

PAISALO

EASY LOAN आसान लोन

Date: August 6, 2022

The Manager
Department of Corporate Relationship
BSE Limited
25th Floor P. J. Towers, Dalal Street
Mumbai -400 001

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East)
Mumbai -400 051

Scrip Code: 532900 (Equity)
959759 (Debt Securities)

SCRIP SYMBOL: PAISALO

Subject : Investor Presentation

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of other applicable laws, if any, please find enclosed herewith Investor Presentation for the quarter ended June 30, 2022.

The above is being made available on the Company's website i.e. www.paisalo.in

This is for your information and record please.

Thanking You,

Yours faithfully,

For Paisalo Digital Limited

(MANENDRA SINGH)
Company Secretary

Encl.: as above

PAISALO DIGITAL LIMITED

Registered Office: CSC, Pocket 52, Near Police Station, CR Park, New Delhi - 110 019. Phone : + 91 11 4351 8888. Email: delhi@paisalo.in

Head Office: Block 54, First Floor, Sanjay Place, Agra - 282 002. Phone : +91 562 402 8888. Email: agra@paisalo.in

Mumbai Office: 262, Solitaire Corporate Park, Andheri East, Mumbai 400 093. Phone: +91 22 4228 8888. Email: mumbai@paisalo.in

CIN: L65921DL1992PLC120483

www.paisalo.in

अर्थ: समाजस्य न्यासः

Investor Presentation
Q1 FY 2023

A Systemically Important Non-Deposit Accepting Non-Banking Finance Company

Presentation Path



1. Transformation Update

2. Financial Summary

3. Financial Performance

4. Paisalo Digital Limited Overview

Transformation Update

At Paisalo we believe that the purpose of any business transformation is that it should result in stronger growth momentum, better customer experience, additional cross sell, lower credit risk, lower ALM risk and improved liquidity

**We are Pursuing our
Business Transformation
with these objective's**

**At the outset,
All business transformations takes
“Technology, Time, and Team”.**

**We started Phase 1 of this transformation
project in October 2019, with beta testing
initiated in January 2020**

**Phase 1 was focused on creating a
“Strong, Stable and Scalable” foundation.**

Phase 1 : Co-Lending of Loans
(300 disbursements per day,
100% Digital underwriting)

Phase 2 : 3000 disbursements per day
(on-going)

Phase 3 : 5000 disbursements per day
(FY 2022-23)

Financial Summary

Q1 FY 2023

Paisalo Snapshot Q1 FY 2023

₹ 27174 mn

AUM

YoY Growth ~ 17%

₹ 1126 mn

Revenue

YoY Growth ~ 22%

₹ 10453 mn

Networth

YoY Growth ~ 19%

A good quarter for the Company across balance sheet growth, portfolio quality and profitability.

Overall, strong start to the fiscal.

Paisalo Snapshot Q1 FY 2023

₹ 209 mn

PAT

YoY Growth ~ 24%

43.53%

CAR

0.39%

NNPA

A good quarter for the Company across balance sheet growth, portfolio quality and profitability.

Overall, strong start to the fiscal.

Paisalo Snapshot

Q1 FY 2023

- » Highest ever AUM of ₹ 27,173 Mn.
- » AUM as at Q1 FY 2023 was up 17.07% at ₹ 27,173 mn as against Q1 FY 2022 at ₹ 23,211 mn.
- » Total geographic footprint stood at to 174 branches and 2125 postal codes, in the quarter. In Q1, the company added 44 new locations.
- » The company continues to invest in Teams and Technology for business transformation.
- » The company continues to invest in teams and technology for business transformation. Given the deep investments being committed we are on track in Business Transformation (geo-expansion and technology) for reaching 3000 disbursements per day, next update on the same will be provided in Q2 FY 2023.
- » The company signed Co-Lending with Bank of Baroda in Q4 FY 2022, the same has been rolled at certain branches in Q1 FY 2023.

Paisalo Snapshot

Q1 FY 2023

- » The company continues to protect its margin profile, Interest Income for Q1 FY 2023 was up 22.79% at ₹ 1,126 mn as against ₹ 917 mn in Q1 FY 2022. The company has posted 25% increase in PBT and 23% increase in PAT YoY.
- » GNPA and NNPA stood at 0.81% and 0.39% as at Q1 FY 2023 compared to 1.56% and 1.26% as at Q4 FY 2022. The Company expects its GNPA and NNPA to stay within the Long-Term outlook of below 2%.
- » On 15 February 2022, RBI allowed deferment till 30 September 2022 of its earlier circular dated 12 November 2021 pertaining to upgradation of NPA accounts only on receipt of entire overdue of the customer. We are complying with RBI Circular dated 12 November 2021 as at Q3 FY 2022. However, we have not received any deferment request from borrowers.
- » The company has seen strong improvement in debt management efficiencies, as Paisalo has not done any top-up loans since First Wave of COVID-19, this has helped in managing asset quality across the loan book.
- » The Board of Directors recommended a Dividend of 10% of per fully paid equity share of Rs. 10/- each, for FY 2022

Paisalo Snapshot

Q1 FY 2023

- » Paisalo has written off bad debts totaling to INR 135 mn and has recovered old written off bad debts worth INR 57 mn in Q1 FY 2023.
- » The Tangible Networth is INR 10,453 mn versus Bank Borrowings (secured) INR 9,416 mn , i.e. 0.90 times
- » Capital Adequacy remained very strong at 43.53% at Q1 FY 2023.
- » RoE at 7.90% and RoA at 3.23%.
- » Total employee head count stood at 1471
- » The company has been granted KUA/AUA permission. Gazette notification for the same has been received.
- » **A good quarter for the company, across the board improvement in all metrics.**

Financial Performance

FINANCIALS

₹ in Millions, * Cumulative

<i>PARTICULARS</i>	Q1 FY 2022	Q2 FY 2022*	Q3 FY 2022*	Q4 FY 2022*	Q1 FY 2023
AUM	₹23,211	₹24,046	₹25,201	₹26,973	₹27,174
Disbursements	₹3,004	₹7,240	₹11,303	₹16,343	₹4,752
Revenue	₹835	₹1,746	₹2,926	₹3,922	₹1,126
PBT	₹227	₹516	₹864	₹1,071	₹287
PAT	₹168	₹380	₹643	₹793	₹209
Net Worth	₹8,794	₹9,011	₹9,273	₹10,241	₹10,453
Total Liabilities	₹14,881	₹15,881	₹17,170	₹15,989	₹15,871
Bank Borrowings	₹7,454	₹8,015	₹8,784	₹9,588	₹9,416
Debt to Equity Ratio	1.69	1.89	2.00	1.46	1.42
Bad Debts Written Off	₹115	₹214	₹259	₹364	₹135
Bad Debts Recovered	₹44	₹67	₹103	₹120	₹57
NIM	4.48%	4.68%	4.53%	4.03%	5.51%
Gross NPA	0.70%	1.95%	1.87%	1.56%	0.81%
Net NPA	0.48%	1.61%	1.55%	1.26%	0.39%
CAR	44.59%	43.33%	41.57%	42.92%	43.53%

FINANCIALS

<i>PARTICULARS</i>	FY 2020	FY 2021	FY 2022	Q1 FY 2023
AUM	₹21,119	₹23,178	₹26,973	₹27,174
Interest Income	₹3,375	₹3,115	₹3,922	₹1,126
NIM	6.47%	4.05%	4.03%	5.51%
PAT	₹540	₹609	₹793	₹209
Cash Accrual	₹580	₹646	₹819	₹216
Net worth	₹7,603	₹8,619	₹10,241	₹10,458
Total Debt	₹10,701	₹14,814	₹15,989	₹15,871
Debt Equity Ratio	1.82	1.72	1.46	1.42
Gross NPA	0.44%	0.72%	1.56%	0.81%
NET NPA	0.34%	0.57%	1.26%	0.39%
ROA	2.61%	2.66%	3.09%	3.23%
ROE	7.15%	7.07%	7.78%	7.90%
CAR	43.06%	44.47%	42.92%	43.53%
Book Value	₹179	₹202	₹230	₹234

₹ in Millions

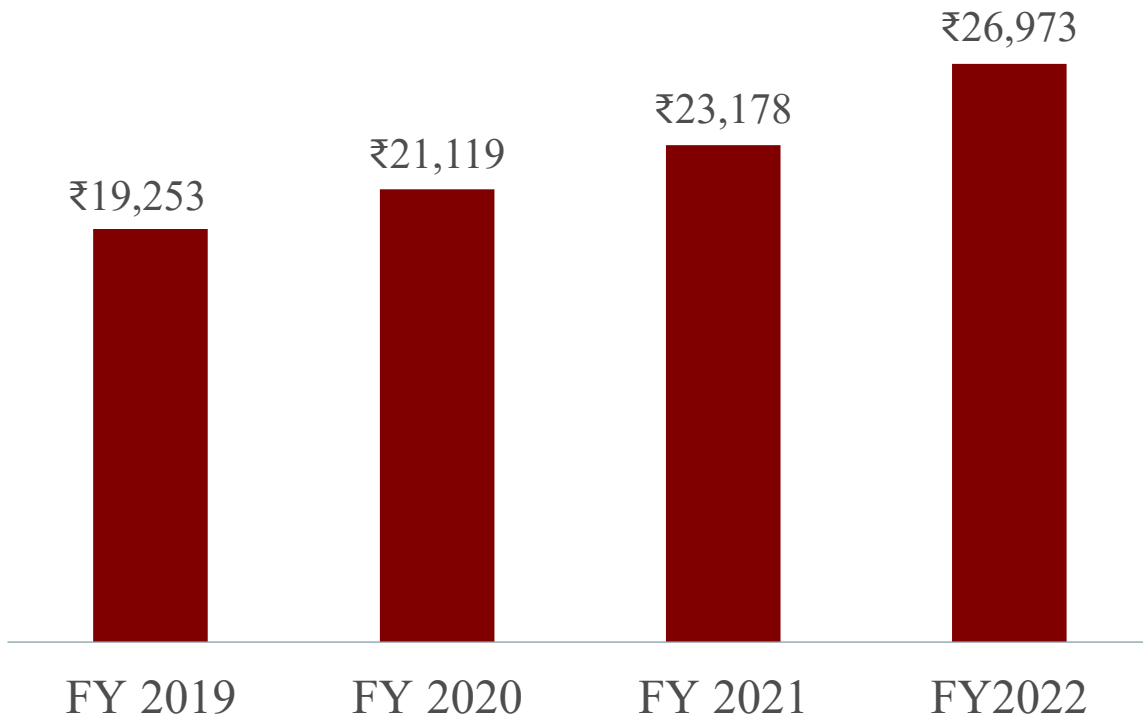
FINANCIALS

Critical Ratios

INR in Millions

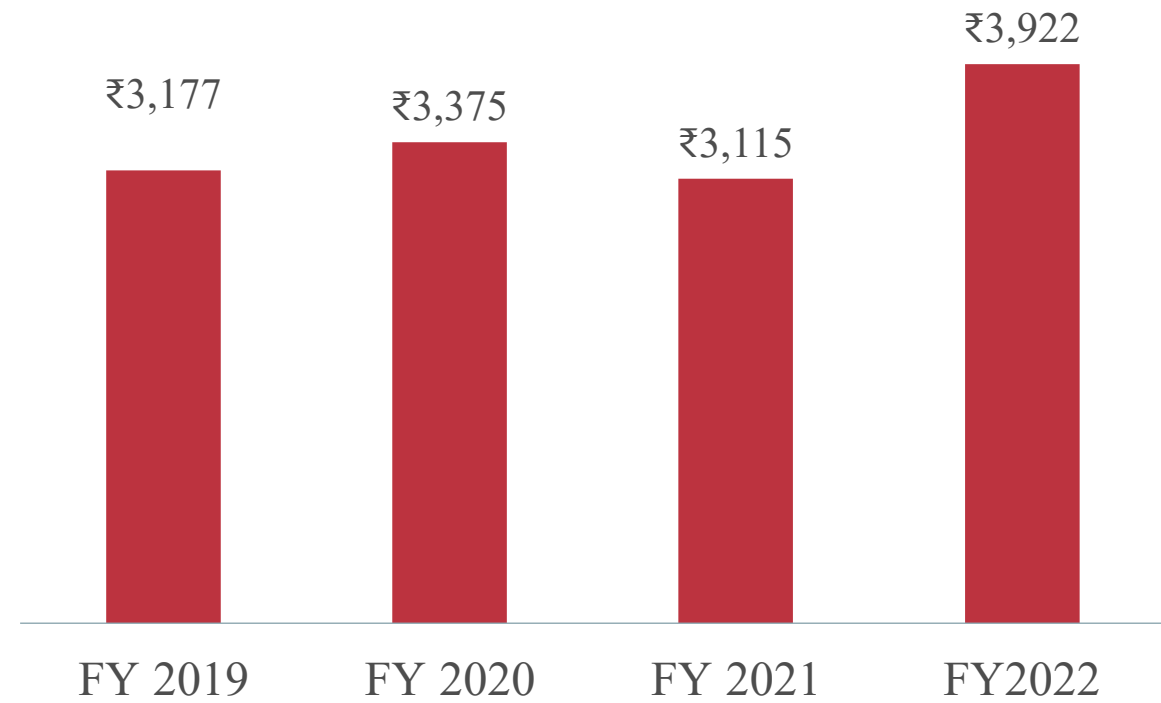
Particulars	FY 2020	FY 2021	FY 2022	Q1 FY 2023
Tangible Net Worth (TNW)	₹7,603	₹8,619	₹10,241	₹10,453
Bank Borrowings (BB)	₹7,983	₹7,412	₹9,588	₹9,416
Total Outside Liabilities (TOL)	₹13,738	₹14,814	₹15,989	₹15,871
BB / TNW (Times)	1.05	0.86	0.94	0.90
TOL / TNW (Times)	1.81	1.72	1.56	1.51

AUM



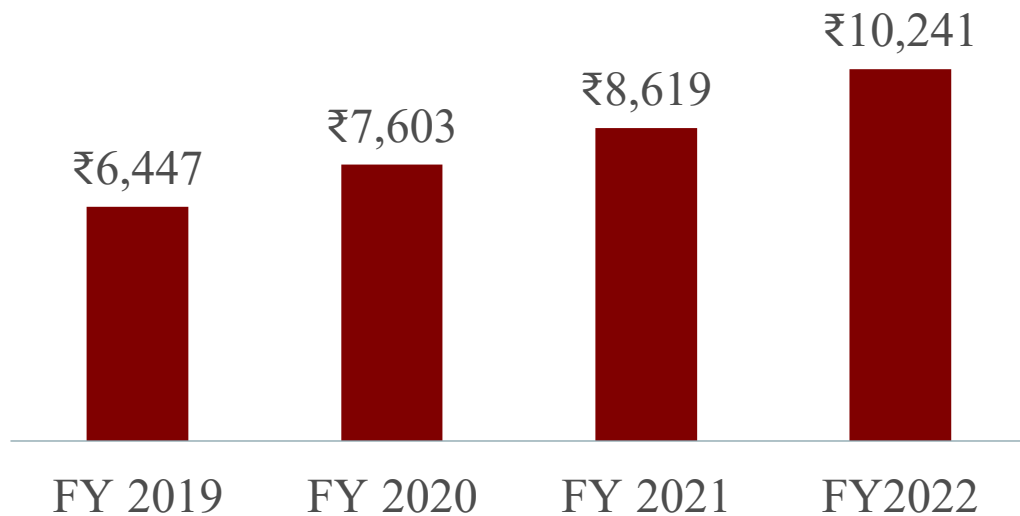
₹ in Millions

Revenue



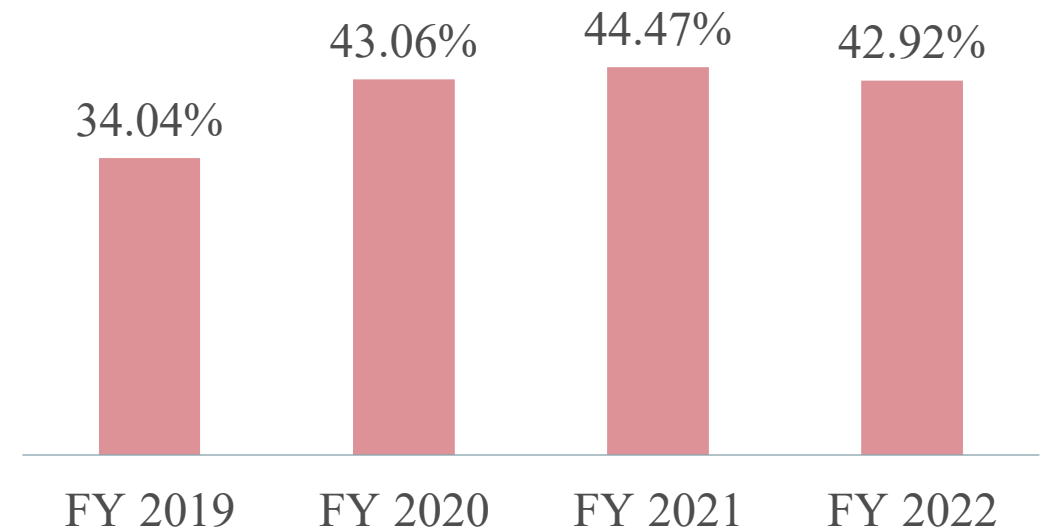
₹ in Millions

Net Worth

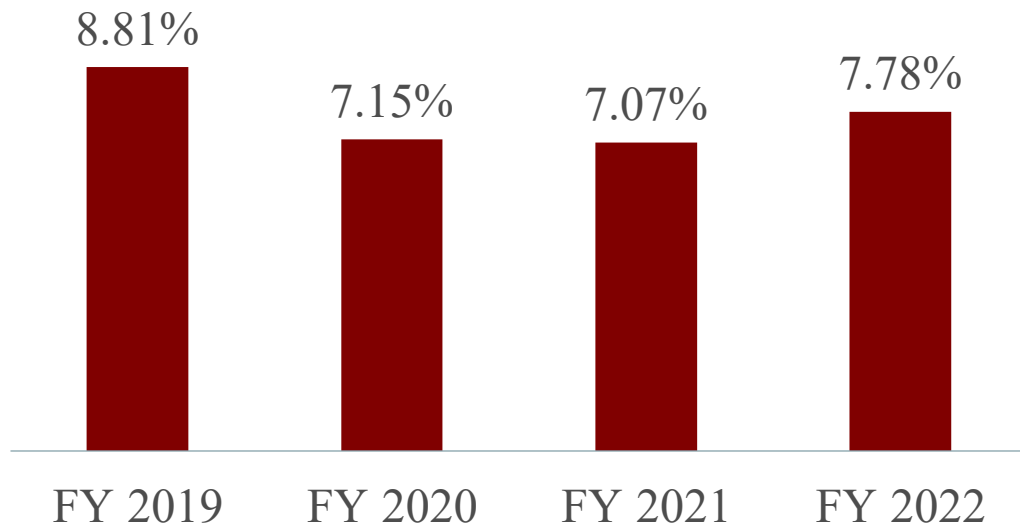


₹ in Millions

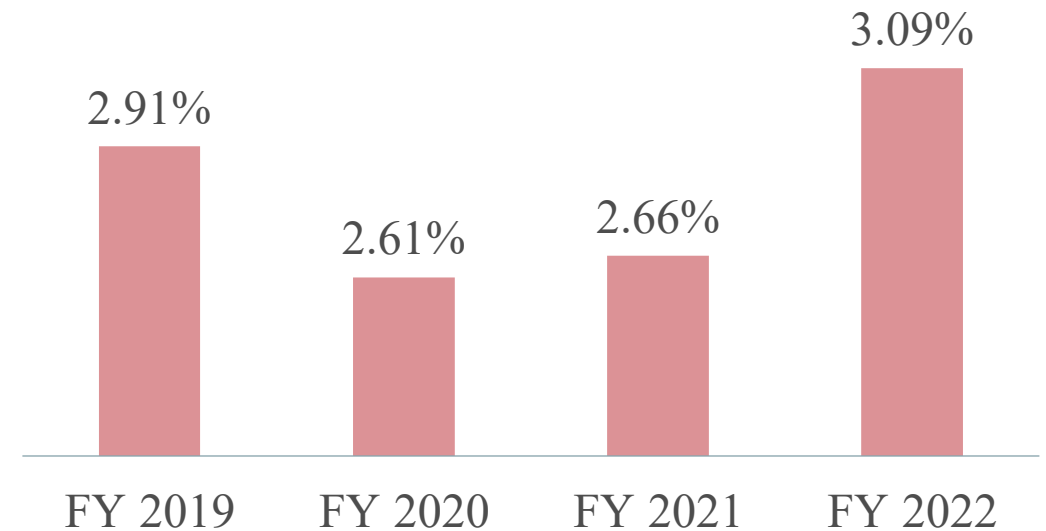
CAR



ROE



ROA



Paisalo Digital Limited

Overview

What do we Stand For

1. Disruption –

Revolutionizing and Disrupting Rural Credit

2. High Tech : High Touch –

Engage and transact without friction to deliver a sustainable business model

3. Innovation –

Focus on continuous innovation to transform customer experience and create growth opportunities

4. Business Construct –

Deliver a sustainable NNPA of <2% , RoA of 3-4% and RoE of 19-20% in the long term

Uniquely Positioned for Growth

1. Leader with a huge **Early Mover** advantage in “Co-Lending”
2. Offering **easiest and cheapest product** in its market segment
3. Access to almost **unlimited capital**, relative to size
4. **Negligible ‘Liquidity Risk’**
5. **Negligible ‘Credit Risk’**
6. **Negligible ‘ALM Risk’**

Key strategic differentiators

1. Leader with a huge **Early Mover** advantage in “Co-Lending”
2. A **Unique and Scalable business model**
3. **In-house Proprietary Digital Platform** uses Data, AI and ML
4. Serviced **1.5 Mn** customers
5. Paisalo has strong **Brand Recognition** in area of operations
6. Team of **1400+** in **10 states** and more than **2000 postal codes**

Executive Summary

- Engaged in the business of providing convenient and easy loans to the financially excluded at bottom of India's economic pyramid
- Lending business with an AUM of ₹ 27,174 Mn
- Already serviced more than 1.5 million customers
- An experienced team of 1400+ operating from 174 branches in 10 States and > 2000 pin codes (~ 10% of total pin codes in India) engaged in loan origination, servicing and recovery
- Net worth of ₹ 10,453 Mn, leveraged 2 times and CAR ~ 43.53%
- PAT of ₹ 209 Mn
- Classified and regulated by RBI as a (Non-Deposit Accepting) Systemically important NBFC
- Rated : AA- (Stable Outlook)
- Listed on NSE and BSE

Safe Harbor Statement

PAISALO Digital Limited

NSE : PAISALO

BSE : PAISALO

Bloomberg : PAISALO:IN

- » This document contains certain forward - looking statements based on current expectations of Paisalo Digital Limited 's management. Actual Results may vary significantly from the forward - looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India; volatility in interest rates and in the securities markets; new regulations and government policies that might impact the business of Paisalo Digital Limited; the general state of the Indian economy; and the management's ability to implement the company's strategy. Paisalo Digital Limited does not undertake any obligation to update these forward - looking statement.
- » This document does not constitute an offer or recommendation to buy or sell any securities of Paisalo Digital Limited or any of its subsidiaries or associate companies. This document also does not constitute an offer or recommendation to buy or sell any financial products offered by Paisalo Digital Limited.

**THANK
YOU**

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