

July 28, 2023

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai- 400 001
(Scrip Code: 543386)

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051
(Symbol: FINOPB)

Dear Sir/Madam,

Re: Investor Presentation

Sub: Investor Presentation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Pursuant to Regulation 30 of the SEBI Listing Regulations, enclosed please find the Investor Presentation on Unaudited Financial Results of Fino Payments Bank Limited ("Bank") for the first quarter ended June 30, 2023.

The said presentation is also available on the Bank's website i.e. www.finobank.com

Kindly take the same on record.

Thanking You,

Yours faithfully,
For Fino Payments Bank Limited

Basavraj Loni
Company Secretary & Compliance Officer
Place: Navi Mumbai

Encl: a/a

Har Din Fino...

FINO PAYMENTS BANK Q1'24 Investor Presentation



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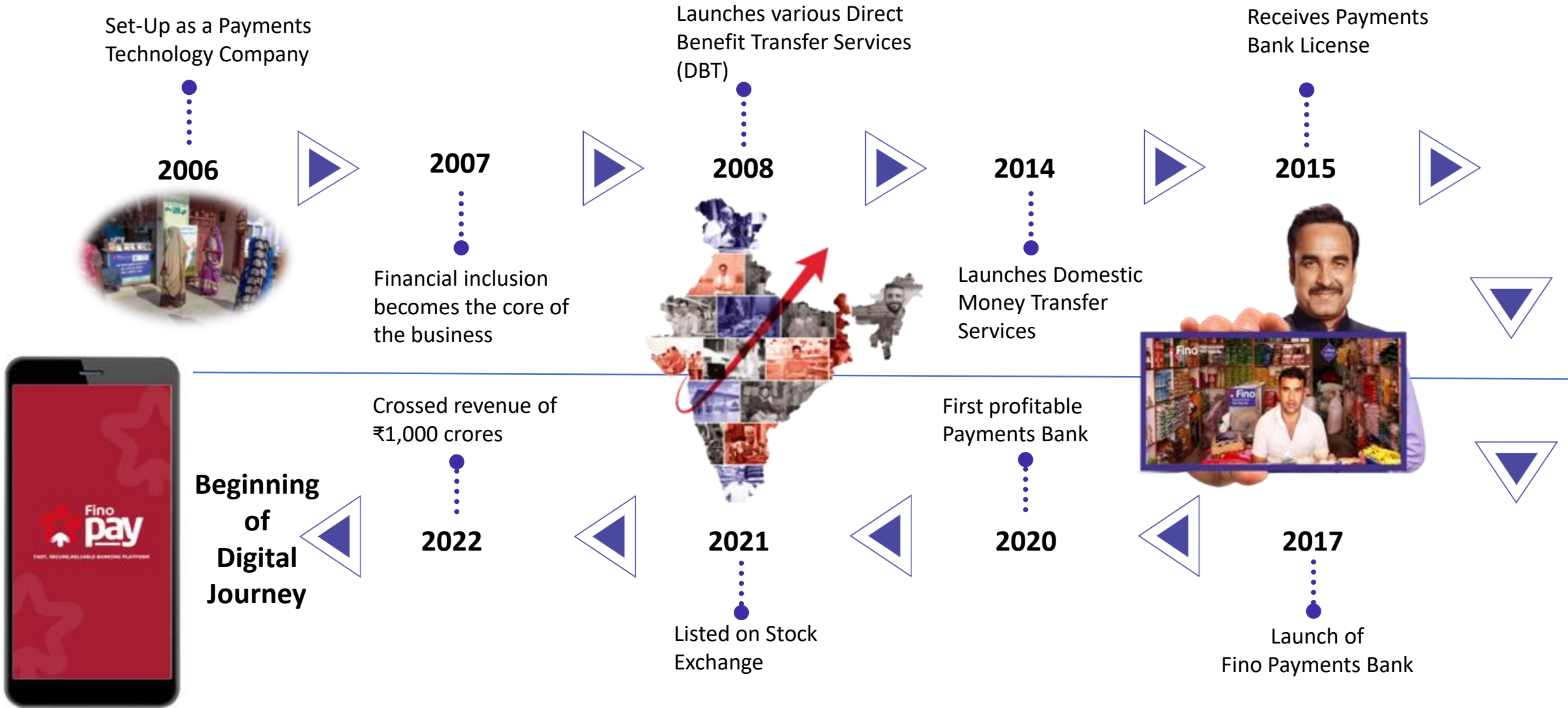
Fino Bank's Business Model

Strategic Update

Fino Matlab
#Fikar Not



Journey So Far



Phase I: Transaction

- Build Distribution Network:
Merchant base of 14.4 Lakh
- **Simple & convenient banking solutions**
- Innovate new products to meet evolving needs
- **Crossed total throughput of ₹ 75k crores for the first time in a single quarter (Q1'24)**



Successfully Completed

Phase II: Acquisition

- **2.5 Lakh+ New CASA accounts** added every month in Q1'24
- **96% renewal growth in Q1'24 (YoY), setting base for annuity income**
- Building on our **Digital Presence**
- **Transacting – “OFF US” to CASA customer – “ON US”**



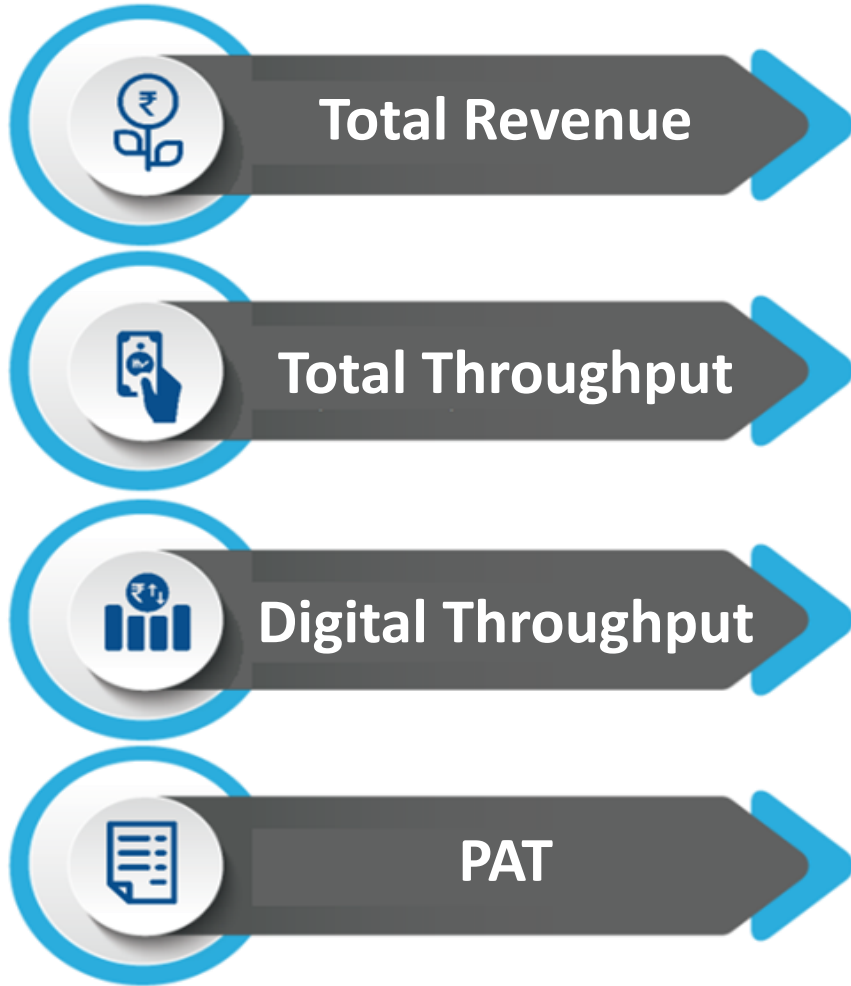
Current Stage : Gearing to Capture Future Growth

Phase III: Monetization

- **Significant trust equity build:** Strong opportunity for cross sell
- Optimising analytical tools to identify target customers
- Build CASA Liability – setting base for future product
- **Fino 2.0+ :** Simplified digital solutions for customer friendly experience

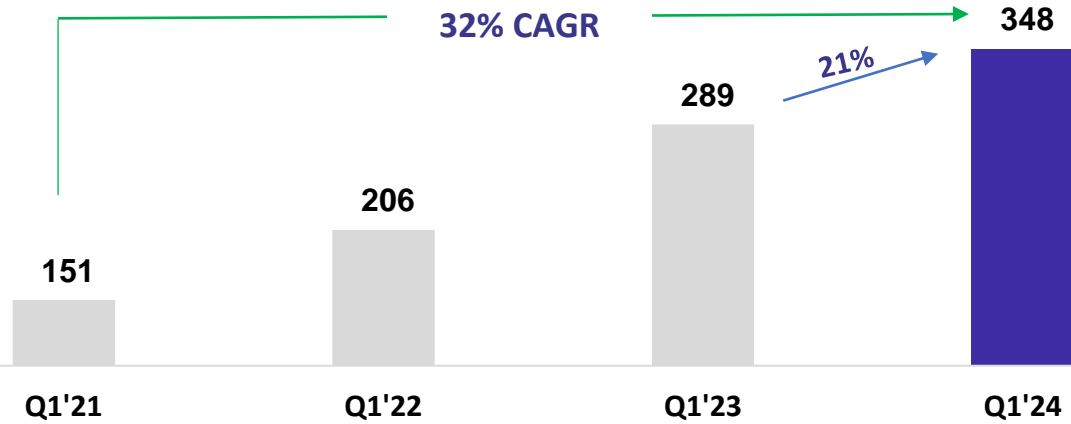


New Levers of Future Growth

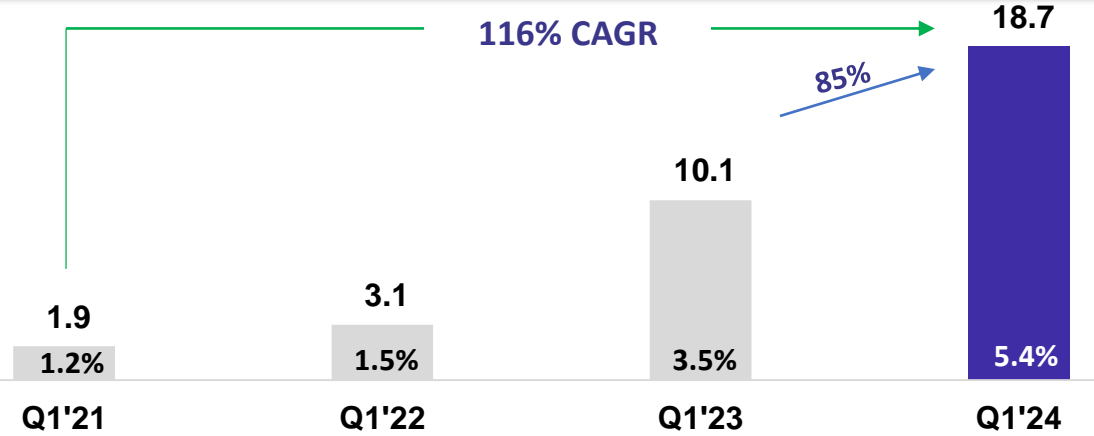


	Q1'24	Growth QoQ	Growth YoY
Total Revenue	₹ 348.3 Cr	↑ 7.7%	↑ 20.5%
Total Throughput	₹ 75.8k Cr	↑ 11.9%	↑ 24.7%
Digital Throughput	₹ 18.3k Cr	↑ 17.5%	↑ 94.4%
PAT	₹ 18.7 Cr	↓ (15.4%)	↑ 85.1%

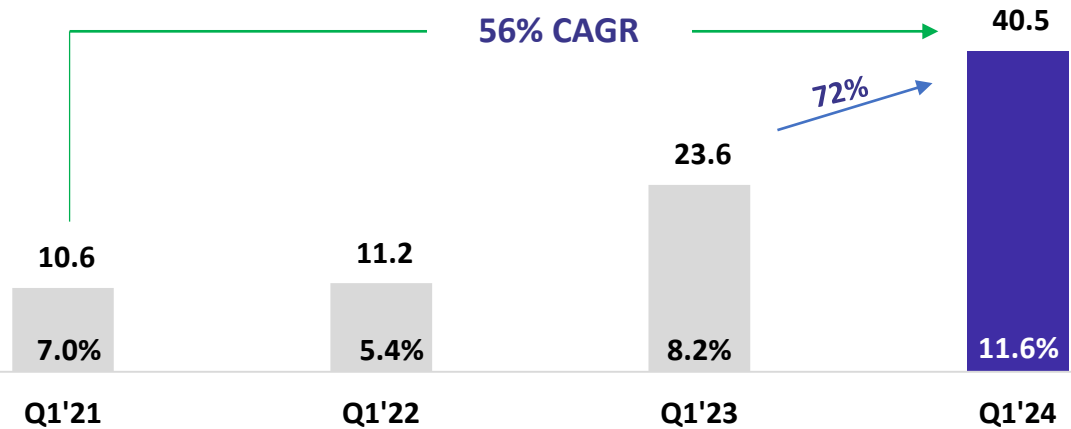
Revenue (₹ Crs)



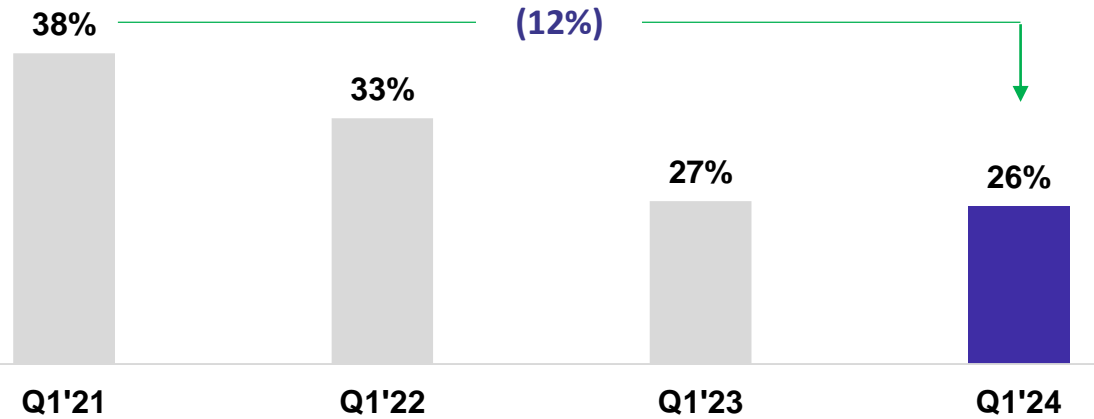
PAT (₹ Crs)



EBITDA (₹ Crs)

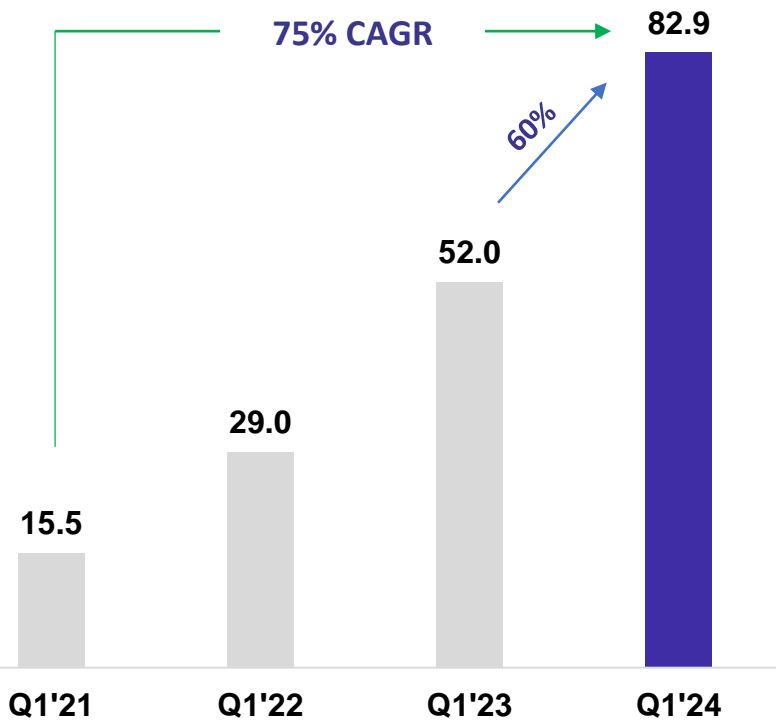


Cost to Income (%)

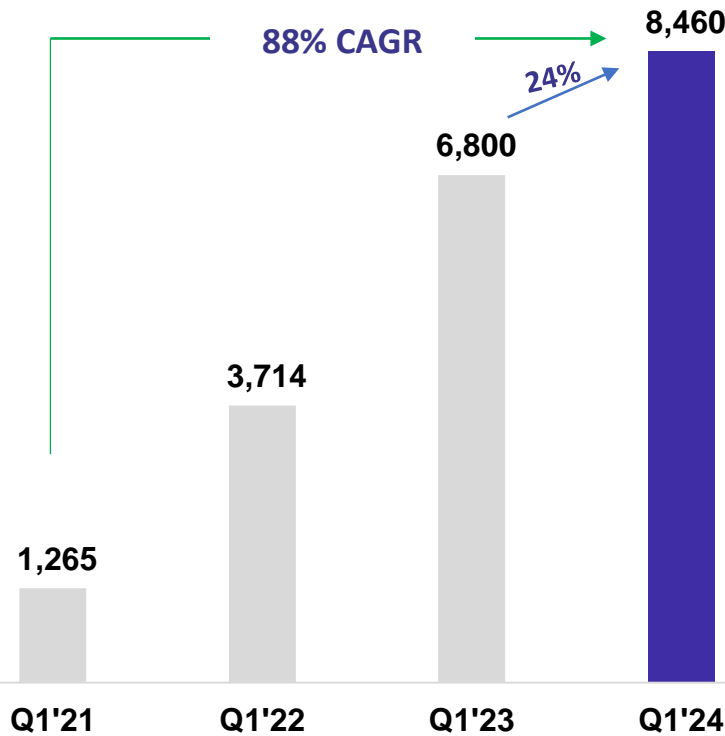


Note : PAT & EBITDA margins mentioned inside the bars of PAT & EBITDA charts | Numbers mentioned in between the bars shows YoY growth

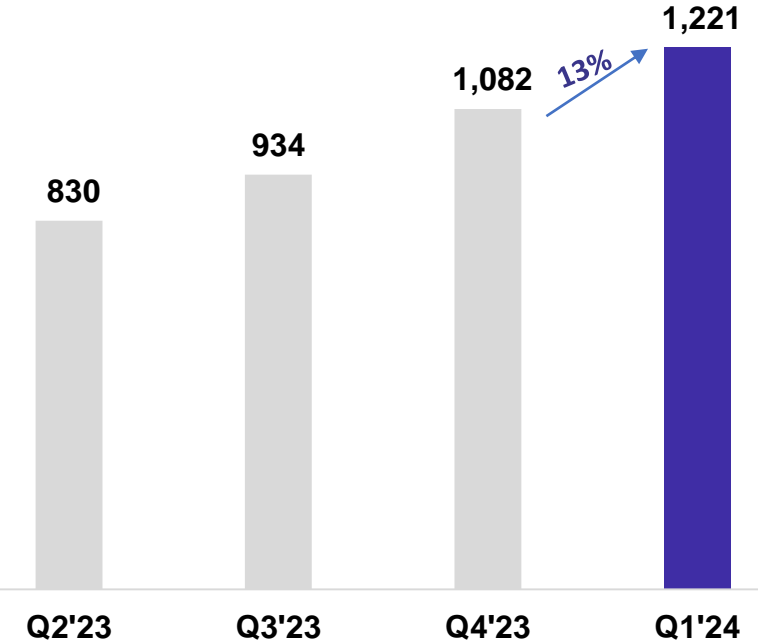
No. of CASA Accounts (in Lakhs)



Accounts Opened per Day



Quarterly Average Deposits (₹ Crs)

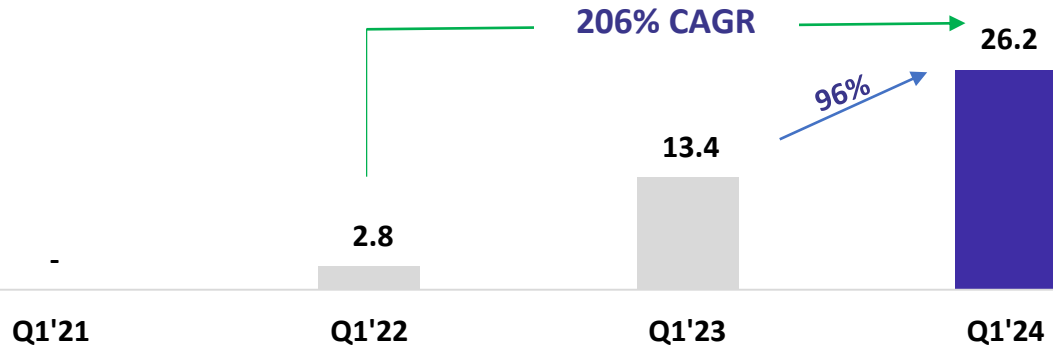


In Q1'24, new accounts opened increased by 24% YoY

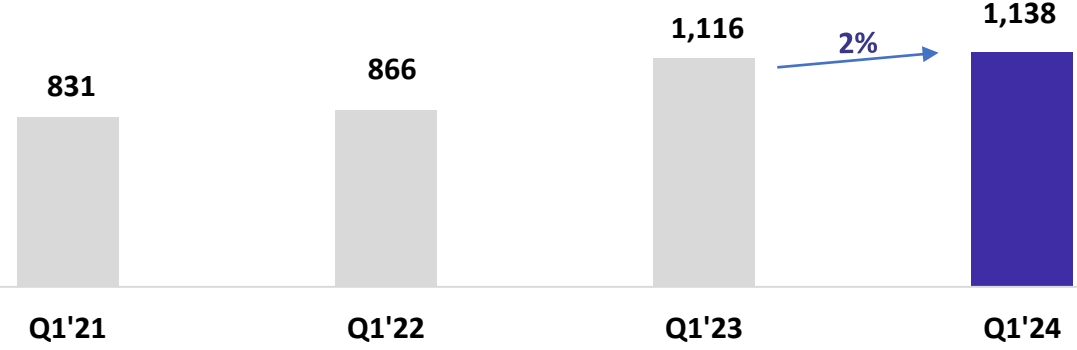
One account opened every 10 seconds in Q1'24

Deposit growth in line with CASA growth – demonstrating active customer base

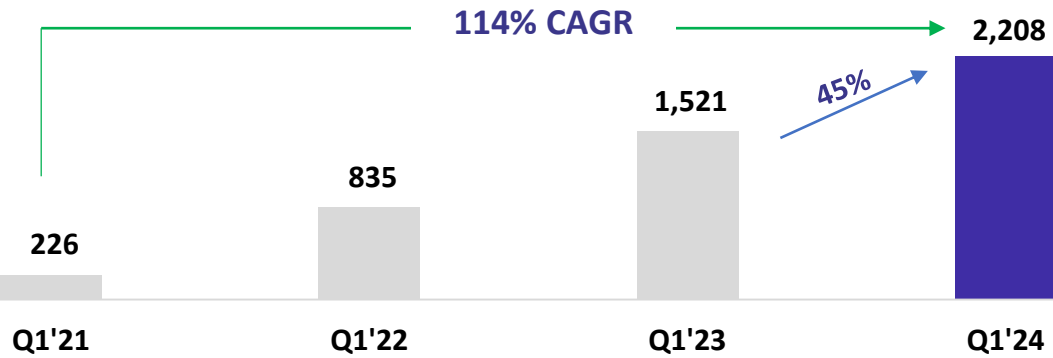
Renewal Income (₹ Crs)



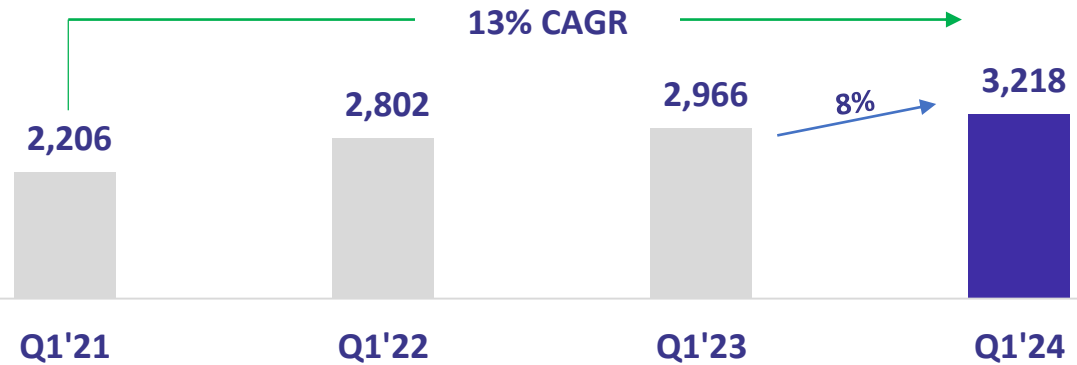
CASA Average Balance (₹)



Debit Card Spends (₹ Crs)



Debit Card Spends Per Transaction (₹)

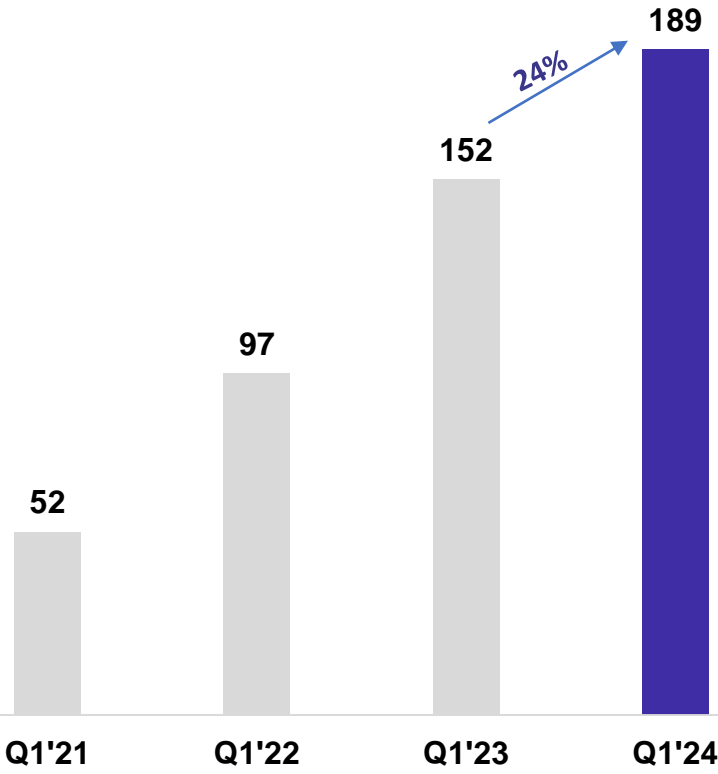


CASA Renewal revenue grew at **9.4X times** from Q1'22 to Q1'24

CASA average balance increased by **~1.4 times** from Q1'22 to Q1'24

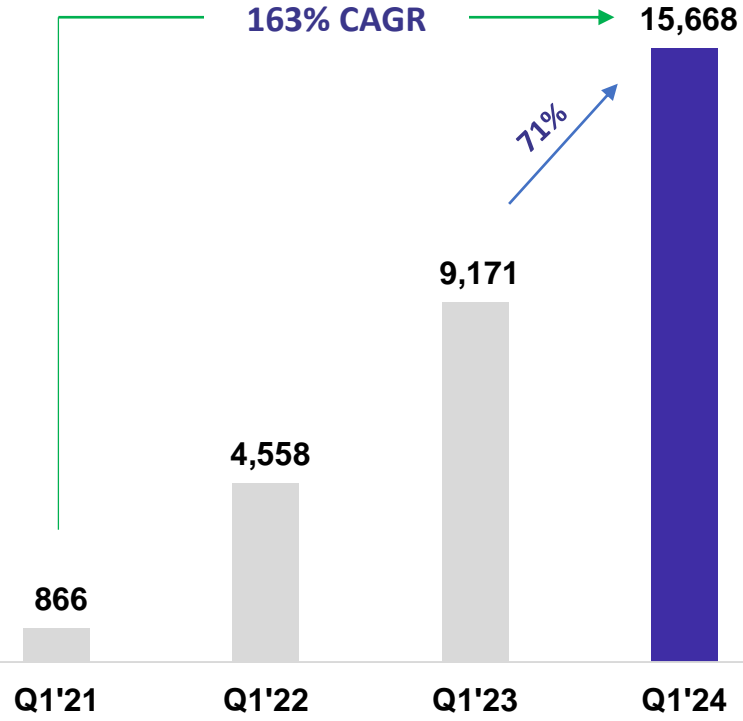
Debit cards spends per transaction increased by **~1.5 times** from Q1'21 to Q1'24

CMS Clients



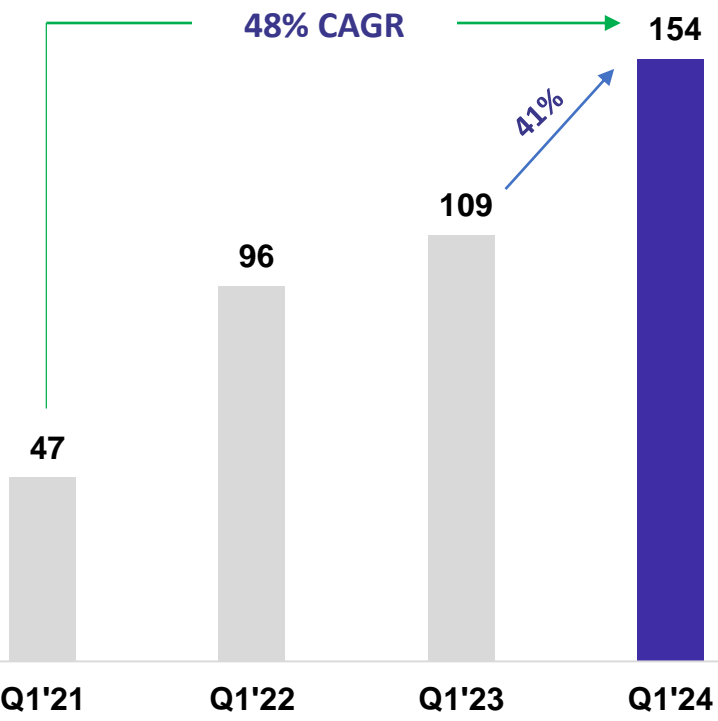
Diversified cliental to e-Commerce, retail, supply chain/ logistic partners

Throughput in ₹ Crs



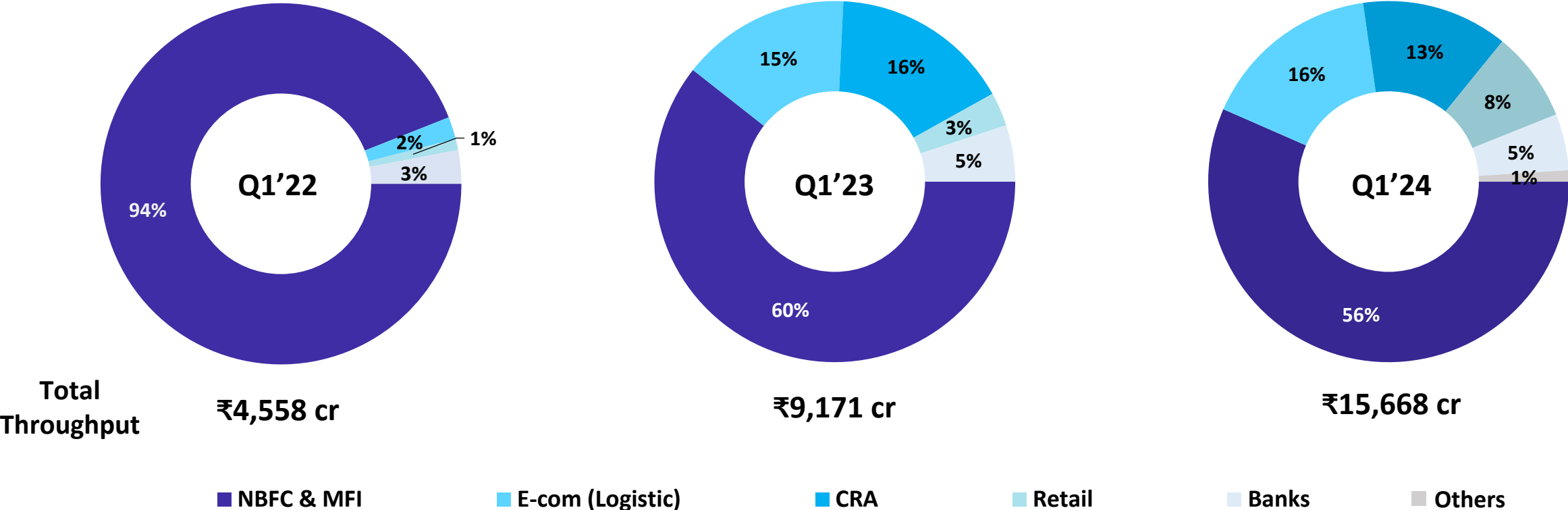
Consistently growing YoY over last 4 years – ability to optimize distribution network

Avg Revenue per Txn in ₹



Absolute Net Revenue grew by 72% YoY from ₹8.3 Cr to ₹14.3 Cr in Q1'24

Accelerated growth path helped by aggressive partner on-boarding from various sectors



No. of partners on CMS increased to 189 ending June'23 v/s 152 ending June'22

15 states with Average monthly throughput over ₹ 100 Cr+ in Q1'24 (11 states in Q1'23)



34k+ Digital Accounts were opened in Q1'24



7.8 Lakh average quarterly users on FinoPay



54k Bill Pay and recharge transactions in June'23



9.7 Cr UPI transactions in June'23 – Contributing 1% of Issuing Bank Ecosystem



26.3 Lakh unique UPI users in June'23

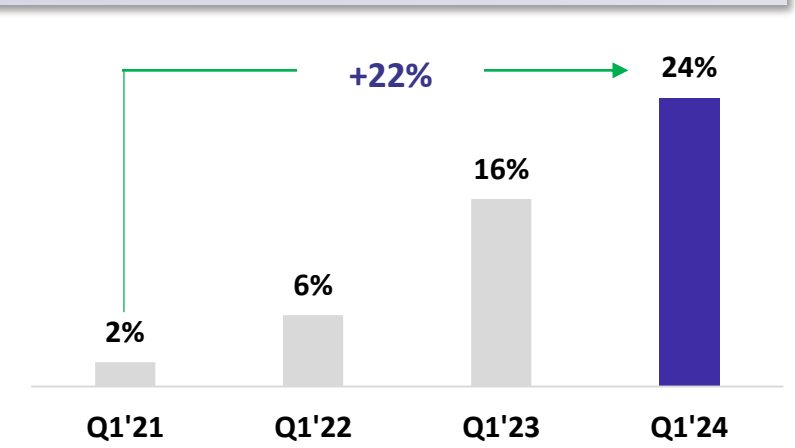
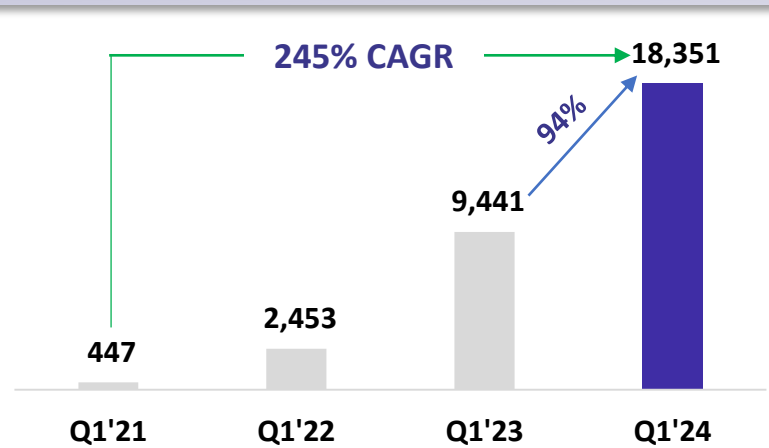
** Digi SA launched in December 2022*

Total Throughput (₹ Cr)

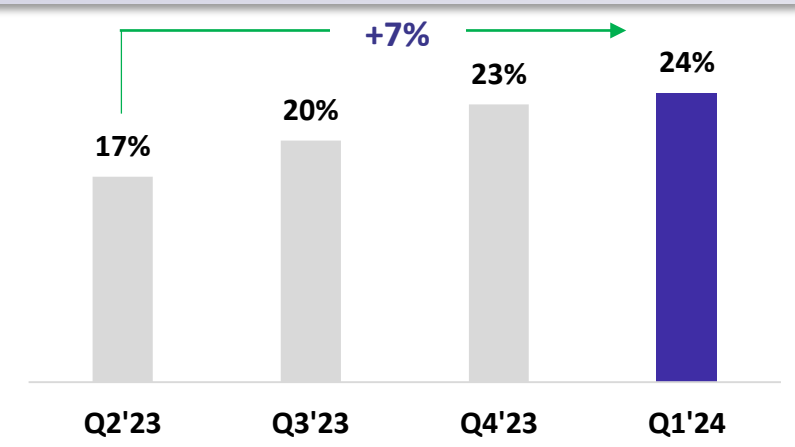
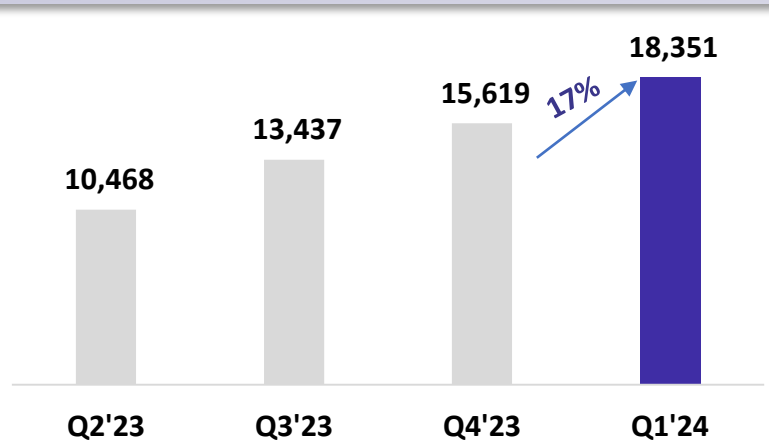
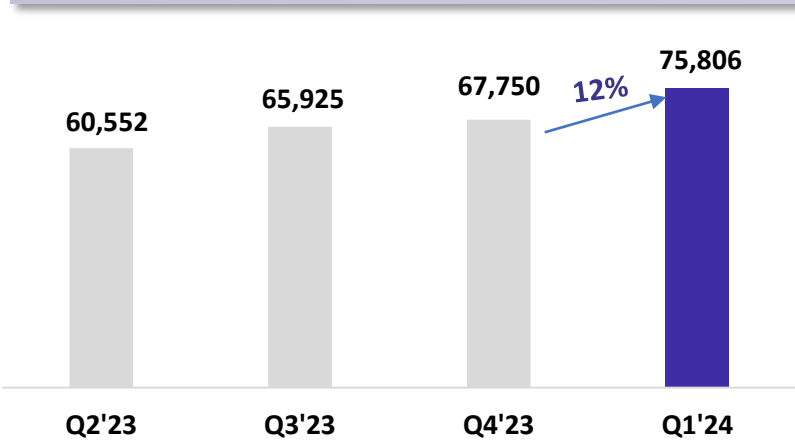
Digital Throughput (₹ Cr)

Digital Throughput as a % of Total Throughput

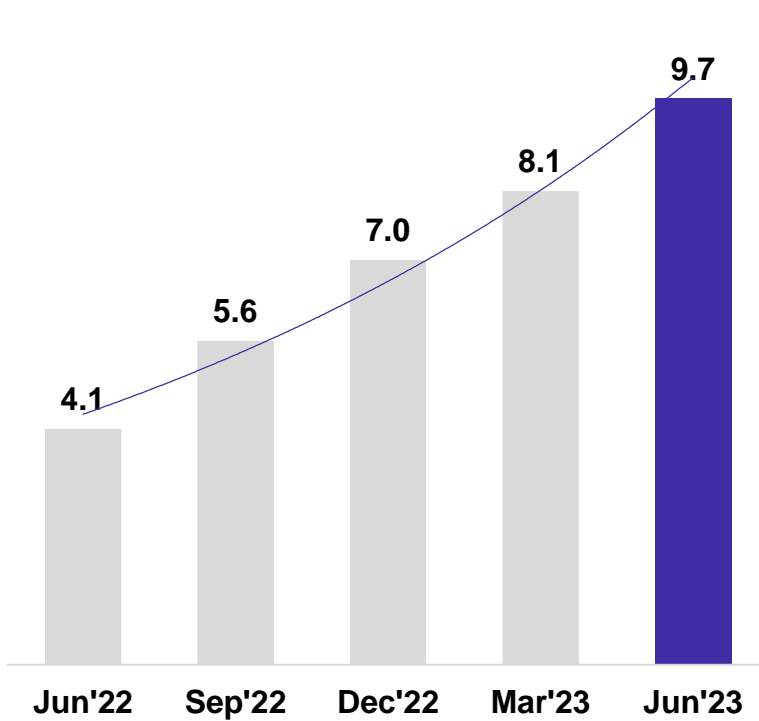
Year-on-Year



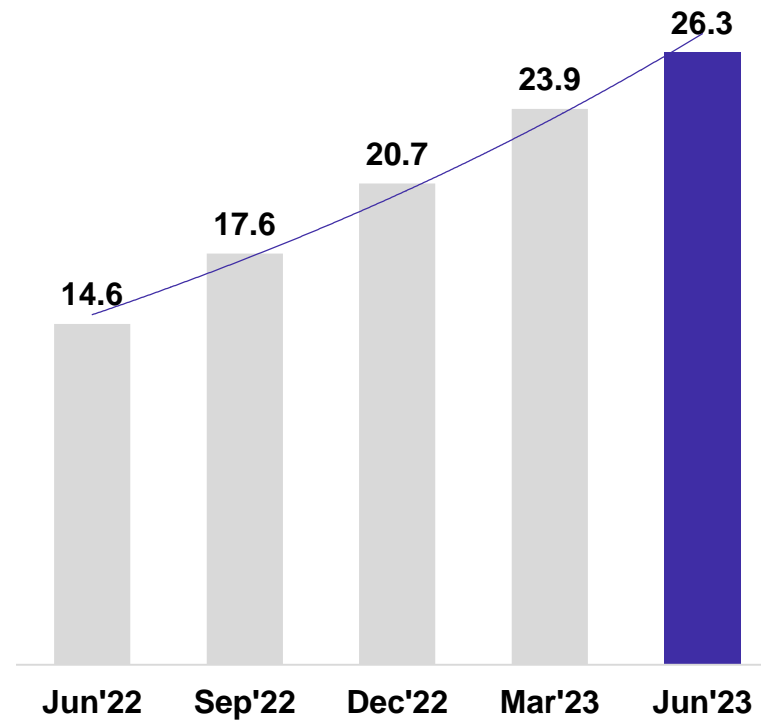
Quarter-on-Quarter



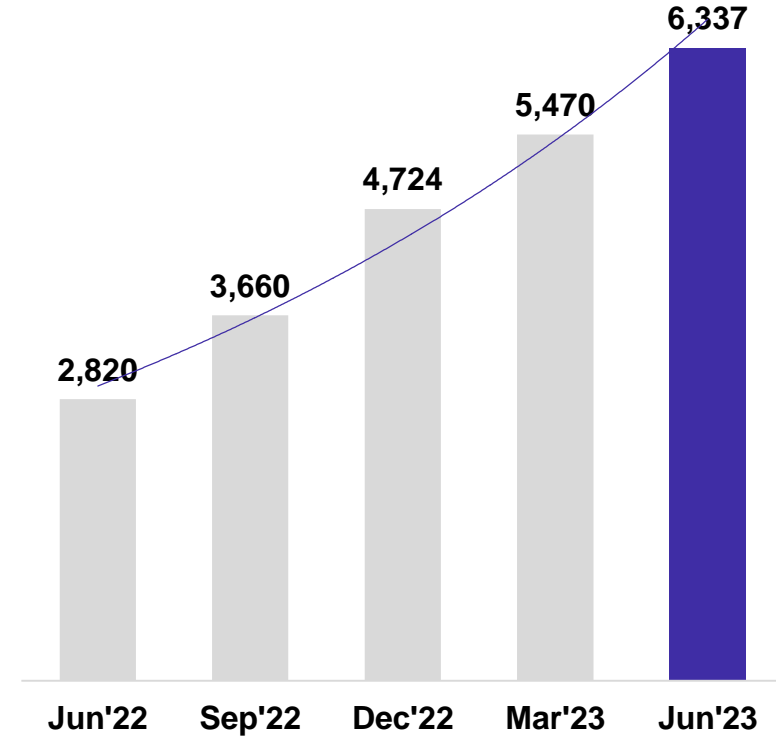
Count of Transactions (in Crs)



Unique UPI Users (in Lakhs)



Value of UPI transactions (in Cr)



- Bank continues to contribute 1% of the total UPI ecosystem volumes
- Number of UPI transactions will continue to rise with the new tie-ups in UPI universe
- Enhancing the UPI capability from customer offering and partner offering continues to remain the priority of the bank from payments perspective

Q1'24

Financial Highlights

परंपरा, प्रतिष्ठा और अनुशासन ।
ये है **Fino Point** के तीन स्तंभ ॥



Bank Level Profit & Loss

Particulars (₹ Crs)	Q1'24	Q4'23	Q1'23	QoQ (%)	YoY (%)	FY'23
Revenue	348.3	323.4	289.1	7.7%	20.5%	1,229.9
Product Cost	238.2	217.7	201.5	9.5%	18.2%	841.9
Net Revenue	110.1	105.8	87.5	4.1%	25.7%	388.0
Operating Cost	69.6	62.7	64.0	10.9%	8.7%	251.9
EBITDA	40.5	43.0	23.6	(5.9%)	71.9%	136.1
Other Fin. Cost & Depreciation	21.8	20.9	13.5	4.1%	61.9%	71.0
PAT	18.7	22.1	10.1	(15.4%)	85.1%	65.1
EBITDA Margins	11.6%	13.3%	8.2%	(1.7%)	3.4%	11.1%
PAT Margins	5.4%	6.8%	3.5%	(1.5%)	1.9%	5.3%
Cost to Income	26.2%	25.9%	26.8%	(0.4%)	0.6%	26.3%

Q1'24 Key Business Highlights (YoY)



Revenue

₹ 348.3 Crs

↑ 20.5%



EBITDA

₹ 40.5 Crs

↑ 71.9%



PAT

₹ 18.7 Crs

↑ 85.1%



RoE

13.6%

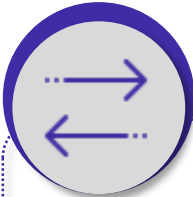
↑ 518 bps



Txn. On Fino Platform

40.6 Crs

↑ 62.6%



Total Throughput

₹ 75.8k Crs

↑ 24.7%



Number of Merchants

14.4 Lakhs

↑ 26.3%



Accounts Opened

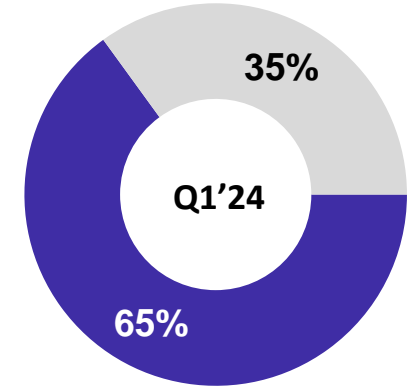
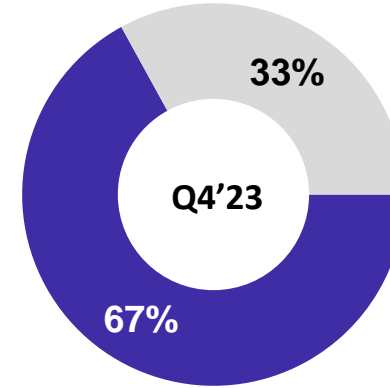
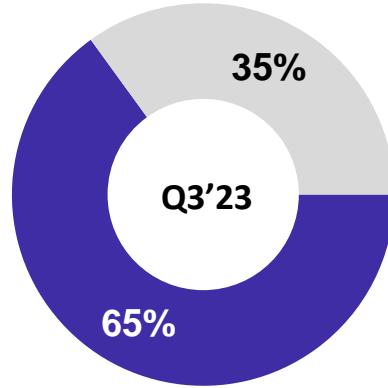
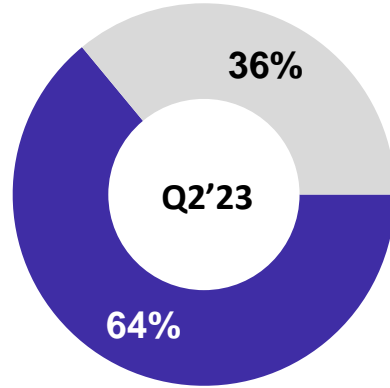
7.7 Lakhs

↑ 24.4%

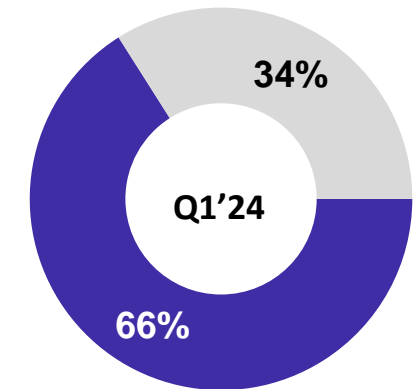
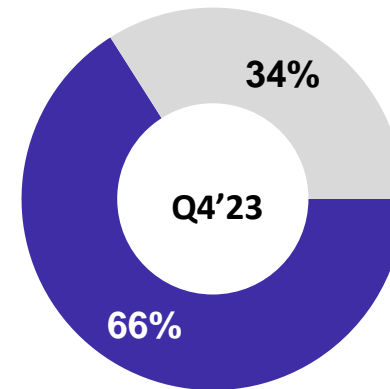
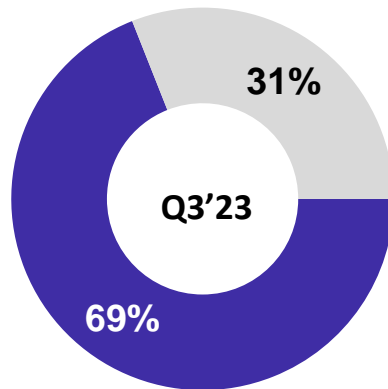
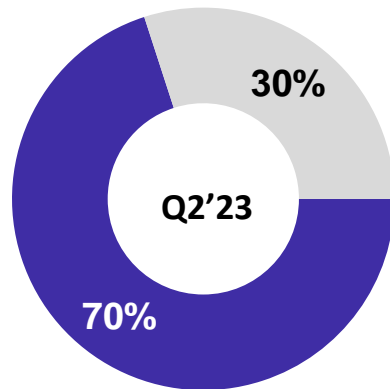
Revenue Mix Across Parameters (QoQ)

■ Own Banking ■ Open Banking

Own and Open Banking Channel



Transaction And Subscription & others

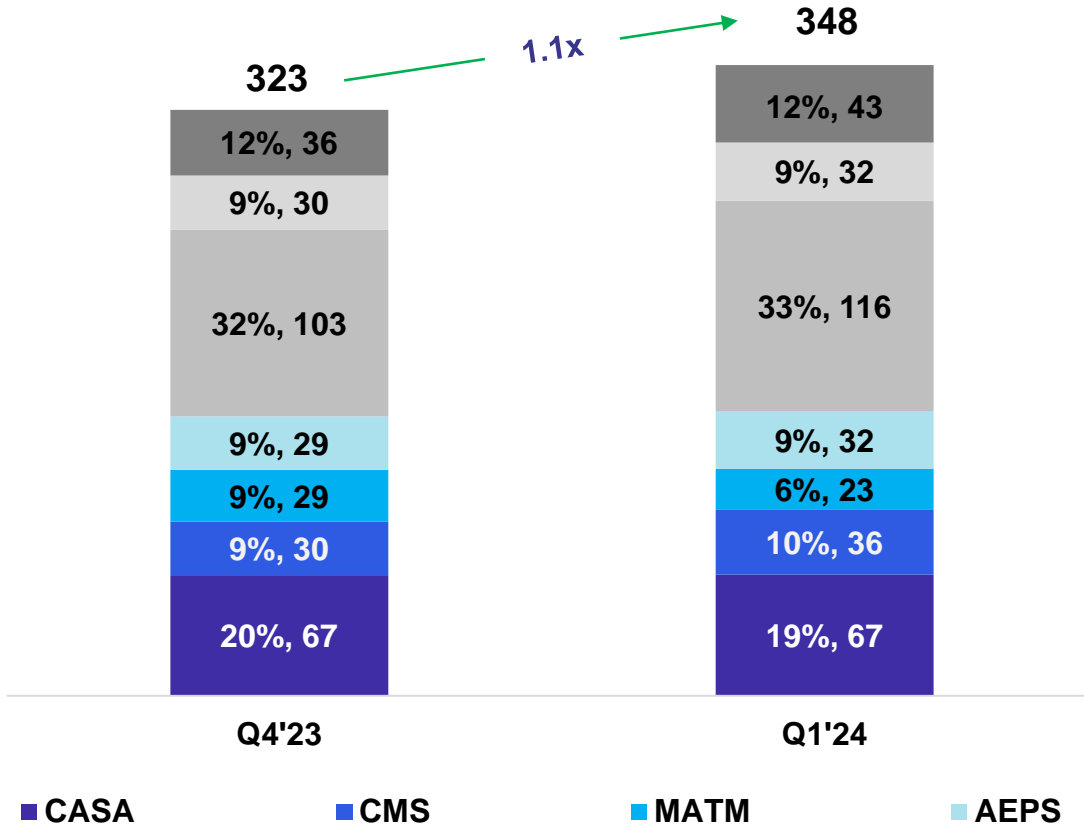


■ Transaction Income ■ Subscription & Others

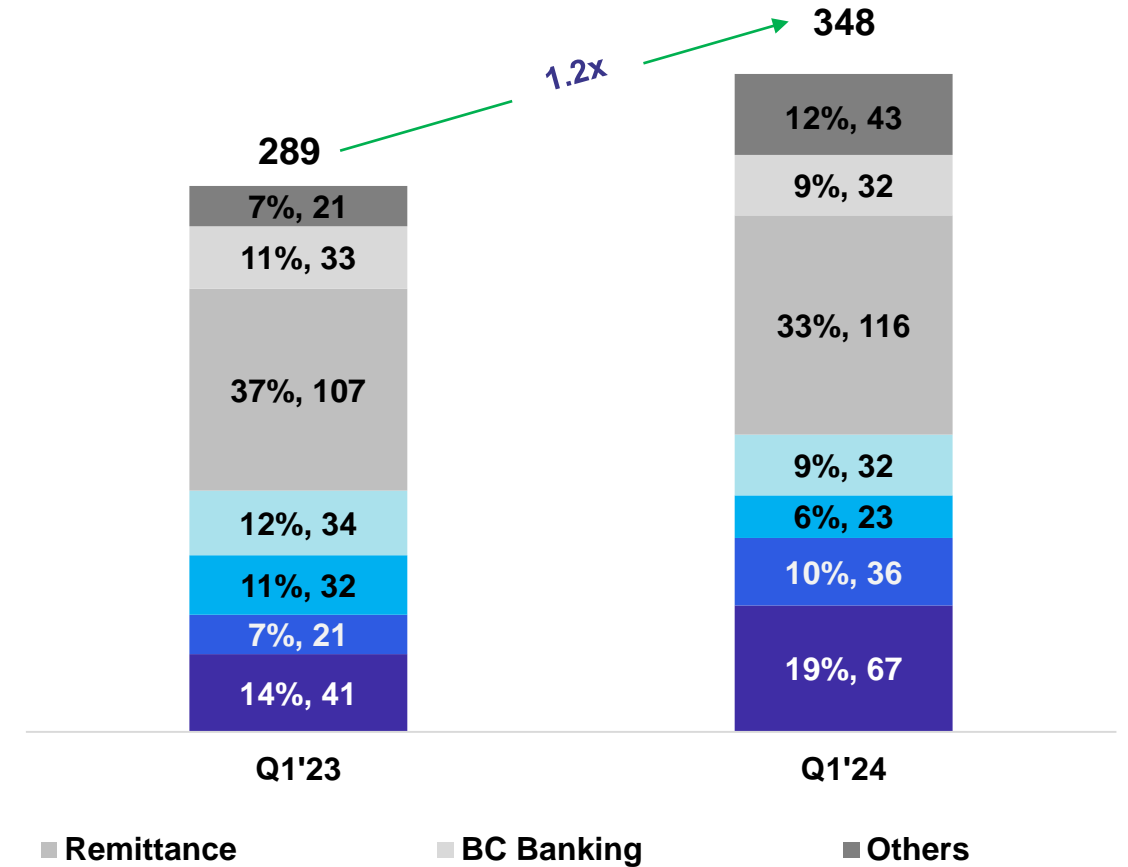
Product Revenue Mix : Q1'24 (QoQ & YoY)

(in ₹ Crores)

Q4'23 v/s Q1'24



Q1'23 v/s Q1'24



High margin products growing continuously

Product	Drivers	Q1'24 Revenue (₹ Crs)	QoQ Growth	YoY Growth	Q1'24 Margins
CASA	High growth high margin; customer ownership; path to annuity	67	0.2%	63%	54%
CMS	High growth high margin business	36	21%	71%	40%
DMT	Hook product	116	12%	9%	4%
Micro ATM + AEPS	Cash withdrawal business is the key to attract customer footfalls pan-India.	55	(6%)	(17%)	33%
BC Banking	Mature institutional business that has been our core since our inception.	32	7%	(3%)	28%

PAT for Q1'24 at

₹ 18.7 Cr

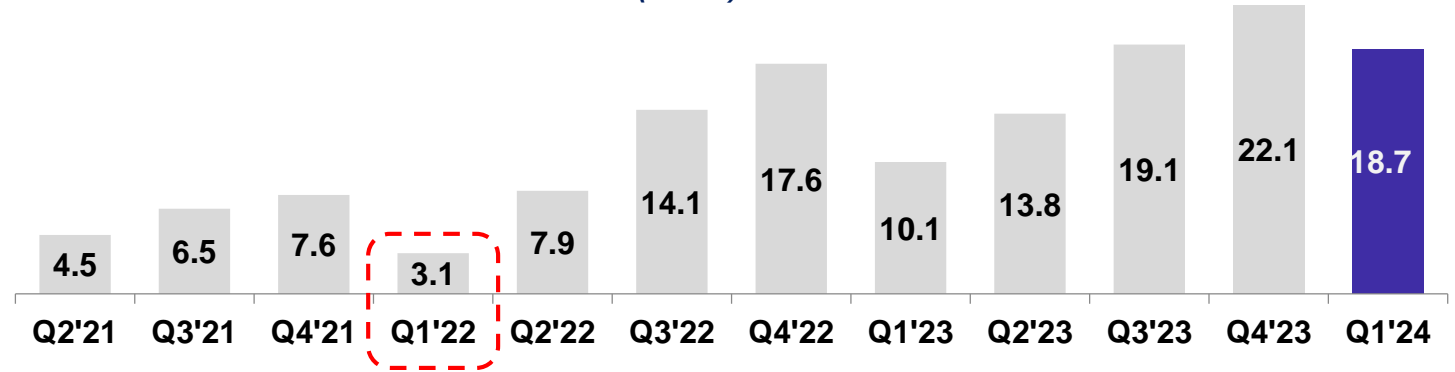


85% growth over Q1'23

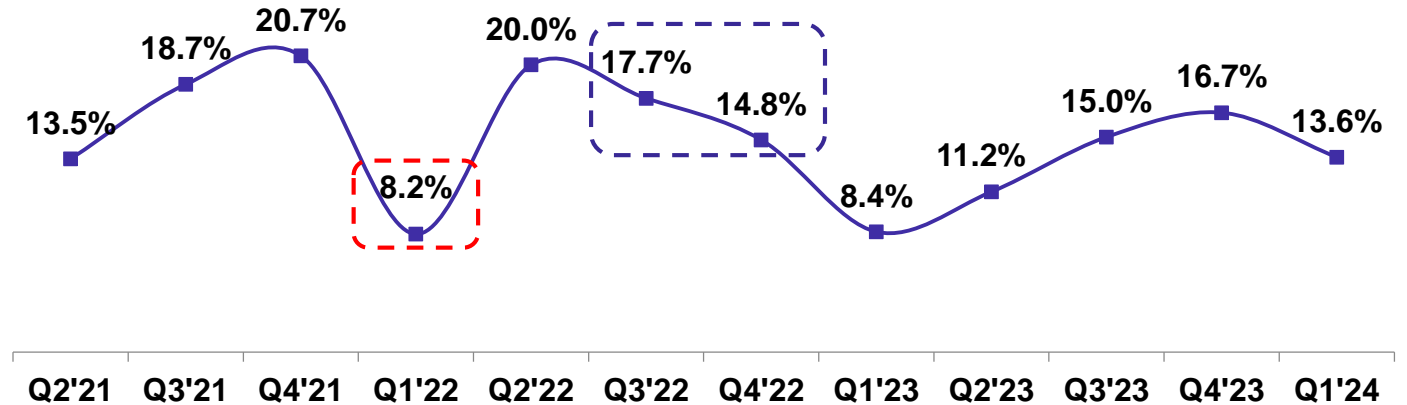
Annualized ROE of Q1'24

13.6%

Profit After Tax
(₹ Crs)



Return on Equity



Covid impacted quarter

Primary equity raised quarter

Fino SFB Strategy

ASSET LIGHT SFB



Phase I: PB

Transaction (2017 – 2021)

- Build Distribution Network:
Merchant base @ 14.4 Lakh
- **Simple & convenient banking solutions**
- **Building trust** with partner / customer
- **Innovate new products** to meet evolving needs

Phase II: PB

Acquisition (2022 – 2026)

- **2.5 Lakh+ New CASA accounts** added every month
- Base - 20 Million customers & 2 Million merchants
- Building on our **Digital Presence**
- **Transacting – “OFF US” to CASA customer – “ON US”**

Phase III: PB + SFB

Monetization (2026.....)

- **CASA dominant Liability** franchise
- Lending to **KNOWN** – leveraging existing infra & distribution
- Strong opportunity for **cross sell** – other financial products
- **Fino 2.0+** : Simplified **digital solutions** for customer friendly experience

- Payments Bank ++ Model - **Operating as Banking Services Provider** – fee based income Continues to be as key source of revenue
- E2E customer lifecycle – providing comprehensive banking services
- CASA Balance Limit ₹ 2 Lakh removal - Expansion of customer base
- Payout product increment business on B2B side
- Lending one of the product lines (**not the core product**)

NO

- **Asset light model** continues – Leveraging existing distribution network – digital / merchants
- Anticipation of **only 30 incremental branches in first 3 years of operations**
- **Low cost funds** – sustainable CASA YOY growth
- Cost of funds would be **200 -250 bps lower vis-à-vis others**
- Lending Revenue ~ 20% of Total Revenue in **in first 3 years of operation**

	Unit	FY'23	FY'28 (Aspiration)	Comments
CASA Accounts	Million	7.5	~27.5	Adding 4 million customers year on year - trust build up with the target customer segment
Average Balances	₹	1,216	~2,500	Double the average balance, by enhancing the customer experience, more digitally active, based on profiling of customers and analytics. ₹ 2 Lakh Balance Limit removal will enable to move up the customer segment.
Total Deposits	₹ Crs	1,200	~6,875	Function of customer base and incremental average balance.
Cost of funds	%	2.2%	~2.5%	Strong liability base – enabler for enhanced NIM- edge over competition

LOW COST LIABILITY – KEY DIFFERENTIATER

- Credit to “**Known Merchant & Customer**”
- Banking **relationship with existing merchant / customers > 2 to 3 years**
- Data driven **conservative credit disbursement model** – Robust Data Analytics tools
- **MSME / Retail focused lending** slowly transitioning into other products – Auto loans, LAP
- **Cross Sell – Opportunities**

“TRANSACTION / SERVICE FOCUS ASSET LIGHT SFB”

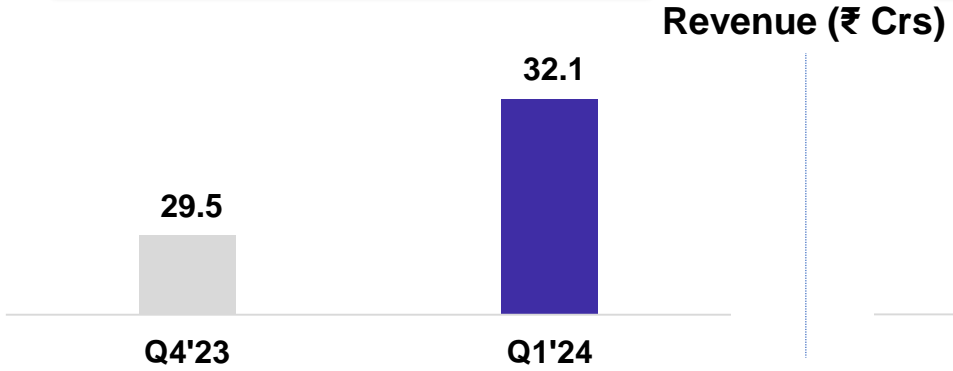
opportunity to grow by converting to SFB by optimum utilisation of our already built infrastructure to meet the unmet demand of credit for the common people and also making deeper inroads into payments products across B2B and B2C segments

Product Strategy & Performance Trends

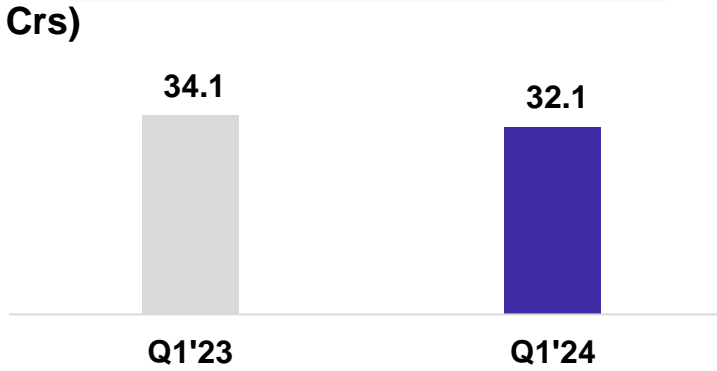
Fino platform pe
#आइए तो सही



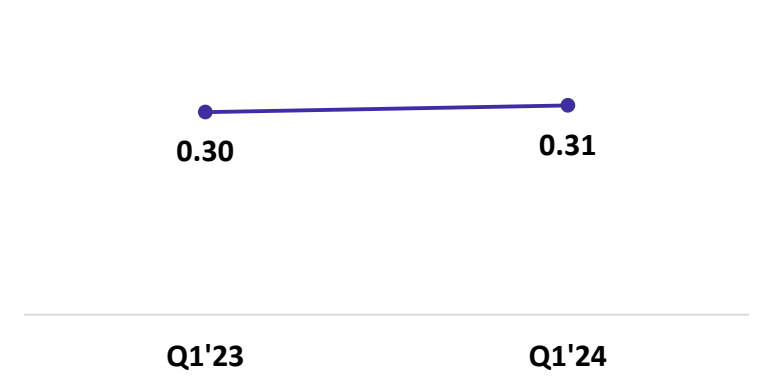
Q-o-Q



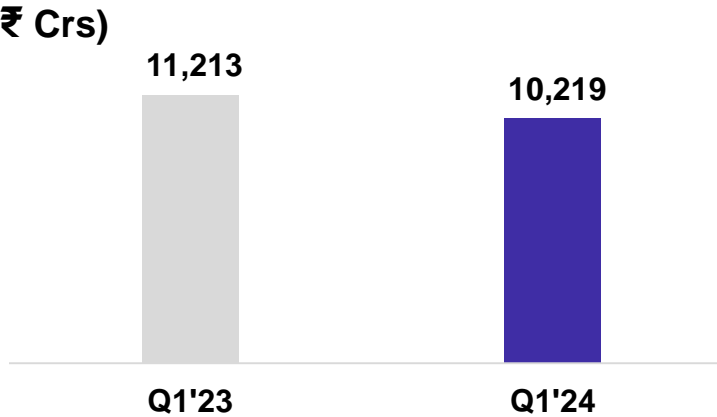
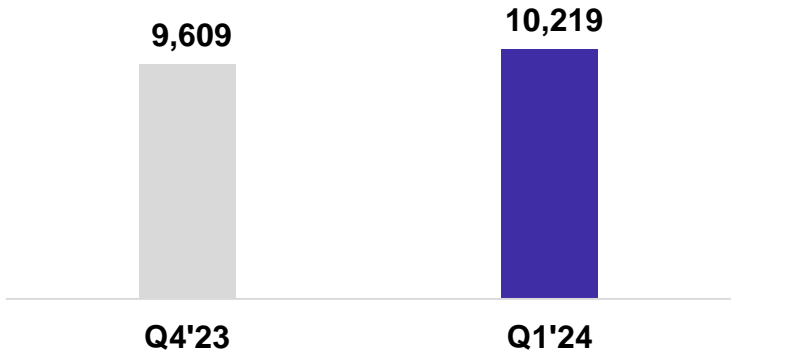
Y-o-Y



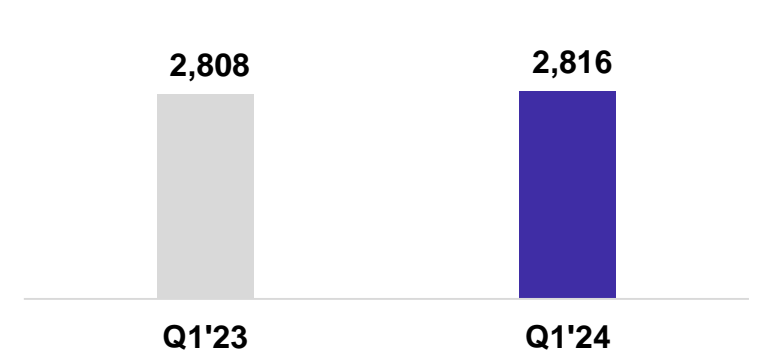
Take Rate



Throughput (₹ Crs)



Average Ticket Size (₹)

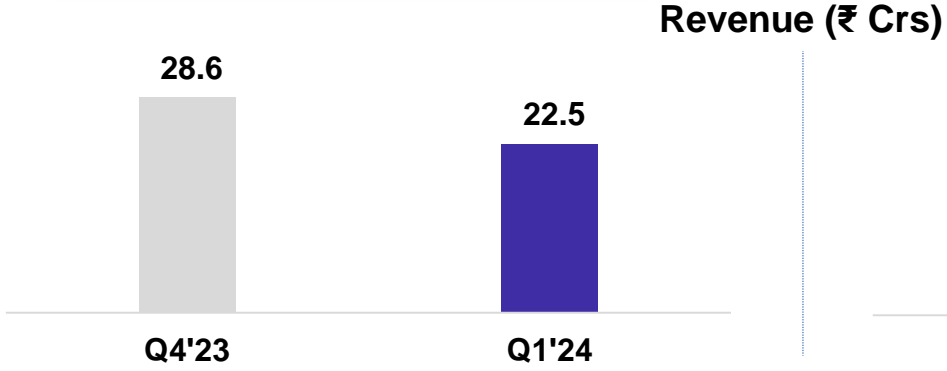


Revenue grew by 9% in Q1'24 (QoQ)

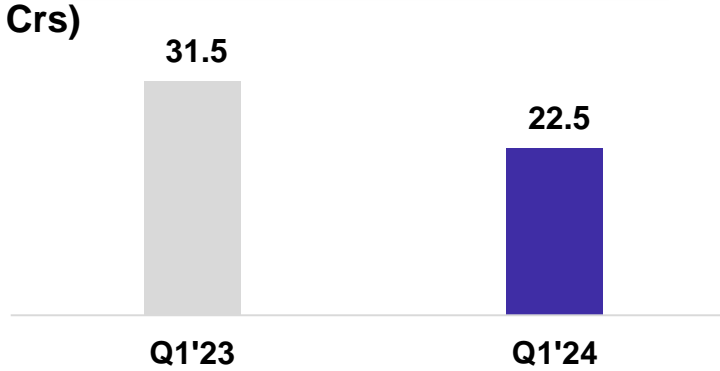
Overall eco-system declined due to enhance control measures adopted

Transaction count of AEPS grew by 4% QoQ in Q1'24

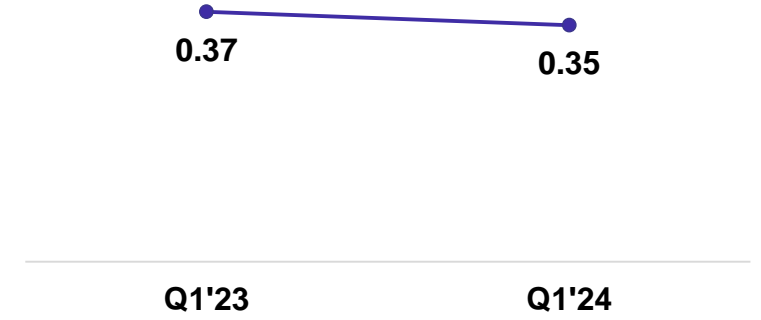
Q-o-Q



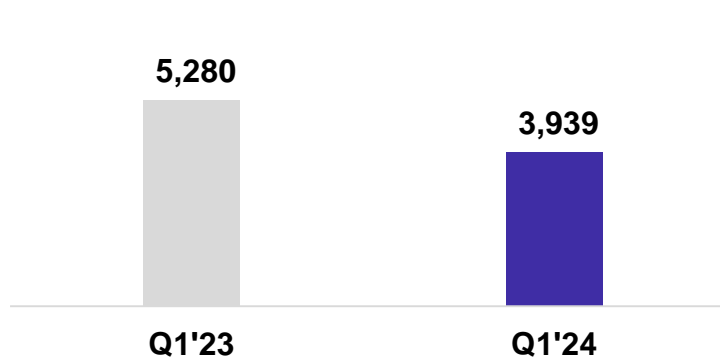
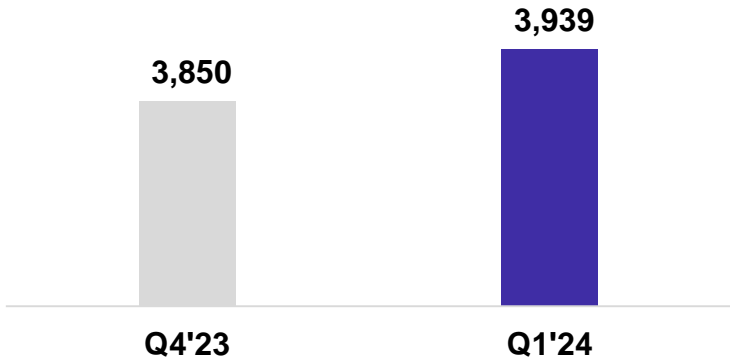
Y-o-Y



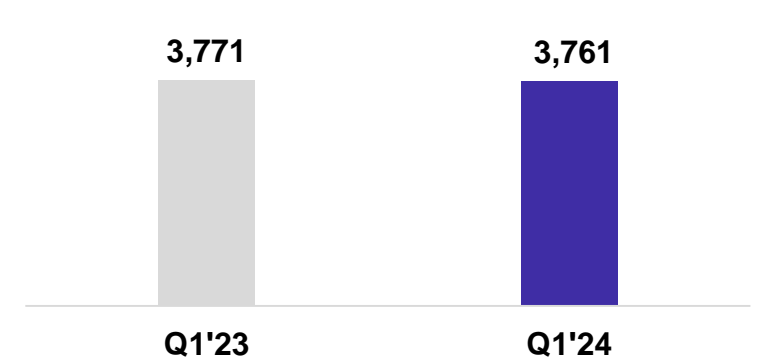
Take Rate



Throughput (₹ Crs)



Average Ticket Size (₹)

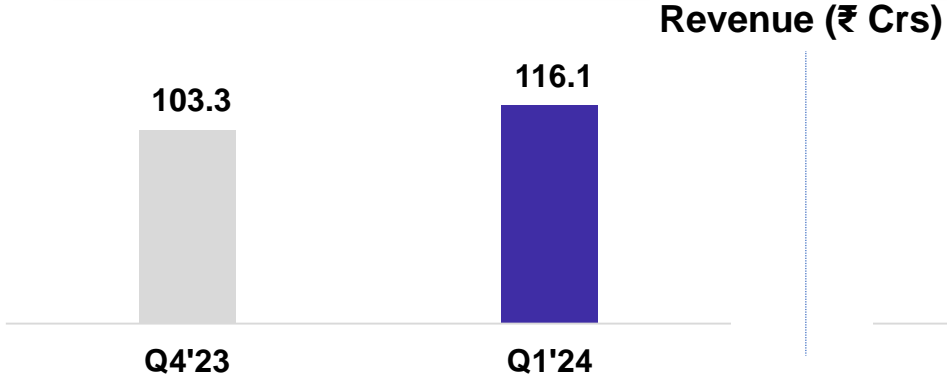


Continue to be the one of the dominant players in the Industry - Cumulative market share of Top 5 players is at 77% as of Jun'23

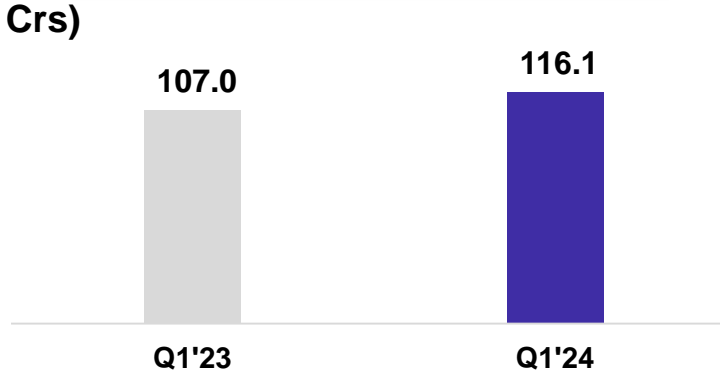
Focus on **CASA ownership** leading to transaction customer becoming **CASA customer**

MATM own channel throughput increased by **2.9%** in Q1'24 vs Q4'23

Q-o-Q



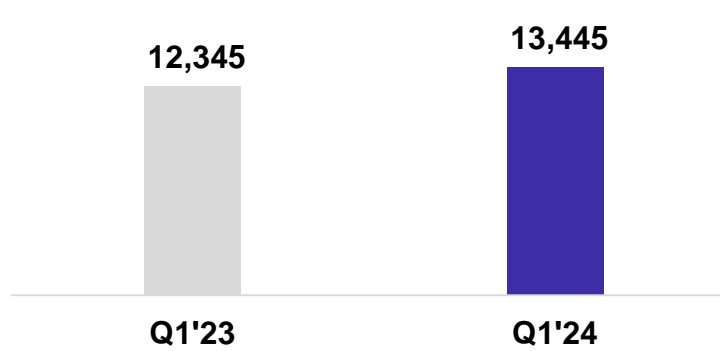
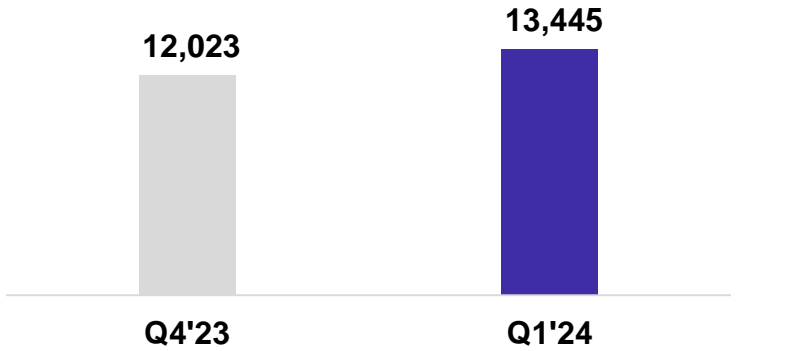
Y-o-Y



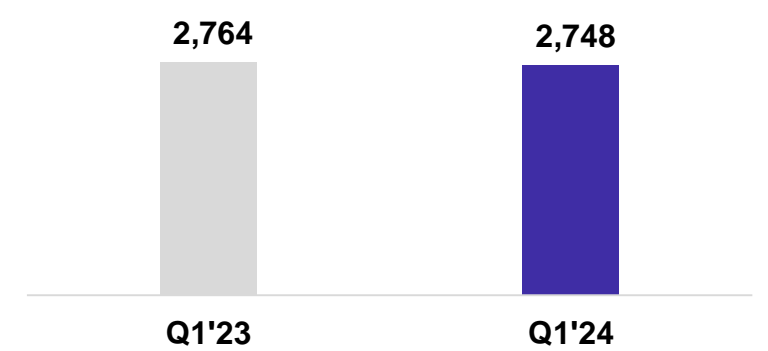
Take Rate



Throughput (₹ Crs)



Average Ticket Size (₹)



One of the **pioneers in the remittance industry**, Fino is still a market leader today.

Transaction count grew by **10% YoY** in Q1'24

Revenue grew by 12% in Q1'24 (QoQ) and take rate remains stable vs Q1'23

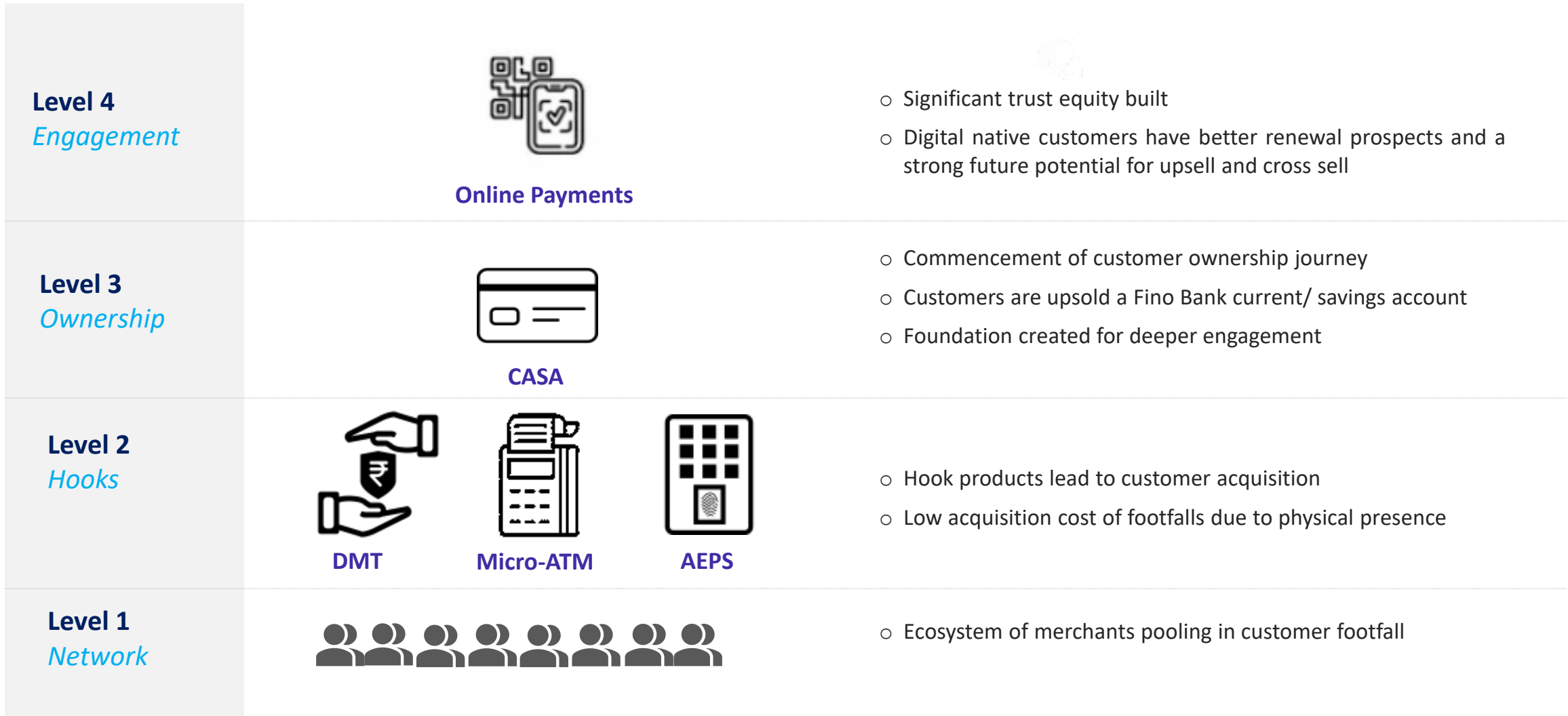
Fino Bank's Business Model

Fino platform pe
#Har Din Fino



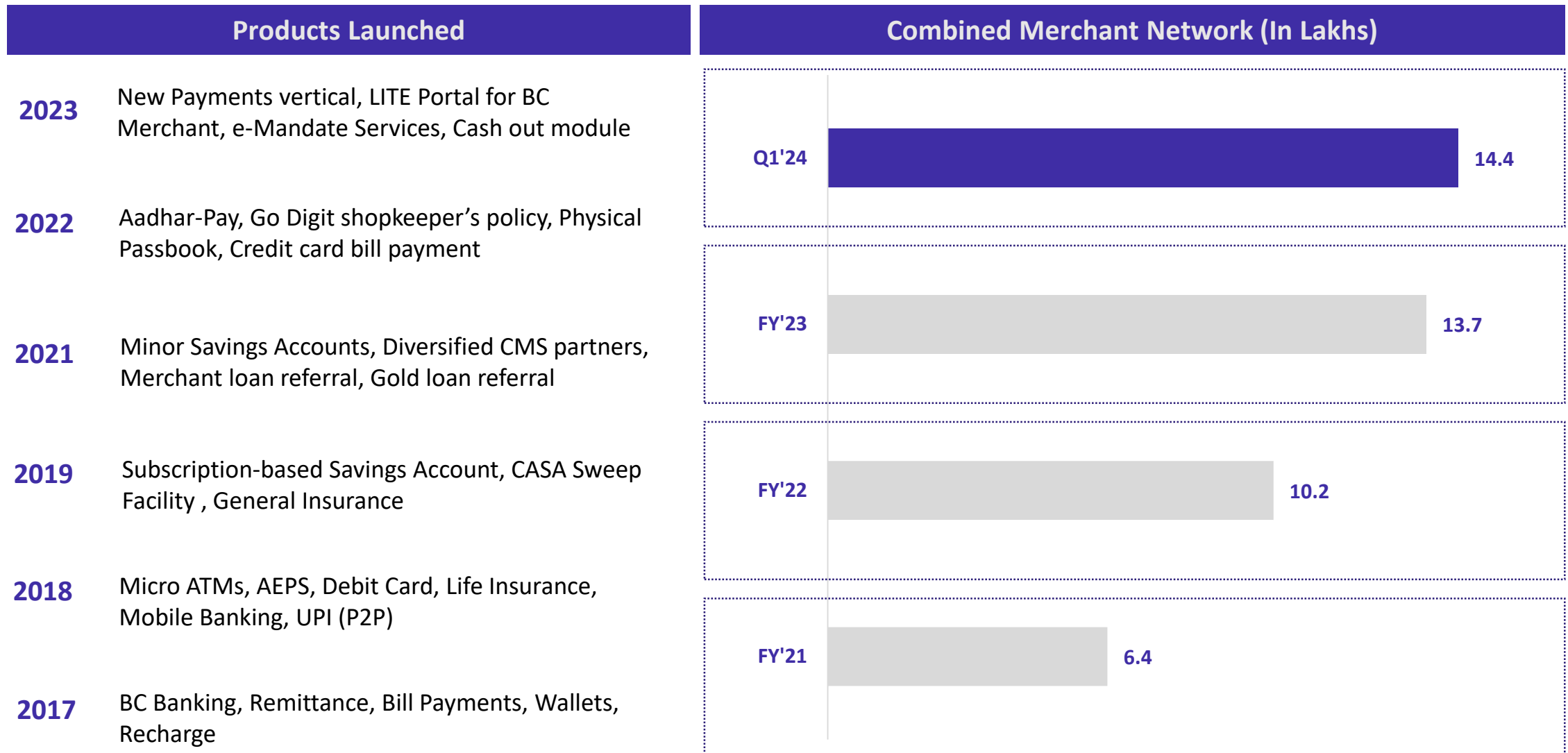
Business Model of Fino Payments Bank

Moving Customers up the Fintech Value Chain



Strong Progress Over Last 6 Years

Momentum Continues



Har Din Fino...

Thank You

