



MONEYBOXX FINANCE LIMITED

Board Meeting

Financial Results: Q4 & FY22 ending 31st Mar 2022

27 May 2022



Disclaimer

This document may contain certain forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The Company does not undertake to revise any forward- looking statement that may be made from time to time by or on behalf of the Company.

Agenda

Highlights of Q4 & FY22

About the Company



Moneyboxx Finance Limited –
Fast-growing, new-age NBFC
Target Market & Opportunity
Our differentiated & proven model



Operations Snapshot –
Balanced Business Model

Business Performance Update



Disbursements –
Business rebounded strongly from Q2
after a dip in Q1 due to COVID



Diversified AUM – focus on
borrowers in essential sectors and
granular portfolio paying off



Collection Efficiency - remains one of
the best in industry even during stress
periods



**Asset quality remains
strong and resilient**

Review of Financial Position



Prudent Capital Management
Strong Capital Adequacy
Raised Tier-II Capital in Q2 and Tier-I
Equity Capital in Q3



Path to Profitability



Other Updates – Funding
sources; Impact Initiatives

Who we are – Moneyboxx Finance Limited

Building a scalable and profitable business with financial inclusion at heart

Fast-growing, tech-driven, BSE-listed NBFC

- ✓ Small unsecured business loans of ₹ 100k-300k in Tier-3 and below places
- ✓ Plan to start secured business loans of ₹ 300k-700k from Q1 FY23
- ✓ Started in Feb'19, operating in **5** states with **30** branches as of Mar'22
- ✓ Current AUM of ₹ **121** crores (Mar'22) and served more than **15,000** borrowers

FY26 TARGET:



18x AUM growth
₹ 2,100+ crores



7x branches
200+

Funding Livelihoods not Lifestyles, Transforming Lives

- ✓ Serving the most underserved segment i.e., 'The Missing Middle'
- ✓ **Sustainable impact** beyond just capital
- ✓ Enabling **2x growth** in disposable income of borrowers in 3 years



MISSION STATEMENT

To deliver easy, cost-efficient and technology driven financing solutions to aspiring micro enterprises



VISION STATEMENT

To be "The Lender of Choice" for deserving micro enterprises in India



Target Market: MFI+ Segment

Moneyboxx addressing credit needs of under-served Micro & Small Enterprises (MSEs) in Tier-III & beyond

- ▶ **Targeting the Missing Middle** – Deserving micro and small enterprises with unmet credit needs, often those graduating from group borrowing (MFI) to individual borrowing

- ▶ **Customers across sectors with focus on essential:** Livestock, Kirana, Trading (retailers other than Kirana) and Small Manufacturers

- ▶ **Tier 3 cities and below** with initial focus on Rajasthan, Punjab, Haryana, Madhya Pradesh and Uttar Pradesh



Unsecured business loans

- ▶ Ticket size: INR 50,000-300,000
- ▶ Shorter tenure: 12-36 months

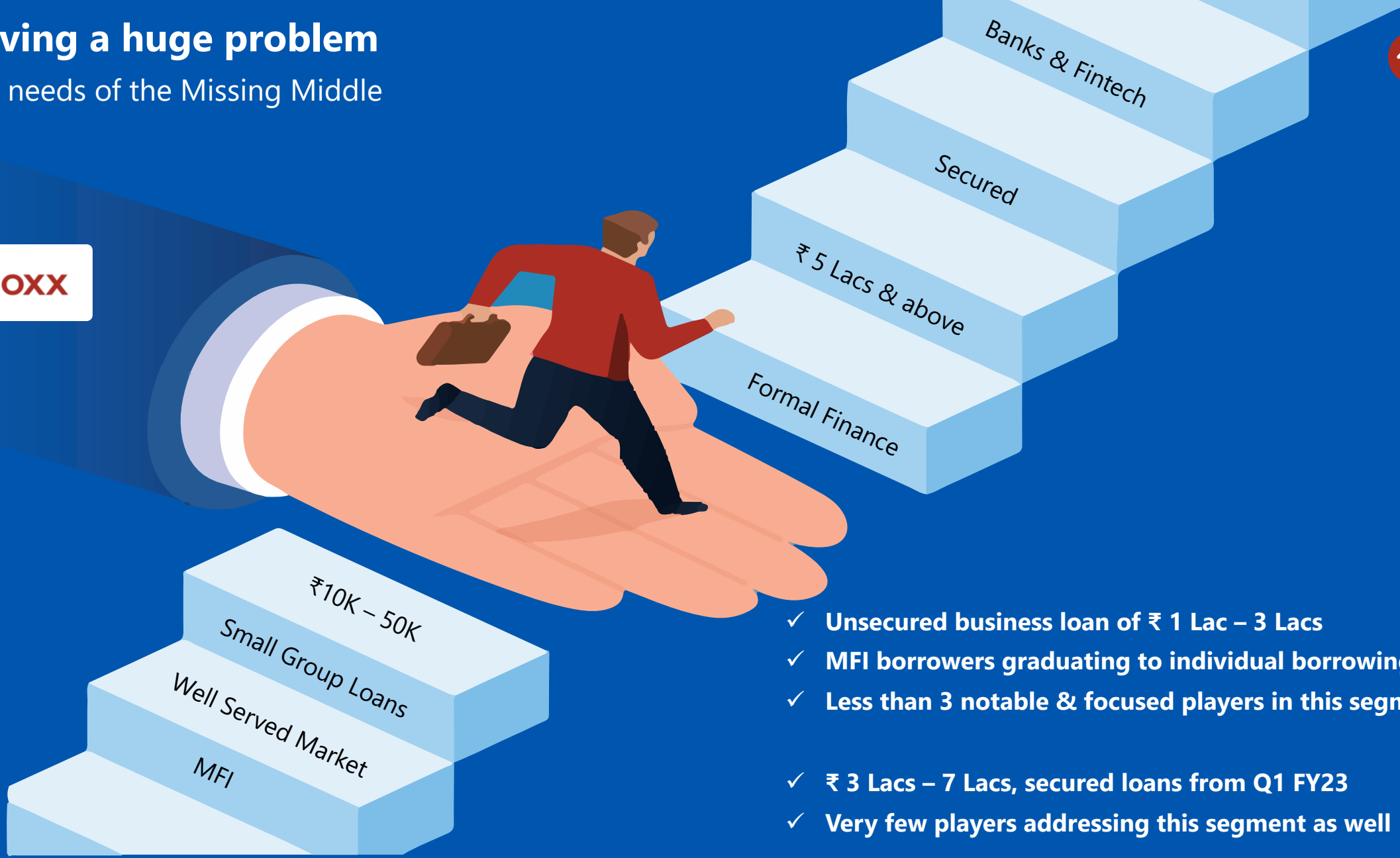
Secured business loans

- ▶ ₹ 3-7 Lakhs from Q1FY23

- ▶ **'Direct-to-customer' (No DSA):** Direct sourcing leads to better customer understanding and long-term relationship
- ▶ Entirely **digital** (paperless) process from lead generation to disbursement

We are solving a huge problem

Meeting credit needs of the Missing Middle



- ✓ Unsecured business loan of ₹ 1 Lac – 3 Lacs
- ✓ MFI borrowers graduating to individual borrowing
- ✓ Less than 3 notable & focused players in this segment
- ✓ ₹ 3 Lacs – 7 Lacs, secured loans from Q1 FY23
- ✓ Very few players addressing this segment as well

Moneyboxx has a proven business model to execute MFI+ Loans



Competitive advantages of MONEYBOXX



On-ground presence

Solid understanding of local economies, clusters and sectors



Origination: Direct-to-customer

No DSA. Direct sourcing leads to better customer understanding and long-term relationship



Robust underwriting

In-depth analysis of customers using non-traditional & non-financial alternative data sources & sector-specific inputs



IT-enabled decision-making

Strong analytics, digital processes

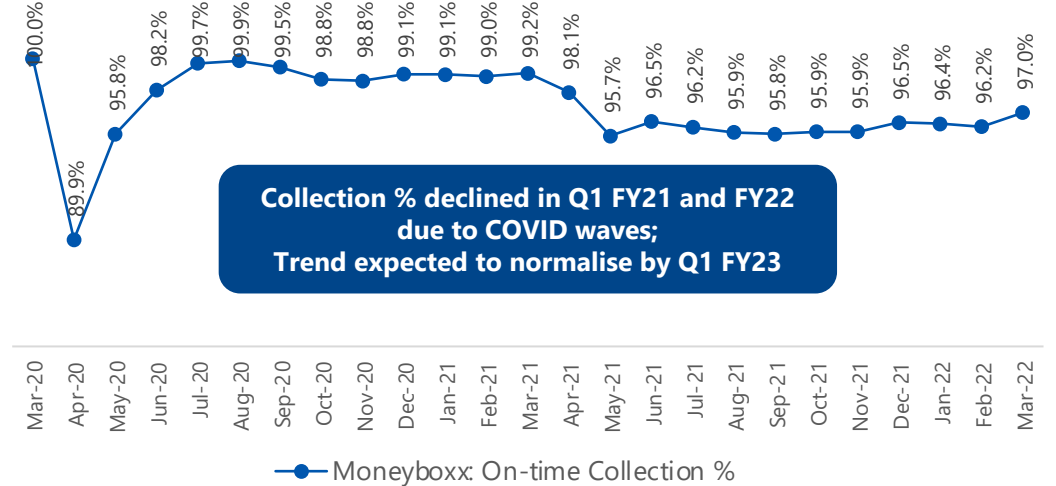


Leveraging local team & intelligence Strong Collection Mechanism

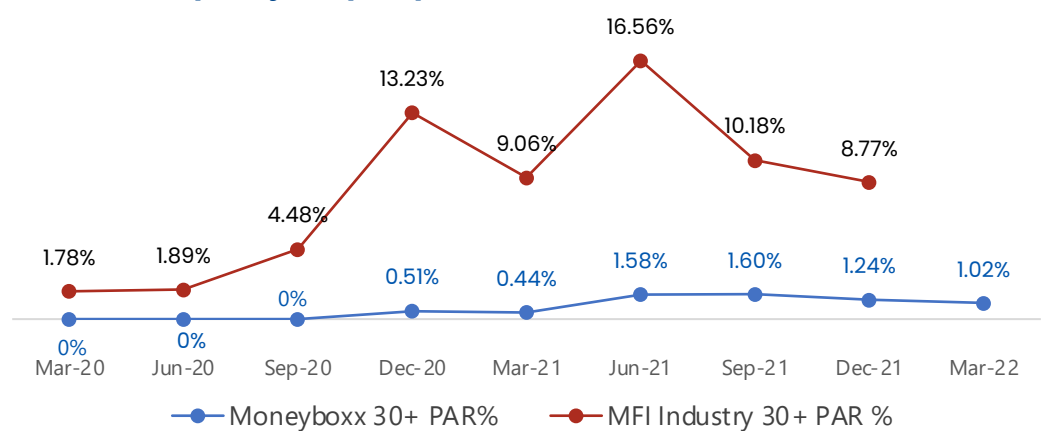
Proven underwriting capabilities and collection efficiency amidst the most challenging environment



Exceptional Collection Efficiency



Robust asset quality despite pandemic

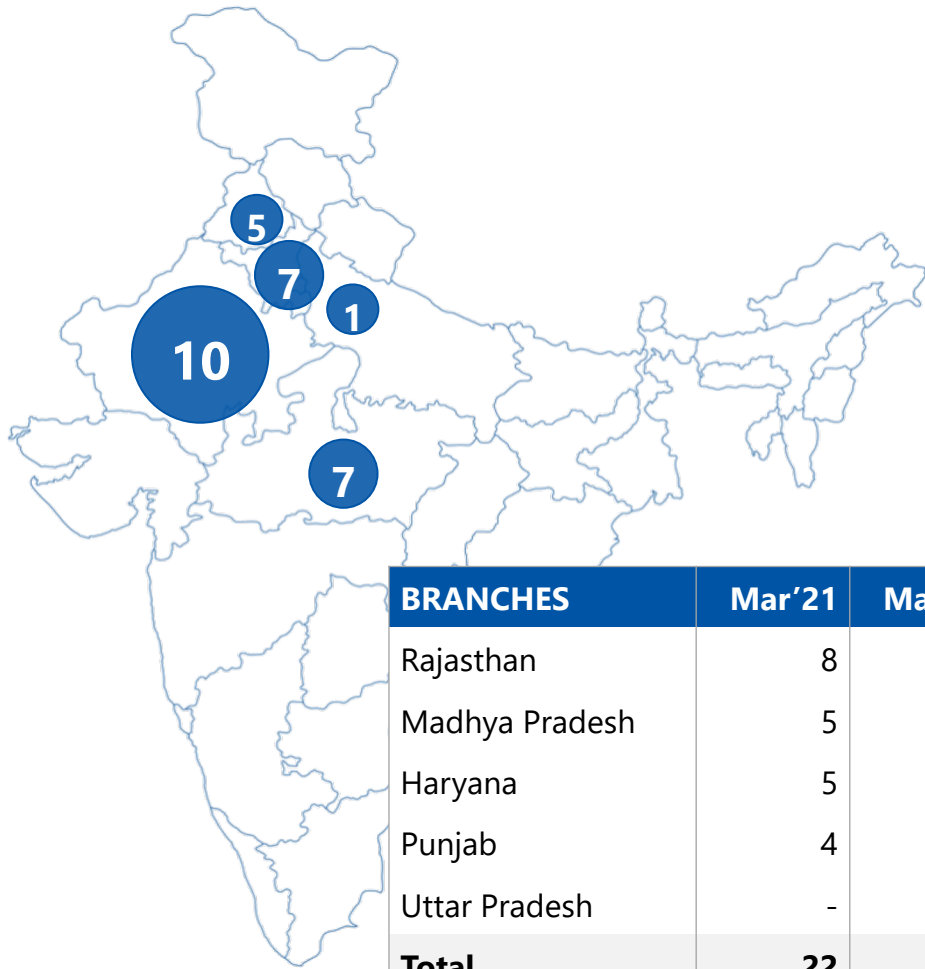


Journey so far – Robust systems & processes ensured success despite COVID



Successfully scaled up operations in a span of three years

Data as of Mar 2022



BRANCHES	Mar'21	Mar'22
Rajasthan	8	10
Madhya Pradesh	5	7
Haryana	5	7
Punjab	4	5
Uttar Pradesh	-	1
Total	22	30

We today are...



30 branches



313 employees



₹ 201.8 crores disbursements



11,468 live customers



₹ 121 crores AUM



18 lenders

Transforming lives



15,259 borrowers funded



33% women borrowers



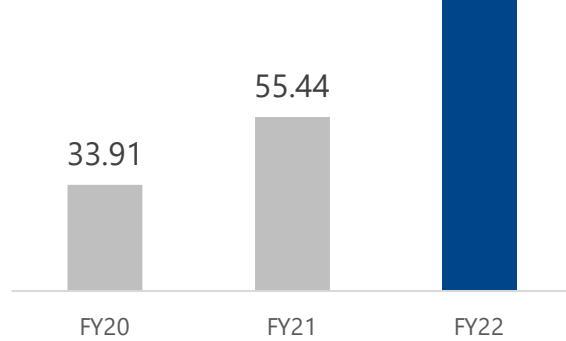
33% new-to-credit



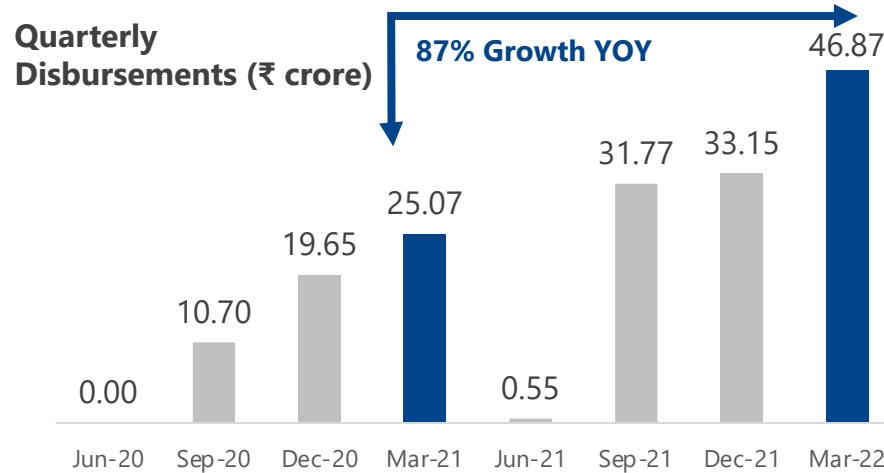
Business normalized from July 2021 after second COVID wave



Annual Disbursements (₹ crore)
YOY growth 102.7%



Quarterly Disbursements (₹ crore)

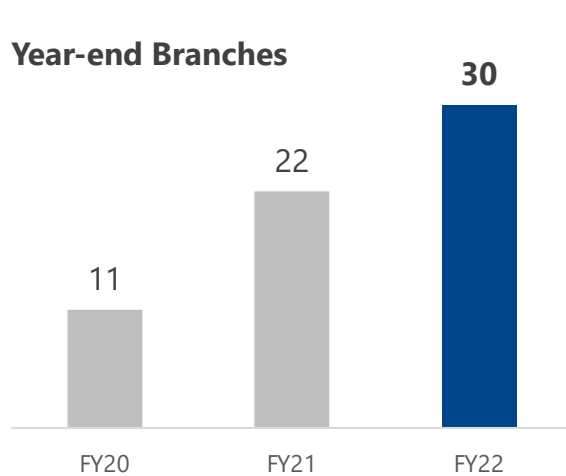


Strong disbursement growth with focus on essential sectors

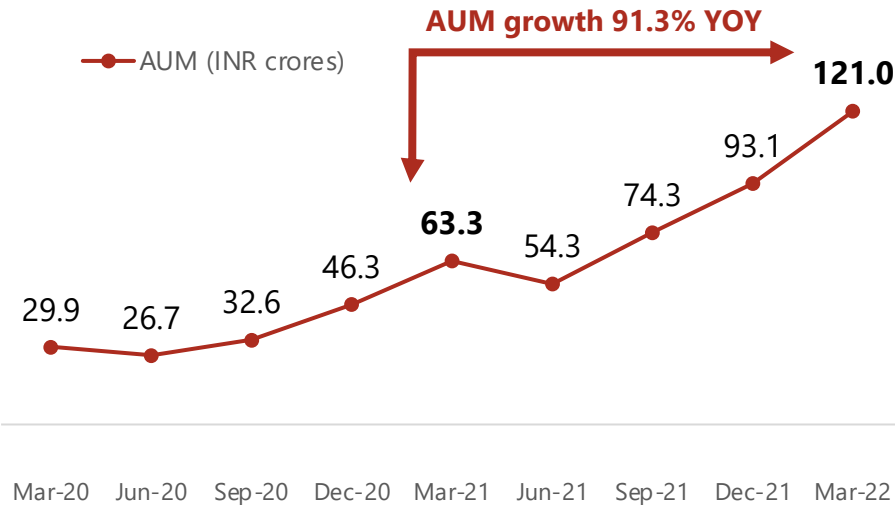


Business improving and long-term prospects remain favorable

Year-end Branches



AUM (INR crores)
AUM growth 91.3% YOY



Robust AUM growth due to strong business growth and ...



... rising branch productivity (1.5x increase in AUM per Branch)

Branch Productivity	Mar'21	Mar'22
Year-end Branches	22	30
Branches (>3-month vintage)	17	22
AUM per Branch:	₹ 3.7 crore	₹ 5.5 crore

Note: AUM and Disbursements are before Ind-AS adjustments

Diversified AUM across sectors and geographies

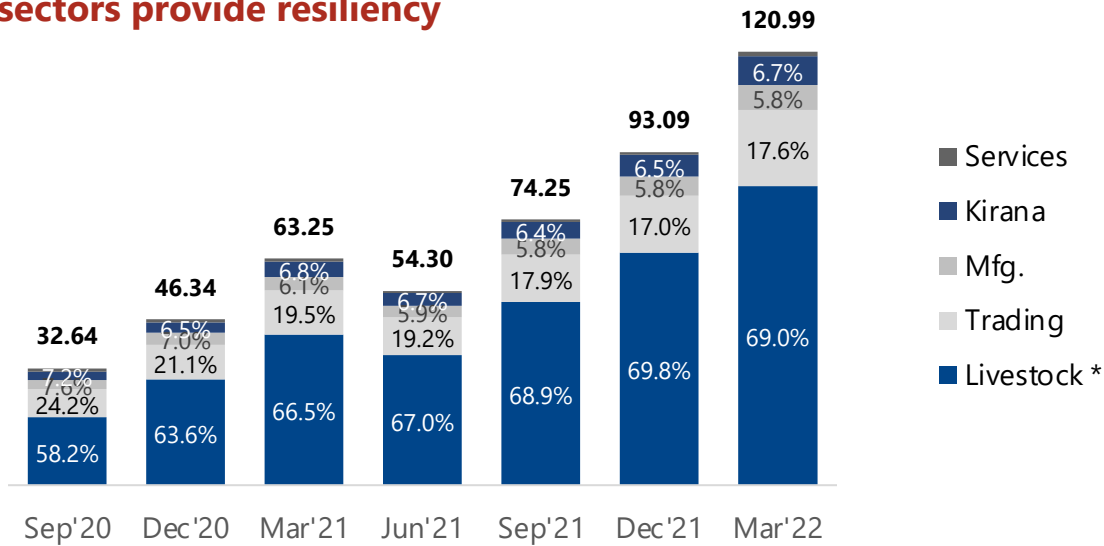


Focus on essential sectors provide stability



Livestock & Kirana sectors provide resiliency

AUM by Sectors (INR crores)



Focused more on essential sectors amidst pandemic leading to high collections and resilient asset quality

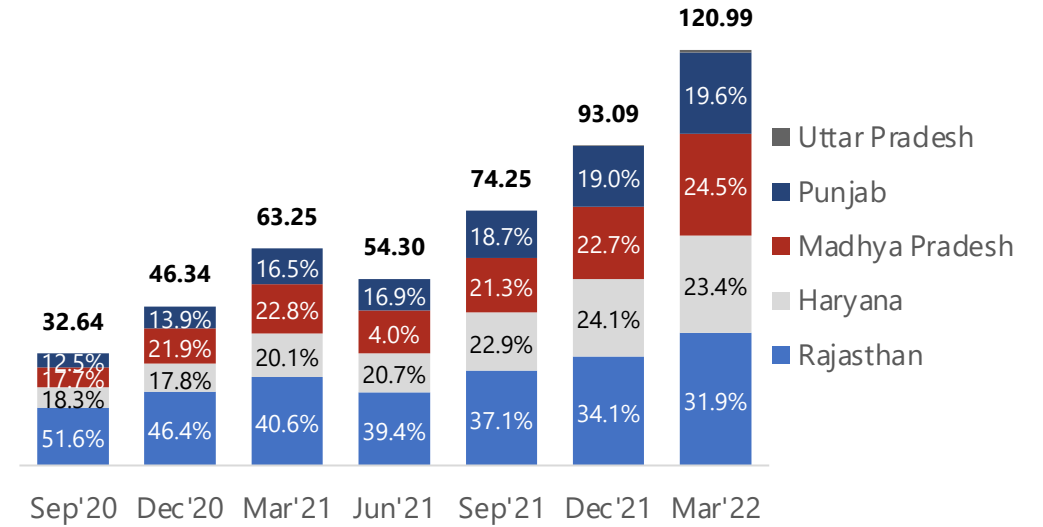
***Livestock customers have multiple sources of income including agri-income from farmland**

Geographic diversification lends stability



Improved geographic diversification with no single state accounting for more than **33% of AUM**

AUM by States (INR crores)



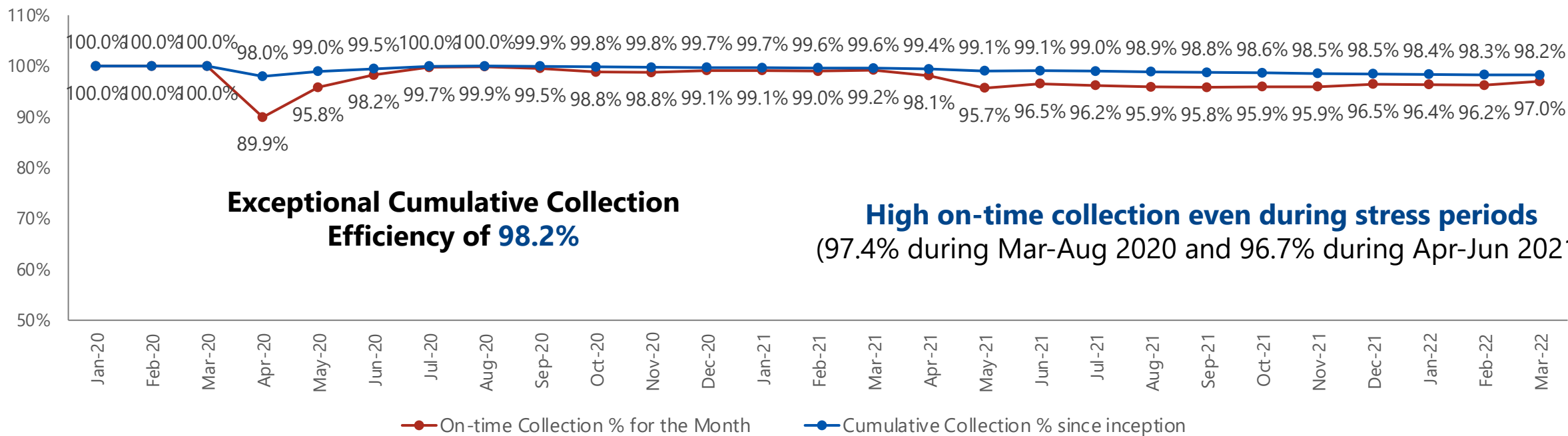
Note: AUM before Ind-AS adjustments

Exceptional collection efficiency even during stress periods

Testimony of strong underwriting standards and collection efficiency at Moneyboxx



Collection % declined from April 2021 due to severe lockdowns in Q1 FY22 & no moratorium. Trend expected to normalise from Q1 FY23 onwards with improving outlook



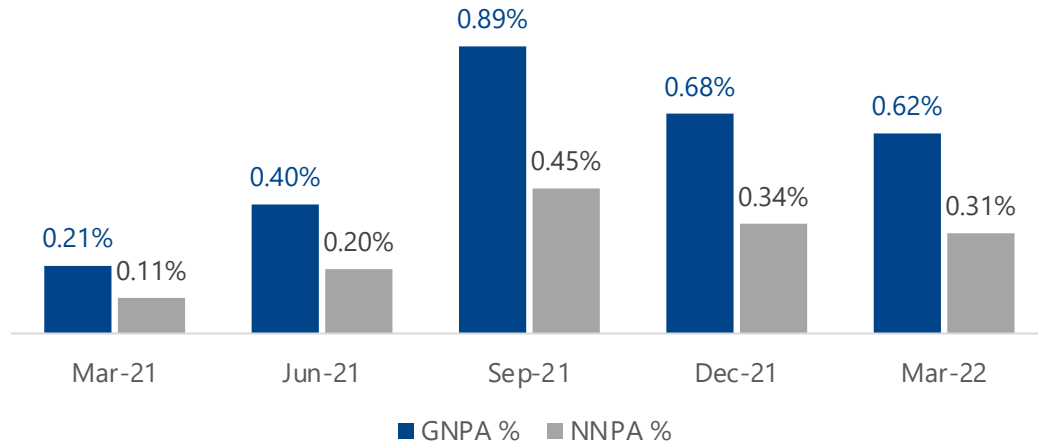


Resilient Portfolio

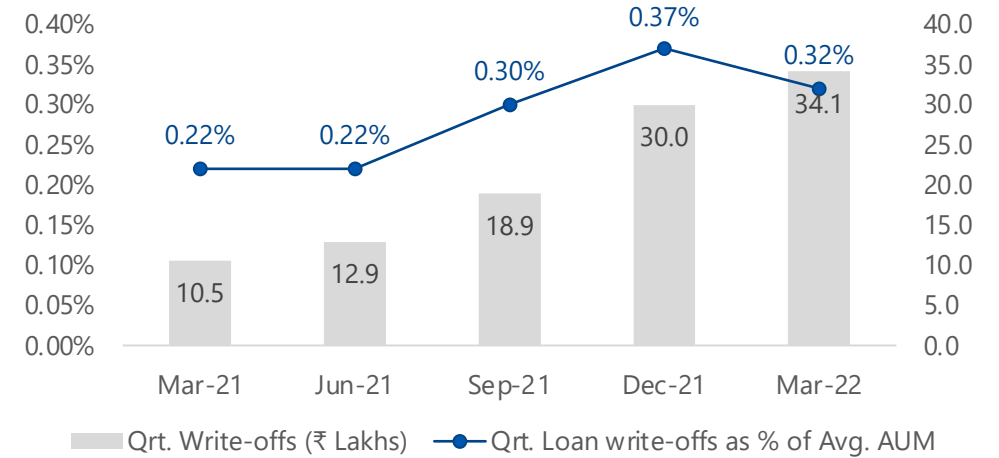
Strong and stable asset quality with very low NPAs



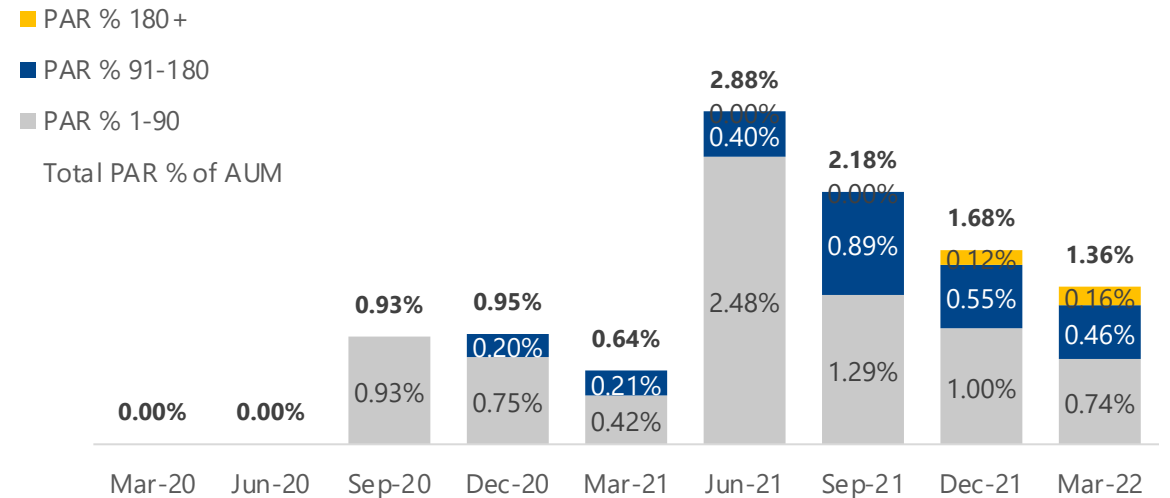
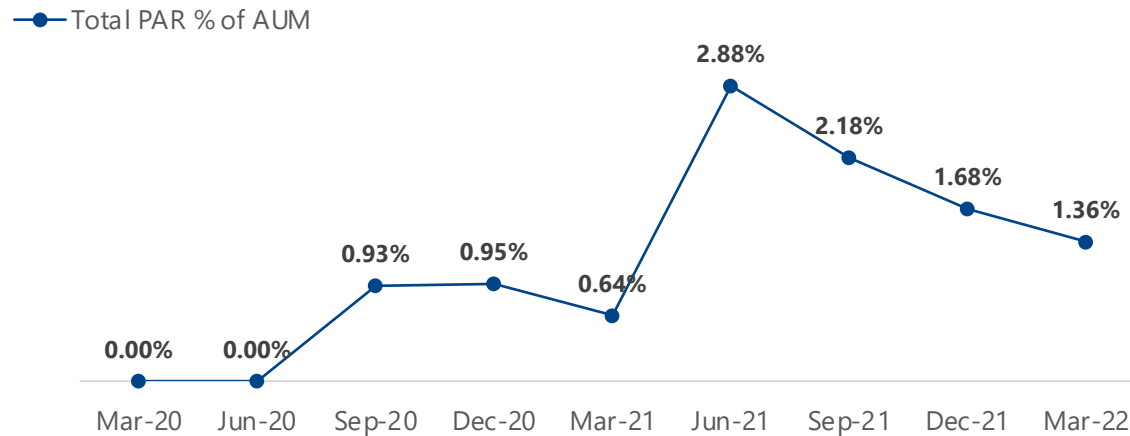
Very Low NPAs



Low write-offs and credit cost



Improving PAR (% of AUM) after a spike due to 2nd COVID wave



Prudent Capital Management



Stronger balance sheet after Equity fund raise of ₹ 14.42 crore in Q3FY22 and expected to raise ₹ 22 crore in May'22
Tier-II Capital raise of ₹ 6.61 crore in H1 FY22

Continuous validation of model by lenders



Cumulative debt raise of **₹ 157.92 crores** (including ₹ 6.61 crore subordinated debt) as of Mar 2022



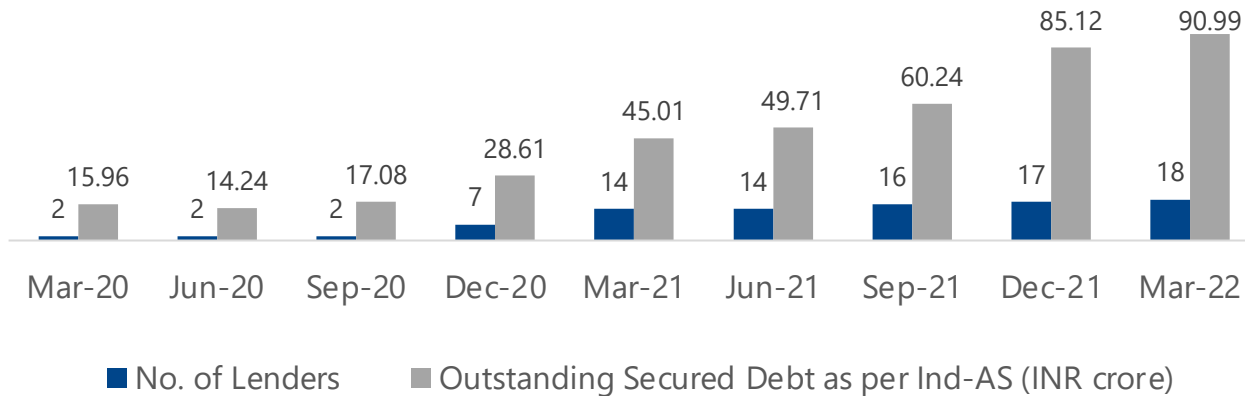
FY22: Raised **₹ 98.92 crore** (Term loans ₹ 76.50 crores, PTC ₹ 15.81 crores and Sub Debt ₹ 6.61 crore)



Debt raising capacity improving and funding costs to decline with maturing relationships with existing lenders and expected addition of **multiple banks**



Added **DCB Bank**, Klay Finvest, Vivriti Capital and Western Capital as new lenders in FY22 and **IDFC First Bank** in Apr'22



Adequately capitalized for growth

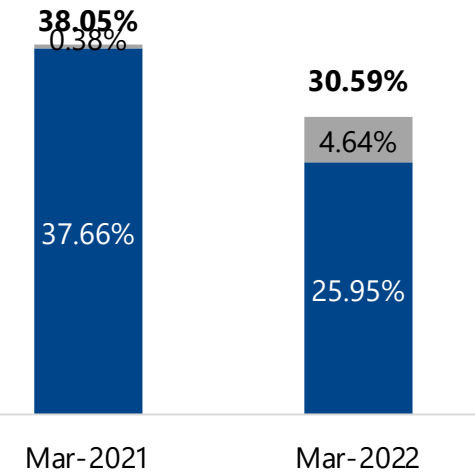


Strong Capital Adequacy:

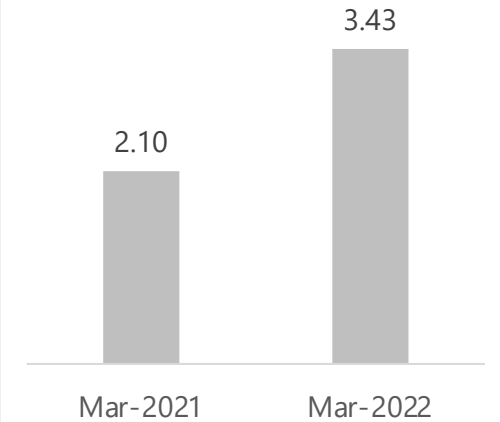
30.59% as of May'22

Strengthened capital position in FY22 with:
₹ 06.61 crore of Tier-II Capital raise in H1FY22
₹ 14.42 crore of Tier-I Equity Capital in Q3FY22
Expected to raise **₹ 22 crore** Tier-I Equity in May'22

Plans to raise further Capital to support growth plans



■ Tier-II Capital (% of Loan Assets)
■ Tier-I Capital (% of Loan Assets)
■ Total Capital (% of Loan Assets)



■ Leverage (TOL/Owned Funds)

Path to Profitability



Strong unit economics, rising scale of operations and improving productivity to drive profitability

Growing Income with rising scale of operations



Income growth of **112%** driven by strong **improvement in branch productivity**

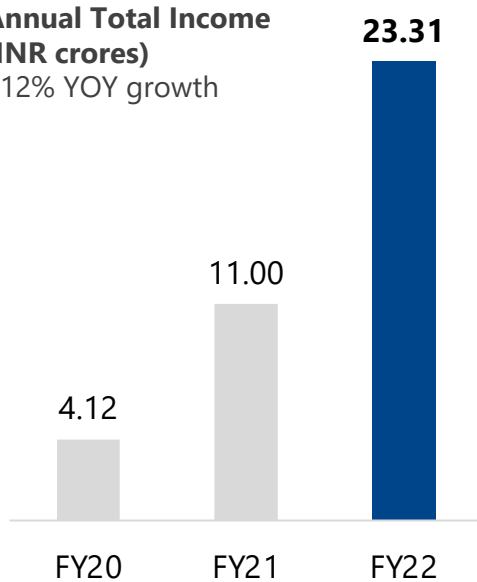


Branch unit economics remain solid with **high NIMs** and fast break-even period

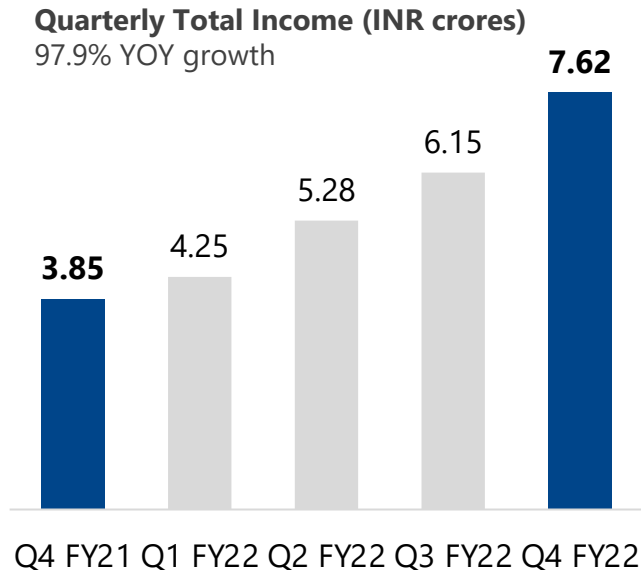


Further productivity improvement, higher ticket-size and branch expansion to drive **strong growth going forward**

Annual Total Income (INR crores)
112% YOY growth



Quarterly Total Income (INR crores)
97.9% YOY growth

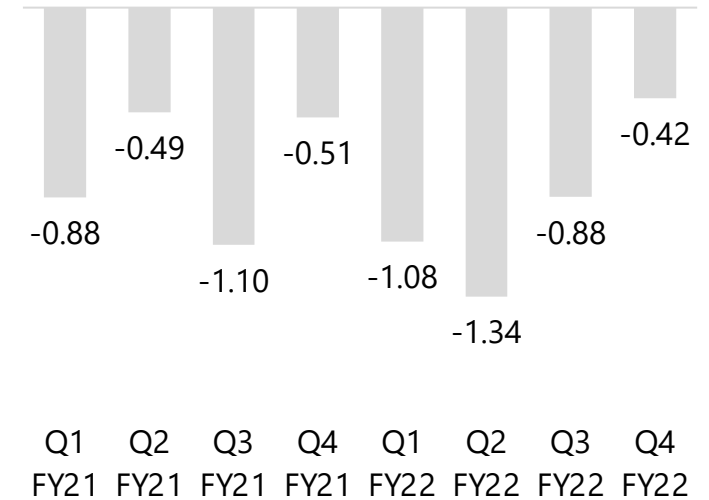


Profitability to improve with rising scale

Annual PAT (₹ crore)



Quarterly PAT (₹ crore)



- ✓ Losses in the last three years on account of build-out stage and pandemic
- ✓ Clear plan to achieve profitability supported by solid Branch unit economics, improving productivity, rising scale of operations and declining cost of borrowings
- ✓ Losses would have been negligible in FY21 and FY22 without COVID

Summary Financial Statements



Profit & Loss Statement (₹ crore)	31-Mar-21	31-Mar-22
Interest Income	10.85	22.29
Sale of Services (Fee-based)	0.11	0.30
Other Income	0.04	0.71
1. Total Income	11.00	23.31
Finance costs	3.60	10.56
Employee benefits expense	8.18	13.03
Other expenses	2.18	3.96
Credit costs (Impairment & ECL provisions)	0.11	1.34
Depreciation & Amortization	0.81	0.94
2. Expenses	14.88	29.83
3. Profit before tax (1-2)	-3.89	-6.52
4. Tax expense (deferred taxes)	-0.91	-2.80
5. Profit (Loss) for the year	-2.97	-3.72

Cash Flow Statement (₹ crore)	31-Mar-21	31-Mar-22
(A) Operating Cash Flows	-34.75	-59.38
(B) Investing Cash Flows	-1.47	-2.82
Issue of Share Capital (including premium)		14.42
Share issue expenses		-0.43
Proceeds from Borrowings	41.50	83.46
Repayment of Borrowings	-12.45	-37.48
Payment of lease liabilities	-0.34	-0.54
Proceeds from Subordinated Debt		6.53
(C) Financing Cash Flows	28.71	65.96
(D) Changes in Cash (A+B+C)	-7.51	3.75
Beginning Cash and cash equivalents	9.84	2.33
Closing Cash and cash equivalents	2.33	6.08

Balance Sheet (₹ crore)	31-Mar-21	31-Mar-22
Equity Share Capital	20.08	21.60
Reserves & Surplus	4.07	12.91
Equity	24.15	34.51
Borrowings	45.01	90.99
Subordinated Debt	0.00	6.53
Lease Liability	1.37	1.43
Financial Liabilities	46.39	98.95
Current liabilities	1.91	6.07
Provisions	0.55	1.05
Other non-financial liabilities	0.03	0.02
Non-financial liabilities	2.50	7.14
Total Equity & Liabilities	73.03	140.60
Cash and cash equivalents	2.33	6.08
Bank Balances other than Cash and cash equivalents	0.10	1.80
Loans	61.88	119.05
Investments	0.00	0.00
Other financial assets	2.66	2.70
Financial Assets	66.97	129.63
Current assets (net)	1.19	2.27
Deferred tax assets (net)	0.84	3.62
Property, plant and equipment	1.30	1.50
Capital Work-in-Progress	1.54	2.33
Right of Use Asset	1.19	1.24
Other Intangible assets	0.01	0.00
Non-Financial Assets	6.06	10.97
Total Assets	73.03	140.60



THANK YOU



Corporate Office Address

Moneyboxx Finance Ltd, 2nd Floor, Vatika Business Centre, First India Place, M.G. Road,
Gurgaon – 122002, Haryana



+91 9971882650
+91 8828230582



deepakaggarwal@moneyboxxfinance.com
mayurmodi@moneyboxxfinance.com



www.moneyboxxfinance.com