



WSFx Global Pay Limited
Formerly known as "Wall Street Finance Ltd."

Unit 622, 6th Floor, The Summit
Business Bay - Omkar, M.V. Road,
Opp. PVR Cinema, Chakala,
Andheri (East), Mumbai - 400 093.
CIN No. L99999MH1986PLC039660

Date: 31st January 2024

To,
The Manager,
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Subject: Disclosure u/r 30 of SEBI (Listing Obligation & Disclosure Requirement)
Regulations 2015- Transcript of earning conference call

Scrip ID: WAFX

Scrip Code: 511147

Dear Sir/ Madam,

We are enclosing the copy of transcript of the Earnings Conference Call held on Monday, 29th January 2024 for the business updates of the Company. The same is also available on the website of the Company www.wsfx.in.

You are requested to take the same on your record.

Thanking You,

Yours faithfully,

For WAFX Global Pay Limited)
(Formerly known as Wall Street Finance Limited)

Khushboo Doshi
Company Secretary & Compliance Officer

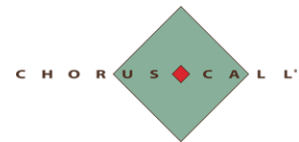
Encl: As above



“WSFx Global Pay Limited

Investor Conference Call”

January 29, 2024



**MANAGEMENT: MR. SRIKRISHNA NARASIMHAN – CHIEF EXECUTIVE
OFFICER AND WHOLE TIME DIRECTOR – WSFX
GLOBAL PAY LIMITED
Ms. POOJA MISHRA – CHIEF FINANCIAL OFFICER –
WSFX GLOBAL PAY LIMITED**



Moderator:

Ladies and gentlemen, good evening, and welcome to the Investors Conference Call of WSFx Global Pay Limited, formerly known as Wall Street Finance Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

Material and information in this conference call is general background about the company's activities as of the date of this presentation. Information in this presentation should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities and does not take into account your particular investment objectives, financial situation or needs. This information is given in summary form and does not purport to be complete.

I now hand the conference over to Mr. Srikrishna Narasimhan, CEO and Whole Time Director; and Ms. Pooja Mishra, Chief Financial Officer. Thank you, and over to you.

Srikrishna Narasimhan:

Yes. Thank you. Good evening, everyone. This is Srikrishna here, CEO of the company; along with Pooja Mishra, CFO of the company. And it's a great pleasure to connect once again with our investors and present WSFx' business update for the quarter and also overall strategic direction the company is taking.

So I'll start with a small presentation of the company. We already uploaded the presentation on the company's website as well as the BSE website. Now over to the presentation. In the first slide, we talk -- we give a brief about the company, what its activity is and what we are doing. So today, we are proud to say Wall Street -- we can say Wall Street Global Pay is a regulated fintech. We are an RBI authorized AD Category II. We are 30-plus years old company. We are listed in BSE. We are also an ISO 27001 Certified company.

From a product perspective, we deal in foreign currency, prepaid forex cards and cross-border remittance services, which we do in association with a number of leading banks, India Banks like Yes Bank, ICICI, HDFC, IDFC, etcetera. We have a network of around 19 branches across India, and we have a 300-plus strong team.

So from a digital perspective, we have -- we go to the next slide, where we talk a little bit about the digital solutions, which we have. Over the last 4, 5 years, we have taken a conscious strategic direction towards digital and we have built platforms for all segments of our customers. So we have a platform for our corporate customers, we have a platform for our agent partners, we have a platform for our retail customers.

So today, you can say nearly 40% to 45% of the company's business gets routed through the platform and through various automation, which the company has done with their agent partners. We also have our Bin sponsored card called WSFx Smart Currency Card, which is a collaboration between WSFx, Yes Bank and Visa, and we are happy to say it has found great acceptance, and we are doing good volumes in this card product.



So now if we go to the next slide, where we talk for Q3 highlights. So in general -- after a high season of Q2, Q2 is generally a high season for us because Q2 is big in terms of students. Maximum people will undertake their -- pay their fees and go during the Q2. Q3, we generally face a drop. Even in RBI LRS statistics, you would have seen a drop in LRS remittance in November. But overall, we could say that we were profitable in Q3, which is generally a lean season for us.

There are also factors like increase in TCS rates where TCS rates went from 5% to 20%. There were also Canadian visa issues, which resulted in delays in people getting visas to Canada. But overall, despite all these things, we were able to have a profitable Q3. So if you see from an overall revenue perspective, our growth was 53% over the previous year's Q3. So this year, the revenue from -- so now we quickly get into Q3 numbers.

The revenue from operations, we did INR17.18 crores. For the year, it was INR51.91 crores. Other income was INR43.83. For the year, it was INR1.34 crores. For the Q3, we did a PBT, profit before tax of INR56.66. And for the year, we have closed at INR3.12 crores. So you can see this is a significant growth over the previous year, both in terms of the quarter and for the 9-months period.

From a digital perspective, we have now 27,500 plus app users who have linked their cards to also transact remittances through the app. We also have multiple applications, as I earlier informed, for our various business segments, and we are seeing a gradual increase in adoption and usage of these platforms and applications.

One of the most exciting development which has come about is, from the regulatory framework, there has been a draft framework for review of authorization under FEMA released by RBI where it talks about scope of AD2 -- increase in scope of AD2.

Now there is going to be a new category of player called forex correspondent, which will be similar to a banking correspondent. forex correspondent will be a correspondent who will be correspondent for the bank for the AD2, who will be allowed to do foreign exchange transactions. There is also perpetual authorization, wherein we don't have go for renewal of license every 1 year or 3 years.

And also, there is a proposal to allow trade remittance up to INR15 lakhs for AD2. Now FFMC, which is a category, have to compulsorily convert to AD2 or FXCs once their current license gets over. This regulatory changes may be coming in the next couple of months, where we see a great opportunity for us, both in terms of the increase in scope, for the first time, we can look at trade remittance as a category.

Second is in terms of expansion through this FXC model because we've already seen that UPI model has been a success for the banks. And also this perpetual authorization also helps us in terms of ease of doing because we don't have to periodically go for license renewals. So overall, it looks very positive, and this increase in scope is going to give a big boost to the business under AD2 category.



Now shifting to the next slide where we do a Q3 performance comparison. So you must have seen we have compared between Q3 result of this year and Q3 result of the previous year. You can see that at a PBT level, we have grown 66%; at the revenue level, we have grown 53%. When we compare Q3 results with Q2 of the -- Q3 with Q2, there is obviously a drop because Q2 is high season and Q3 is where students business are down. So against INR2.44 crores of PAT -- PBT last quarter, we have done a PBT of INR56.66 lakhs this quarter.

If you do a 9 months comparison, now revenue from operations for the 9-months period stands at INR51.91 crores against INR33.37 crores the previous year, which is a 56% increase. And at a PBT level, we are at INR3.12 crores for the 9-months period as against INR41.32 lakhs for the same 9-months period last year, which is a 655% increase. So overall, you can say that we have grown in all the segments. And also, we have been able to do well in the strategic segments of students and corporates.

So the next slide gives you the last 7 quarters results. And you must have seen that consistently, we have been growing. In fact, quarter-on-quarter, you must have seen the growth. Of course, the spikes will be there on obviously Q2. But overall, if you see, we are on the trajectory of growth, and we hope to continue in the same manner.

Coming to the charts. We have given you, again, a flavour of the quarter-on-quarter how things have moved. And you can see very well that this year, we've really taken the growth to a next level, both in terms of gross revenue and net revenues. From a selling and general expenditure, admin expenditure, obviously, there will be an increase because there is an increase in the business and in terms of commissions and other expenses, selling and marketing expenses.

Now over to the next slide, we talk of the growth in our prepaid cards and outward remittances, which are the 2 major products for us. You can see from the base here, which we took when we got into stand-alone forex activity, we have grown consistently after COVID and now we are at an all-time high, which you can see 978% growth over the base year in terms of Q2 and 450% in Q3. Similarly, in the outward remittance also, we have grown by 545% from the base year and 329% in Q3. So overall, we can say we have now gone into the high trajectory of growth.

Now coming back to the financial results, as I mentioned, revenue from operations is INR17.18 crores, total revenue is INR17.62 crores, expense stood at INR17.06 crores, and we had a net profit of INR56.66 crores. So this is about the financial results. And for the 9-months period, we stand at INR3.12 crores of net profit PBT.

So we come to the last slide where we talk of what is the strategic focus and plan for the company. We have been pretty consistent that we want to go digital, and we have built solutions and we are happy to say adoptions are also happening at a faster rate. So we have a platform for corporates, a platform for agents. We are also working on a solution for students. We are also working on forex card issuance. So multiple areas we are working on, which we hope to scale up for launch in the next few quarters.

The development of FXCs will also add to one of the growth areas for the company. And we can happily say because of our investment in digital we do have the capacity, capability and the



digital framework to expand to this FXC arrangement. So our idea is to be asset-light, scalable, efficient and build innovative forex and payment tech products and bring value to the stakeholders.

So with this, I come to the end of the presentation. I would like to thank everyone for their time. I would now like to hand over the conference to the moderator.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Aniket Gadda who is an individual investor.

Aniket Gadda: My first question is the receivable days is around 6 months. If you could explain the reasoning for it? The receivable days in the balance sheet is around 6 months. The receivables are like INR35 crores, right?

Pooja Mishra: Right.

Aniket Gadda: So the receivable days would be around 6 months?

Pooja Mishra: No, no, no, receivables -- all our receivables are less than 1 month old.

Aniket Gadda: So the total receivables amount is INR35 crores, right, in the balance sheet and the revenue for the last 6 months -- the previous 2 quarters was around INR35 crores, if I'm not wrong?

Pooja Mishra: No, no, no, you are mistaken. See, this INR35 crores -- the revenue figure, which you are looking at is the gross revenue figure, okay? That is the margin of the company. Whereas when we do a transaction, it is the GTO figure, the gross total -- the Gross Turnover Amount. Say, if I do a transaction with you worth INR1 lakh, I will make INR1,000 in that, but the receivable will be INR1 lakh, right? So it is like that.

This is just less than -- generally, our credit period is only 7 to 10 days and -- or maybe maximum between 7 to 15 days, which is for the big corporates, not for everyone. We mostly deal in cash and carry business. So there is hardly any debtors, which is there. And all the debtors are less than 1 month old.

Aniket Gadda: Got it. My second question is what is the current working capital required to run the business and working cycle in days?

Pooja Mishra: See, working capital, at present, we have sufficient working capital to run our existing business because if you will see, there is no debt also which is used on this as on 31st December. So working capital is somewhere in the range of INR15 crores to INR16 crores, which is available with us. And we have all our credit facilities also which are ODs, which are available with us for -- against the FDs, which we have created with the bank. Yes. So that is also approximately INR25 crores, which is there with us.

Aniket Gadda: So OD facility is around INR25 crores with the banks, right?

Pooja Mishra: Yes, yes, yes.



Aniket Gadda: Okay. My last question is the company operates in like 4 FX segments like wholesale, retail, corporate and students. If you could let us know the segment-wise revenue breakup if possible for the 9-month period or this quarter?

Srikrishna Narasimhan: So essentially, at a granular level, you can drop a mail and we will give you the details. But if you look at it segment, every quarter, the segment revenues will change. Like, let us say, on an average, students business contribute roughly around 65% to 70% of the business. But during a particular quarter, it may go up to 80%. During a particular quarter, it may go to 60%.

Because students is seasonal. Between Q2 and Q4, the student season picks up. Q1 and Q3 it's muted. So predominantly, wholesale is 1 we don't concentrate on. Long -- nearly 2 years back, we, in fact, moved out of wholesale. We predominantly focus on retail -- retaining a student.

And obviously, now leisure, we have started focusing on with our B2C platform. Student and corporate has been the key segments for the company in the last 2 years. Now obviously, retail also, we are focusing more because travel has really gone up in the segment.

Aniket Gadda: Do you have any tie-ups for retail or like just franchisees-based model for that?

Srikrishna Narasimhan: Essentially I'll tell you, we are predominantly -- as of today, our business is a B2B business, where we are tied up with agents network across India, be it a travel agent, education consultant, education loan provider, etcetera, for sourcing the students or customers.

Parallely, we also now have started having our B2C platform where we are trying to get students and leisure customers directly online. But predominantly, it's direct marketing when it comes to corporate. It is kind of an agent network when it comes to student and retail business.

Moderator: The next question is from the line of Lalit, who is an individual investor.

Lalit: Can you hear me?

Pooja Mishra: Yes, yes, we can hear you.

Lalit: Sir, my question is, in your presentation, you had mentioned that right now there is some issue with Canadian Visa. So can you tell the present situation? How is this issue going on? And what do you see in Q4?

Srikrishna Narasimhan: Essentially, if you look at it, overall, if you look at it, obviously, there has been various issues because of which there has been restrictions. In between, visas were not getting issued. I think those are all resolved. But now, there is obviously an overall cap on the number of visas, right?

This is the latest news article we must have seen some time back where maybe there may be a 35% drop in terms of number of visas getting issued is what we read in the newspapers, which, obviously, will have an impact on the business. But parallely, you will also have to see that GIC. GIC is the Guaranteed Income Certificate, when a student applies for students visa, before that, he has to remit some money to -- under GIC for getting this visa done. So that has been increased from CAD10,000 to around CAD20,000, which is nearly double.



Now what happens is from -- yes, even though there may be a deficit in terms of number of students traveling, we feel the increase in fees and costs will more than offset the drop in terms of numbers. In parallel, we are also seeing now interest of students to go to Australia, France, etcetera, where opportunities -- see, there is a, what do you call it, huge demand or a huge aspiration for Indians to go overseas and study.

Now obviously, everyone cannot go to Canada. You may see they may go to U.S., they'll go to France, they'll go to Australia, they'll go to New Zealand. So we don't see the business going anywhere because we see the demand is very strong. We have seen some huge growth year-on-year in the student segment. From a Canadian perspective, yes, there will be a drop in the overall number of students, but more than -- from a business perspective, more than offset by the increase in GIC remittance value.

Lalit: So we can say that Q4 will be the better?

Srikrishna Narasimhan: See, it's always our Q2 and Q4 is always better than Q1 and Q3 because Q2 and Q4 are season for us.

Moderator: Thank you. The next question is from Lalit, who is an individual investors.

Lalit: Can you tell the GTO amount in terms of rupees for this Q3 quarter?

Pooja Mishra: GTO amount for, sorry?

Lalit: In terms of rupee? You have mentioned in your chat the percentage, 450% increase. But in terms of rupee?

Pooja Mishra: It is INR1,223 crores.

Lalit: Compared to INR1,700 crores last quarter, this quarter was INR1,220 crores?

Pooja Mishra: Yes. Yes.

Lalit: Okay. And the commission you are getting on the GTO...

Pooja Mishra: No, the comparison you are doing, 17-figure, which figure did you mention just now?

Lalit: In Q2, the GTO was around INR1,700 crores?

Pooja Mishra: Yes, around INR1,800 crores, right?

Lalit: Around INR1,800 crores. So compared to that, this quarter was INR1,200 crores.

Pooja Mishra: Right.

Lalit: And the margin, the percentage of our sharing was how much?

Pooja Mishra: You are talking about the yield percentage, which is there?



Lalit: Yield percentage, yes, yes, right.

Pooja Mishra: So average yield percentage is around 0.7 -- between 0.6 to 0.7.

Lalit: So that was remaining constant for this Q3 also?

Pooja Mishra: Yes, it is more or less -- I'm giving you the average only for 9 months.

Lalit: If we compare Q2 to Q3, then what is the percentage?

Pooja Mishra: If you can give me these questions on e-mail, it will be better because I will have month-wise figure as well then, so I can then accordingly reply. I have given you the average of 9 months.

Lalit: Okay, ma'am, I'll e-mail you. Okay.

Pooja Mishra: Sure.

Moderator: Thank you. The next question is from Aniket Gadda, who is an individual investor.

Aniket Gadda: I wanted to ask how much of this revenue is a repeat revenue and how much is like single -- first time, if it's possible to know?

Srikrishna Narasimhan: No, I think that is in foreign exchange -- I don't understand the question, when you mean repeat revenue.

Aniket Gadda: Like repeat customers, I'm saying repeat, your customers who are using the app for your all service for remittance. So...

Srikrishna Narasimhan: So essentially if you look at it, there is a -- let's say, for corporate, see travellers are unique, right? Like this year, there is around, let's say, 4 lakh overall students traveling. So there is one thing about a new person traveling and taking foreign exchange, one thing about a person who has already taken his fees and again, doing repeat transaction with us, correct?

Aniket Gadda: Yes.

Srikrishna Narasimhan: So in that sense, if you look at it, it will be very -- we don't have the figures readily available as of now, we can always share you the data. But if you look at it, we can look at it from a corporate perspective. From a corporate perspective, what becomes a very interesting to note is that once we acquire a corporate, it is always a repeat business, whoever the employees which may be travel.

From this corporate, let's say, we recently acquired a company called Accenture, we will know Accenture we'll do this many lakhs of dollars a month or we will do it from Siemens or something. So that we look at it from a repeat perspective where for the corporates this will be the repeat business and the new addition we look at it. From a retail perspective, we always look at two parts.



One is, obviously, the new agents, which we acquire every quarter. Now for us, any business from an existing agent is growth from that agent. So we always, 1 of the yardsticks for us to look at performance is how many new agents did we onboard and how many business we got from the new agents.

That is the percentage which keeps on growing for us, and that is why business has grown over the last 2 years, you must have seen. But when you look at B2C, obviously, repeat customers become important. Today, B2C is a small base for us, but we can happily tell you that we are having people who are coming to us multiple times.

I've had customers who have done 3, 4, 5 transactions through the app repeatedly for us. And that is 1 area which is improving. But when it comes to B2B and corporate, we always look at onboarding of new agents or new corporates as new business. Any business coming from the existing agent or corporate, we consider as existing business, even though it might have grown.

Aniket Gadda: Okay. So could you give me the number for the new agents that you've onboarded and corporates onboarded for the quarter?

Pooja Mishra: For the quarter, we have onboarded around 67 new agents.

Srikrishna Narasimhan: Pooja, can you hold on? See, there are certain information that you cannot give on a public call. You can write it to us and we will share because these are all information which may -- competition will also be looking at, right?

Aniket Gadda: So a percentage figure would be okay, right? So percentage figure, not just the number of agents or corporate as a percentage figure of increase...

Srikrishna Narasimhan: So we will be sharing it with you, you just give us the details. We will share it to you over mail.

Moderator: Thank you. The next question is from Lalit, who is an individual investor.

Lalit: Are you planning for any fund raising as you mentioned in your previous con-call?

Srikrishna Narasimhan: So essentially, yes, there is a long-term idea to raise funds because as you are aware, we have talked about getting into issuance of prepaid forex cards, etcetera. But last -- we have been talking to a few people, but nothing concrete as of now. We will keep investors updated as and whenever any development happens there.

Lalit: Okay. And the last question, are you planning for giving some dividend to shareholders?

Srikrishna Narasimhan: So we have started well in this year. For last 3 quarters -- nearly 7 quarters, we are profitable. But we will take a decision -- after the end of the Q4, the Board will take a decision on that.

Lalit: That is right. Do you have any accumulated deferred losses in your books right now after Q3? What is the amount?

Srikrishna Narasimhan: Pooja?



Pooja Mishra: Sorry, I -- what was the question?

Lalit: How much is the accumulated losses in your balance sheet after this Q3?

Pooja Mishra: Accumulated losses, no, it is not -- there was accumulated profit against which the accumulated losses got adjusted. So now if you see the figure in other equity in the balance sheet, it is INR19.33 crores positive.

Lalit: This quarter, it comes to positive?

Pooja Mishra: Yes, this quarter it was positive, yes.

Moderator: Well, as there are no further questions, I would now like to hand the conference over to Mr. N. Srikrishna and Ms. Pooja Mishra for closing comments.

Srikrishna Narasimhan: Yes. Thank you. I would like to thank everyone for joining us on this call, and it's a pleasure for us to keep you updated on what's happening in the company. If you have any specific queries, you can please visit our website or reach our company secretary. Once again, I thank everyone, and I would now request the moderator to conclude the call. Thank you.

Pooja Mishra: Thank you very much.

Moderator: Sure. Thank you very much. On behalf of WSFx Global Pay Limited, that concludes this conference. Thank you for joining us. Ladies and gentlemen, you may now disconnect your lines.

Srikrishna Narasimhan: Thank you.

Pooja Mishra: Thank you.