

Date: **9th August, 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 ended 30th June, 2024**

Dear Sir/Madam,

This is in continuation of the Company's letter dated 7th August, 2024, with regard to a conference call for Investors/Analysts with senior management team, scheduled to be held on Monday 12th August, 2024 at 2:00 P.M.

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
Q1FY25 Investor Presentation



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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.

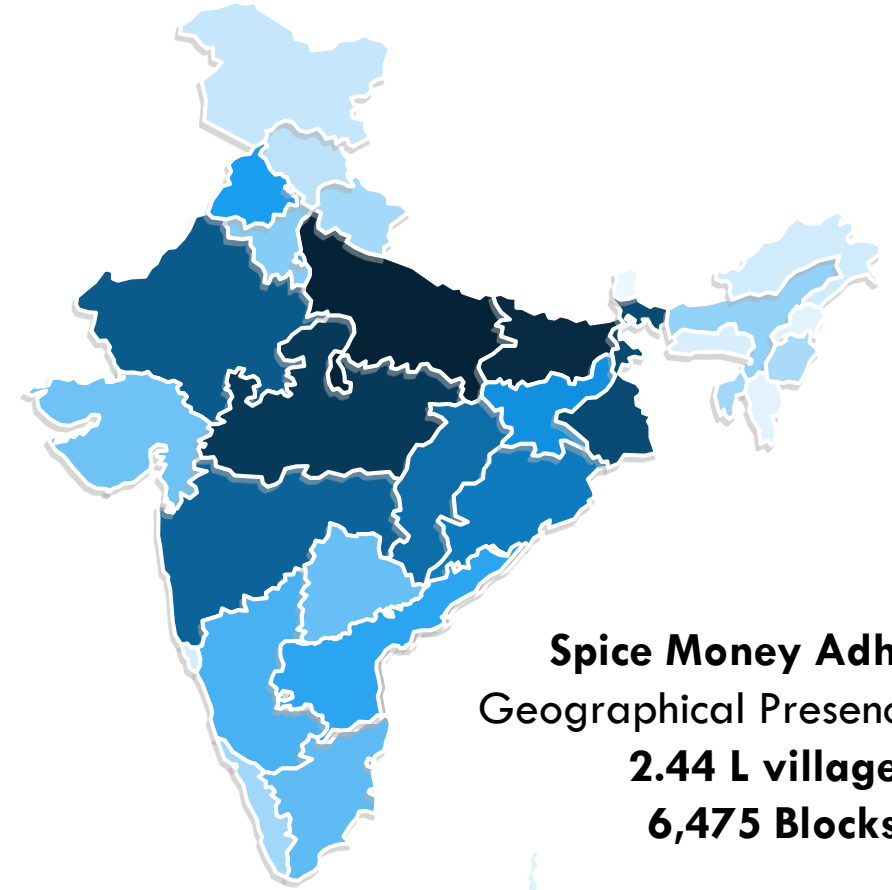
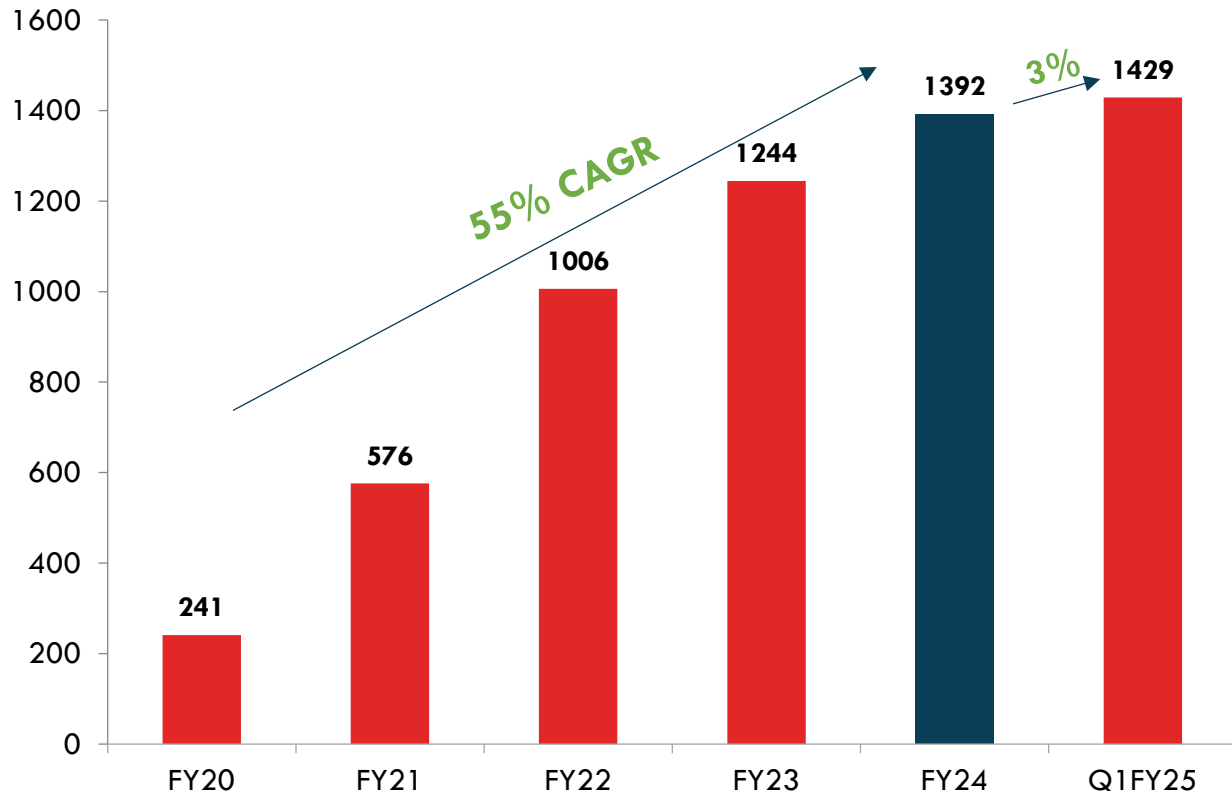


Key Update Q1 FY25

- **Significant growth in Collections** with GTV growing by ~31% Y-o-Y. We have been able to hold our AEPS market share above 17% despite implementation of transactional 2FA.
- **CASA has been a significant focus product** in the last 1 year. 57% Y-o-Y growth in no. of CASA accounts opened.
- Application filed with RBI on 27 June 2024 for approval of proposed **acquisition of shareholding of Spicebulls Investments Limited (Non-Banking Financial Company)** by Digispice Technologies Limited.
- Scheme of **amalgamation of Spice Money and other Indian subsidiaries with Digispice Technologies Limited** has been approved by the BOD in its meeting held on 8 August 2024 subject to regulatory, statutory and other approvals.

Spice Money Adhikari - Growing Network

Spice Money Adhikaris ('000)



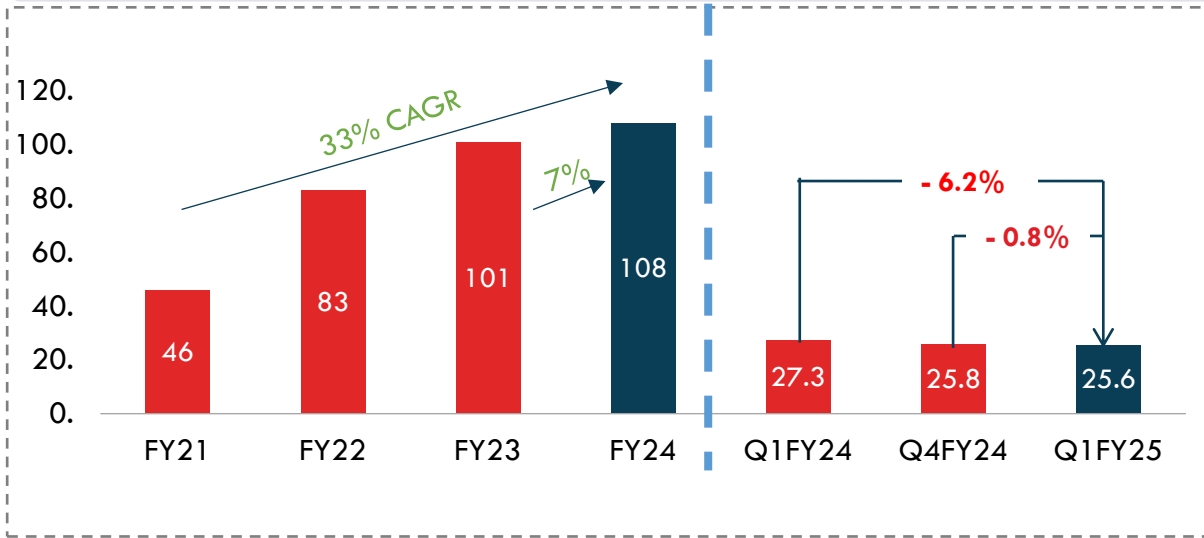
Spice Money Adhikari
Geographical Presence Across:
2.44 L villages
6,475 Blocks

Strong presence

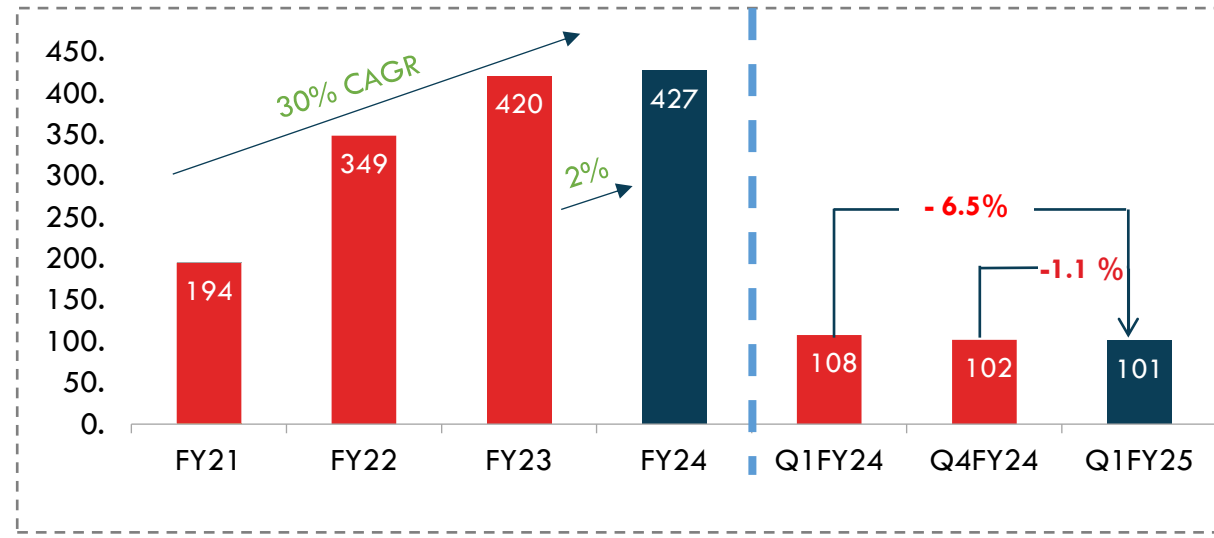
Growing opportunity

Spice Money – Key Business Update

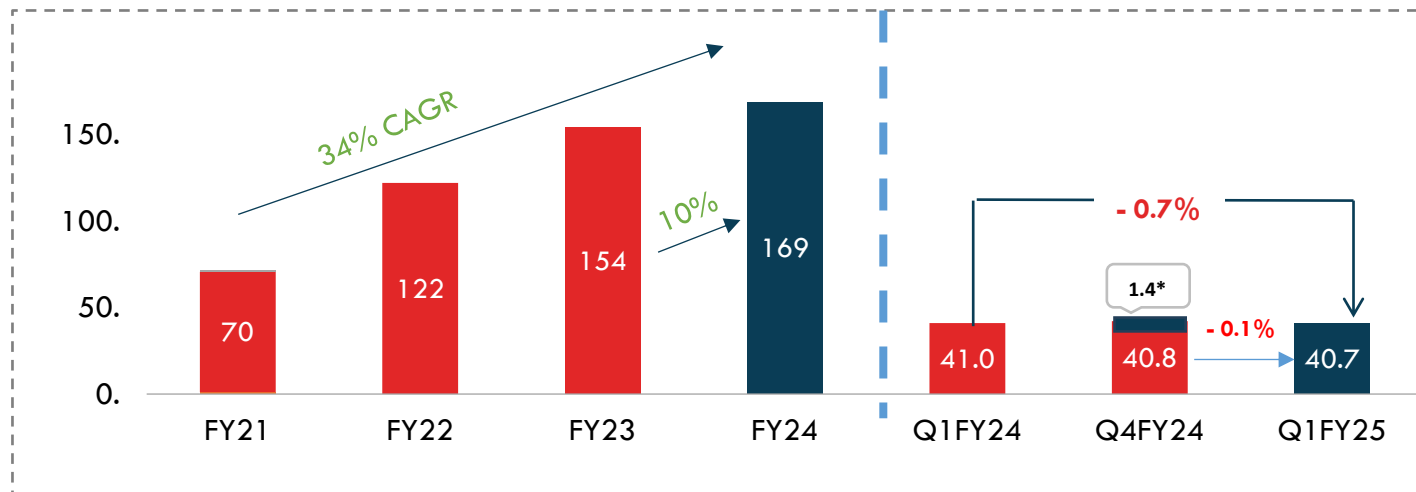
Customer Gross Transaction Value (in INR. '000 Crs)



Spice Money Service Fee Revenue (in INR Crs)



Spice Money Service Fee GM (in INR Crs)



* In Q4 FY24, provision writebacks amounting to Rs 1.4 Crs.

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

Spice Money – Movement in GM Contribution Mix

Nature of Business	Product line	Strategic Driver	Q1 FY25 Margins (in INR Crs)	Contribution to GM Q1 FY 25	Contribution to GM Q1 FY 24
Transaction Business	AEPS + Micro ATM	Key business attracting customer footfall	26.6	64%	67%
	Remittance	Footfall Driver	1.5	4%	4%
	Collections	Significant Growth headroom	7.9	19%	17%
	Subscription Pack	Long term Merchant Loyalty	3.3	8%	5%
Distribution Business	Banking	Creation of Banking Service Points for servicing Banks & Customers	1.2	3%	1%
	Credit	Next growth engine	0.3	1%	1%
	Digital Services & Others	Value added services improving overall margin	0.9	2%	4%

Spice Money – Key Services Update- AEPS

Industry Metrics	Q1 FY25	Q4 FY24	Q1 FY24	FY24	FY23	Q-o-Q Change %	Y-o-Y Change %	FY24 vs FY23
Industry GTV (Off- Us)(In INR Crs.)	71,732	71,198	82,413	3,14,000	3,33,620	0.8%	-13.0%	-5.9%
SM GTV (In INR Crs.)	12,310	12,483	14,465	54,460	57,220	-1.4%	-14.9%	-4.8%
Ticket Size (in INR)	2,432	2,459	2,590	2,464	2,484	-1.1%	-6.1%	-0.8%
Market Share %	17.16%	17.53%	17.55%	17.34%	17.15%	-37bps	-39bps	19bps

Transaction Metrics	Q1 FY25	Q4 FY24	Q1 FY24	FY24	FY23	Q-o-Q Change %	Y-o-Y Change %	FY24 vs FY23
Transactions Attempted (in Crs)	7.2	7.9	8.8	34.6	36.7	-8.6%	-17.8%	-5.6%
Transactions Success (in Crs)	5.0	5.1	5.6	22.1	23.0	-1.0%	-9.9%	-4.1%
Success Ratio	69.5%	64.2%	63.4%	63.8%	62.8%	5.3%	6.1%	1.0%
Total transacting customers (in Crs)	4.0	4.2	4.6	11.5	12.4	-5.5%	-13.3%	-6.9%

SMA Metrics (in INR Crs)	Q1 FY25	Q4 FY24	Q1 FY24	FY24	FY23	Q-o-Q Change %	Y-o-Y Change %	FY24 vs FY23
Large AEPS SMAs- GTV	5,455	5582	7,191	30,777	32,993	-2.3%	-24.1%	-6.7%
Medium AEPS SMAs- GTV	5,440	5,424	5,726	19,956	20,265	0.3%	-5.0%	-1.5%
Small AEPS SMAs- GTV	1,330	1,374	1,546	3,732	3,965	-3.2%	-14.0%	-5.9%
AEPS GTV in Top 3 states	6,449	6,720	7,429	28,766	30,209	-4.0%	-13.2%	-4.8%
AEPS GTV in remaining States	5,861	5,763	6,973	25,694	27,011	1.7%	-15.9%	-4.9%

Industry

- There have been major ecosystem changes w.r.t to **implementation of transactional 2FA** for fraud prevention and **Issuer banks placing various checks on AEPS transactions.**

Transactions

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

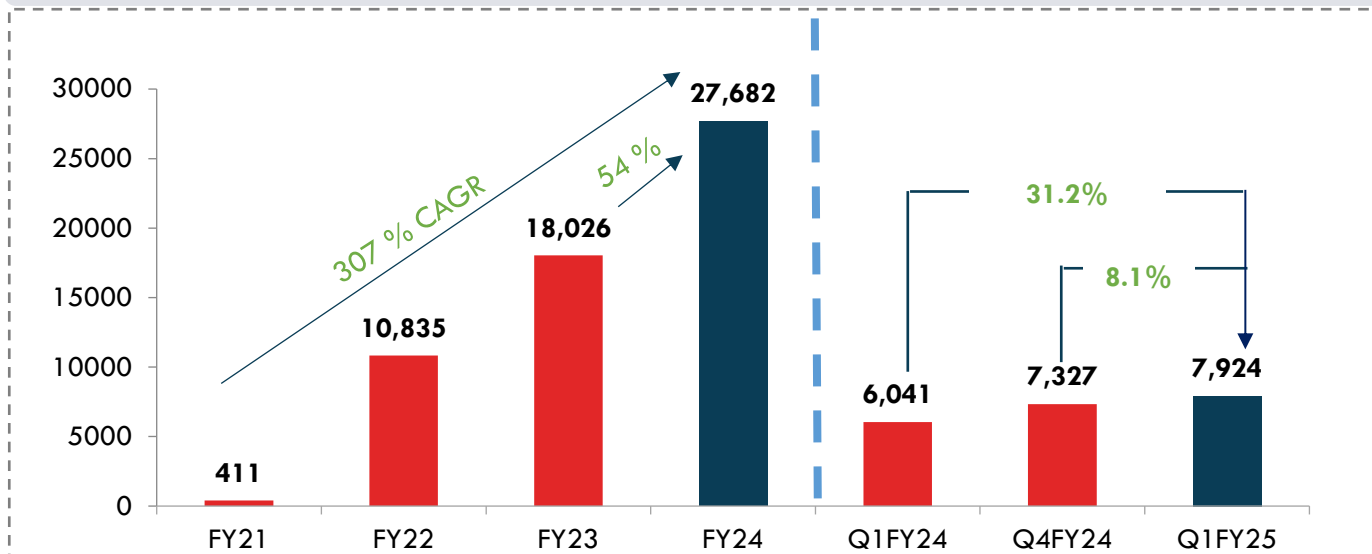
SMAs

- Drop is in Large SMA GTV by **24%** Y-o-Y due to lower transactions at high footfall counters due to **2FA implementation by 1 Jan 2024.**

Transactional 2FA has been removed w.e.f. 1 July 2024. Consequently, we have observed signs of positive impact on our market share.

Spice Money – Key Services Update- CMS

CMS GTV (in INR. Crs)

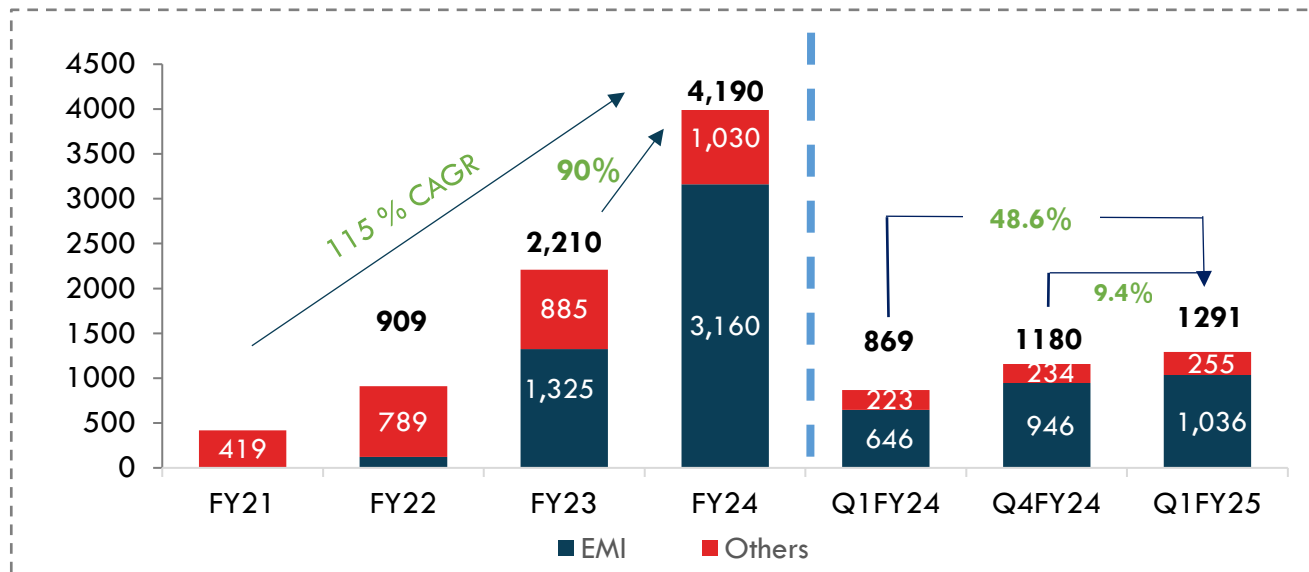


- No. of Large CMS SMAs who have >30 Lacs GTV/Quarter has **increased by more than 19% Y-o-Y**. The business contributed by them has also **Increased by 35% Y-o-Y**.
- Large CMS SMAs contribute to over 90% of the total CMS GTV. There has been an increase by ~ 600 Large CMS counters Y-o-Y.
- Significant demand headroom available with existing transacting enterprises.
- Focus to grow more enterprises to tap larger opportunity.

Particulars	Q1 FY25	Q4 FY24	Q1 FY24	FY24	FY23	Q-o-Q	Y-o-Y	FY24 vs FY23
#Large CMS SMAs (>30 Lakhs in a Qtr.) (Nos.)	3,803	3,517	3,195	7,300	6,355	8.1%	19.0%	14.9%
GTV of Large CMS SMAs (in INR Crs)	7,126	6,575	5,295	24,256	16,639	8.4%	34.6%	45.8%
Total GTV (in INR Crs)	7,924	7,327	6,041	27,682	18,026	8.1%	31.2%	53.6%
# Transacting Enterprises (Nos.)	67	63	58	63	61	4	9	2

Spice Money – Key Services Update- BBPS

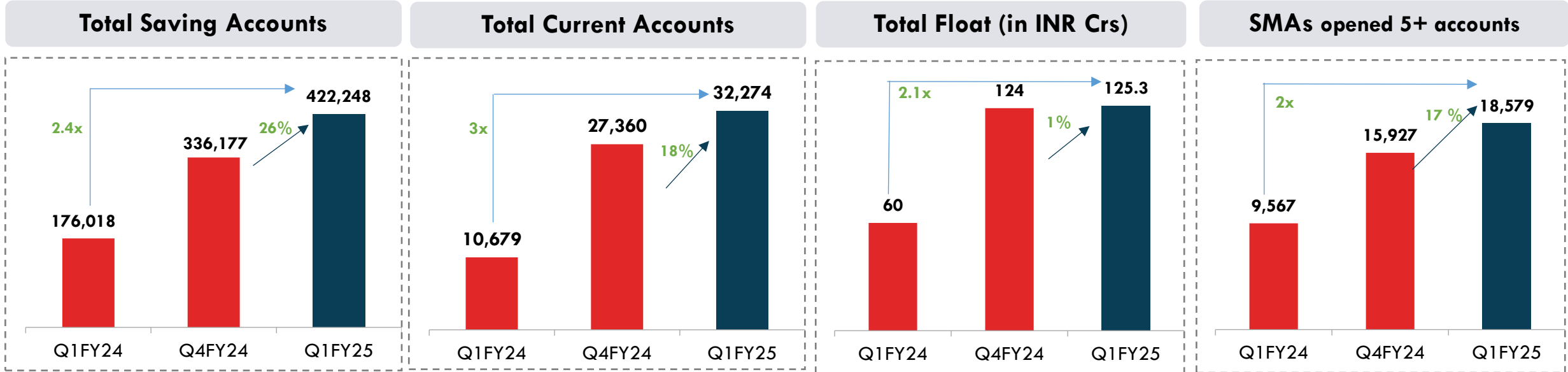
Bill Payment GTV (in INR Crs)



- 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**).
- ~**150 Lenders** live for loan EMI payments on BBPS Platform.
- **1.4x** 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**.

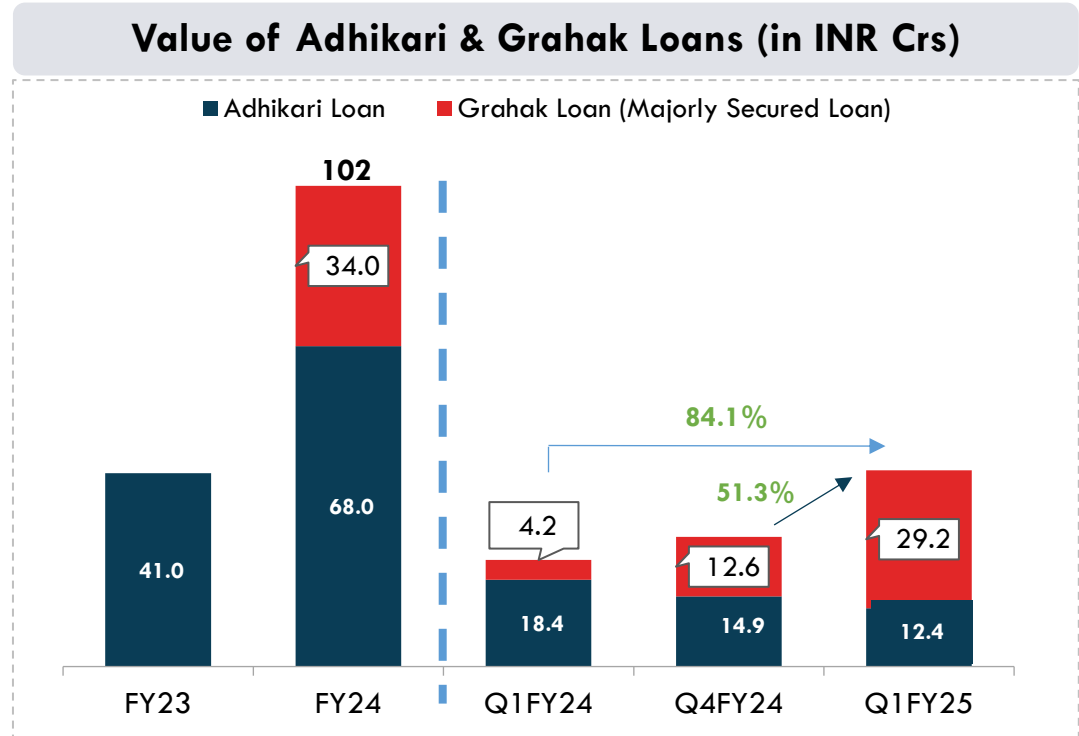
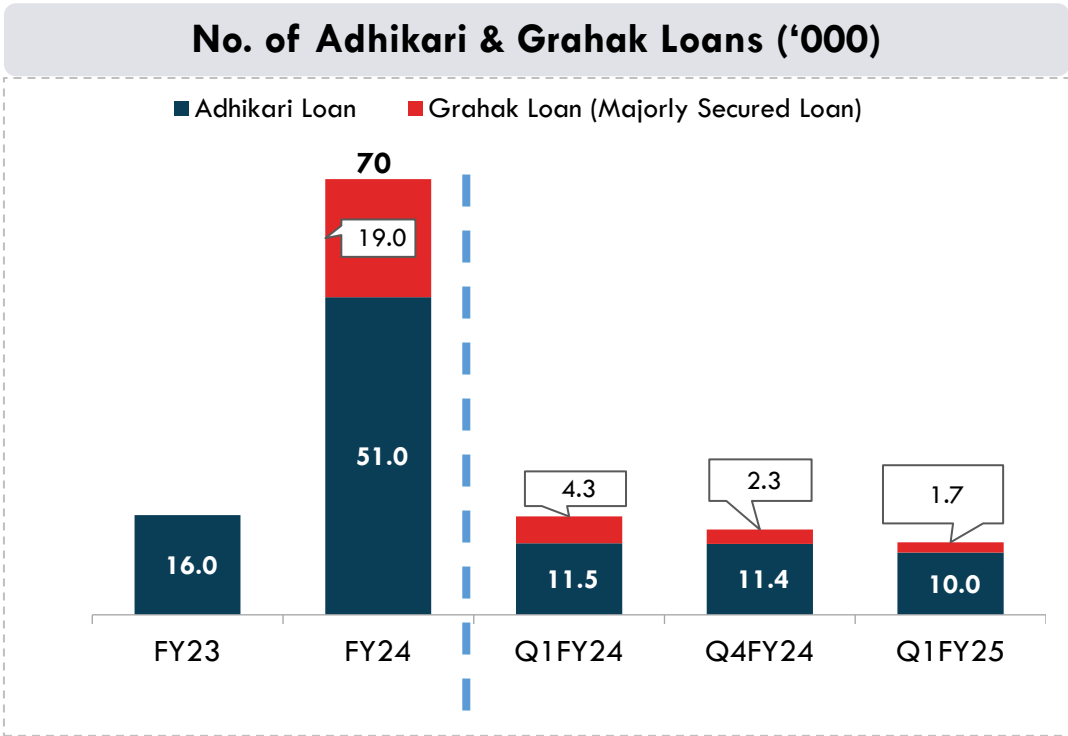
Particulars	Q1FY25	Q4 FY24	Q1 FY24	FY24	FY23	Q-o-Q	Y-o-Y	FY24 vs FY23
Total Unique Customer Accounts (in Lakhs)	21.03	19.5	14.68	97.14	71.78	8%	43%	35%
Total Repeat customer Accounts (in Lakhs)	11.44	9.79	7.37	33.37	19.81	17%	55%	68%
% of Repeat Customer Accounts to Total Base	54.4%	50.2%	50.2%	34.0%	28.0%	4.2%	4.2%	6.0%
Avg. ticket size (in INR)	1,906	1,832	1,512	1,718	1,276	4%	26%	35%

Spice Money – Key Services Update- CASA (Lifetime)



- 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 >1.51 Lakhs CASA accounts till date.**
- There has been a constant growth in Current Account and Saving Accounts opening leading to 2.1x growth in Float balances.
- SMAs opening 5+ accounts (lifetime) have crossed 18K showing a **2 times** growth Y-o-Y & **17% growth** Q-o-Q.
- Healthy Average bank balances (ABB) maintained in accounts opened to date.

Spice Money – Key Services Update- Credit



- Secured loans to end customers has been the main growth driver for the last 2 quarters.
- Gold Loan has contributed nearly 80% of the Grahak Loans for the last 2 quarters.
- Started originating other secured loan products for Banks like LAP and Commercial vehicle this Quarter.

Spice Money – Financial Highlights

Particulars (Rs. Crs)	FY20	FY21	FY22	FY23	FY24	FY20-FY23	Growth	Q1FY24	Q4FY24	Q1FY25	Growth	Growth
						CAGR	Y-o-Y				Q-o-Q	Y-o-Y
Customer GTV (A)	22,155	46,178	83,513	100,602	107,818	49%	7%	27,321	25,801	25,613	-1%	-6%
Revenue	116	221	366	432	439			111	106	110		
- Service Fees (B)	100	194	349	410	427	44%	4%	108	102	101	-1%	-6%
- Acquisition and Devices	15	27	17	22	12			3	4	9		
Gross Margin	44	79	127	165	169			41.1	42.3	41.7		
- Service Fees (C)	30	70	122	154	169	54%	10%	41.0	42.2	40.7	-3%	-1%
- Acquisition and Devices	14	10	5	11	0			0.1	0.1	1.0		
Indirect Cost- Normal	35	59	105	155	151			38.1	37.2	38.1		
Indirect Cost- One time cost / (reversals)	-	-	-	-	-			-	-3.6	0.5		
EBITDA	8.7	20.6	22.5	10.2	21.7			3.0	8.8	3.2	-64%	6%
Depreciation	8.2	10.3	11.6	20.1	5.5			0.5	3.7	0.8		
EBIT (incl. interest income)	1.8	15.6	20.3	2.0	35.9			6.3	10.9	7.2	-34%	15%
PAT	1.9	10.7	11.9	-5.7	13.1			-0.7	5.9*	4.5		550%
Service Fee Revenue on Customer GTV (B/A)	0.45%	0.42%	0.42%	0.41%	0.40%			0.39%	0.40%	0.39%		
Service Fee GM on Customer GTV (C/A)	0.13%	0.15%	0.15%	0.15%	0.16%			0.15%	0.16%	0.16%		
Service Fee GM on Service Fee Revenue (C/B)	30%	36%	35%	38%	40%			38%	41%	40%		

* PAT for Q4 FY25 Rs 5.9 Crs includes Rs 3.75 Crs one-time adjustments.

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)	Q1FY24	Q4FY24	Q1FY25	Growth		12 months ended FY24
				Q-o-Q	Y-o-Y	
1. Revenue	111	106	110			439
a.) Spice Money	111	106	110	4%	0%	439
b.) Others	-	-	-			-
2. Gross Margin	41.1	42.3	41.7			169
a.) Spice Money	41.1	42.3	41.7	-1%	1%	169
b.) Others	-	-	-			-
3. Indirect Costs	39.9	36.0	40.9			155.1
a.) Spice Money	38.1	33.6	38.6	15%	1%	147.6
b.) Others	1.8	2.5	2.4			7.5
4. EBITDA	1.2	6.3	0.8	-87%	-35%	14.2
a.) Spice Money	3.0	8.8	3.2			21.7
b.) Others	-1.8	-2.5	-2.4			-7.5
5. EBIT (after other income & dep.)	5.5	9.0	6.7	-26%	23%	34.1
a.) Spice Money	6.3	10.9	7.2			35.9
b.) Others	-0.8	-1.9	-0.5			-1.8
6. PAT (Continued)	-0.9	4.1	4.5	10%	589%	12.4
a.) Spice Money	-0.7	5.9	4.5			13.1
b.) Others	-1.0	-1.9	0.0			-1.4
7. Extra - Ordinary gains *		37.8	-			37.8
8. PAT (Discontinued)	-21.4	-4.3	-4.2			-38.1
9. Total PAT	-22.3	37.5	0.2			12.1

- During Q4FY24, 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 Q4FY24. It's an unrealized gain recognized in the books of accounts, in conformity with Ind-AS.
- During Q1FY25, Group has observed significant volatility in the market share price of DigiAsia, with very low volumes of trading. Given these conditions and the lock-in on DigiAsia's shares, it has been determined that the quoted prices are not reflective of the fair value and the Group has chosen to retain the fair value assessment as it was as at March 31, 2024.

Discontinued operations Summary

Particulars (Rs. Crs)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	FY24
Total Income	11.5	12.7	6.2	9.9	0.0	40.2
Total Expenses	12.9	19.3	11.3	12.8	3.6	56.3
-Direct Cost	6.3	9.7	8.1	7.4	-	31.3
-Indirect Cost	6.1	8.5	2.1	4.2	3.6	20.9
-Depreciation	0.4	1.4	1.2	1.1	0.1	4.1
Operating profit	(1.4)	(6.7)	(5.1)	(2.9)	(3.6)	(16.1)
Exceptional Item**	6.5	(0.0)	(0.0)	0.1	-	6.5
Profit/(loss) before tax during the periods	(7.9)	(6.6)	(5.1)	(3.0)	(3.6)	(22.6)
Tax Expense***	13.5	0.5	0.1	1.4	0.7	15.5
Profit/(loss) after tax during the periods	(21.4)	(7.1)	(5.3)	(4.3)	(4.2)	(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