

February 02, 2023

To,
The Manager-Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Ref: (MONEYBOXX | 538446 | INE296Q01012)

Dear Sir/ Madam,

Subject: Press Release

Please find attached herewith a presentation covering Business updates and future projections of the Company.

This is for your information and records.

This will also be hosted on the company's website at www.moneyboxxfinance.com

Thanking You,
Yours faithfully,

For **MONEYBOXX FINANCE LIMITED**



(Bhanu Priya)

Company Secretary & Compliance Officer

M.no-A36312



MONEYBOXX FINANCE LIMITED

Transforming Lives of Microentrepreneurs

Corporate Presentation

January 2023



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Who we are – Moneyboxx Finance Limited

Transforming Lives of Microentrepreneurs

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

- ✓ Small **business loans** of ₹ 100k-700k in Tier-3 and below towns
- ✓ Started in Feb'19, operating in **6** states with **54** branches
- ✓ Transformed lives of over **26k** households, **50%** women, **35%** NTC
- ✓ Cum. disbursements of over **₹ 440 crores**; AUM of **₹ 273** crores (Jan'23)

Target FY27:



5,100+ crores
43x AUM Growth



330 branches
11x Growth

Driving Financial Inclusion

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



MISSION STATEMENT

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



VISION STATEMENT

To be "The Lender of Choice" for deserving microentrepreneurs in India



Size of the problem and the opportunity

Huge addressable market for Moneyboxx

Micro Enterprises face a huge credit gap of ₹ 8 trillion ^

Residential property backed secured MSME lending is estimated at ₹ 22 trillion *

Underserved Rs. 50k-10 lakh market

- ▶ **MFI Loans** (<₹ 50k) is a reasonably served market at ₹ 3.0 trillion
 - ▶ 225+ Lenders in MFI segment
- ▶ **Very Small Loans** (₹ 50k – 10 Lacs) is merely at ₹ 1.02 trillion
 - ▶ Very few focused NBFCs in this loan segment
 - ▶ Rs. 1-3 Lacs Unsecured business loan segment is severely underserved: Only 1 large NBFC serving Tier-3 and below places
 - ▶ Rs. 2-7 Lacs, mortgage loans also underserved

^ Source: IFC Report 'Financing India's MSMEs: Estimation of Debt Requirement of MSMEs in India' Nov 2018

Micro enterprise as previously defined in the MSMED Act, 2006 based on the initial investment of the enterprise in plant and machinery or equipment. Micro enterprise definition: For a manufacturing enterprise, investment up to INR 2.5 m. For a service enterprise, investment up to INR 1 m.

* Source: Five Star Business Finance, CRISIL Research



Rs. 50k-10 lacs loan segment hugely underserved

Outstanding Commercial Credit :

MICROFINANCE

₹ 3.0 trillion

(Sep'22)



MICROFINANCE:

Average Loan Ticket
~₹40k (Sep'22 Quarter)

Adequately
served by
225+ lenders

VERY SMALL LOANS

₹ 1.02 trillion

(Mar'21)



VERY SMALL LOANS:

Up to ₹ 10 lacs

Severely underserved segment
with very few focused NBFCs
present

Sources:

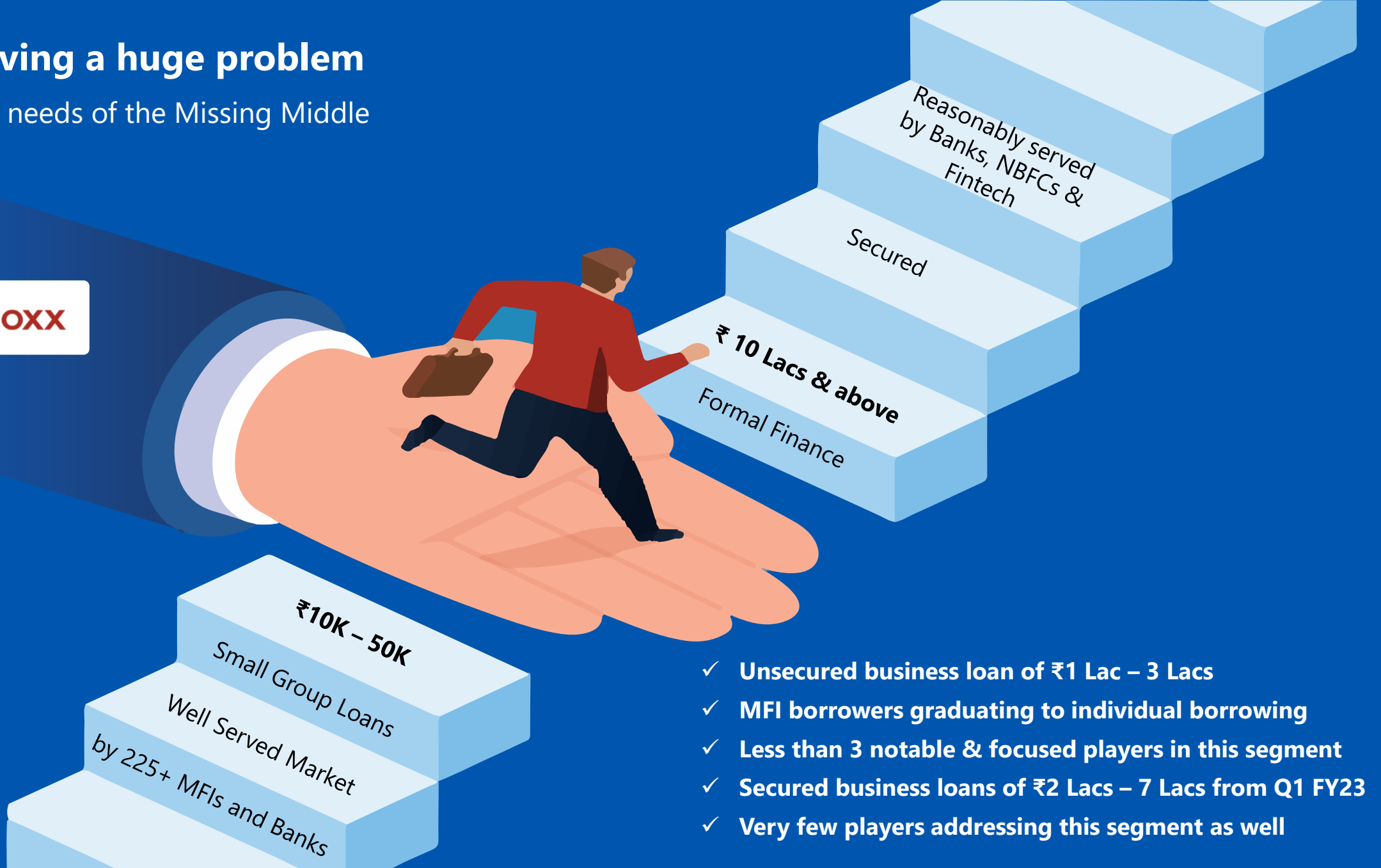
MFIN Micrometer Report, Issue 43, Sep 2022

TransUnion CIBIL, SIDBI MSME Pulse Report, June 2021



We are solving a huge problem

Meeting credit needs of the Missing Middle



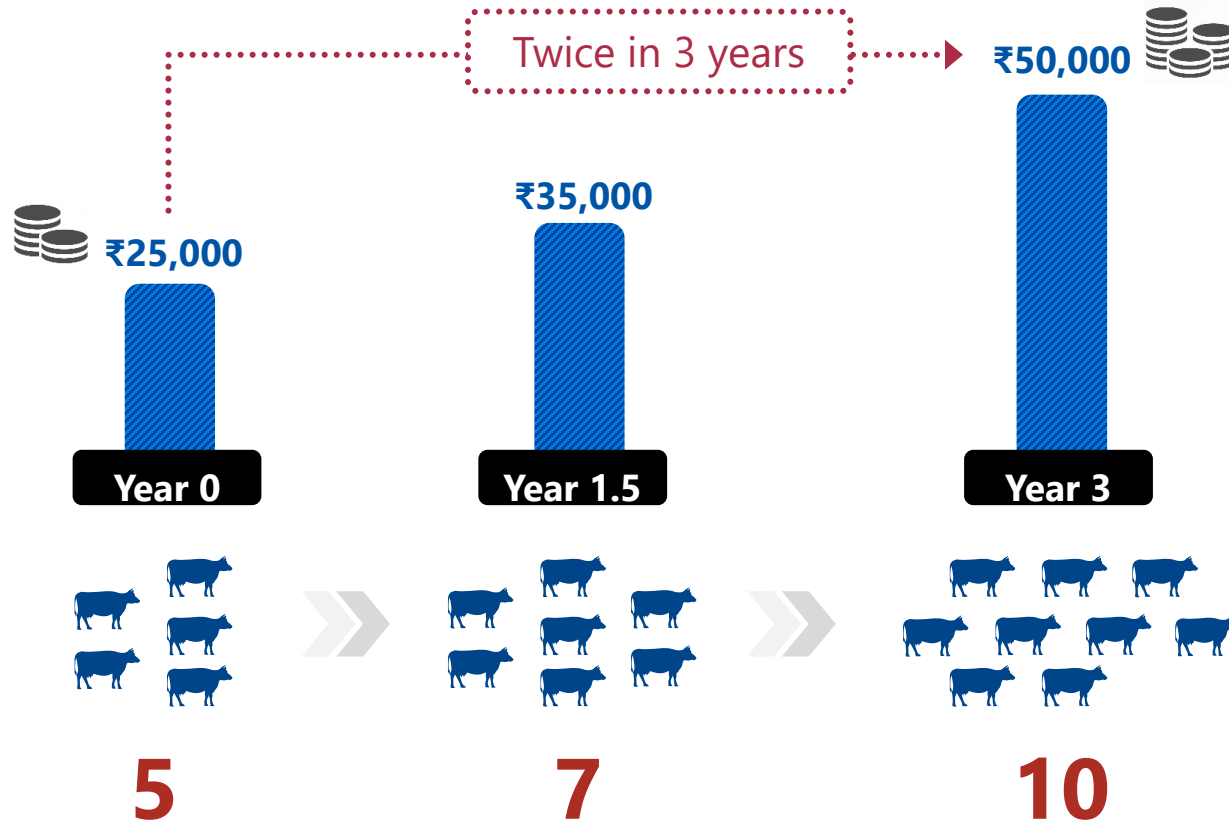
- ✓ Unsecured business loan of ₹1 Lac – 3 Lacs
- ✓ MFI borrowers graduating to individual borrowing
- ✓ Less than 3 notable & focused players in this segment
- ✓ Secured business loans of ₹2 Lacs – 7 Lacs from Q1 FY23
- ✓ Very few players addressing this segment as well



Impact - MFI+ Loans Can Bring Transformational Change in Income

2x growth in income in Livestock, Kirana & other trading segments

Rising monthly income



Differentiated Impact Initiatives



Full time vets in branches as impact officers for guidance on cattle health, feedstock, breed (AI) & milk yield improvement



Agroforestry drive to elevate borrowers' income & create positive ecological impact. Target to support each livestock borrowers with 50-100 fruit bearing trees at zero cost



Michael & Susan Dell
FOUNDATION
Nominated for a **2-year impact study** on borrowers

* 99% of MFL Livestock customers have farmland & thus agri-income as well. With stable cash-flows from dairy farming, they will be able to work on improving agri-yield as well



Moneyboxx has a proven business model to execute MFI+ Loans

Competitive advantages of MONEYBOXX



On-ground presence

Solid understanding of local economies and sectors;
Strong collection mechanism



Origination: Direct-to-customer

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



Robust underwriting

In-depth analysis using traditional & alternative data;
Customized methodology for various segments



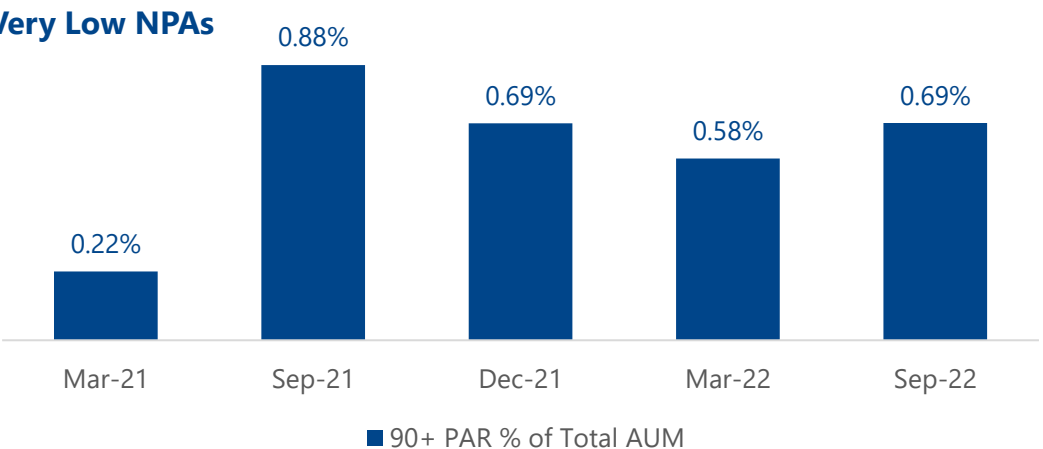
Tech-driven Approach

Digital processes, IT enabled decision making
& strong analytics

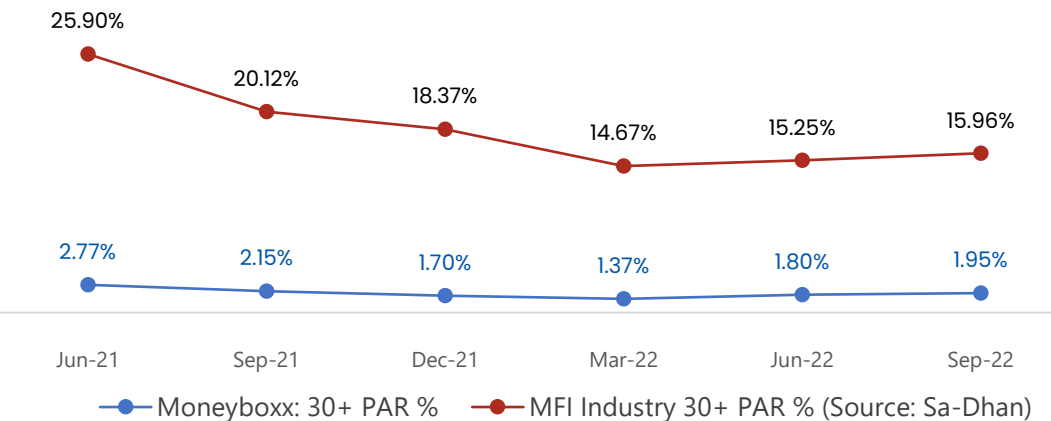
Proven underwriting capabilities amidst challenging environment



Very Low NPAs



Robust asset quality despite pandemic



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

Successfully scaled up operations in a span of four years



BRANCHES	Mar'20	Mar'21	Mar'22	Jan'23
Rajasthan	5	8	10	13
Madhya Pradesh	3	5	7	12
Haryana	2	5	7	12
Punjab	1	4	5	8
Uttar Pradesh	-	-	1	6
Chhattisgarh	-	-	-	3
Total	11	22	30	54

We today are...



54 branches



23k+ live customers



664 employees



₹273 crores AUM #



₹ 440 crores
disbursements



23 lenders

Transforming lives



26k+
borrowers funded



50%
women



35%
new-to-credit

Beyond-lending impact initiatives



30k+
Free vet consultations



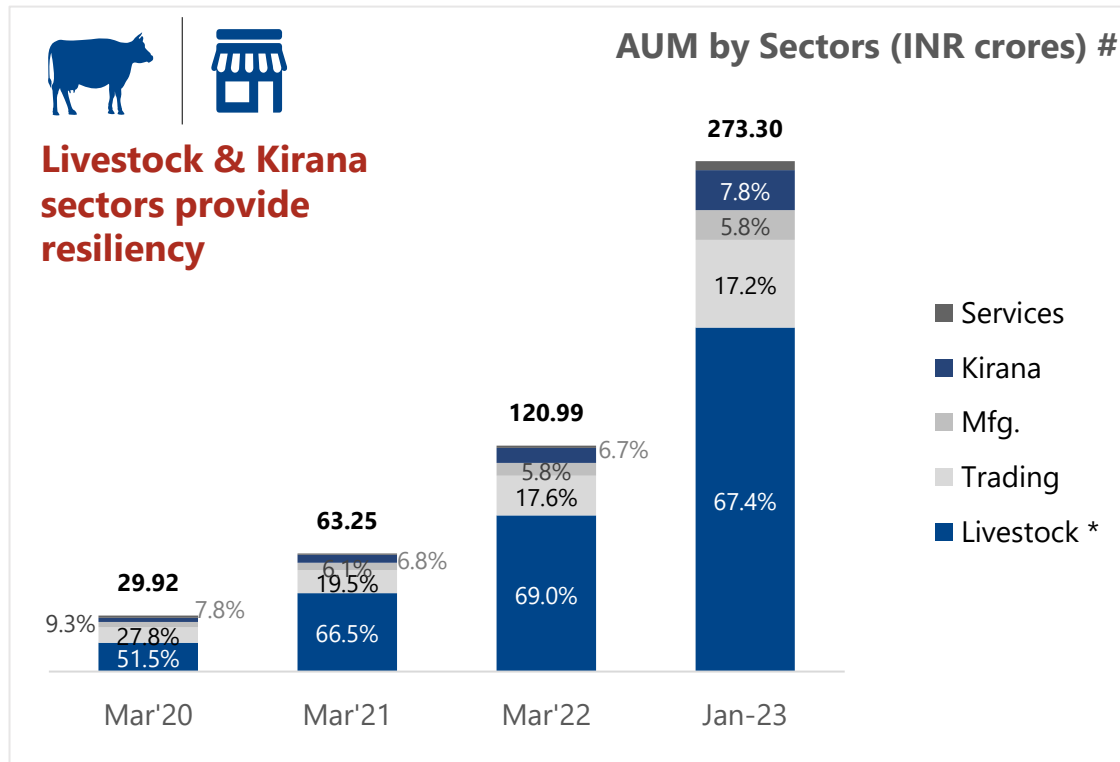
3,400
Fruit-bearing trees planted

Note: AUM before Ind-AS adjustments; AUM includes co-lending/managed book

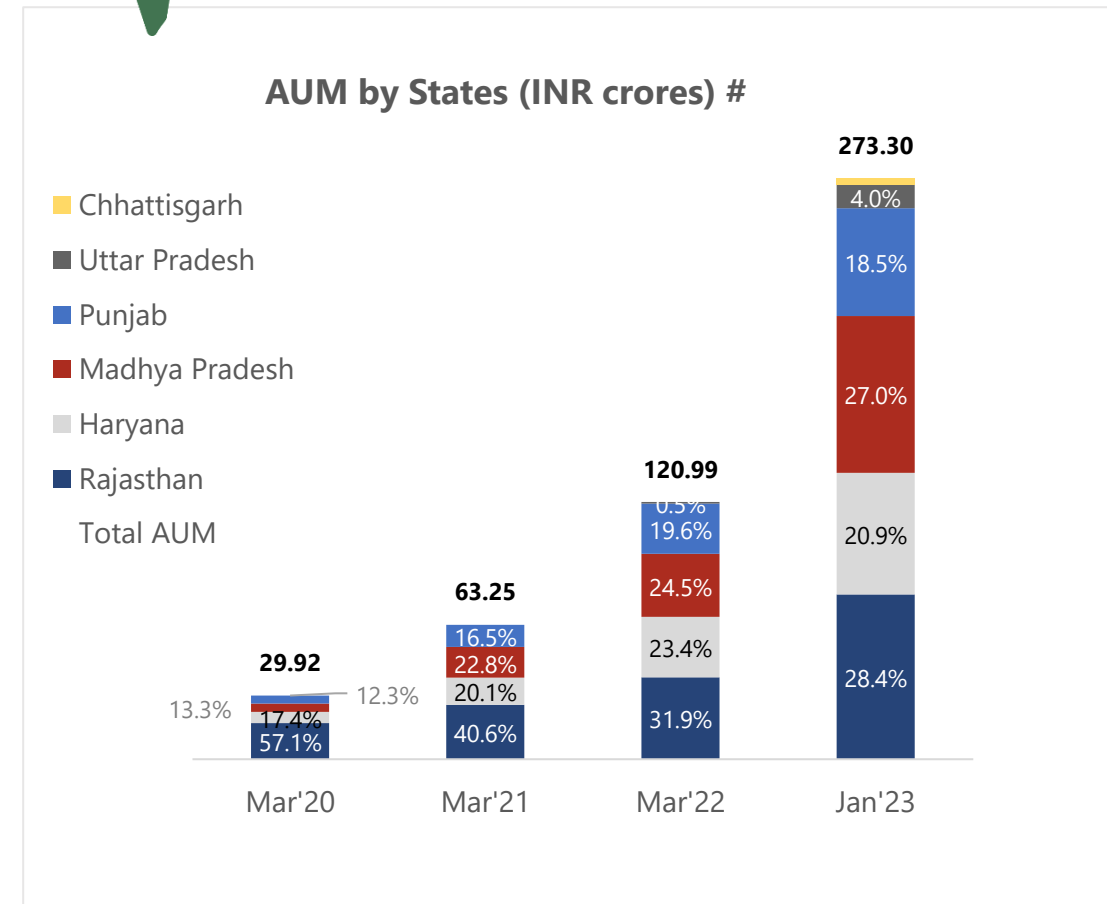
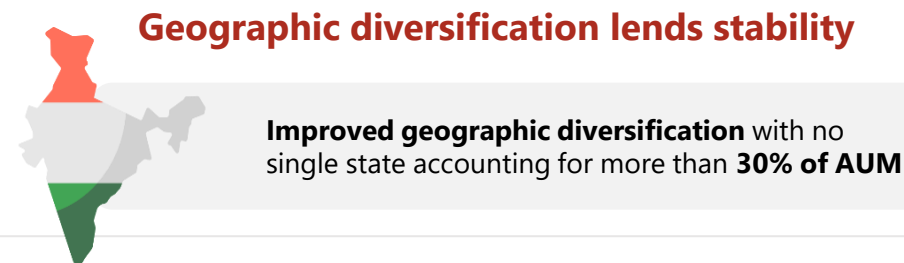


Diversified AUM across sectors and geographies

Focus on essential sectors provide stability



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



Note: AUM before Ind-AS adjustments; AUM includes co-lending/managed book



Growing network of Partners – Continuous Validation by leading lenders

Funding from SBI, IDFC First Bank & DCB Bank is a strong validation of business model

Existing Lenders



Co-lending Partnerships



BC Partnership



Utkarsh Small Finance Bank
Aapki Ummeed Ka Khaata

Cum. Equity Capital Raised ~ ₹ 69 crore

Equity Capital	INR crore	Price INR/Share
On Mar'19	19.03	
Raised in Feb'20	11.65	70
Raised in Dec'21	14.42	95
Raised in Jun'22	20.77	115
Warrants (Sep'22)	3.36	115
Total	69.23	

Debt funding of ~₹ 315 crore

Debt as on 31-12-2022	Sanction	Availed	Outstanding
Term Loans	269.10	224.10	140.53
PTC Securitization	25.68	25.68	1.79
NCD	20.00	20.00	20.00
Total Debt (₹ crore)	314.78	289.78	162.32
- Liquid Investments			-21.77
Net Debt (₹ crore)			140.55

Availed ₹ 25 Cr Term Loan from SBI (sanction ₹50 Cr)

Co-lending line of ₹ 25 Cr. per-month from Vivriti Capital & MAS

BC partnership with Utkarsh SFB from Dec'22

Well capitalized for growth

Leverage Ratio	Mar'21	Mar'22	Sep'22
TOL/NOF	2.10	3.43	2.66



Strong Governance Structure & Management Team



Management committed to highest level of governance, transparency, integrity and exceptional growth

Veteran Independent Directors



Uma Shankar Paliwal, Chairman & Independent Non-Executive Director

34+ years of experience in Central banking with the RBI, Currently working as CEO of Currency Cycle Association, CEO and Secretary of Association of Small Finance Banks of India (ASFBI) and independent director at multiple NBFCs



Ratna Vishwanathan, Independent Non-Executive Director

21+ years of experience as ex-IAS officer (1987 batch) in departments like Indian Audit & Accounts Services and CAG
Ex-CEO of Microfinance Institution Network (MFIN) for four years and currently CEO of global NGO

Professional & Experienced Management Team



Mayur Modi, Co-Founder, Co-CEO and COO

Chartered Accountant with more than 20 years of experience in financial services industry; started his career with GE Capital and went on to work in large financial institutions like JP Morgan and HSBC. In last role, served as Associate Director at HSBC lending to Banks and FIs



Deepak Aggarwal, Co-Founder, Co-CEO and CFO

Chartered Accountant with more than 20 years of experience, including with Bank of America, KPMG, GE Capital, Infosys (for Deutsche Bank). Served as Asia-Pac industry risk head with Bank of America. Founded and ran boutique IB firm named Avancer Capital Partners helping client raise >INR 2,000 crores in equity and debt



Viral Sheth, Finance Controller

Chartered Financial Analyst with more than 20 years of experience in finance covering corporate finance, credit risk and equity research. He has previously worked with leading organizations such as HSBC and Infosys and in his last role served as VP-Commercial Banking & Risk Training



Vikas Bansal, Chief Risk Officer

MBA (IIF) and IIM-A (MDP) with over 20 years of rich experience in retail and corporate lending space, including over 15 years at TATA Capital. Vikas's areas of expertise include credit underwriting, risk assessment, portfolio management, strategic planning, and digital lending across Retail and MSME space.

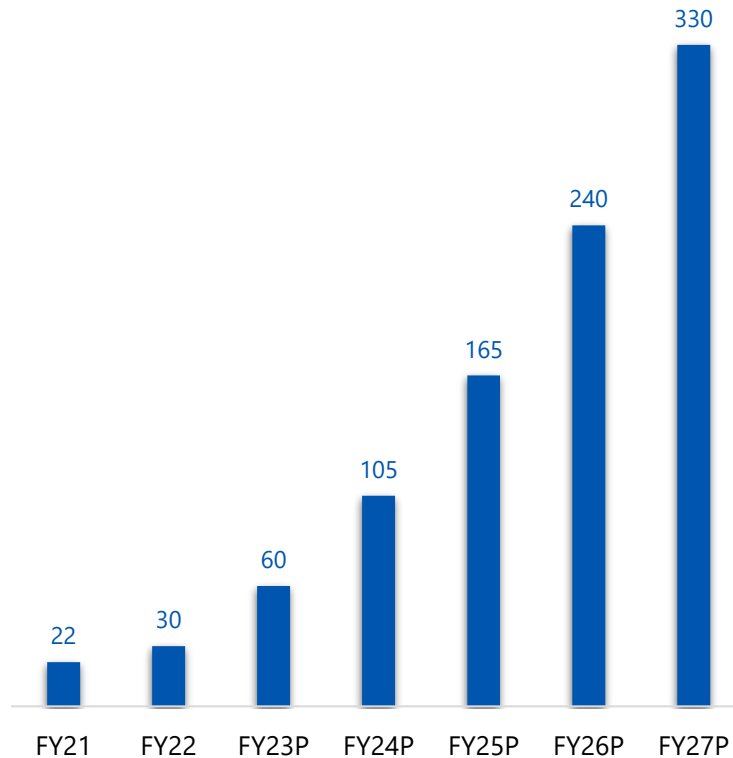


On the cusp of exponential growth having proven operating model and branch unit economics

Growth Driver 1: Branch Expansion

+ Scalable model with proven branch unit economics (can achieve break-even in 6 months)

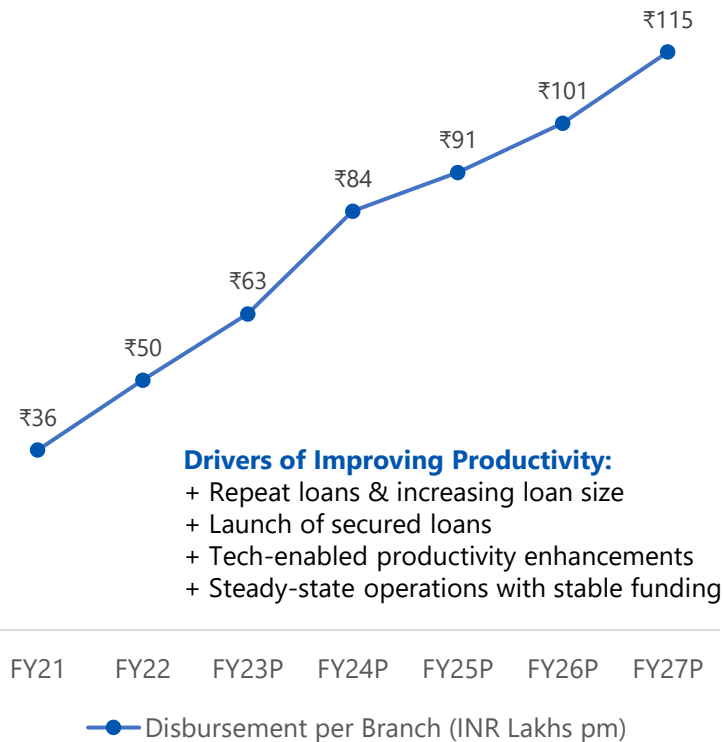
Branch Expansion



Growth Driver 2: Improving Staff Productivity

Branch expansion and improving staff productivity to drive loan book growth

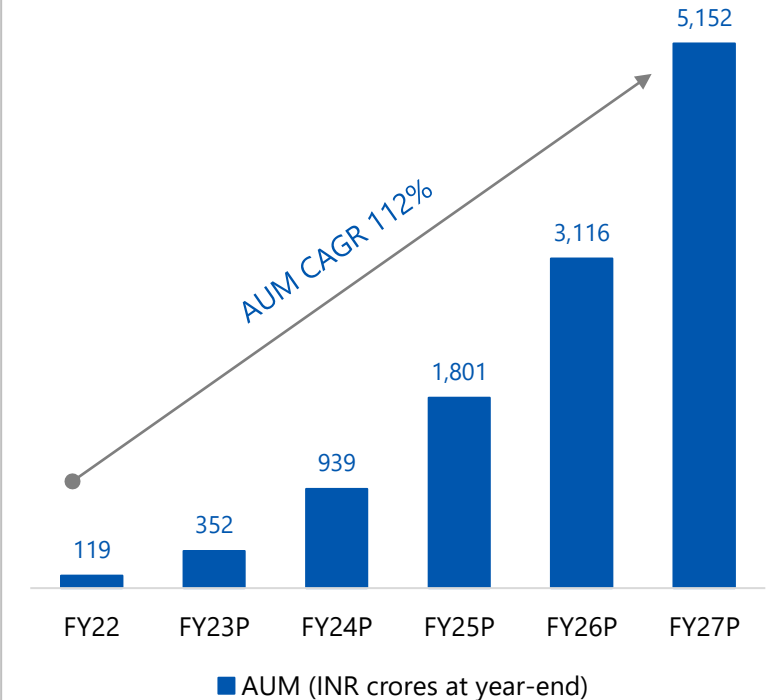
Productivity



Growth Driver 3: Product Expansion ^

Potential to conservatively grow Loan Book to INR 5,152 crore (43x by FY27, CAGR of 112%*)

AUM Growth



*Closest peer grew AUM by 93% in FY16-22 despite a rundown in Q1FY22 due to COVID

^ Secured lending product from Q1 FY23. Multiple products expansion in future offer huge growth potential.



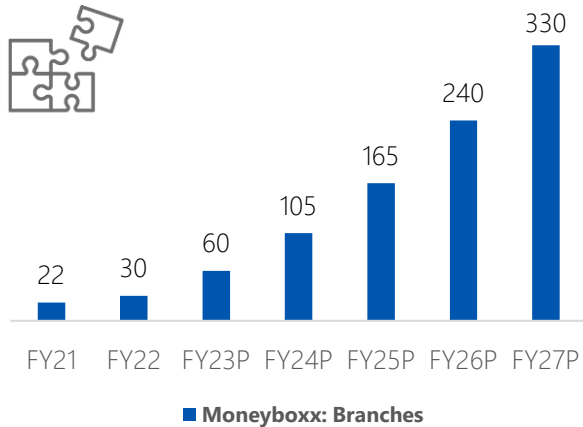
Business Plan Summary

Moneyboxx Finance Limited	FY20	FY21	FY22	FY23P	FY24P	FY25P	FY26P	FY27P
Business & Operations								
Branches	11	22	30	60	105	165	240	330
AUM (₹ crore)	29	62	119	352	939	1,801	3,116	5,152
Fund Raise								
Equity (₹ crore)	11.6	-	14.4	58.5	130.1	240.0	-	360.0
Debt (₹ crore)	17.5	41.5	90.0	218.7	547.3	865.7	1,920.4	2,746.2
Key Financial								
Total Income (₹ crore)	4.1	11.0	23.3	49.7	156.5	352.0	640.2	1,083.8
PAT (₹ crore)	-3.5	-3.0	-3.7	-6.6	27.7	87.9	178.6	331.1
Net Worth (₹ crore)	27.1	24.2	34.5	86.4	244.2	572.0	750.6	1,441.8
Profitability								
ROA	-10.9%	-5.0%	-3.5%	-3.5%	5.3%	7.5%	8.3%	8.9%
ROE	-15.4%	-11.6%	-12.7%	-12.5%	15.1%	20.2%	27.8%	28.8%
Capital Adequacy								
CRAR %	93.65%	38.05%	30.59%	31.75%	33.46%	41.10%	30.42%	34.12%
Leverage (TOL/NOF)	0.67	2.10	3.43	2.81	2.50	1.83	2.85	2.42



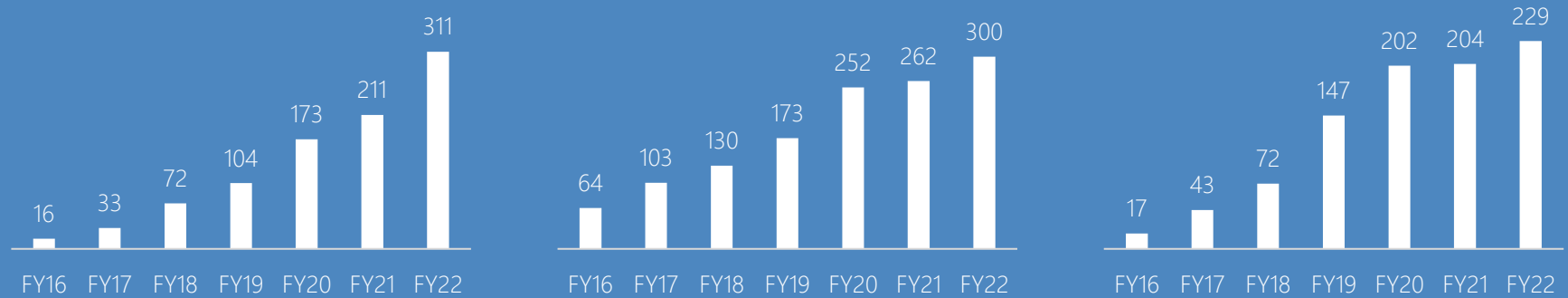
Strong AUM growth of close peers validate demand potential and scalability of the model

Moneyboxx: Scalable, asset-light model



Scale can be achieved even faster by Moneyboxx with right amount of investments

Peers: Rapid expansion of operations by peers despite COVID validates scalability of the model

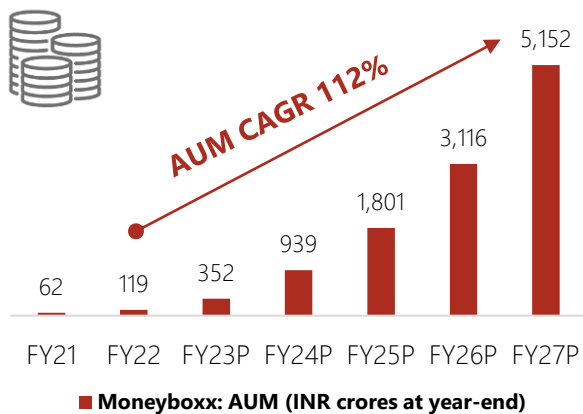


Aye Finance (Branches)

Five Star (Branches)

Veritas Finance (Branches)

Moneyboxx: High AUM growth potential



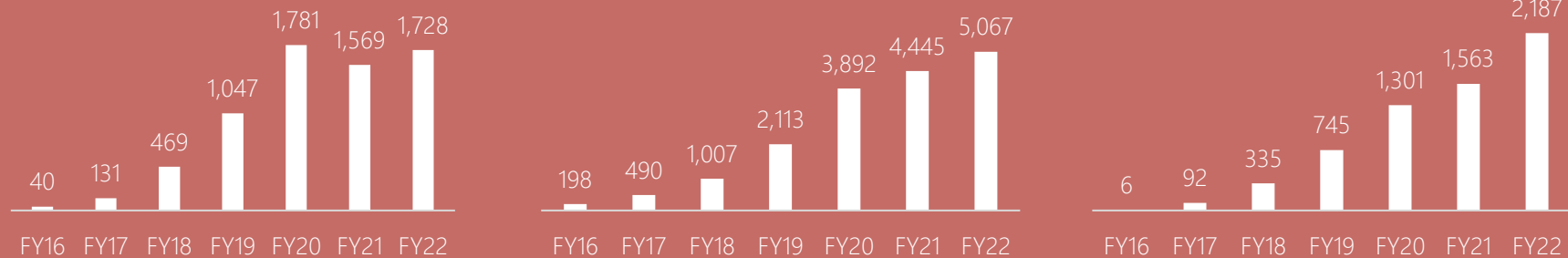
With adequate Equity & Banking partnerships, ₹5,000+ crore AUM is achievable by FY27

Peers: Robust AUM growth of peers till FY20, moderated in FY21 due to COVID, now expected to rebound

Aye Finance: AUM CAGR 87%
(FY16-FY22)

Five Star: AUM CAGR 72%
(FY16-FY22)

Veritas Finance: AUM CAGR 88%
(FY17-FY22)



Aye Finance (AUM ₹ crore)

Five Star (AUM ₹ crore)

Veritas Finance (AUM ₹ crore)



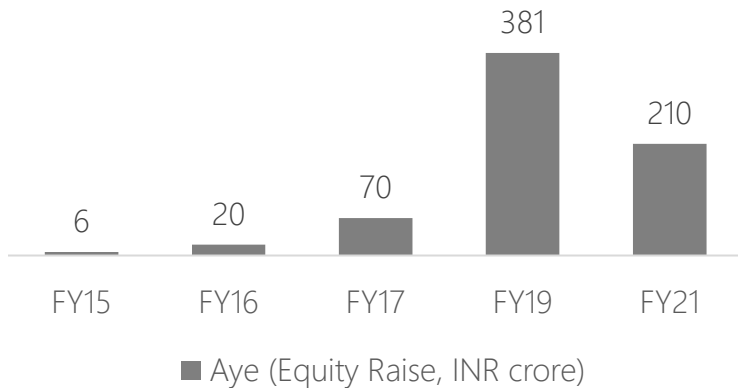
Space well recognised by Investors

Sector has attracted leading global and local Investors signifying huge possibilities

Funds raised by Peers

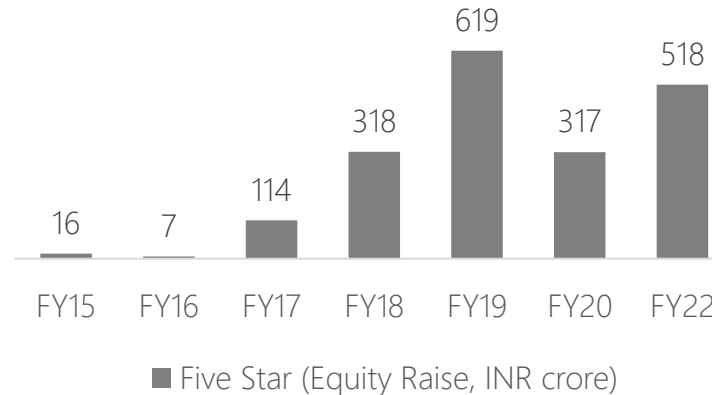
Total: INR 687 crores

AYE [आय]



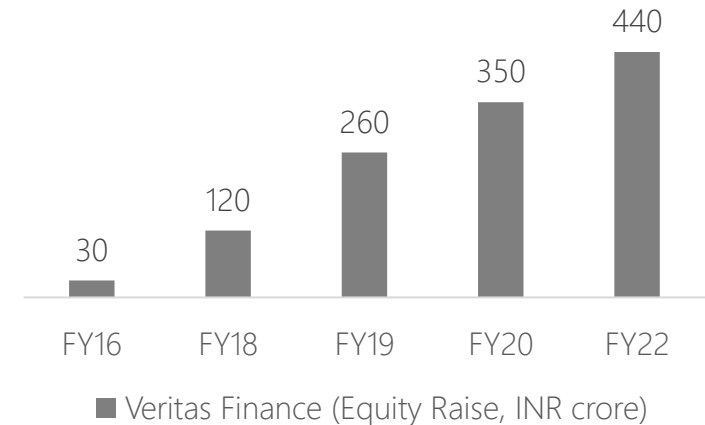
Total: INR 1,900+ crores

FIVE STAR
Business Finance Limited



Total: INR 1,200 crores

VERITAS
FINANCE



Main Investors

Aye Finance – 62.0% CAGR (Nov'16 – Jul'20)

5.8x Returns in 3.6 years

- + CapitalG (Google)
- + Falcon Edge
- + MAJ Invest Financial Inclusion Fund
- + LGT Capital Invest
- + Elevation Capital
- + Accion Africa-Asia Investment Co.

Five Star – 53.4% CAGR (Apr'16 – Feb'23)

18x Returns in 6.8 years

- + KKR
- + TPG Asia
- + TVS Capital
- + Norwest Venture Partners
- + Sequoia Capital
- + Morgan Stanley
- + Matrix Partners

Veritas – 55.7% CAGR (May'17 – Oct'21)

7.1x Returns in 4.4 years

- + Kedaara Capital
- + Norwest Venture Partners
- + CDC Group plc
- + Lok Capital
- + Sarva Capital
- + Caspian Impact



Investment Rationale

1

Huge & Growing market

Credit gap of INR 8 trillion for Micro enterprises

2

High revenue growth

Potential to grow AUM at 100%+ growth rate for next several years

3

Lending for essential products & services

Focus on Livestock+, Kirana and other essentials

4

Asset-light, Tech-driven model

Solid branch unit economics with low capex and fast break-even

5

Diversification

Portfolio spread across regions, sectors and borrowers

9

Strong Underwriting

Analysis of 50+ data points, leveraging technology & human connect

8

Franchise Value

Consumer-facing business with potential to introduce multiple products & change lives

7

High Entry Barriers

"Feet-on-the-ground" model fortified with Data Analytics

6

Direct-to-customer

No DSA model. Direct connect results in long-term relationship

10

Robust Asset Quality

Excellent cumulative collection of 98.1% and low 90+ PAR of 0.69% of AUM on Sep'22

11

Experienced Management

Proven track record of the management in the finance industry

12

Strong governance

High-profile, learned & reputed Independent Directors

13

Validation by lenders

23 Lenders including SBI, IDFC First Bank, DCB Bank, AU Small Finance Bank, Vivriti, Caspian Global Impact Fund and UC Inclusive Credit

18

Impact Investing

Moneyboxx driving financial inclusion and boosting customer's income generation. Multiple impact initiatives under pipeline

17

SOLID earnings growth

Scale, operating leverage and declining borrowing cost to ensure very high CAGR in earnings

16

High incremental ROE

Management, IT systems, processes already in place, incremental capital to generate high RoE

15

High Return on equity

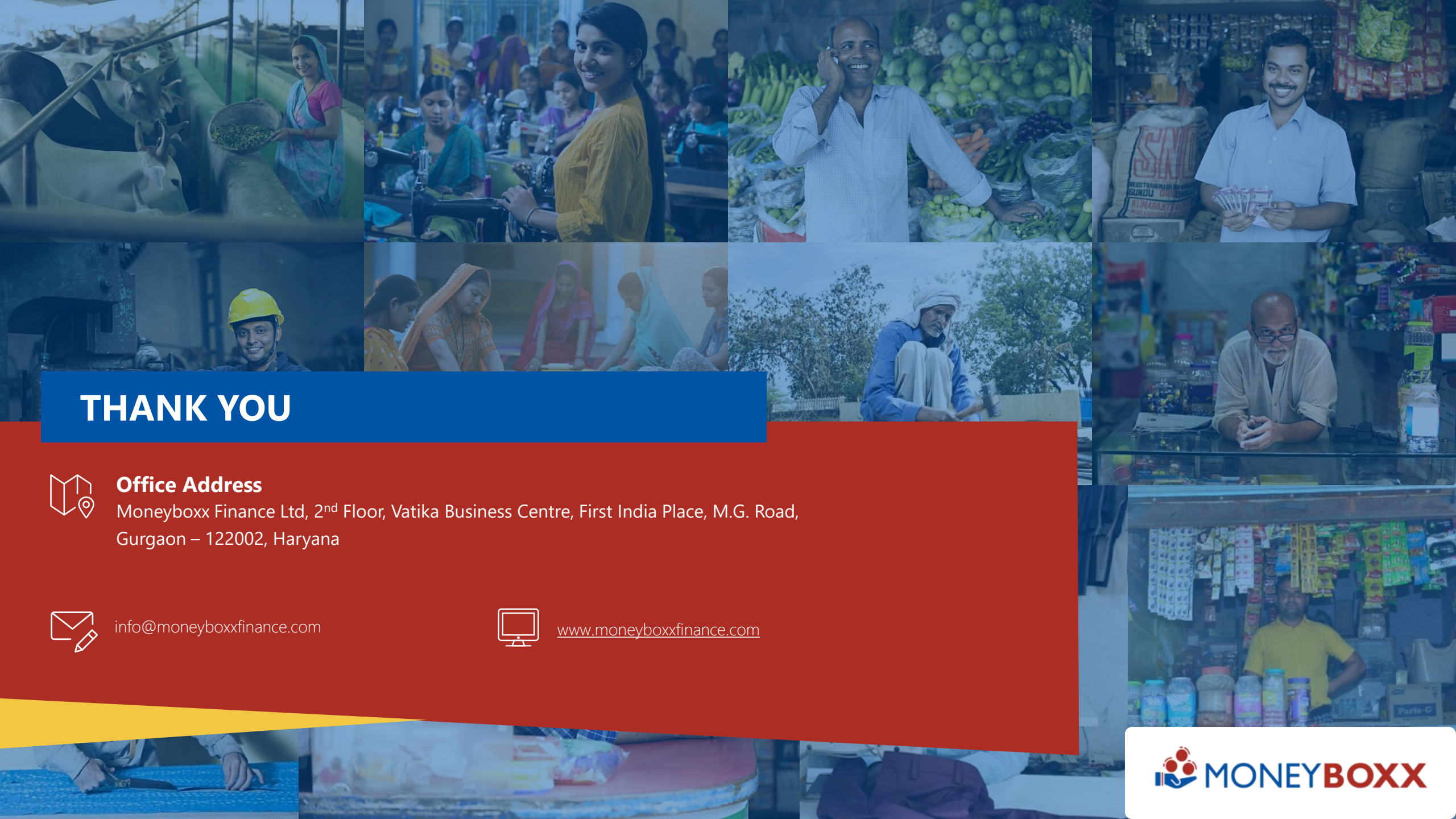
Comfortable 20-25% ROE potential with very high growth

14

Quality of Earnings

Actual cash generation always higher than reported earnings due to Ind-AS application





THANK YOU



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