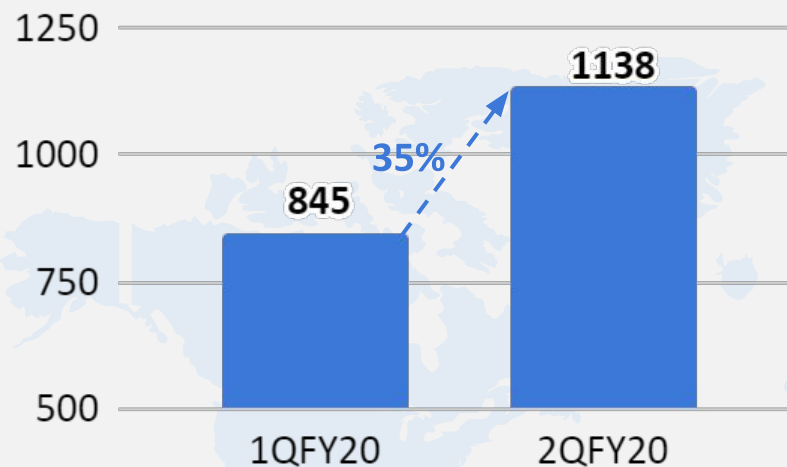
niyogin

PLATFORM METRICS

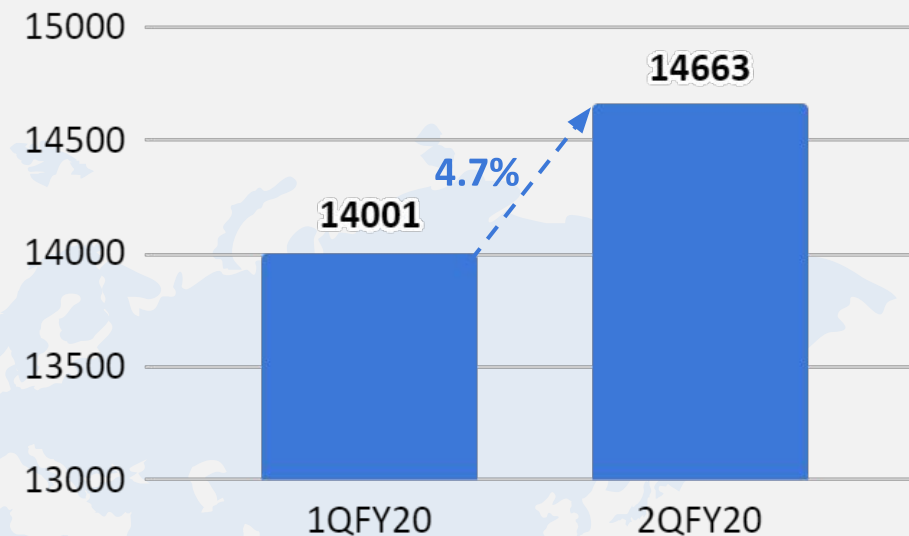
Q2'20 vs Q1'20



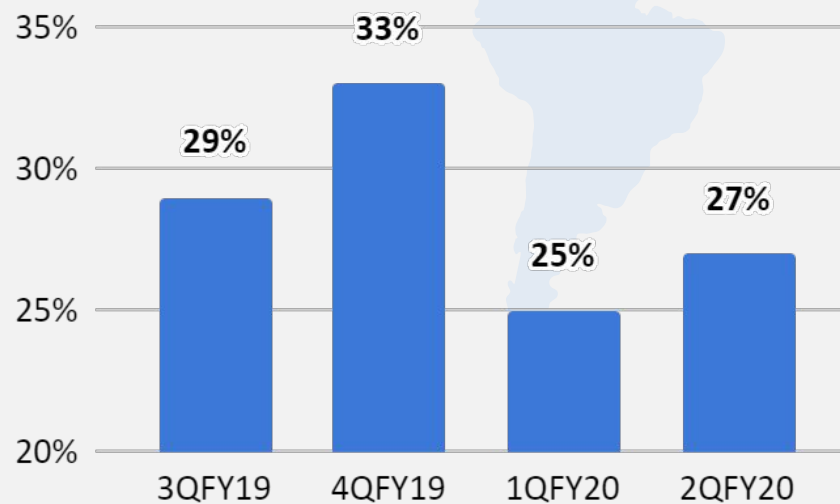
Retail Partners



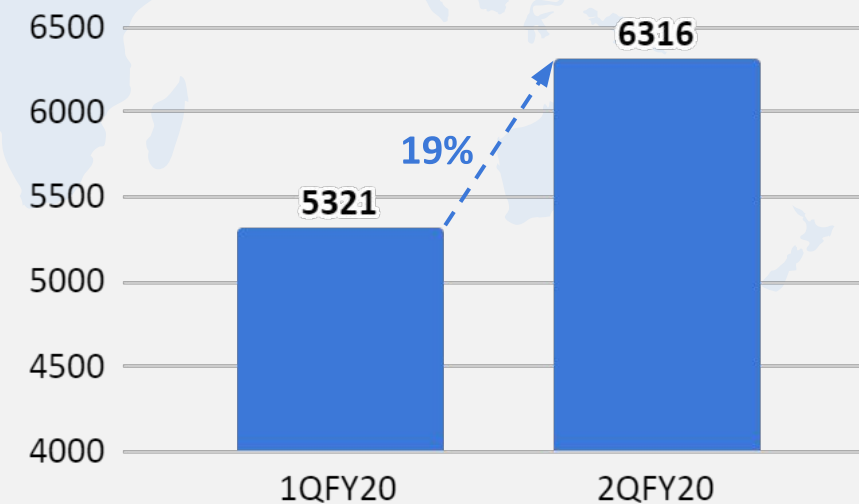
Platform Customers



Activation Rate (%)



Wealth AUM (INR M)

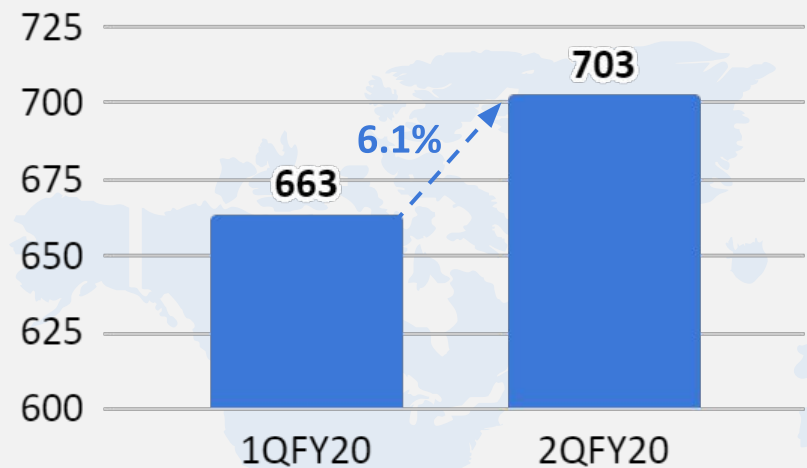


CREDIT
METRICS

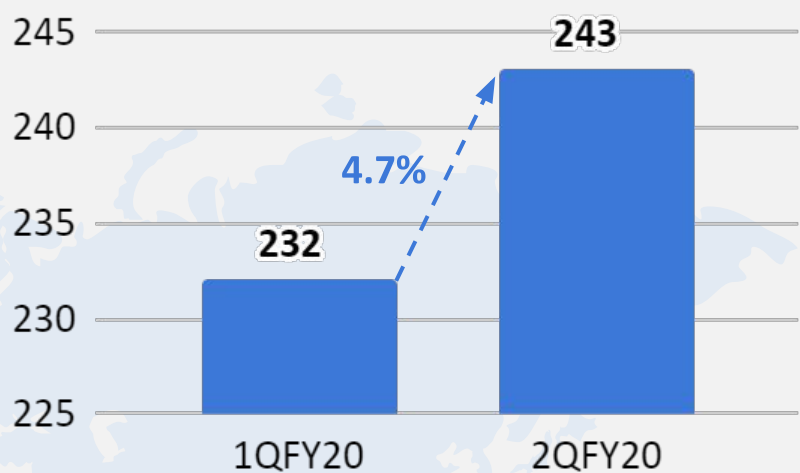
Q2'20 vs Q1'20



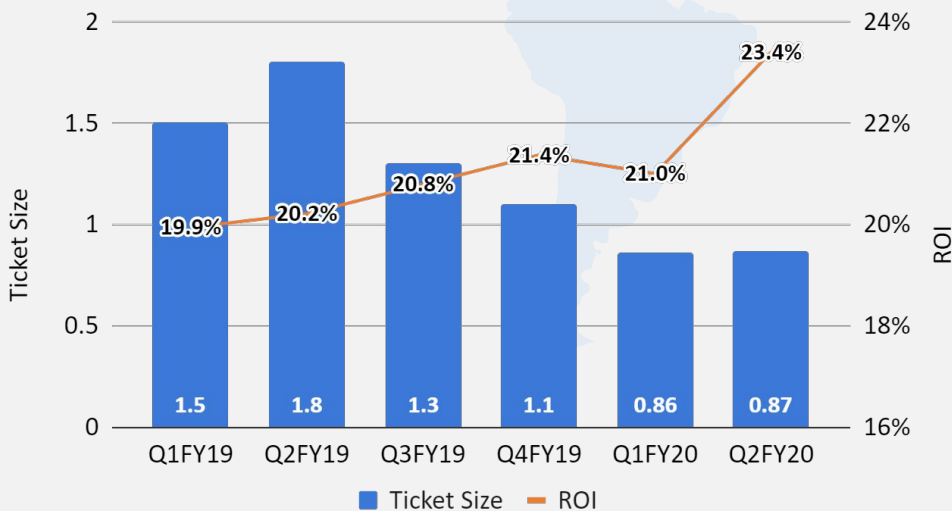
AUM (INR M)



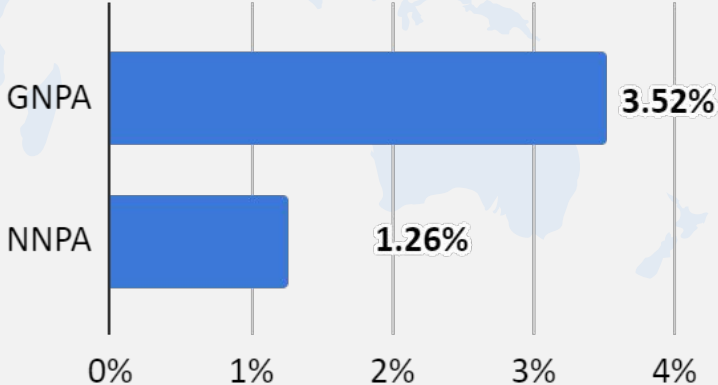
Disbursals (INR M)



Ticket Size (INR M) & ROI (%)



Asset Quality (%)



FINANCIAL SNAPSHOT

Q2'20 vs Q2'19



Standalone (INR M)	2QFY2020 (30 Sep 2019)	2QFY2019 (30 Sep 2018)	YoY Change
Total Income	61.8	55.4	12%
Total Expenses	118.6	68.5	73%
ECL	29.1	-	NM
Reported Profit/(Loss)	-56.8	-13.1	NM
Depreciation and amortisation	8.6	8.3	5%
ESOP	12.5	4.8	160%
Cash Profit/(Loss)	-35.6	0	NM

- 15.5% Q-o-Q increase in customer revenues
- 64% of revenue contribution from customer revenues
- Cash operating expenses have remained flat QoQ

FINANCIAL SNAPSHOT

1H'20 vs 1H'19







Standalone (INR M)	1HFY2020 (30 Sep 2019)	1HFY2019 (30 Sep 2018)	YoY Change
Total Income	126.8	106.3	19%
Total Expenses	219.7	120.8	82%
ECL	42.2	-0.5	NM
Reported Profit/(Loss)	-92.8	-14.4	NM
Depreciation and amortisation	17.2	14.1	22%
ESOP	23.8	4.8	358%
Cash Profit/(Loss)	-51.8	4.9	NM

BUSINESS OUTLOOK

- Platformification – Key focus
- Expect to increase partner count by 3X YoY
- Growth to be driven by retail channel and partnerships



			
GOALS (YTD)	FY19 Actuals	1H FY20 Actuals	FY20 Target
Customers*	434	822	2400+
Partners	612	1138	1800
Disbursals	INR 615+M (USD 8.8M)	INR 475+M (USD 6.6M)	INR 1500+M (USD 21.2M)
Partnerships	4	6	7
Solutions beyond Credit	1	1	3

Note: * Credit customers. FY19- based on average USD/INR=69.99. FY20E based on USD/INR = 70.65 as on 30 Sep 2019 closing rates.

niyogin

FOUNDERS

Our founders are
proven Financial
Institutional Investors



KEY INVESTORS

Our investor base
comprises of well
established
institutional funds
and HNWI



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

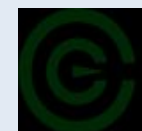


Gaurav Patankar

Gaurav is the CIO of Atharva A&C an OCIO and a Family office advisor and in that capacity advises several institutional investors. Over the last 20 years, Gaurav has been an activist investor focused on emerging markets having worked at Bank of America, BNY Mellon, Citigroup, Millennium Partners and Lockheed Martin. He started his career as the co-founder of Information Interface India (niyogin's parent). Gaurav is an engineer and an MBA and completed his PhD in Political Science and Social Economics.



WF Asian Reconnaissance Fund Limited



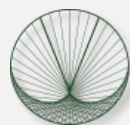
Carmignac Emerging Portfolio



Alchemy India Long Term Fund Ltd

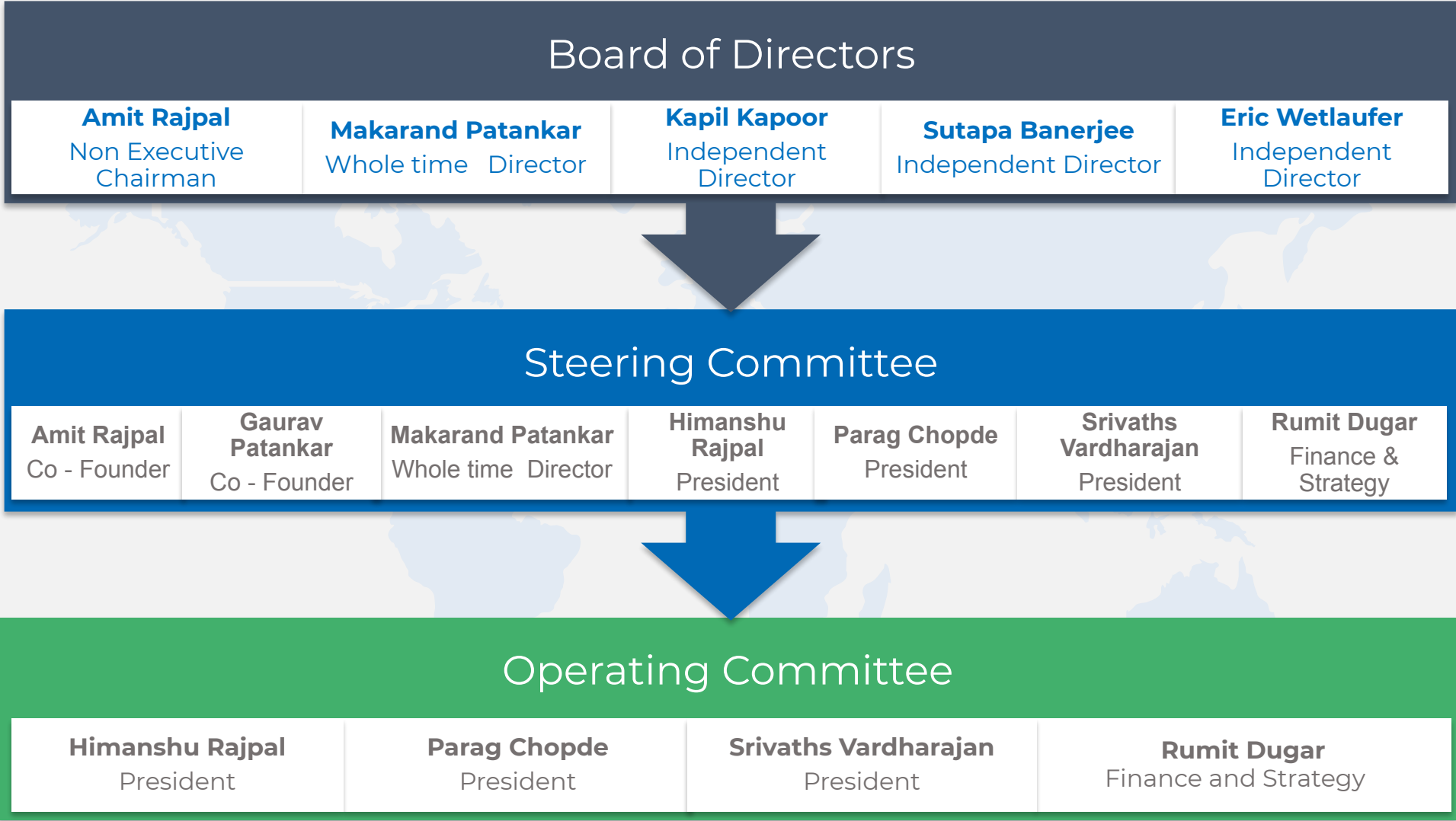


Strategic India Equity Fund



Vikasa India EIF I Fund

GOVERNANCE
MATRIX



niyogin

BOARD OF DIRECTORS

Esteemed board to calibrate
growth of niyogin in a
responsible manner



Number of
Independent
Directors

3

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

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 Souleppper Theatre Company and is an advisor to GrainDiscovery, CryptoNumerics and Aion Foundation

niyogin

LEADERSHIP

Capable team brings
best practices from
established
organizations



Himanshu Rajpal
Chief Business
Officer



Parag Chopde
Chief Risk
Officer



Srivaths Vardharajan
Chief Information
Officer



Runit Dugar
Finance, Strategy &
Products



Shanmugham
Chief Credit
Officer



Noorallah Charania
Chief Operations
Officer



Raghvendra Somani
Deputy CFO -
Finance & Accounts



Vijay Sankar
Head of
Collections



Andrews Rajan
Head of Wholesale
and Anchor
Partnerships

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



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