

Date: **14th November, 2022**

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001
Scrip Code: 517214

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block
Bandra – Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Code: DIGISPICE

Sub: Investors presentation on the performance for the quarter and half year ended 30th September, 2022

Dear Sir/Madam,

This is in continuation of the Company's letter dated 12th November, 2022, with regard to a conference call for Investors/ Analysts with senior management team, scheduled to be held on Tuesday, 15th November, 2022 at 12.00 noon (IST).

We are enclosing the presentation which may be used by the Company for the potential meeting / with Analysts and Investors community and will also be available on the website of the Company, www.digispice.com.

You are requested to kindly take the above on record and oblige.

Thanking you.

Yours faithfully,
for **DiGiSPICE Technologies Limited**

(Ruchi Mehta)
Company Secretary & Compliance Officer



DiGiSPICE

Future Ready Platforms

Q2FY23 Investor Presentation



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Glossary of Terms

Terms Used	Meaning
AePS	Aadhaar-enabled Payment System
Adhikari	Adhikari is a nomenclature used to address the merchants/entrepreneurs who work on Spice Money platform
BBPS	Bharat Bill Payment System
m-ATM	Refers to mini ATM or Mobile ATM. A service that enables customers to withdraw cash at a nearest Adhikari using a debit card and a mini/portable pin pad device.
CASA	Current Account, Saving Account
CRM	Customer Relationship Management
GTV	Gross Transaction Value is the value of revenue generating transactions processed on our platform
Customer GTV	Gross Transaction Value of transactions done by the Customers
Entrepreneur GTV	The Gross Transaction Value of transactions done by the entrepreneurs/merchants
DTH	Direct-to-Home TV broadcasting service
IRCTC	Indian Railway Catering and Tourism Corporation
G2C Services	Government to Citizen services
NPCI	National Payments Corporation of India
NBFC	Non-Banking Financial Company

DiGiSPICE

 Spice money

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>90%
of Revenues

India's leading
rural fintech platform

**Digital
Technology
Services**

<10%
of Revenues

Digital platforms and
solutions for telcos,
BFSI, other enterprises

Revolutionizing the Way Bharat Banks

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Making financial services accessible to India's rural citizens

1.15 Million
Adhikaris

Rs 1,63,000
Crore GTV*

17.2% AePS*
Market Share

6,400+
Blocks
Covered

2,17,000+
Villages
Covered

18,900+
Pin Codes
Covered

Achieving Deep Penetration at Village and Block Level



*Gross Transaction Value Annualized as on H1FY23







*Aadhar-enabled Payment System






India's Expanding Digital Payments Ecosystem



40% of all payments by value are Digital

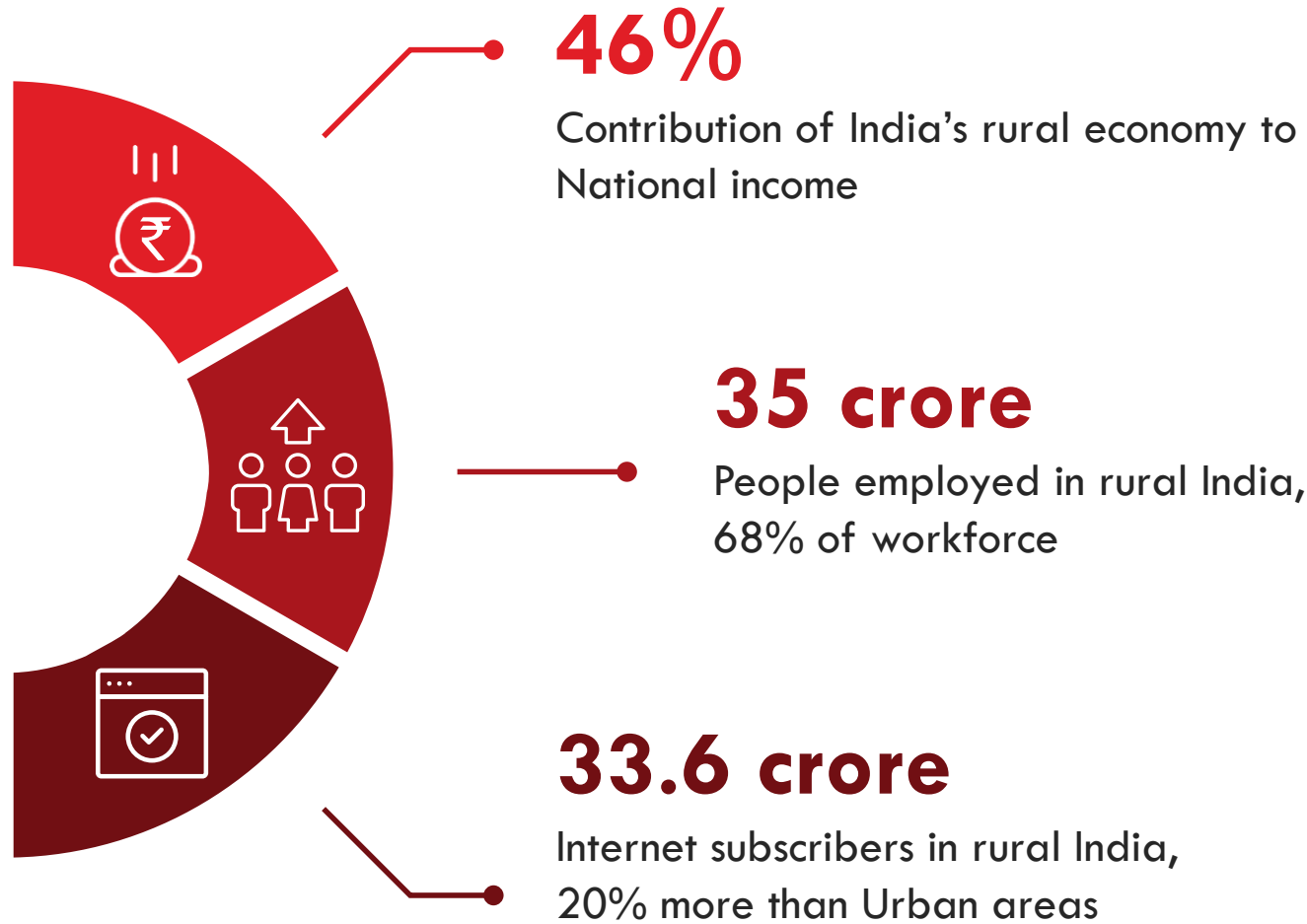
Digital payments share expected to reach 65%

-  Expansion in digital infrastructure
-  Transition accelerated by the pandemic
-  Growing merchant acceptance
-  Disruptive innovations by key participants
-  Tier 3-6 locations driving growth
-  Access to customer data/transaction behaviors

-  Building customer trust
-  Addressing fraud management
-  Simplified digital onboarding
-  Improved economies for payment players
-  Further improvements in digital infrastructure

Conducive Environment For Universal Access Across The Country

Substantial Addressable Rural Market



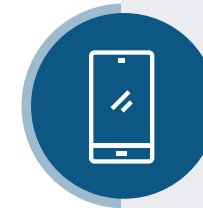
Jandhan

46 crore accounts
31 crore rural/semi-urban
26 crore women holders



Aadhaar

132 crore residents covered in India



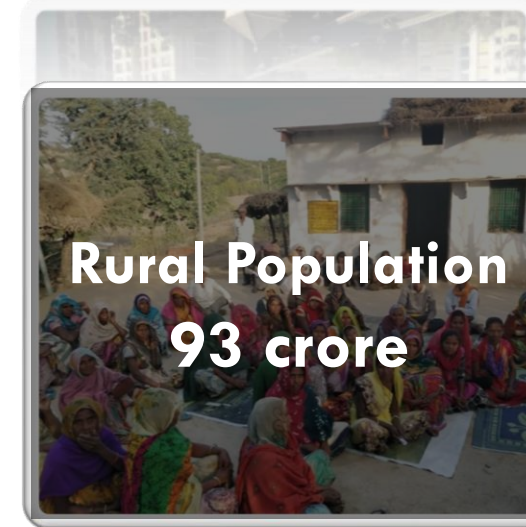
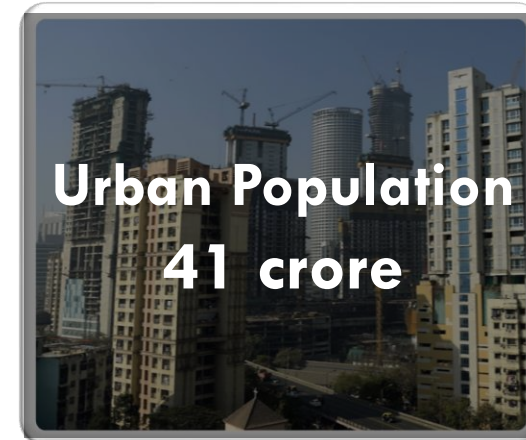
Mobile

75 crore smartphone users in India

Opportunity Enabled by Tech Inclusive Framework

Unique Rural market characteristics

	URBAN	RURAL
Merchants	Specialized merchants for different lines of business	One merchant providing multiple services
Relationships	Transaction led relationships	Community led relationships
Trust	Trust driven by Advertising	Trust driven by Word of Mouth
Ticket Size	Demand for larger ticket size products	Demand for sachet/small ticket size products
Assistance	Digital Savvy customers – Do it yourself	Lack of Financial & Digital Literacy, needs assistance



Rural needs a grounds up approach to product, user experience and a community led business model

Leveraging digital stacks to solve for lack of access in Rural India DiGiSPICE

Internet	Internet penetration in Rural : 336 million users
JAM	46 crore Jan Dhan Bank Accounts, 130 cr Aadhaar penetration
AePS	Democratizing banking. 34 cr annual users
UPI	Instant digital payments
BBPS	Bharat Bill Pay – democratizing bill payments
UMANG	Government to citizen services



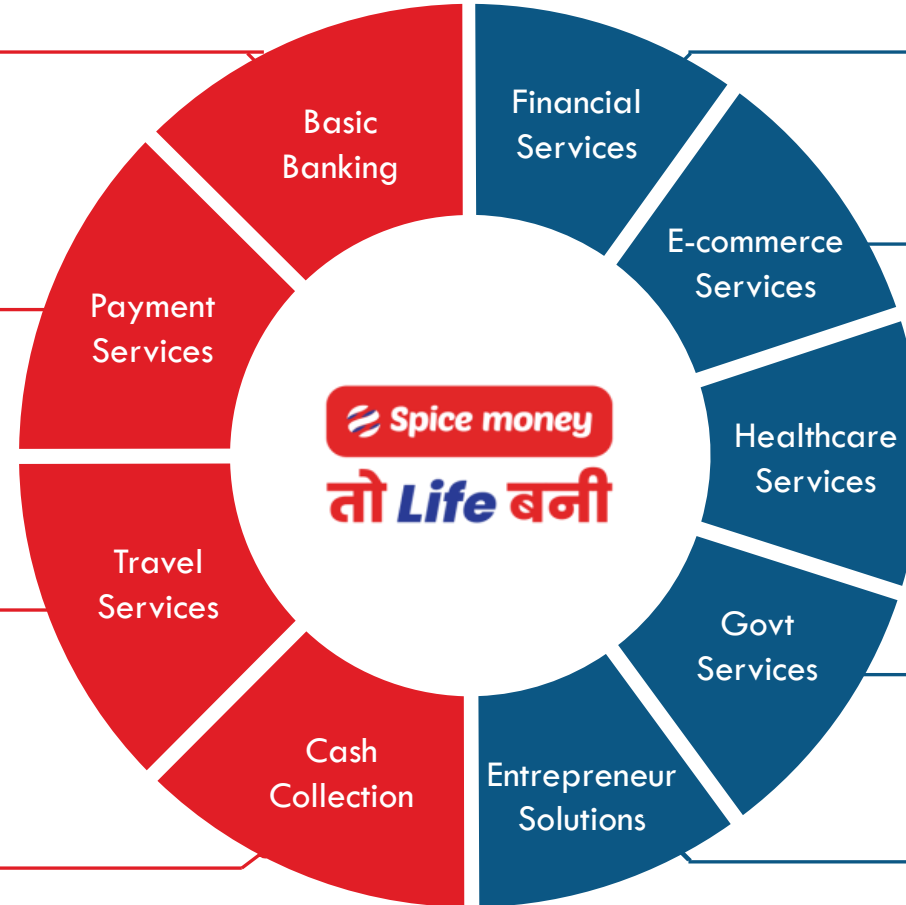
Democratizing commerce	ONDC
Democratizing credit	OCEN
Account Aggregator - leveraging power of data	AA
Udyam Adhaar	UA
Digital Health ID	ABHA

Democratizing financial & digital services for the underserved

Building the Super App for Bharat

Live Offerings

- m-ATM
- Cash Withdrawal
- Digital Payment
- Bill Payment
- Mobile/DTH Recharge
- Railway/ Bus/Flight Ticketing
- Tour Packages
- Hotel Booking
- Loan/ EMI collection
- Enterprise Cash Management
- CASA
- Cash Deposit
- Balance Enquiry
- Remittance



Planned Launches

- Savings
- Investments
- Insurance
- Credit
- Assisted Shopping & Delivery
- E-Pharmacy
- Diagnostics
- Telemedicine
- Govt to Citizen Services
- Digital payments
- CRM
- Khata

Tech & Data Enabled Platform Leveraging Adhikari Network

Current Business Model : Enabling banking in deep rural

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Service Partners



Entrepreneurs empowered by Spice Money Adhikari App



Rural Consumers

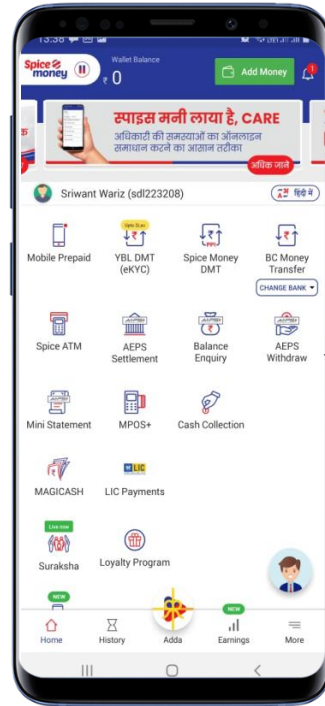


Core Services

- Banks
- NPCI
- NBFCs
- Insurance Cos
- Other Payment Partners

Additional Services

- E-Commerce
- Travel Partners
- Healthcare
- Government
- Other Product Partners



- Cash Withdrawal (Aadhaar)
- Ticket Booking
- Money Transfer
- Insurance
- Bill Payment
- Pan Card
- Loan
- Cash Withdrawal (Card)
- Loan EMI
- Online Shopping
- Cash Transfer
- Cash Deposit



Win for Service Partners

- Access to Rural Customers
- Reduced Cost of Delivery



Win for Entrepreneurs

- Primary Livelihood
- Additional Income Source

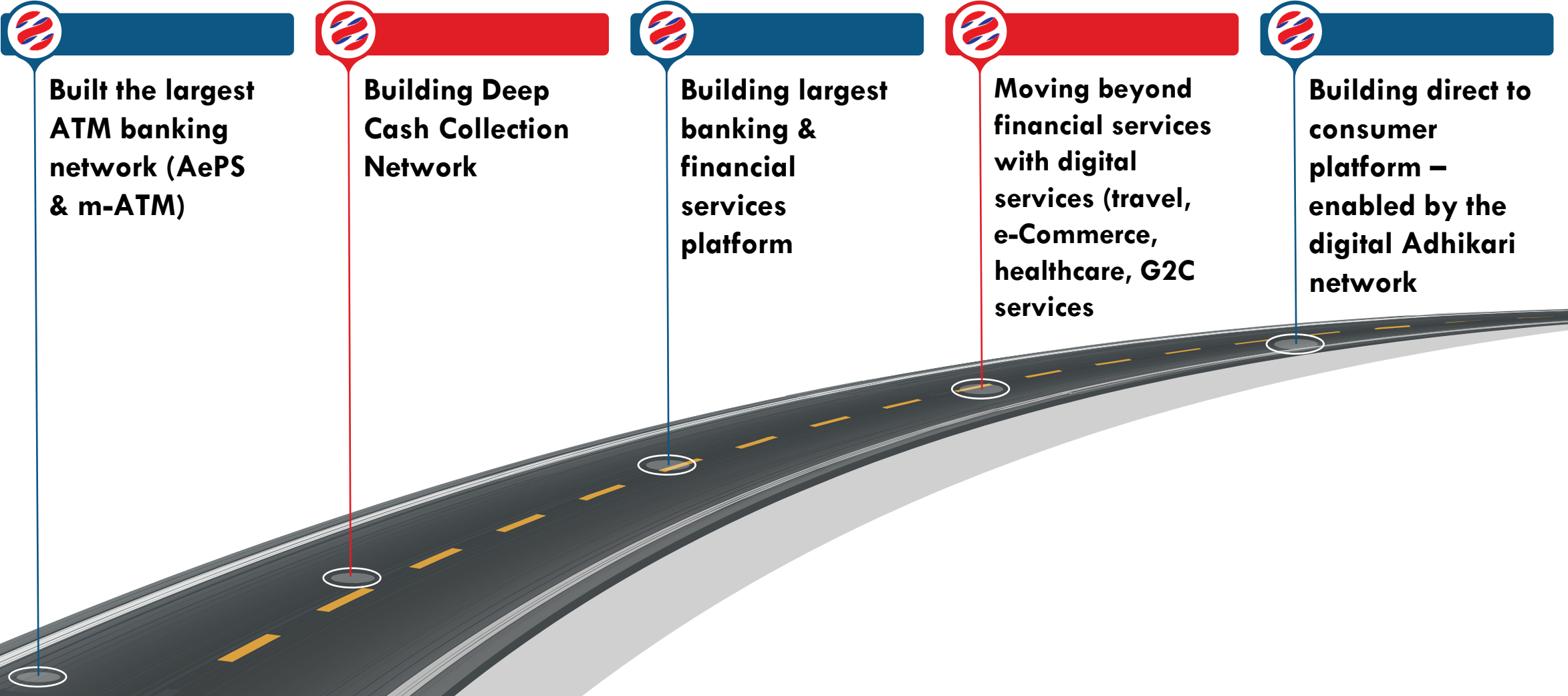


Win for Rural Consumers

- Next-door Access to Financial/Digital Services

Moving to a Larger Opportunity

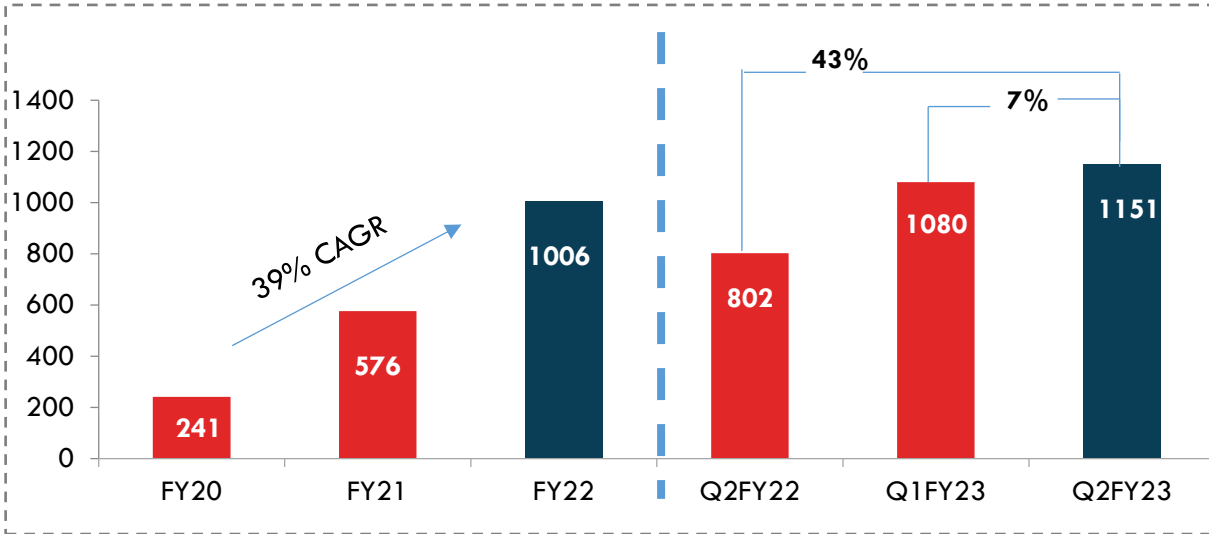
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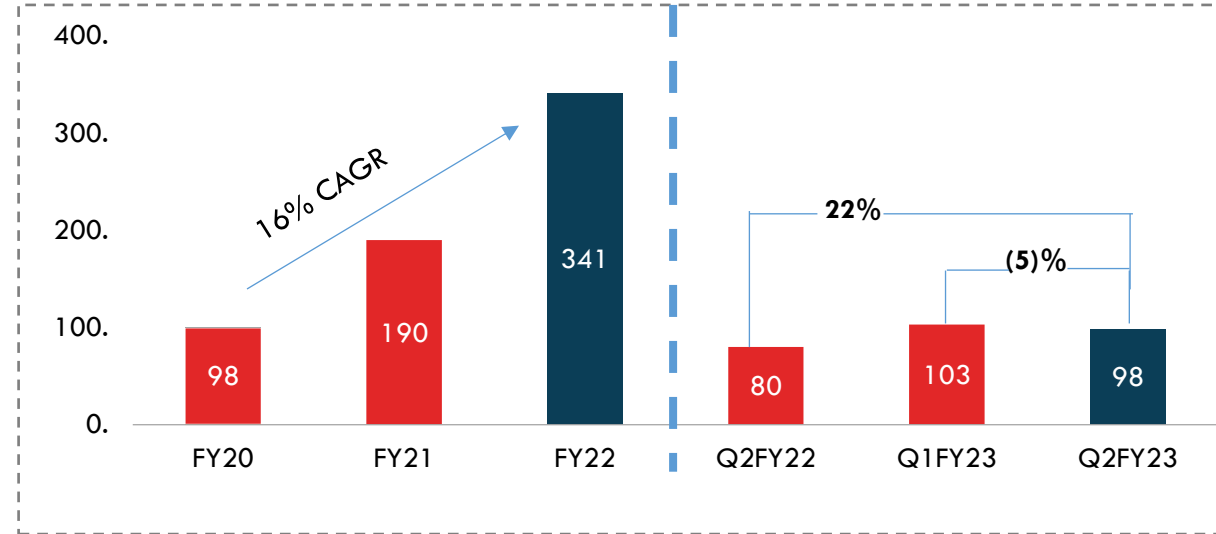
Solving the Access Challenge for Rural India

Spice Money – Key Operating Metrics

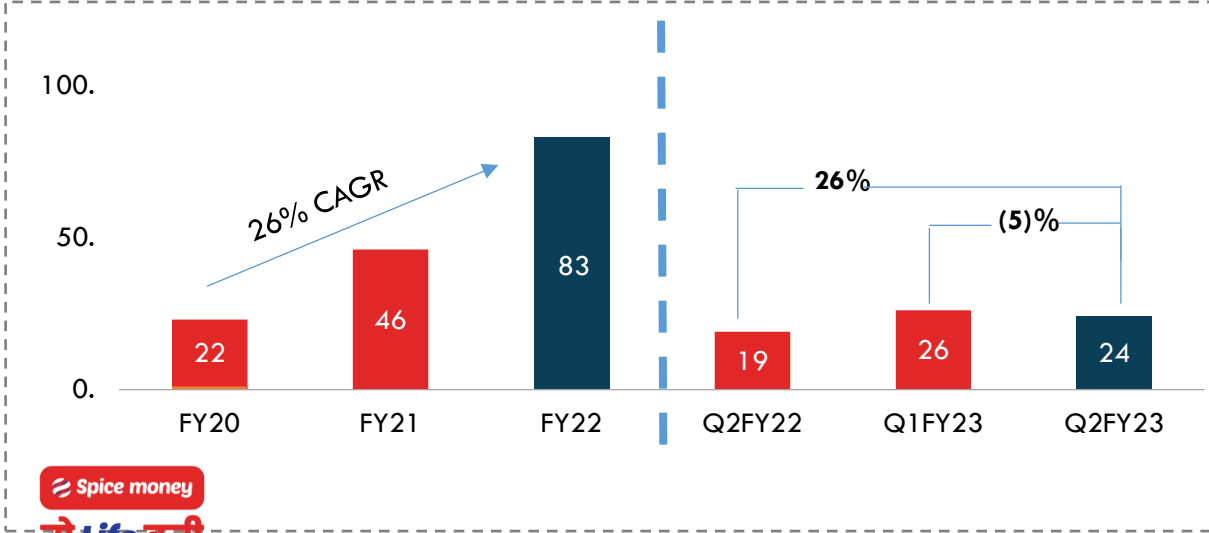
Spice Money Adhikaris ('000)



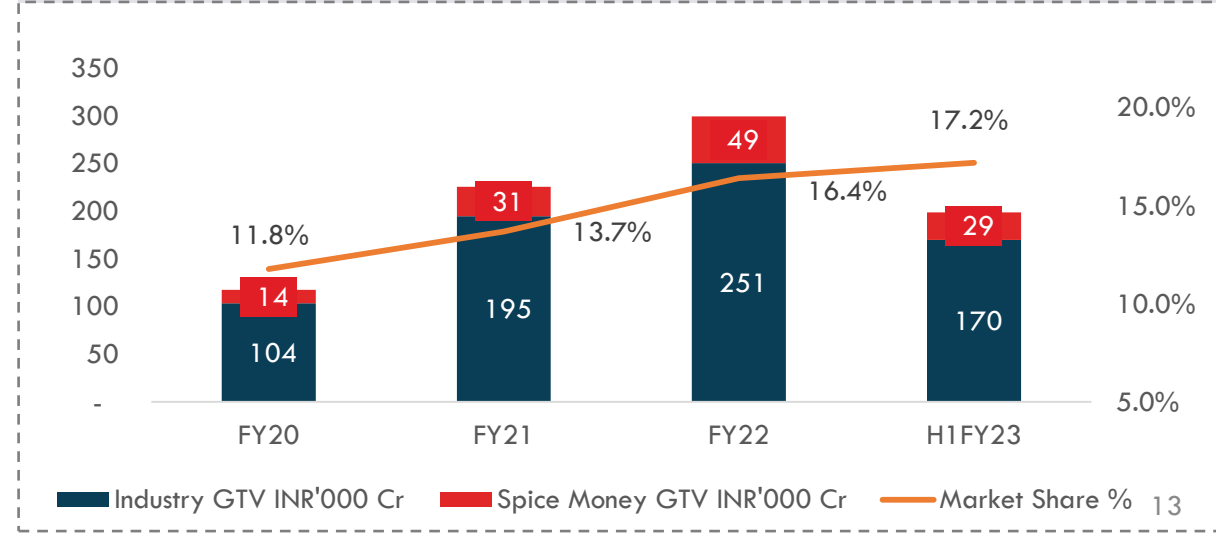
Spice Money Service Fee Revenue (INR Cr)



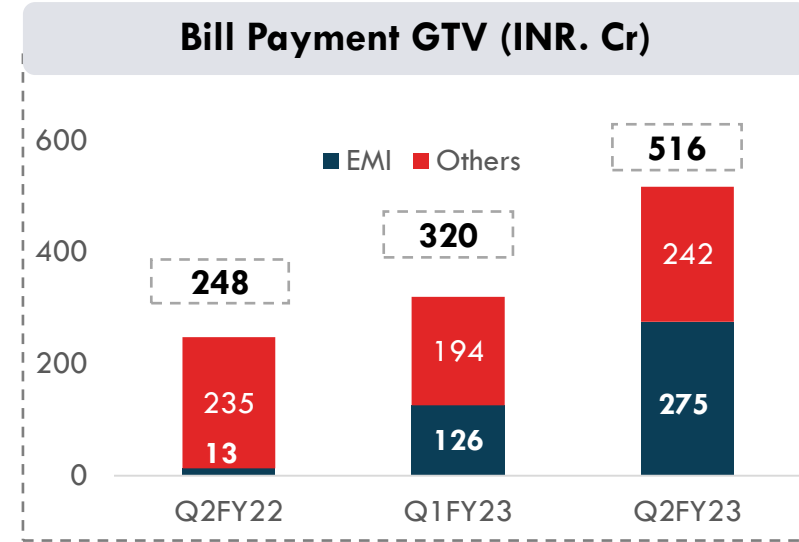
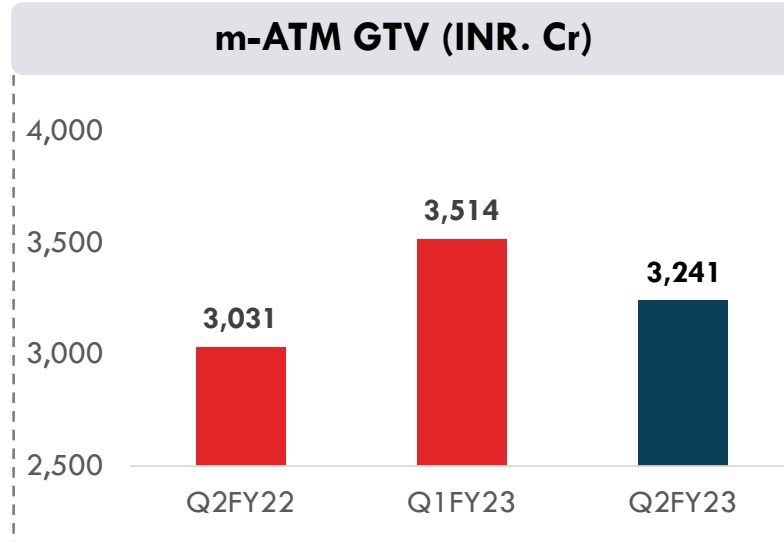
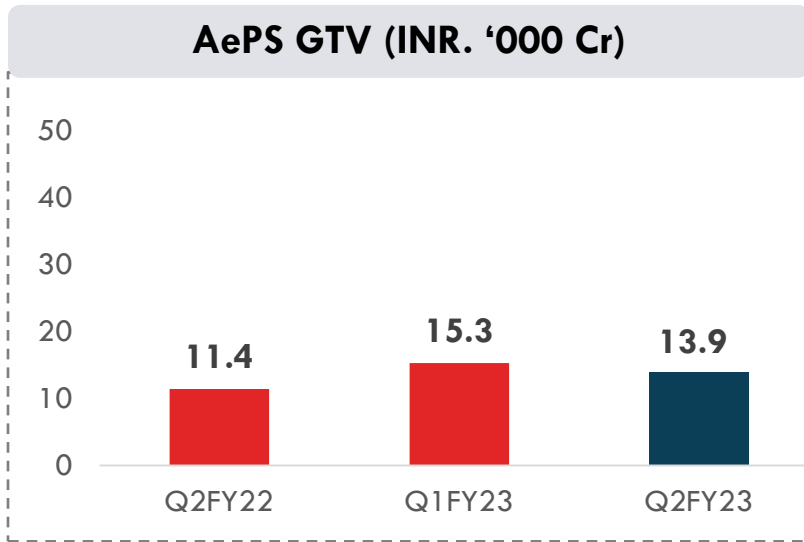
Customer Gross Transaction Value (INR. '000 Cr)



AePS Market share*



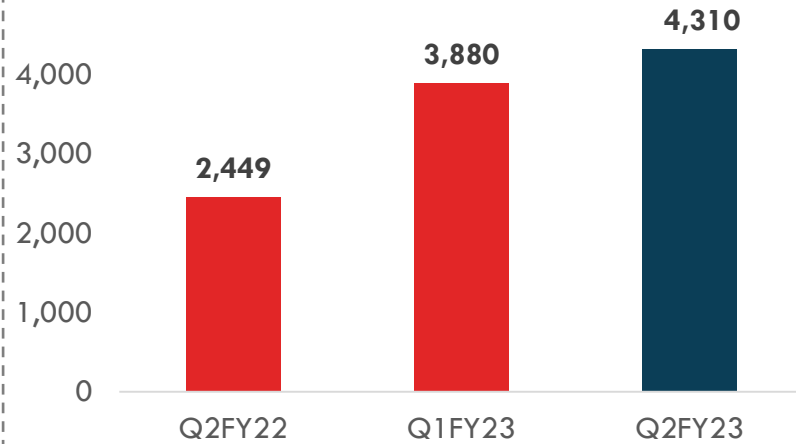
Spice Money – Key Services Update



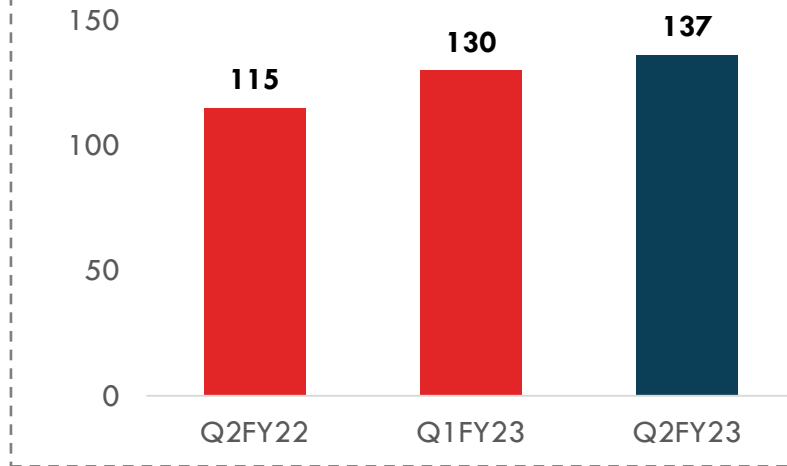
- AePS GTV has declined by ~9% QoQ in line with de-growth in AePS OFF-US industry GTV by ~9%. This is due to drop of 5% in ticket size per transaction and drop of 4% in transaction volumes. AePS GTV has grown by 23% YoY driven by growth in industry as well as increase in market share
- Drop in m-ATM GTV by 8% QoQ is entirely driven by drop in ticket size per transaction
- Bill Payments GTV witnessed a growth of 60% QoQ and more than 100% YoY driven by growth in EMI collections, a new and high growth potential category

Spice Money – Key Services Update

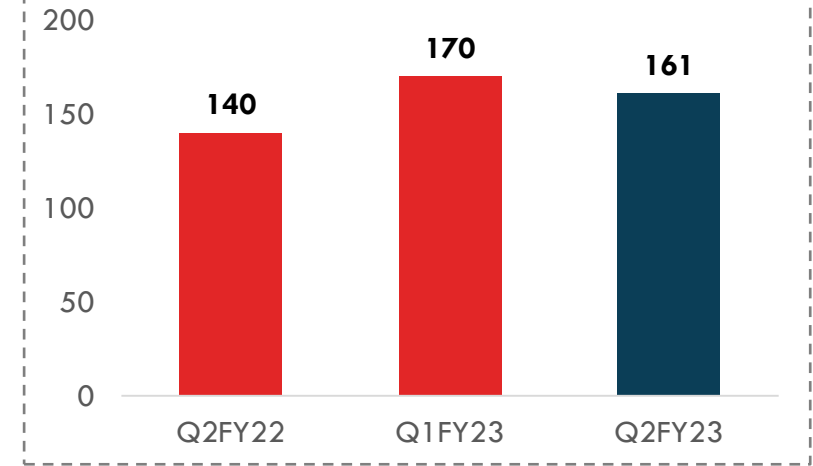
CMS GTV (INR. Cr)



Travel GTV (INR. Cr)



Recharge GTV (INR. Cr)



- CMS GTV saw a growth of 11% QoQ & 76% YoY driven by onboarding of new enterprises
- Travel GTV has exhibited a growth of 5% QoQ & 19% YoY due to travel returning to normalcy post covid
- Recharge GTV has seen a drop of 5% on a QoQ due to ~5% drop in ticket size per transaction. On a YoY basis there is a growth of 15% driven by growing Adhikari base

Spice Money – Financial Highlights

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Particulars (Rs. Crs)	FY20	FY21	FY22	FY20-FY22 CAGR	Q2FY22	Q1FY23	Q2FY23	Growth Q-o-Q	Growth Y-o-Y	H1FY22	H1FY23	Growth Y-o-Y
Customer GTV (A)	22,155	46,178	83,513	94%	19,418	25,764	24,421	(5)%	26%	37,172	50,185	35%
Revenue	250	578	858		203	251	240			405	491	
- Service Fees (B)	98	190	341	86%	80	103	98	(5)%	22%	150	201	35%
- Airtime/ Subscription/Device	152	389	517		123	148	141			256	290	
Gross Margin	44	80	131		30	43	41			54	84	
- Service Fees (C)	28	66	118	107%	28	39	35	(9)%	28%	50	74	50%
- Airtime/ Subscription/Device	16	15	13		2.5	4.6	5.3			4.5	9.9	
Indirect Cost	35	59	109		23	38	41			43	79	
EBITDA	9	21	22	60%	7	5	(0.5)			11	5	
EBIT	2	16	21		8	4	(2)			11	2	
Service Fee Revenue on Customer GTV (B/A)	0.44%	0.41%	0.41%		0.41%	0.40%	0.40%			0.40%	0.40%	
Service Fee GM on Customer GTV (C/A)	0.12%	0.14%	0.14%		0.14%	0.15%	0.14%			0.13%	0.15%	
Service Fee GM on Service Fee Revenue (C/B)	28%	35%	35%		34%	38%	36%			33%	37%	

*All numbers are rounded off

Customer GTV & Service Fee Revenue – declined 5% QoQ due to de-growth in AePS OFF-US industry by 9%. On a YoY basis (H1FY23 vs H1FY22), there is a growth of 35%

Gross Margin is lower by 9% QoQ as Service Fee Revenue decreased and bank charges were higher. This is also reflected in the drop in Service Fee GM ratio. On a half-yearly basis, there is an increase of 50% YoY in Gross Margin and improvement in GM% from 33% to 37%

Indirect costs have increased due to continuous investments in the organization (both capacity and capability), network reach, technology, brand as well as investments in new products which are in the pipeline and yet to accrue revenues. The business model continues to have high operating leverage

DiGiSPICE Technologies – Consolidated Financials Summary DiGiSPICE

Particulars (Rs. Crs)	FY20	FY21	FY22	CAGR (FY20-FY22)	Q2FY22	Q1FY23	Q2FY23	Q-o-Q	Y-o-Y	H1FY22	H1FY23	Y-o-Y
1. Revenue	407	712	990		237	263	257			465	520	
a.) Fintech Segment*	250	578	858	85%	203	251	240	(5)%	18%	405	491	21%
b.) Other Segments	157	134	132		34	12	17			60	29	
2. Gross Margin	120	119	168		43	50	46			75	96	
a.) Fintech Segment	44	80	131	73%	30	43	41	(6)%	35%	54	84	55%
b.) Other Segments	76	39	37		13	6	6			21	12	
3. Indirect Costs	113	107	154		36	49	52			67	101	
a.) Fintech Segment	35	59	109	77%	23	38	41	7%	79%	43	79	85%
b.) Other Segments	78	48	45		13	11	11			24	22	
4. EBITDA	7	13	14		8	1	(6)			8	(5)	
a.) Fintech Segment	9	21	22	56%	7	5	(0.5)			11	5	(58)%
b.) Other Segments	(2)	(8)	(8)		0.25	(5)	(5)			(3)	(10)	
5. EBIT	(54)	15	15		7	(3)	(8)			(6)	(10)	
a.) Fintech Segment	2	16	21		8	4	(2)			11	2	
b.) Other Segments	(56)	(1)	(5)		(1)	(6)	(6)			(17)	(12)	
Spice Money Revenue to Total Revenue	61%	81%	87%		86%	95%	93%			87%	94%	
Spice Money GM to Total GM	37%	67%	78%		70%	87%	88%			72%	88%	

 Spice Money

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*Fintech segment refers to Spice Money

*All numbers are rounded off

Thank You

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For further queries
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