

Date: **23rd May, 2024**

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
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 financial year ended 31st March, 2024**

Dear Sir/Madam,

This is in continuation of the Company's earlier communication dated 21st May, 2024, with regard to a conference call for Investors/Analysts with senior management team, scheduled to be held on Friday 24th May, 2024 at 12:00 Noon.

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 made 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 TECHNOLOGIES LIMITED
FY24 Investor Presentation



Table of Contents



1	Spice Money: Journey
2	Spice Money: Key Business Update
3	Spice Money: Services Update
4	Spice Money: Financial Highlights
5	Consolidated Financial Highlights

Key Highlights

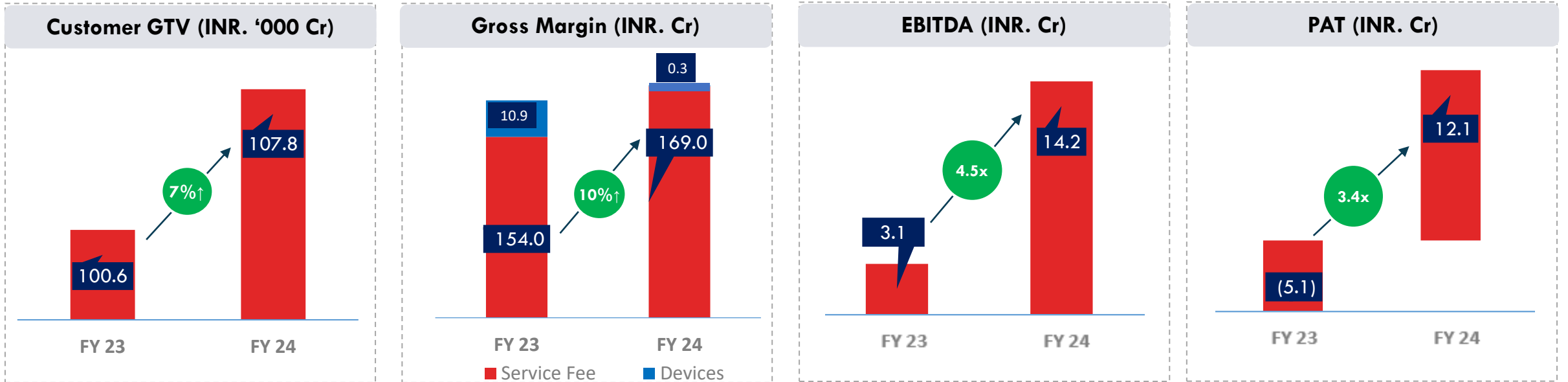
- **14 Lakh Merchants (Spice Money Adhikaris) Onboarded to date**
Robust, dense, reliable on-ground network pan India
- **4 Lakh Merchants Transacting Monthly**
- **1.08 Lakh Cr Customer GTV**
GTV from FY 24, with 49% CAGR since FY20
- **95% Pincode presence**
With 6000+ Blocks and 2.4Lakh+ villages covered
- **Financial Services++ for emerging India**
Market Leader in AePS (Off-Us Industry with close to 18% Market Share)
with wide range of offerings in Utility Payments, Loan Repayment, CASA & Credit
- **Product Partnerships**
Deep Partnerships with reputed Financial Institutions with product co-creation and go to market for Emerging India
- **Tech & Data Advantage**
Developed stable tech platform with proprietary Data access and IP created



Strategic Vision

- Consolidate share of core assisted payments industry and maintain market leadership. Double down on operating leverage in core business.
- Use our Network, distributor channels, tech platform to bring strategic products like savings and Investment products to market with right set of partners.
- Enter Lending business through strategic NBFC acquisition to create own credit products for captive Adhikari base and adjacent merchant base.
- Strategically use our PPI license to develop UPI based propositions for merchants and consumers addressing the presence of large number of inoperative bank accounts in our target markets.

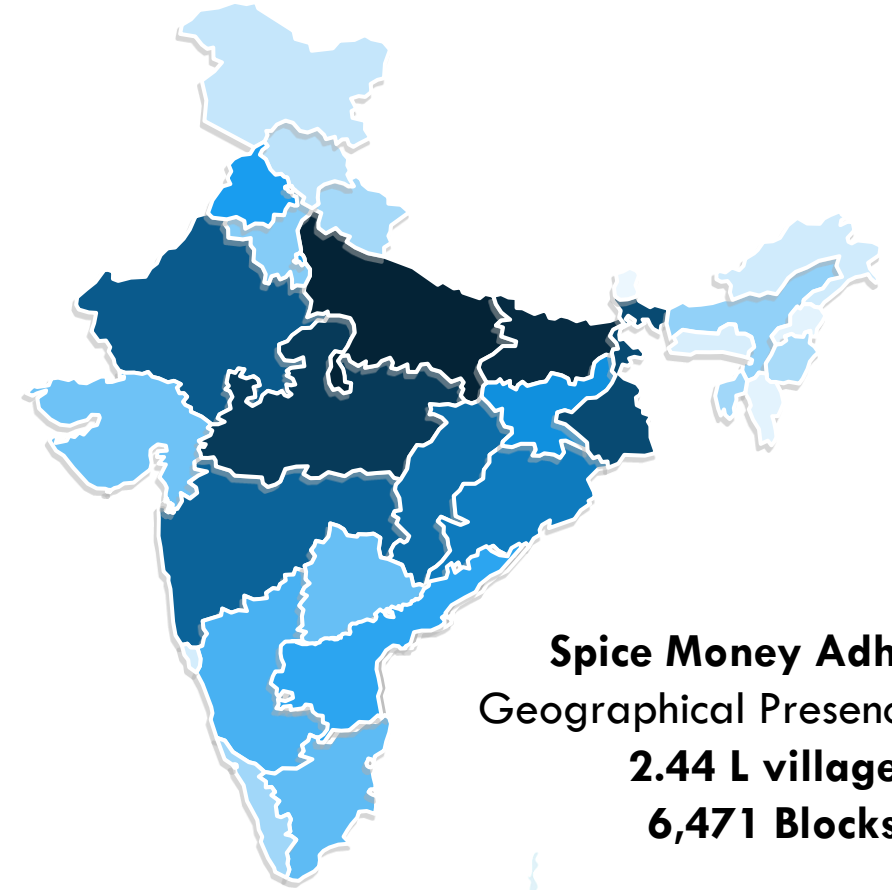
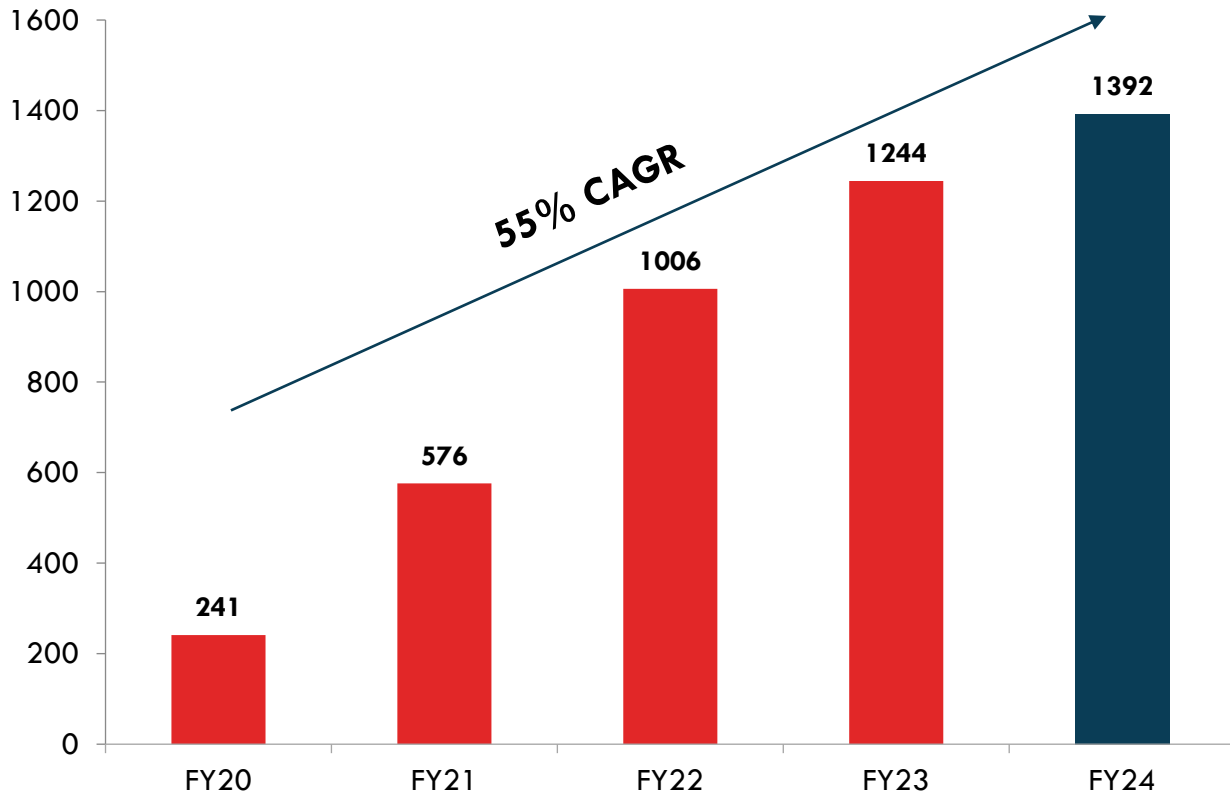
Executive Summary



- **Robust Financial performance-** EBITDA higher by 4.5x Y-o-Y basis & PAT higher by 3.4x Y-o-Y basis.
- Headwinds in AEPS Business has led to a flat Y-o-Y GTV & GM but Collections from CMS and BBPS have been on growth trajectory showing 54% and 90% Y-o-Y GTV growth respectively.
- New Businesses around Banking & Lending demonstrating underlying demand within the markets we are present in. Close to 3.5 lakh Accounts opened to date having balances close to ~125 Crs & nearly 107K Loans disbursed to date.
- In Q1'24, decision taken to exit Digital Technology Services Segment (now referred to as “Discontinued Operations” in our Financial Results).

Spice Money Adhikari - Growing Network

Spice Money Adhikaris ('000)

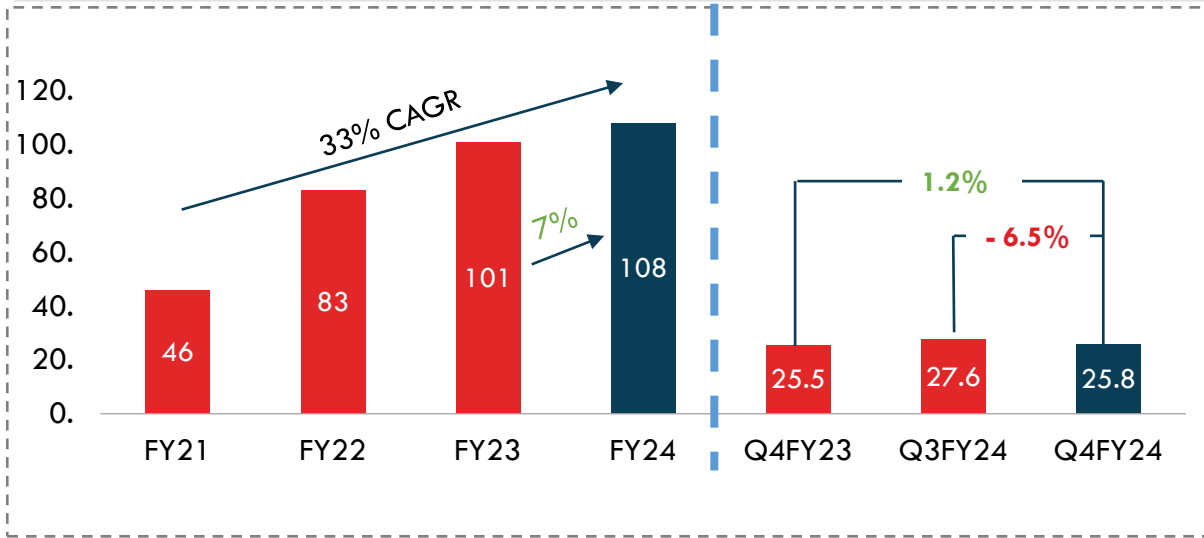


Strong presence

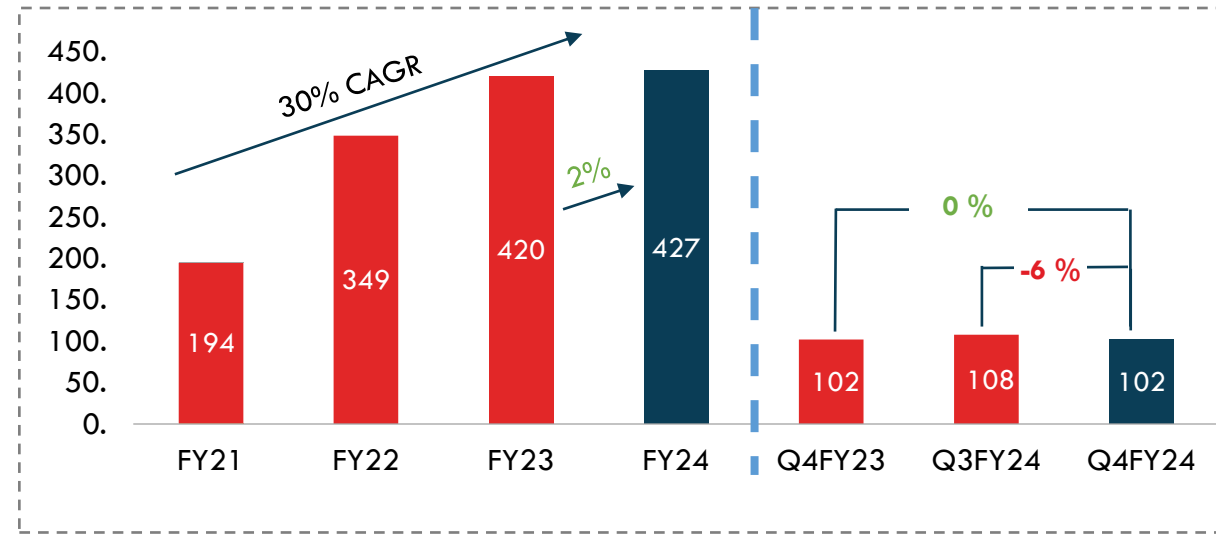
Growing opportunity

Spice Money – Key Business Update

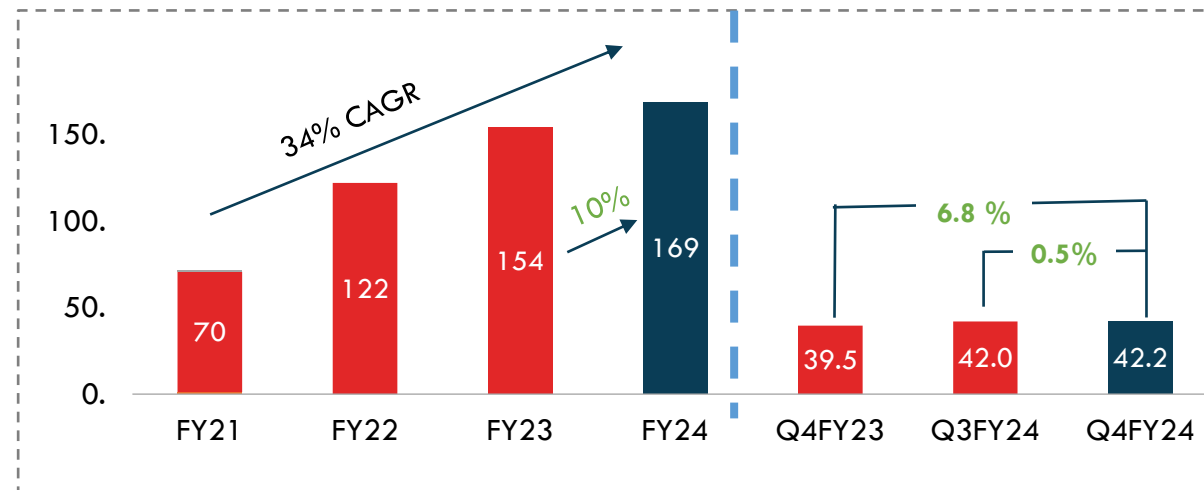
Customer Gross Transaction Value (INR. '000 Cr)



Spice Money Service Fee Revenue (INR Cr)

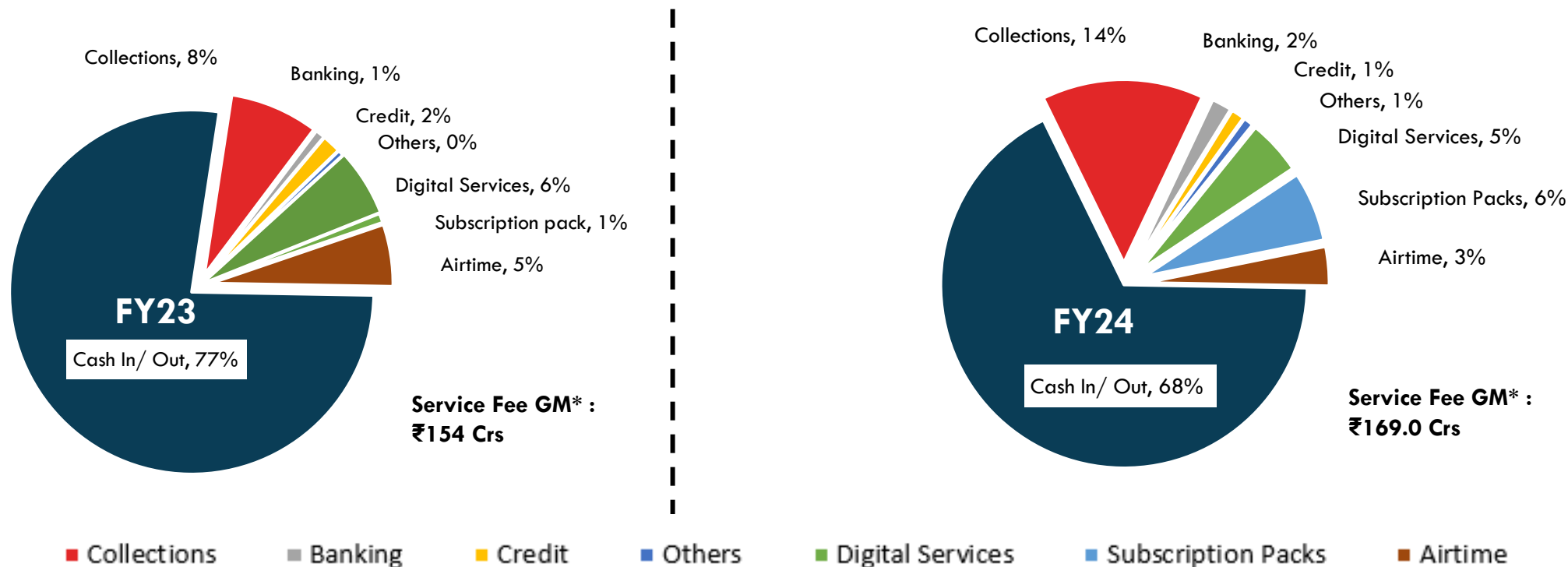


Spice Money Service Fee GM (INR Cr)



All numbers are rounded off and growth percentages are calculated on absolute numbers

Portfolio Diversification - Cash-out to Multi-product business



*Service fees GM excludes GM contribution from devices for both periods.

- Gross margin of Cash in/out contribution has decreased from 77% to 68% of the overall business.
- **Collections & Banking** contribution to GM has increased from 8% to **14%** & 1% to **2%** respectively.
- **Increased contribution of Subscription packs** GM in FY24 which is contributing **6% to overall GM.**

All numbers are rounded off and growth percentages are calculated on absolute numbers

Spice Money – Key Services Update- AEPS

Industry Metrics	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23	Q-o-Q Change %	Y-o-Y Change %	FY24 vs FY23
Industry GTV (Off- Us)(In Crs.)	71,198	78,942	81,977	314,000	333,620	-9.8%	-13.2%	-5.9%
SM GTV (In Crs.)	12,483	13,663	14,096	54,460	57,220	-8.6%	-11.4%	-4.8%
Ticket Size	2,456	2,438	2,534	2,464	2,484	0.7%	-3.1%	-0.8%
Market Share %	17.53%	17.31%	17.20%	17.34%	17.15%	22bps	33bps	19bps

Transaction Metrics	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23	Q-o-Q Change %	Y-o-Y Change %	FY24 vs FY23
Transactions Attempted (in Crs)	7.91	9.38	8.89	34.64	36.70	-15.6%	-11.0%	-5.6%
Transactions Success (in Crs)	5.08	5.60	5.56	22.09	23.03	-9.3%	-8.6%	-4.1%
Success Ratio	64.2%	59.7%	62.5%	63.8%	62.8%			
Total transacting customers (in Crs)	4.22	4.42	4.59	11.52	12.38	-4.5%	-8.1%	-6.9%

SMA Metrics	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23	Q-o-Q Change %	Y-o-Y Change %	FY24 vs FY23
Large AEPS SMAs- GTV	5582	6638	6,876	30,777	32,993	-15.9%	-18.8%	-6.7%
Medium AEPS SMAs- GTV	5,424	5,593	5,644	19,956	20,265	-3.0%	-3.9%	-1.5%
Small AEPS SMAs- GTV	1,374	1,431	1,575	3,732	3,965	-3.9%	-12.8%	-5.9%
AEPS GTV in Top 3 states	6,720	7,367	7,401	28,766	30,209	-8.8%	-9.2%	-4.8%
AEPS GTV in remaining States	5,763	6,295	6,695	25,694	27,011	-8.5%	-13.9%	-4.9%

Industry

- There have been major ecosystem changes w.r.t to **implementation of 2FA** for fraud prevention and **Issuer banks placing various checks**.
- Hence, Off-Us Industry has seen de-growth by 6% in FY24 vs FY 23 while Spice Money's de-growth is lower than Industry.

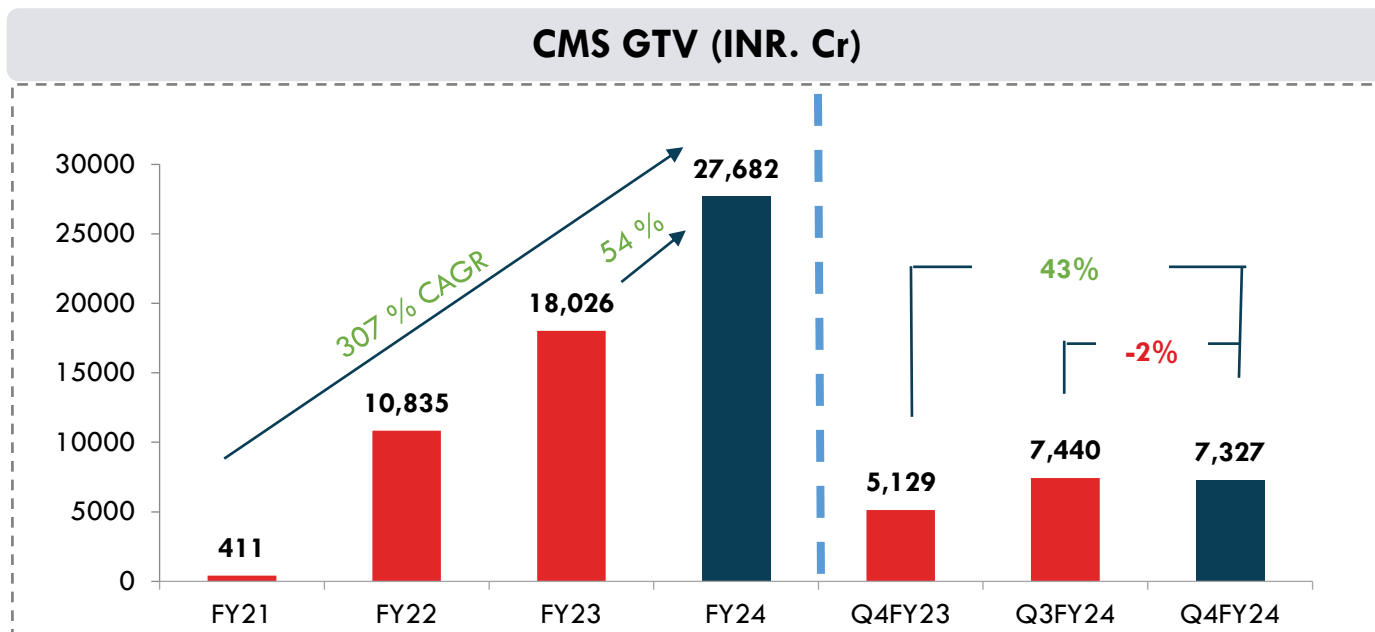
Transactions

- Transaction limits put in place by issuer banks has had an impact on overall reduction in transaction volume.

SMAs

- Major drop is in Large SMA GTV by **16%** due to lower transactions at high footfall counters due to **2FA**.

Spice Money – Key Services Update- CMS

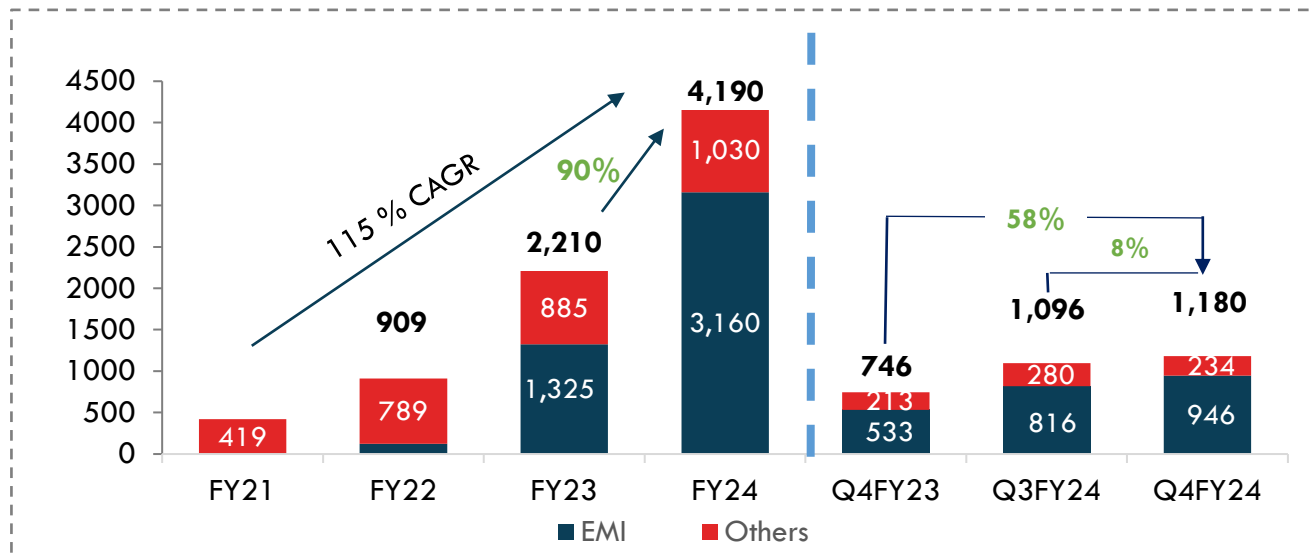


Particulars	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23	Q-o-Q	Y-o-Y	FY24 vs FY23
#Large CMS SMAs (>30 Lakhs in a Qtr.)	3,517	3,574	2,855	7300	6355	-1.6%	23.2%	14.9%
GTV of Large CMS SMAs	6,575	6,716	4,422	24,256	16,639	-2.1%	48.7%	45.8%
Total GTV	7,327	7,440	5,129	27,682	18,026	-1.5%	42.9%	53.6%
# Transacting Enterprises	63	61	61	63	61	2	2	2

- No. of Large CMS SMAs who have >30 Lacs GTV/Quarter has **increased by more than 23% Y-o-Y**. The business contributed by them has also **Increased by 49% Y-o-Y**.
- Compared on Q-o-Q basis we can see the degrowth in CMS GTV, which is majorly due to higher logistics demand during the **Diwali season in the previous quarter**.
- Large CMS SMAs contribute to over 90% of the total CMS GTV. There has been an increase by ~ 650 Large CMS counters Y-o-Y.
- Significant demand headroom available with existing transacting enterprises.
- Focus to grow more enterprises to tap larger opportunity.

Spice Money – Key Services Update- BBPS

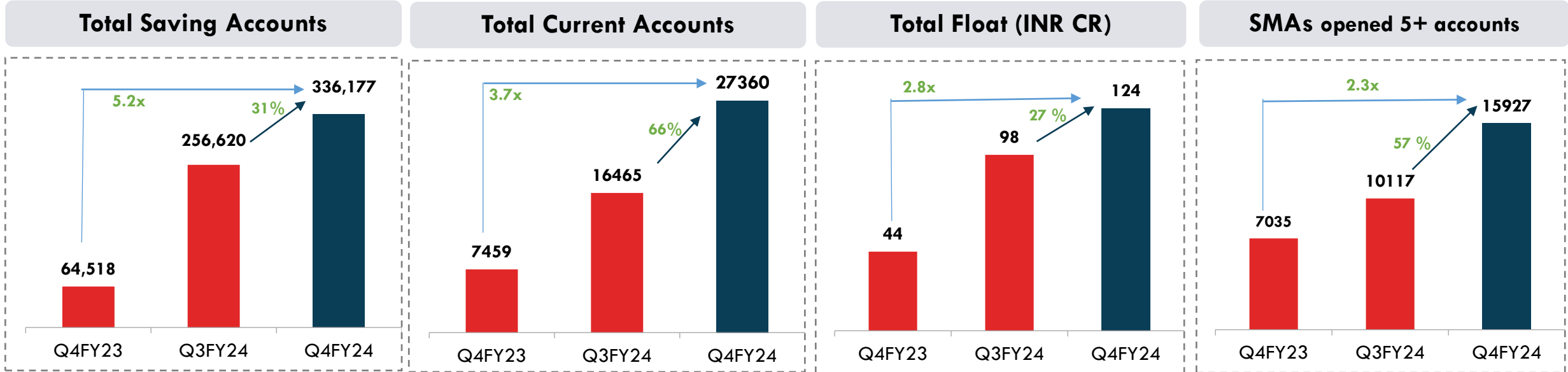
Bill Payment GTV (INR. Cr)



- Loan Repayment- EMI main driver for BBPS Growth.
- BBPS collection centres are deeper in rural areas & smaller in size as compared to CMS. Hence, gradual shift of CMS customers towards BBPS, which is helping business to earn surplus GM (**Margin % higher in BBPS than CMS**).
- ~**147 Lenders** live for loan EMI payments on BBPS Platform.
- **1.7x** growth Y-o-Y in **Unique Customer** Accounts, **1.6x** growth Y-o-Y in **Repeat customer** Accounts & **1.3x** growth Y-o-Y in **Average Ticket Size**.

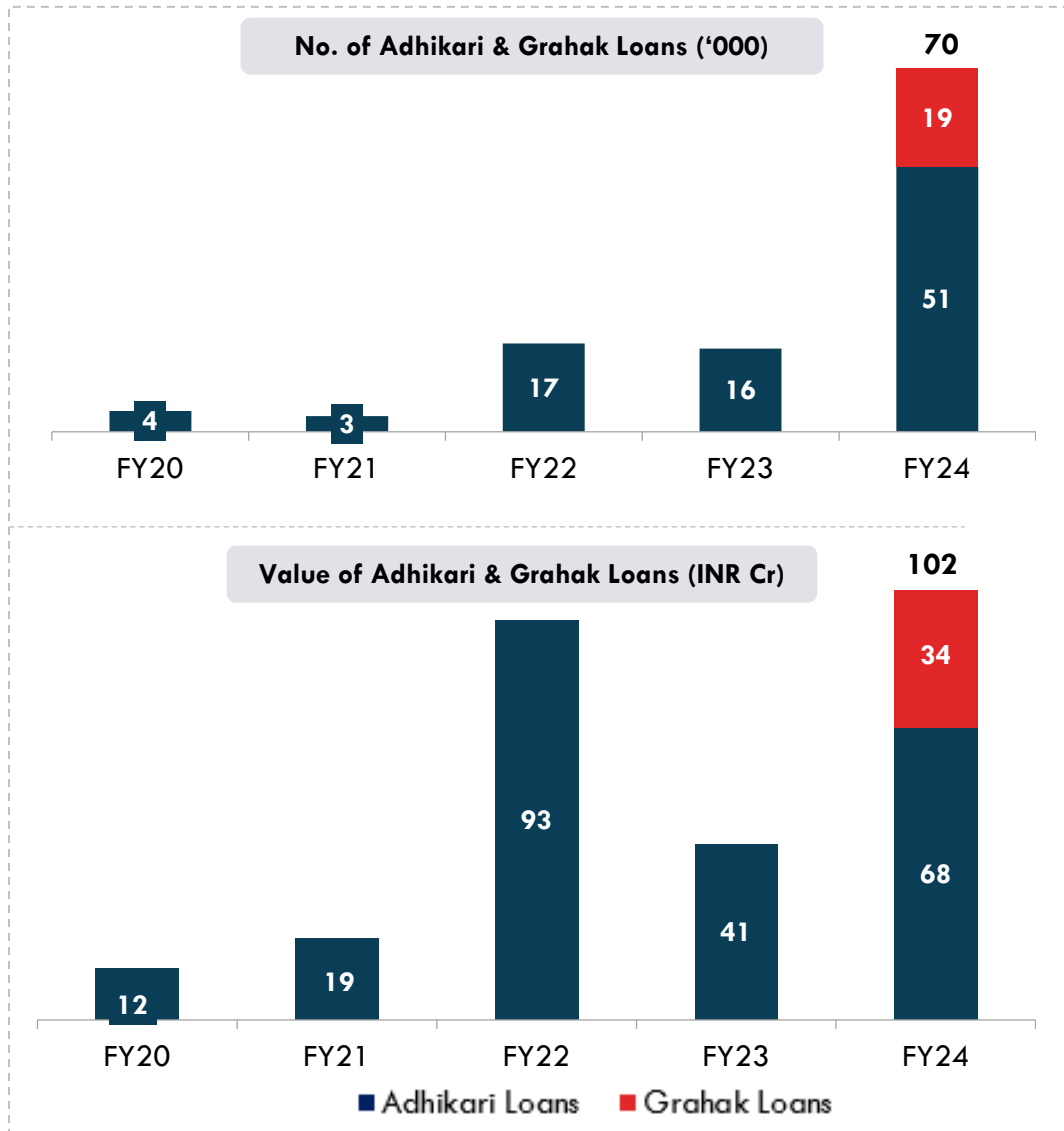
Particulars	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23	Q-o-Q	Y-o-Y	FY24 vs FY23
Total Unique Customer Accounts (in Lakhs)	19.50	16.25	11.74	97.14	71.78	20%	66%	35%
Total Repeat customer Accounts (in Lakhs)	9.79	9.21	6.24	33.37	19.81	6%	57%	68%
% of Repeat Customer Accounts to Total Base	50%	57%	53%	34%	28%	-7%	-3%	6%
Avg. ticket size	1,832	1,788	1,444	1,718	1,276	2%	27%	35%

Spice Money – Key Services Update- CASA (Lifetime)



*Float amount is only available for AXIS

- CASA live with **37K+ Adhikari's** (~3% of total Adhikari base).
- **CASA launched with NSDL payments bank in Oct'23 through which we have opened >70K CASA accounts till date.**
- There has been a constant growth in Current Account and Saving Accounts opening leading to 2.8x growth in Float balances.
- SMAs opening 5+ accounts (lifetime) have crossed 15K showing a **2.3 times** growth Y-o-Y & **57% growth** Q-o-Q.
- Healthy Average bank balances (ABB) maintained in accounts opened to date.



Our Key Learnings

- Credit demand is inherently built into the small merchant network of adhikaris.
- Merchants prefer digital application, customized products with friendly repayment mechanisms for higher take-up rates.
- Varied growth of credit of 5 years is seen due to dependence on lenders, continuity of their products, changing policies and supply of capital. Demand has remained consistent.
- Big differentiators on running successful products in marketplace:
 - Ability of contribute to risk assessment (on merchants) using platform data.
 - Ability to help in collection with platform and on the ground presence.
- Sourcing loans for Grahak has seen success within limited product offerings (like Gold loan).

Enter the Lending Business directly through strategic NBFC acquisition

The Opportunity

Tap into large Captive and adjacent demand pool

- Opportunity to create more business-friendly loan products in terms of amount, tenure, rate and repayment terms.
- Very few NBFCs catering to small businesses in Emerging India with Physical + Digital model. Opportunity to create a viable business in this space.
- Ecosystem enablers for small business loans – like Account aggregators and Udyam aadhaar gaining maturity and adoption.

Our differentiators

- **Product innovation:** Insights from running credit marketplace helping us create right product fitment for the specific merchant segment.
- **Proximity to borrowers:** Dense geographic presence and Hyper local connect to merchants with our extensive partner network. Enabling unique advantages in sourcing and appraisal.
- **Enhanced risk management :** By making use of novel credit scorecards, local intelligence, low friction repayment modes and developing own collection mechanism.

Spice Money – Financial Highlights

Particulars (Rs. Crs)	FY20	FY21	FY22	FY23	FY24	FY20-FY23	Growth	Q4FY23	Q3FY24	Q4FY24	Growth	Growth
						CAGR	Y-oY				Q-o-Q	Y-o-Y
Customer GTV (A)	22,155	46,178	83,513	100,602	107,818	49%	7%	25,505	27,575	25,801	-6%	1%
Revenue **	116	221	366	432	439			107	110	106		
- Service Fees (B)	100	194	349	410	427	44%	4%	102	108	102	-6%	0%
- Subscription/Device	15	27	17	22	12			5.1	2.5	3.9		
Gross Margin	44	79	127	165	169			42	42	42		
- Service Fees (C)	30	70	122	154	169	54%	10%	39	42	42	0%	7%
- Subscription/Device	14	10	5	11	0			3	0	0		
Indirect Cost	35	59	105	155	148			37	38	34		
EBITDA	8.7	20.6	22.5	10.2	21.7			5.0	4.3	8.8	103%	76%
Depreciation	8.2	10.3	11.6	20.1	5.5			6.2	0.6	3.7		
EBIT (incl. interest income)	1.8	15.6	20.3	2.0	35.9			2.0	8.7	10.9	26%	
PAT	1.9	10.7	11.9	-5.7	13.1			-4.1	4.2	5.9	40%	
Service Fee Revenue on Customer GTV (B/A)	0.45%	0.42%	0.42%	0.41%	0.40%			0.40%	0.39%	0.40%		
Service Fee GM on Customer GTV (C/A)	0.13%	0.15%	0.15%	0.15%	0.16%			0.15%	0.15%	0.16%		
Service Fee GM on Service Fee Revenue (C/B)	30%	36%	35%	38%	40%			39%	39%	41%		

There has been growth in all financial KPIs in FY 24 vs FY 23. Driving operating leverage through gross margin growth and cost efficiency.

** Revenue(transaction value) for airtime was of pass-through nature hence we have netted off the direct cost & shown net income under revenue.

All numbers are rounded off and growth percentages are calculated on absolute numbers

Consolidated – Financial Highlights

Particulars (Rs. Crs)	Q4FY23	Q3FY24	Q4FY24	Growth		12 months ended		Growth Y-o-Y
				Q-o-Q	Y-o-Y	FY23	FY24	
1. Revenue	107	110	106			432	439	
a.) Spice Money	107	110	106	-4%	-1%	432	439	2%
b.) Others	-	-	-			-	-	
2. Gross Margin	42	42	42			165	169	
a.) Spice Money	42	42	42	1%	0%	165	169	3%
b.) Others	-	-	-			-	-	
3. Indirect Costs	39.6	39.5	36.0			161.7	155.1	
a.) Spice Money	37.4	37.6	33.6	-11%	-10%	154.6	147.6	-5%
b.) Others	2.2	1.9	2.5			7.1	7.5	
4. EBITDA	2.8	2.4	6.3	160%	126%	3.1	14.2	353%
a.) Spice Money	5.0	4.3	8.8			10.2	21.7	
b.) Others	-2.2	-1.9	-2.5			-7.1	-7.5	
5. EBIT (after other income & dep.)	1.2	7.5	9.0	20%		0.6	34.1	5607%
a.) Spice Money	2.0	8.7	10.9			2.0	35.9	
b.) Others	-0.8	-1.2	-1.9			-1.4	-1.8	
6. PAT (Continued)	-4.3	3.6	4.1	15%		-5.1	12.1	136%
a.) Spice Money	-4.1	4.2	5.9			-5.7	13.1	
b.) Others	-0.2	-0.7	-1.9			0.6	-1.4	
7. Extra-Ordinary Gain *	-	-	37.8			-	37.8	
8. PAT (Discontinued)	2.5	-5.3	-4.3			-16.5	-38.1	
9. Total PAT	-1.8	-1.7	37.5			-21.6	11.8	

* During the quarter ended 31 March 2024, subsidiary of the Company has invested an additional amount of Rs. 0.35 Crs via right issue in DigiAsia Bios Pte. Ltd. The fair value of investment as at 31 March 2024 is determined based on the right issue price. The original investment of Rs. 17.12 Crs was earlier being carried at Nil fair value and accordingly, a gain of Rs. 37.80 Crs has been recorded in books of accounts for the quarter ended 31 March 2024.

It's an unrealized gain recognized in the books of accounts, in conformity with Ind-AS.

Discontinued operations Summary

Particulars (Rs. Crs)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24
Total Income	11.5	12.7	6.2	9.9	40.2
Total Expenses	12.6	19.6	11.3	12.8	56.3
-Direct Cost	6.0	9.7	8.1	7.4	31.3
-Indirect Cost	6.1	8.5	2.1	4.2	20.9
-Depreciation	0.4	1.4	1.2	1.1	4.1
Operating profit	(1.1)	(7.0)	(5.1)	(2.9)	(16.1)
Exceptional Item*	6.5	(0.0)	(0.0)	0.1	6.5
Profit/(loss) before tax during the periods	(7.6)	(6.9)	(5.1)	(3.0)	(22.6)
Tax Expense**	13.5	0.5	0.1	1.4	15.5
Profit/(loss) after tax during the periods	(21.1)	(7.4)	(5.3)	(4.3)	(38.1)

*Exceptional item in Q1-FY'24 includes Rs. 5.14 Crs of goodwill impairment & Rs. 1.35 Crs of loss on disposal of subsidiary.

**Tax expense in Q1-FY'24 includes Rs.13.43 Crs Deferred tax assets write off.

Thank You

DiGiSPICE

For further queries
please contact:

Sanjyot Baviskar
Adfactors PR



+91 8879 269 297



sanjyot.baviskar@adfactorspr.com