

Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
PB Fintech Limited (Erstwhile, PB Fintech Private Limited)
Plot No. 119, Sector-44,
Gurugram-122001
Haryana

1. We have reviewed the consolidated unaudited financial results of PB Fintech Limited (Erstwhile, PB Fintech Private Limited) (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), and its share of the net loss after tax and total comprehensive loss of its associate companies (refer paragraph 4 below) for the quarter ended December 31, 2022 and the year to date results for the period April 01, 2022 to December 31, 2022 which are included in the accompanying Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2022 (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is U12754N/N500016 (ICAI registration number before conversion was 012754N)

4. The Statement includes the results of the following entities:

Parent:

PB Fintech Limited (Erstwhile, PB Fintech Private Limited)

Subsidiaries:

Policybazaar Insurance Brokers Private Limited
Paisabazaar Marketing and Consulting Private Limited
Icall Support Services Private Limited
Accurex Marketing and Consulting Private Limited
PB Marketing and Consulting Private Limited
Docprime Technologies Private Limited
PB Financial Account Aggregator Private Limited
Myloancare Ventures Private Limited (associate till June 07, 2022)
PB Fintech FZ-LLC
Visit Internet Services Private Limited (Indirect)
ZPHIN Computer Systems and Software Designing - Sole Proprietorship LLC (Indirect)
MLC Finotech Private Limited (Indirect)

Associates:

Visit Health Private Limited (Indirect)
YKNP Marketing Management LLC (Indirect)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 8 to the Statement, regarding management assessment with respect to inspections of the books of account and records of Policybazaar Insurance Brokers Private Limited (a wholly owned subsidiary of the Parent), carried out by the Insurance Regulatory and Development Authority of India ("IRDAI") to examine compliance with relevant laws and regulations for various financial years and submission of management responses in respect of the inspection reports issued by IRDAI. The exact impact on the financial results will be known on the conclusion of the proceedings by the IRDAI. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial information / financial results of 6 subsidiaries included in the consolidated unaudited financial results, whose interim financial information / financial results reflect total revenues of Rs. 1,923.17 lakhs and Rs. 5,087.80 lakhs, total net loss after tax of Rs. (1,445.24) lakhs and Rs. (3,589.22) lakhs and total comprehensive loss of Rs. (1,369.09) lakhs and Rs. (3,063.12) lakhs, for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022, respectively, as considered in the consolidated unaudited financial results. These interim financial information / financial results have been reviewed by other auditors in accordance with SRE 2400, Engagements to Review Historical Financial Statements and SRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, as applicable, and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.



8. The consolidated unaudited financial results includes the interim financial information/ financial results of 1 subsidiary which has not been reviewed/audited by its auditors, whose interim financial information/ financial results reflect total revenue of Rs. 0.89 lakhs and Rs. 5.89 lakhs, total net profit after tax of Rs. 0.10 lakhs and Rs. 0.99 lakhs and total comprehensive income of Rs. 0.10 lakhs and Rs. 0.99 lakhs for the quarter ended December 31, 2022 and for the period from April 01, 2022 to December 31, 2022, respectively, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial information / financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.
9. We were neither engaged to review, nor have we reviewed the year to date results for the period April 01, 2021 to December 31, 2021, and accordingly, we do not express any conclusion on these figures in the Statement. As set out in note 4 to the Statement, these figures have been furnished by the Management. Our conclusion is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 23057084BGYFPW1403

Place: Gurugram
Date: February 10, 2023

PB FINTECH LIMITED
(ERSTWHILE, PB FINTECH PRIVATE LIMITED)
REGD. OFFICE : PLOT NO. 119, SECTOR 44, GURGAON, HARYANA- 122001
CIN:L51909HR2008PLC037998

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Particulars	Quarter ended			Nine Months ended		Year ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited*	Audited
I Income						
Revenue from operations	61,009.29	57,347.30	36,727.94	1,68,875.24	88,459.30	1,42,489.01
Other income	6,890.69	6,036.58	3,356.48	17,675.18	7,451.93	12,538.85
Total Income (I)	67,899.98	63,383.88	40,084.42	1,86,550.42	95,911.23	1,55,027.86
II Expenses						
Employee benefit expense	35,648.52	41,029.36	39,479.31	1,14,842.90	88,124.50	1,25,554.10
Depreciation and amortisation expense	1,752.05	1,558.20	1,070.06	4,632.86	3,078.97	4,283.97
Advertising and promotion expenses	29,850.92	31,238.98	23,602.63	90,069.72	50,370.48	86,445.25
Network and internet expenses	2,633.88	2,433.78	1,831.49	7,126.82	5,202.73	6,951.60
Other expenses	6,195.95	5,251.25	3,548.79	16,190.53	9,493.84	13,771.54
Finance costs	556.26	554.36	349.46	1,519.75	966.67	1,356.78
Total Expenses (II)	76,637.58	82,065.93	69,881.74	2,34,382.58	1,57,237.19	2,38,363.24
III Loss before share of profit/(loss) of associates, exceptional items and tax (I-II)	(8,737.60)	(18,682.05)	(29,797.32)	(47,832.16)	(61,325.97)	(83,335.38)
IV Share of profit/(loss) of associates	(22.04)	21.55	(2.42)	(26.57)	(2.42)	(3.88)
V Loss before tax (III+IV)	(8,759.64)	(18,660.50)	(29,799.74)	(47,858.73)	(61,328.38)	(83,339.26)
VI Income tax expense:						
Current tax	3.49	3.42	1.97	10.36	2.11	(46.87)
Deferred tax	(0.95)	-	-	(9.59)	-	(1.09)
VII Loss for the period/year (V-VI)	(8,762.18)	(18,663.92)	(29,801.71)	(47,859.50)	(61,330.49)	(83,291.30)
VIII Other comprehensive income/(loss)						
Items that may be reclassified to profit or loss						
- Exchange differences on translation of foreign operations	72.40	184.95	33.83	509.32	20.89	169.58
- Changes in the fair value of debt instruments at FVOCI	0.65	4.67	-	3.16	-	-
- Income tax relating to these items	-	(0.65)	-	(0.65)	-	-
Items that will not be reclassified to profit or loss						
- Share of other comprehensive income/(loss) of associates	-	-	0.33	-	0.33	0.80
- Remeasurement of post employment benefit obligations [Gain/(Loss)]	33.77	66.83	77.94	79.29	1.83	(141.25)
- Income tax relating to these items	(1.58)	1.58	(0.09)	-	(0.09)	(0.21)
Total other comprehensive income/(loss), net of income tax for the period/year	105.24	257.38	112.01	591.12	22.96	28.92
IX Total comprehensive income/(loss) for the period/year (VII+VIII)	(8,656.94)	(18,406.54)	(29,689.70)	(47,268.38)	(61,307.53)	(83,262.38)
Loss is attributable to:						
Owners of PB Fintech Limited	(8,729.62)	(18,663.92)	(29,801.71)	(47,826.94)	(61,330.49)	(83,291.30)
Non-controlling interests	(32.56)	-	-	(32.56)	-	-
Other comprehensive income/(loss) is attributable to:						
Owners of PB Fintech Limited	106.71	257.38	112.01	592.59	22.96	28.92
Non-controlling interests	(1.47)	-	-	(1.47)	-	-
Total comprehensive income/(loss) is attributable to:						
Owners of PB Fintech Limited	(8,622.91)	(18,406.54)	(29,689.70)	(47,234.35)	(61,307.53)	(83,262.38)
Non-controlling interests	(34.03)	-	-	(34.03)	-	-
X Paid up Equity Share Capital (Equity Shares of Face Value of ₹ 2/- each)	9,002.33	8,990.00	8,990.00	9,002.33	8,990.00	8,990.00
XI Other Equity						5,32,175.82
XII Earnings/(loss) per equity share (in ₹) [Face Value per share of ₹ 2/-]						
1) Basic	(1.96)	(4.19)	(7.00)	(10.76)	(15.00)	(20.34)
2) Diluted	(1.96)	(4.19)	(7.00)	(10.76)	(15.00)	(20.34)
	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	

See accompanying notes to the Consolidated Unaudited Financial Results

* Refer Note 4



Yashpal Bahuguna

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(ERSTWHILE, PB FINTECH PRIVATE LIMITED)
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CONSOLIDATED UNAUDITED SEGMENT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

							(₹ in Lakhs)
Particulars		Quarter ended			Nine Months ended		Year ended
		December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited*	Audited
I Segment Revenue							
Insurance Web aggregator / Insurance Broker services		31,811.53	27,527.47	19,636.88	82,409.24	51,358.27	78,953.47
Other Services		29,197.76	29,819.83	17,091.06	86,466.00	37,101.03	63,535.54
Total Revenue		61,009.29	57,347.30	36,727.94	1,68,875.24	88,459.30	1,42,489.01
II Segment Results							
Insurance Web aggregator / Insurance Broker services		(4,749.75)	(10,775.58)	(15,194.35)	(27,057.88)	(33,219.00)	(41,243.82)
Other Services		(3,453.63)	(7,330.56)	(14,255.93)	(19,281.10)	(27,142.72)	(40,738.66)
Loss before finance costs, exceptional items and tax		(8,203.38)	(18,106.14)	(29,450.28)	(46,338.98)	(60,361.71)	(81,982.48)
Finance Costs		556.26	554.36	349.46	1,519.75	966.67	1,356.78
Loss before tax		(8,759.64)	(18,660.50)	(29,799.74)	(47,858.73)	(61,328.38)	(83,339.26)
Income tax expense		2.54	3.42	1.97	0.77	2.11	(47.96)
Loss after tax		(8,762.18)	(18,663.92)	(29,801.71)	(47,859.50)	(61,330.49)	(83,291.30)
III Segment Assets							
Insurance Web aggregator / Insurance Broker services		1,51,607.04	1,50,348.20	57,889.62	1,51,607.04	57,889.62	55,055.39
Other Services		4,52,585.09	4,45,912.86	5,36,144.73	4,52,585.09	5,36,144.73	5,36,493.10
Total Assets		6,04,192.13	5,96,261.06	5,94,034.35	6,04,192.13	5,94,034.35	5,91,548.49
IV Segment Liabilities							
Insurance Web aggregator / Insurance Broker services		40,190.84	36,632.89	31,818.07	40,190.84	31,818.07	32,484.20
Other Services		23,879.32	21,345.63	16,604.58	23,879.32	16,604.58	17,898.47
Total Liabilities		64,070.16	57,978.52	48,422.65	64,070.16	48,422.65	50,382.67

* Refer Note 4

Based on nature of services rendered, the risk and returns, internal organization and management structure, nature of the regulatory environment and the internal performance reporting systems, the management considers that the Group is organized into two reportable segments:

- a) Insurance Web aggregator / Insurance Broker services (regulated services): This Segment consists of Insurance intermediary services provided by the Group which include insurance web aggregator services till June 24, 2021 and insurance broker services thereafter. Insurance Web aggregator services are regulated by the Insurance Regulatory Development authority (Web Aggregator) Regulations, 2017 and Insurance Broker services are regulated by the Insurance Regulatory Development authority (Insurance Brokers) Regulations, 2018.
- b) Other services: This Segment consists of online marketing, consulting and support services provided largely to the financial service industry.



Yashpal Bahuguna

NOTES TO CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

1. These Consolidated Unaudited Financial Results of the Company and its subsidiaries (collectively "the Group") and its interest in associates have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment thereafter.
2. These Consolidated Unaudited Financial Results include the following entities:

Relationship	Name of the entities
Parent	PB Fintech Limited
Subsidiaries	(a) Policybazaar Insurance Brokers Private Limited (b) Paisabazaar Marketing and Consulting Private Limited (c) Icall Support Services Private Limited (d) Accurex Marketing and Consulting Private Limited (e) PB Marketing and Consulting Private Limited (f) Docprime Technologies Private Limited (g) PB Fintech FZ-LLC (h) PB Financial Account Aggregators Private Limited (i) MyLoanCare Ventures Private Limited (Associate till June 07, 2022) (j) Visit Internet Services Private Limited (Indirect) (k) MLC Finotech Private Limited (Indirect) (l) ZPHIN Computer Systems and Software Designing – Sole Proprietorship L.L.C. (Indirect)
Associate	(a) Visit Health Private Limited (Indirect) (b) YKNP Marketing Management LLC (Indirect)

3. These Consolidated Unaudited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on February 10, 2023.
4. The financial results for the nine months ended December 31, 2021 included in the consolidated unaudited financial results were neither audited nor subject to limited review by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the consolidated unaudited financial results for the above mentioned period provide a true and fair view of the Company's affairs.
5. During the quarter ended December 31, 2022, the Company has granted 1,458,364 stock options under the employee stock option scheme – ESOP Scheme 2021, as approved by the Board of Directors of the Company, to the eligible employees of the Company and its subsidiaries. Share based payment expense for the quarter ended and nine months ended December 31, 2022 is ₹ 10,484 lakhs and ₹ 44,631 lakhs respectively.
6. During the financial year 2021-22, the Company had completed its initial public offer ("IPO") of 58,262,397 equity shares of face value of ₹ 2 each at an issue price of Rs. 980 per share, comprising fresh issue of 38,265,306 equity shares and offer for sale of 19,997,091 equity shares. Pursuant to the IPO, the equity shares were listed on National Stock Exchange of India Limited and BSE Limited on November 15, 2021.

The Company received an amount of ₹ 361,211 lakhs [net off IPO expenses] from proceeds out of fresh issue of equity shares for utilizing various objects stated in the prospectus. Out of the aforesaid amount, ₹ 62,913 lakhs were utilized for 'Enhancing visibility and awareness of the brands', ₹ 2,219 lakhs were utilized for 'New opportunities to expand growth initiatives to increase the consumer base', ₹ 4,040 lakhs were utilized for 'Funding strategic investments and acquisitions' and ₹ 70,828 lakhs were utilized for 'General corporate purposes'. The unutilized amount of ₹ 221,211 lakhs was invested in fixed deposits and other bank accounts maintained with scheduled commercial banks.



Yash Lal Bahuguna

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7. The Company has in its board meeting held on April 26, 2022 approved merger of Makesense Technologies Limited with the Company pursuant to section 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, arrangements and amalgamations) rules, 2016. The Merger application was filed with National Stock Exchange of India Limited and BSE Limited on May 18, 2022.
8. The Insurance Regulatory and Development Authority of India ("IRDAI") had carried out certain inspections of the books of account and records of the Policybazaar Insurance Brokers Private Limited (the "Wholly owned subsidiary" or "Policybazaar") to examine compliance with relevant laws and regulations for various financial years and issued its reports, requesting for responses to the observations, which was submitted by Policybazaar. Subsequently, the IRDAI also issued a show cause notice in this regard. Policybazaar has reviewed the above matters in the light of IND AS 37 and concluded that at this stage a reliable estimate cannot be made of the possible obligation and the exact impact will be known on the conclusion of the proceedings by the IRDAI. Further, in the assessment of the management, which is supported by legal advice, as applicable, the above matters are not likely to have a significant impact on the continuing operations of Policybazaar as well as this financial information.
9. Policybazaar is an electronic commerce operator ("operator") under the Central Goods and Services Tax Act, 2017 ("CGST Act"). The said Act, requires every operator, not being an agent, to collect a specific amount as tax at source with respect to supplies collected by the operator. In the assessment of Policybazaar, it does not collect insurance premium on behalf of the insurance companies but only facilitates transfer of such premium to the insurance companies without the ability to deduct any amounts paid by the customers. Accordingly, in its view, supported by legal advice, the aforesaid section is not applicable to Policybazaar and no provision has been made in these financial results. Policybazaar has also made representations to the Government authorities including the IRDAI, seeking clarification and exemption from applicability of the above section on insurance intermediaries.
10. During the quarter ended September 30, 2022, certain vulnerabilities were identified in a part of Policybazaar's web application platform (Policybazaar.com) and the same were subject to illegal and unauthorised access. The management initiated necessary steps and remedial measures including legal, compliance and regulatory filings of the incidence. The Management also appointed an independent expert to investigate the entire matter. The expert submitted the final report confirming that none of the financial reporting systems were impacted. In the assessment of the management supported by the independent expert's report, there is no impact of above incidence on the financial results and continuity of the business operations of the Company.
11. PB Fintech invested ₹ 3,658 Lakhs in compulsorily convertible preference shares of MyLoanCare Ventures Private Limited ("Myloancare") to increase its stake to 70.10%, from 24.93%, on a fully diluted basis, thereby acquiring controlling interest in Myloancare w.e.f. June 08, 2022. Necessary adjustments have been made in the financial results.
12. The Group has assessed the impact of COVID-19 on its business and financial results, based on the internal and external information available, and concluded that it has no impact on the same.

For and on behalf of the Board of Directors


Yashish Dahiya
Chairman and Chief Executive Officer
DIN: 00706336



Place: Gurugram
Date: February 10, 2023