PRESS RELEASE

Niyogin Fintech to acquire 51% strategic stake in iServeU

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Niyogin’s vision is to create a full-stack digital platform for unserved or underserved and bring best-in-class products and services on the platform. Niyogin has been scaling its unique platform through a network of financial professionals and with products such as wealth, credit, and other SaaS-based products that help digitize small businesses. We take another big step forward in this journey and are excited to announce acquisition of 51% strategic and controlling stake in iServeU for INR 592 M (US$ 8 M) in a cash plus stock deal.

iServeU leverages the full capability of digital platforms and public payments infrastructure to reach the underbanked with focus on rural India. The company enables small village merchants to serve local communities and drive financial inclusion through iServeU’s digital platform. iServeU has seen rapid adoption of its platform and has been processing transactions worth ~US$500m annually on their platform. The transactions and platform adoption have accelerated through the lockdown caused by the COVID-19 pandemic, as rural local communities rapidly moved towards digital adoption.

The acquisition provides Niyogin with deep market access to un/underbanked India. Apart from market access for the firms, there are multiple product complementarities such as credit, digital wealth, and payments among others which the two companies can jointly access to create a strong full-stack fintech value proposition for our customers.

“We welcome iServeU and the team to the Niyogin family. They bring with them a unique platform, reach, and experience that will be of immense benefit to Niyogin. We continue to make strategic investments in effectively using technology to bring digital enablement to unserved. Niyogin’s capabilities combined with iServeU’s digital platform strengths will maximize impact to the underserved and unserved customers and allow us to expand product stack and addressable market.” said Amit Rajpal, Chairman and Co-Founder, Niyogin Fintech.

Welcoming the acquisition, Debiprasad Sarangi, Co-Founder and Chief Executive Officer, iServeU Technologies said, “We see Niyogin as a long-term strategic partner and are excited about what Niyogin and iServeU can deliver jointly to rural customers and micro-businesses, transform communities, leverage technology to empower people and accelerate much needed financial inclusion in India. The capital infusion will be used to scale and accelerate growth with expanding footprint deeper into rural India and new product innovation.”

The acquisition is subject to necessary approvals and customary closing conditions. Equirus Capital acted as the exclusive financial advisor to iServeU for this transaction.
About Niyogin Fintech Limited

Niyogin (BSE : 538772) is India’s pure publicly listed fintech startup with an end-to-end digital platform empowering small business, starting with their financial needs and building a broader ecosystem meeting their non-financial requirements as well. At Niyogin we are building a digital platform with a unique distribution model to access the B2B+C customers in India. This is through our partner network of financial professionals along with the direct digital channel and partnerships. We are board run and professionally managed company. We currently have credit and non-credit product including India’s leading Digital wealth platform under brand “Moneyfront” with assets under administration of over US$100 M. For more information, please visit www.niyogin.com

About iServeU

iServeU is the only financial inclusion solution provider that is architected on latest technology stack and is fully micro-services enabled (allowing fully elastic cloud deployment and reducing infra-costs by approx. 80% of usual costs). Despite of government’s several steps, still there is huge gap between bank and unbanked/under banked people. We oath towards innovating a Next Generation Payment Solutions by creating a Connectivity between remotely located unbanked masses with basic financial services through our top-notch technology. We believe technology and banking services should be for everyone. Our focus is on deeply rural, rural, urban and semi-urban people, and we are moving ahead towards our mission “Redefining Financial Inclusion”.

iServeU Technology Private Limited (iServeU) is a DIPP certified Fin Tech Company registered under The Start-up India program of Government of India, supported by NSTDEB, pledging towards making India a financial inclusive society. We are almost 5 years old and are successfully running several technology solutions in partnership with Banks, NBFCs, FI Players and Corporate BCs. iServeU is proud to announce over 50000+ retailers and INR 35 B. transactions per year with access to 25000+ villages across India & 500+ concurrent transactions per second. For more information, visit www.iserveu.in
Disclaimer:

The transaction is subject to statutory, regulatory and other approvals and closing conditions as necessary. This press release may include statements of future expectations and other forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects upon Niyogin and its subsidiaries/associates. These forward-looking statements involve known or unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Forward-looking statements are provided to allow potential investors the opportunity to understand management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These statements are not guarantees of future performance and undue reliance should not be placed on them. Important factors that could cause actual results to differ materially from our expectations include, amongst other: general economic and business conditions in India, our ability to successfully implement our strategy, our research and development efforts, our growth and expansion plans and technological changes, change in laws and regulations that apply to NBFCs, increasing competition in and the conditions of the NBFCs, changes in political conditions in India. Neither Niyogin, nor our Directors, or any of our subsidiaries/associates assume any obligation to update any particular forward-looking statement contained in this release. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

FOR MORE INFORMATION

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