

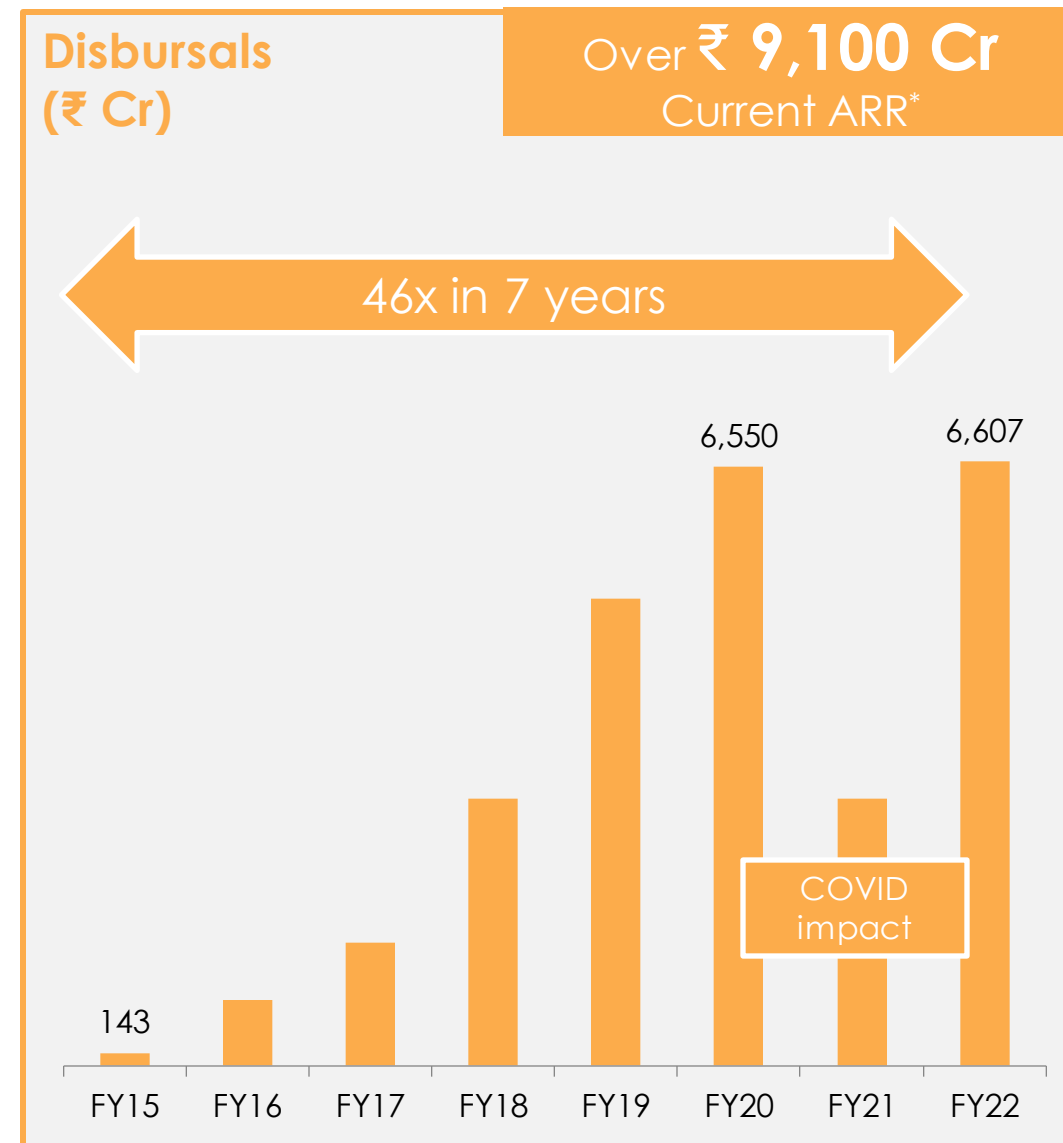
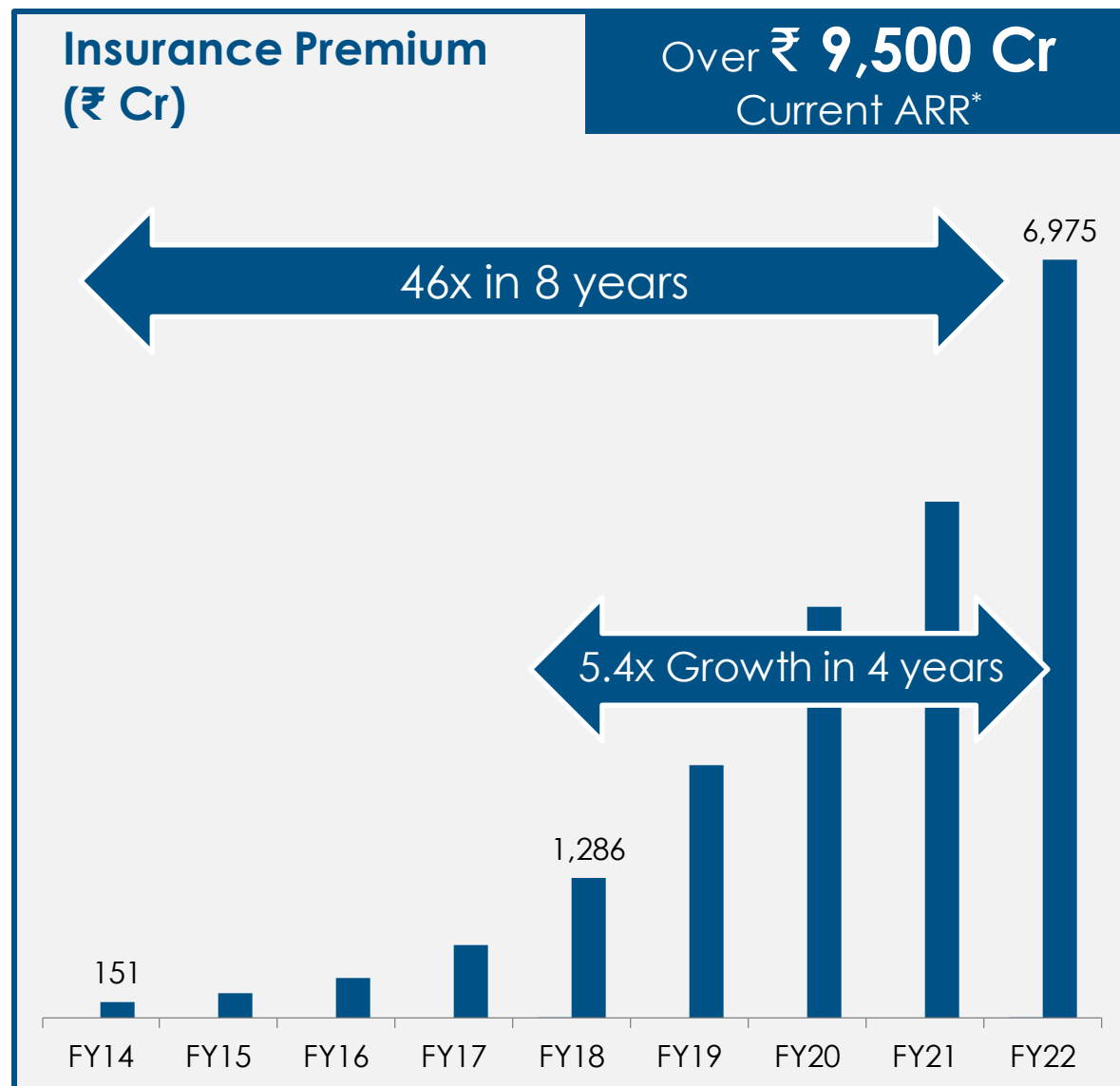
policybazaar.com

paisabazaar.com

Update Presentation  
for  
Quarter ended March 2022

# Insurance Premium is 46x in 8 Years

## Credit Disbursal is 46x in 7 Years



# Key Performance Indicators

Strong Insurance Premium & Credit Disbursal Growth; Continuous Improvement in Productivity

₹ Cr ^	Q4 FY21	Q4 FY22	YoY	FY21	FY22	YoY	ARR Mar-22
Insurance Premium	1,280	2,176	70%	4,755	6,975	46%	9,531
New insurance premium per enquiry per month*	1,157	1,386	20%	1,052	1,311	25%	
Lending Disbursal	1,274	2,189	72%	2,917	6,607	126%	9,168

#Industry benchmark data: Retail Health insurance growth as reported by GI Council, Life insurance: Individual Non-Single First Year Premium

\*YoY New insurance premium growth - India biz (excluding POSP)

^ Unaudited management accounts

## Revenue Doubled, Stable Contribution, Investing in Initiatives

₹ Crores	Q4 FY22		
	Total	Existing	New initiatives
Revenue	540	386	154
Contribution (non-GAAP) <sup>#</sup>	98	179	(81)
Contribution %	18%	46%	-52%
Adjusted EBITDA (non-GAAP)	(80)	10	(90)
Deferred Revenue (non-GAAP) <sup>^</sup>	47		

Overall revenue grew at 100% YoY

### Existing business

- Revenue grew 45% YoY
- Contribution stable at 46%
- EBITDA breakeven

### New initiatives

- Rapid scale up c. 37x YoY
- Focus on scale, quality & efficiency

<sup>#</sup> – Contribution: Revenue minus Direct Costs (Employee direct cost + Acquisition Marketing)

<sup>^</sup> – Deferred Revenue: Transactions closed but Revenue to be accrued over next 12 months, <sup>^</sup> - Management estimates \* - For insurance biz

<sup>^</sup> - Management estimates \* - For insurance biz

## 61% Revenue Growth, Stable Contribution, Investing in Initiatives

₹ Crores	FY22		
	Total	Existing	New initiatives
Revenue	1,425	1,200	225
Contribution (non-GAAP) <sup>#</sup>	332	470	(138)
Contribution Margin %	23%	39%	-61%
Adjusted EBITDA (non-GAAP)	(282)	(111)	(171)
Deferred Revenue (non-GAAP) <sup>^</sup>	88		

### Overall revenue grew at 61% YoY

#### Existing business

- Revenue grew 37% YoY (40% including incremental deferred)
- Contribution at 39%,
  - EBITDA (₹Cr) (111)
    - Non-insurance : (67)
    - Incremental deferred: (44)
    - Effective insurance: 0

#### New initiatives

- Rapid scale up c. 17x YoY
- Achievements:
  - Leadership in PB Partners (B2B2C)
  - MSME/Corporate + Get Visit Proposition gained significant scale
  - UAE business close to leadership
- Convinced about right to win in each category with focus on efficiency

<sup>#</sup> – Contribution: Revenue minus Direct Costs (Employee direct cost + Acquisition Marketing)

<sup>^</sup> – Deferred Revenue: Transactions closed but Revenue to be accrued over next 12 months, Management estimates for insurance biz

# Adjusted EBITDA to EBITDA walk

## Upfronted ESOP Charges as per Ind-AS; Help Retain Talent

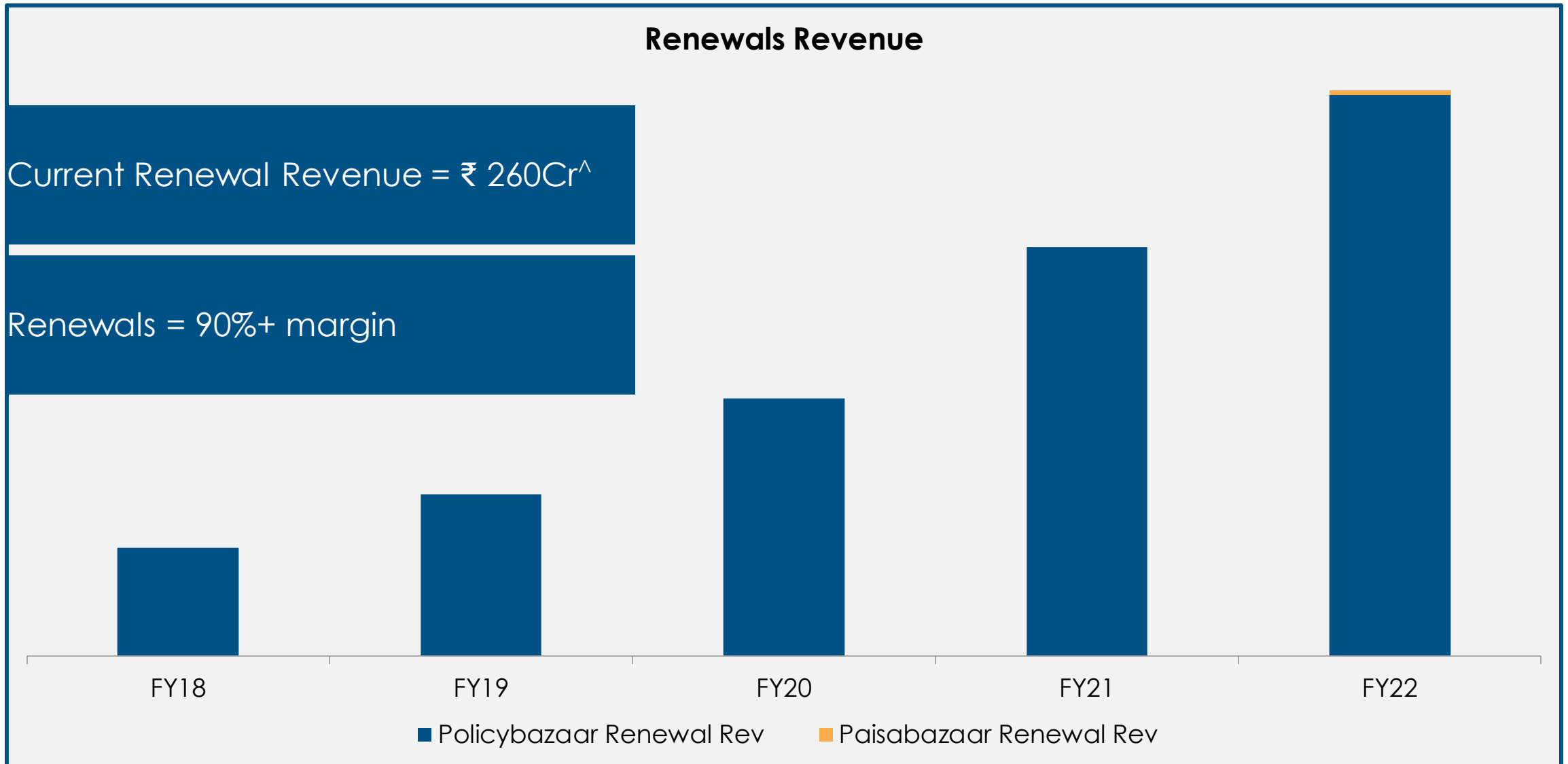
₹ Cr	Q4 FY22	FY22
Adjusted EBITDA (non-GAAP)	(80)	(282)
ESOP	175	607
IPO Cost	0	13
EBITDA	(255)	(902)

ESOPs already accounted for in Prospectus for fully diluted calculations

ESOP charges accounting as per Ind-AS for ESOP 2021 scheme

- Year 1 – 45.67%
- Year 2 – 25.67%
- Year 3 – 15.67%
- Year 4 – 9%
- Year 5 – 4%

## Renewal revenue at an annualized run rate of ₹260 Cr

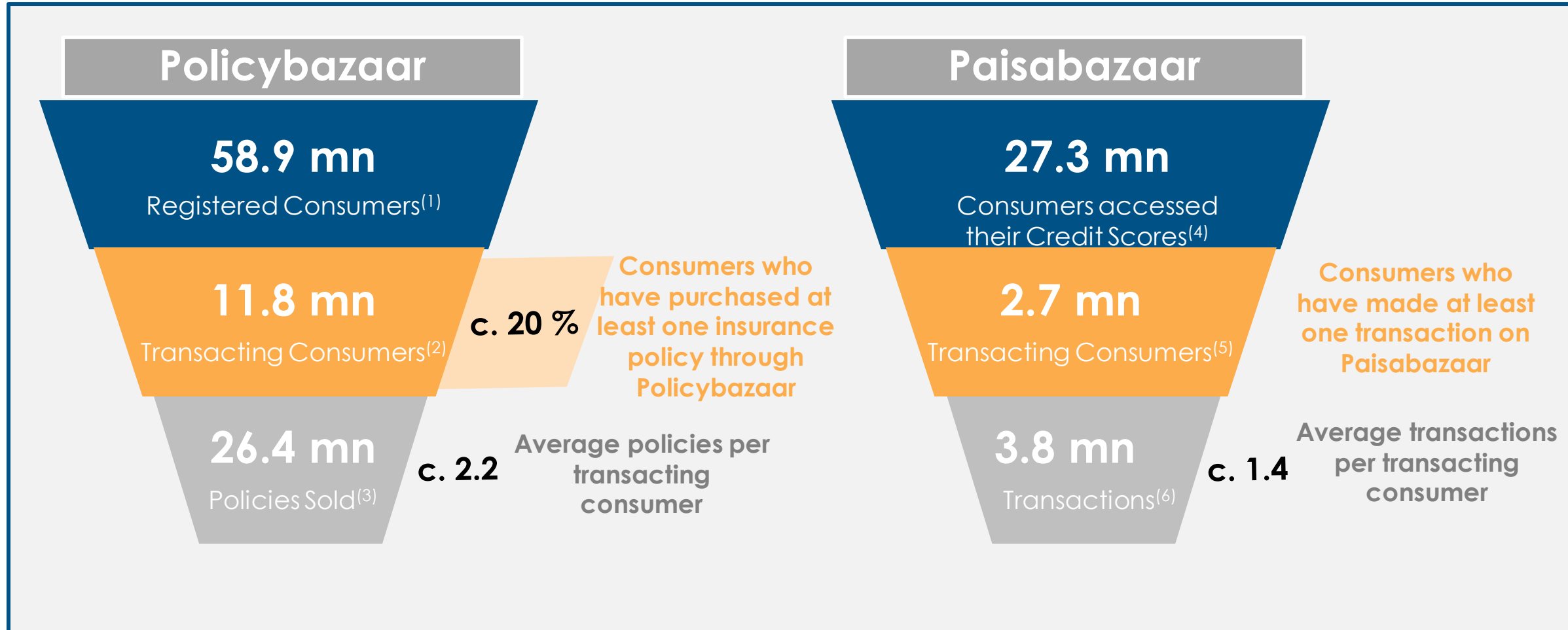


## Improving Efficiency & Customer Experience

- Focus on increasing insurance coverage for families across India; to reflect that commitment our tagline has been changed to “Har Family Hogi Insured!”
- Scale is key for a marketplace: we are at an annual run rate\* of insurance premium of over ₹ 9,500 Cr growing at 46%+ YoY; lending / disbursals are at an annual run rate\* of over ₹ 9,100 Cr
- A steady shift in business mix towards smaller towns and cities, 59% of insurance business from non Tier 1 cities in FY22, up from 28% in FY17
- Quality of business in terms of Claims ratios and Retention rates makes our business profitable for our partners
- Increasing efficiency of operations
  - Operational efficiency in the existing business has more than doubled in 3 years
  - New insurance premium per enquiry# has increased by 25% YoY
  - Physical leg of the business delivering meaningful impact; steady growth in premium per enquiry for Health and Life insurance businesses
- ₹ c.260 Cr^ ARR of renewal revenue which has 90% Margins – this is a guarantor of profitability
- Focus on Consumer Delight reflected by CSAT of 84% in FY22
  - Consumer Service
  - Claims Assistance
- 27mn+ consumers accessed their credit scores through our Paisabazaar platform



## Two leading consumer destinations



1. Consumers registered on Policybazaar platform as of March 31, 2022
2. Cumulative number of unique Consumers who bought at least one product on Policybazaar since its inception till March 31, 2022
3. Cumulative number of new life and non-life insurance policies sold and non-life insurance renewals on Policybazaar since its inception till Mar 31, 2022
4. Consumers who accessed their credit scores through Paisabazaar
5. Cumulative number of unique Consumers who made at least one transaction on Paisabazaar since its inception till March 31, 2022
6. Cumulative number of transactions made on Paisabazaar since its inception till March 31, 2022

policybazaar.com

# INDIA'S LARGEST MARKETPLACE FOR INSURANCE



**93%**

Market share  
(online aggregators)



**₹ 6,975 Cr**

Insurance premium  
(FY22)

**46%**

Y-o-Y growth

**88%**

Unassisted transactions  
Motor insurance



**26.4mn**

Insurance Policies sold  
(till date)

**₹ 2,176 Cr**

Insurance premium  
(Q4 FY22)

**70%**

Y-o-Y growth



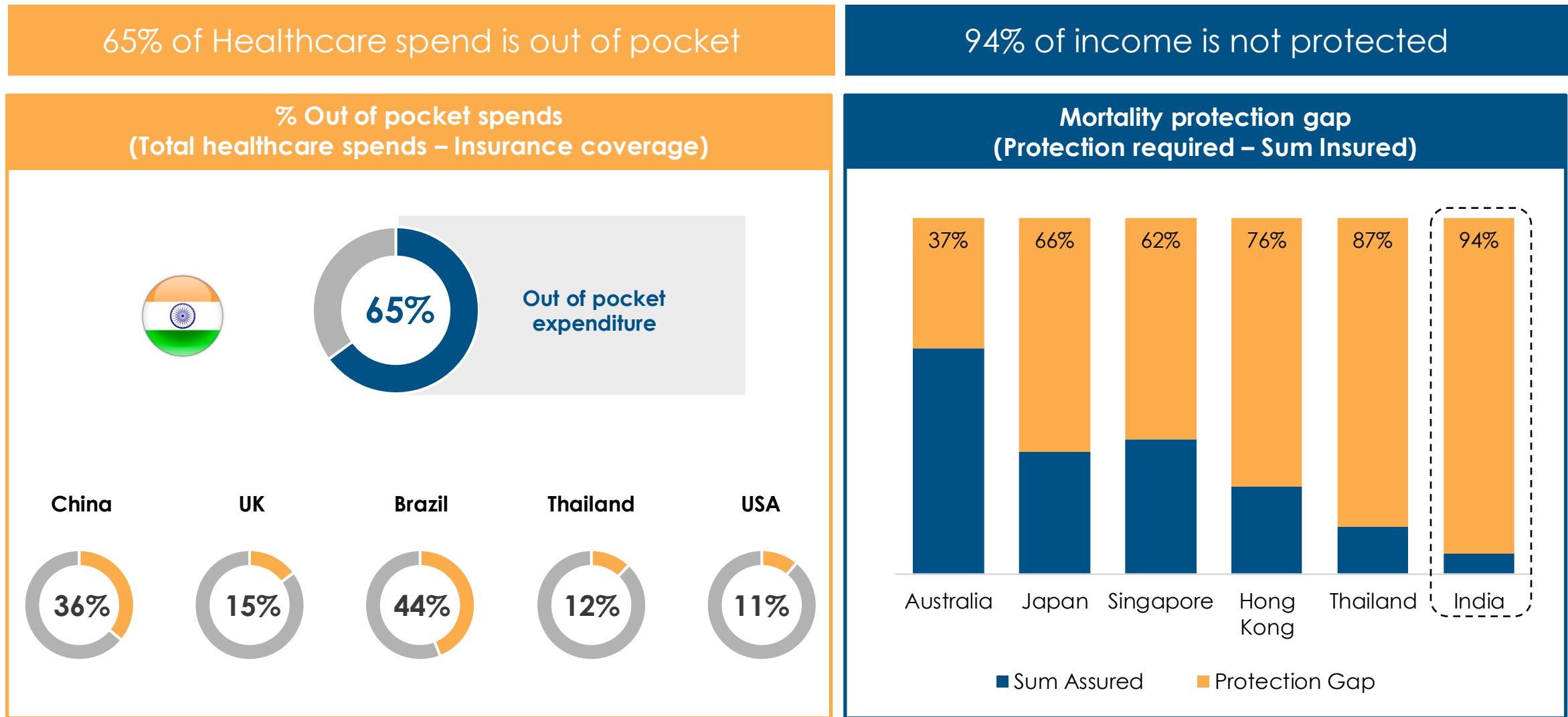
**₹ 1,473**

New insurance premium  
per enquiry per month  
(March FY22)

**51**  
Insurance  
Partners

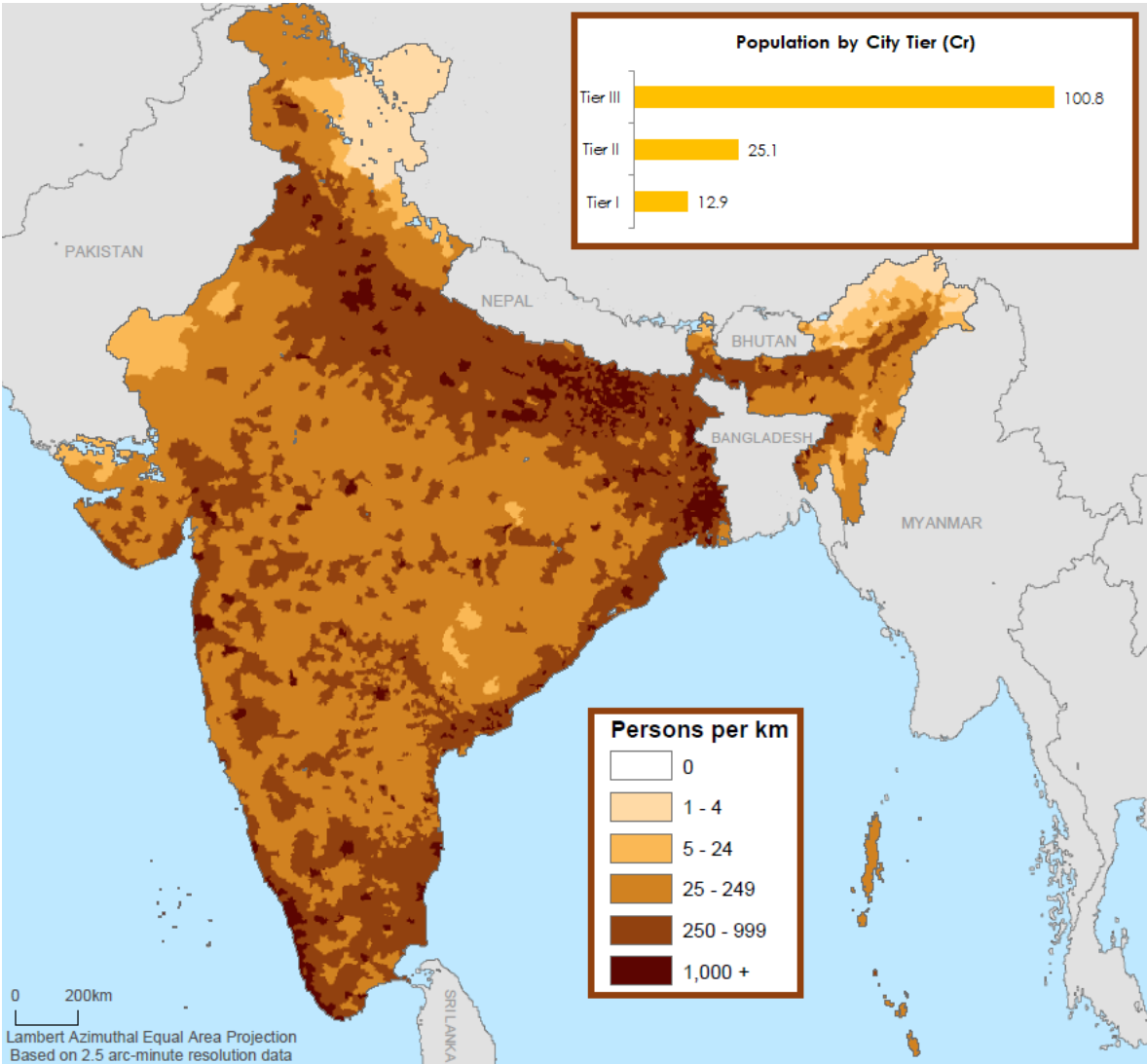


# India continues to have one of the widest protection gaps; Health & Term Insurance is needed

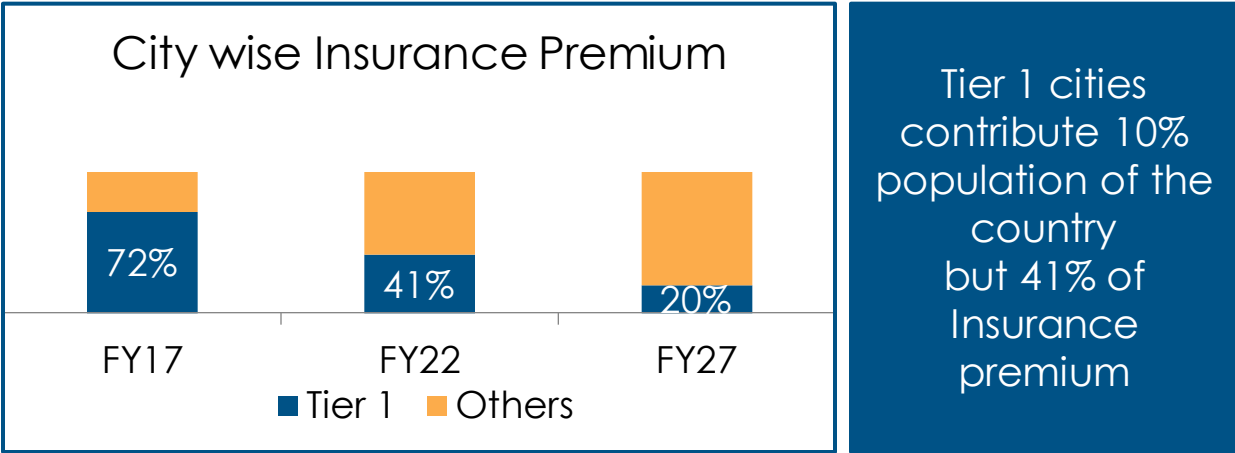


# India is vast and growing

## The future is in Tier 2 & 3 cities



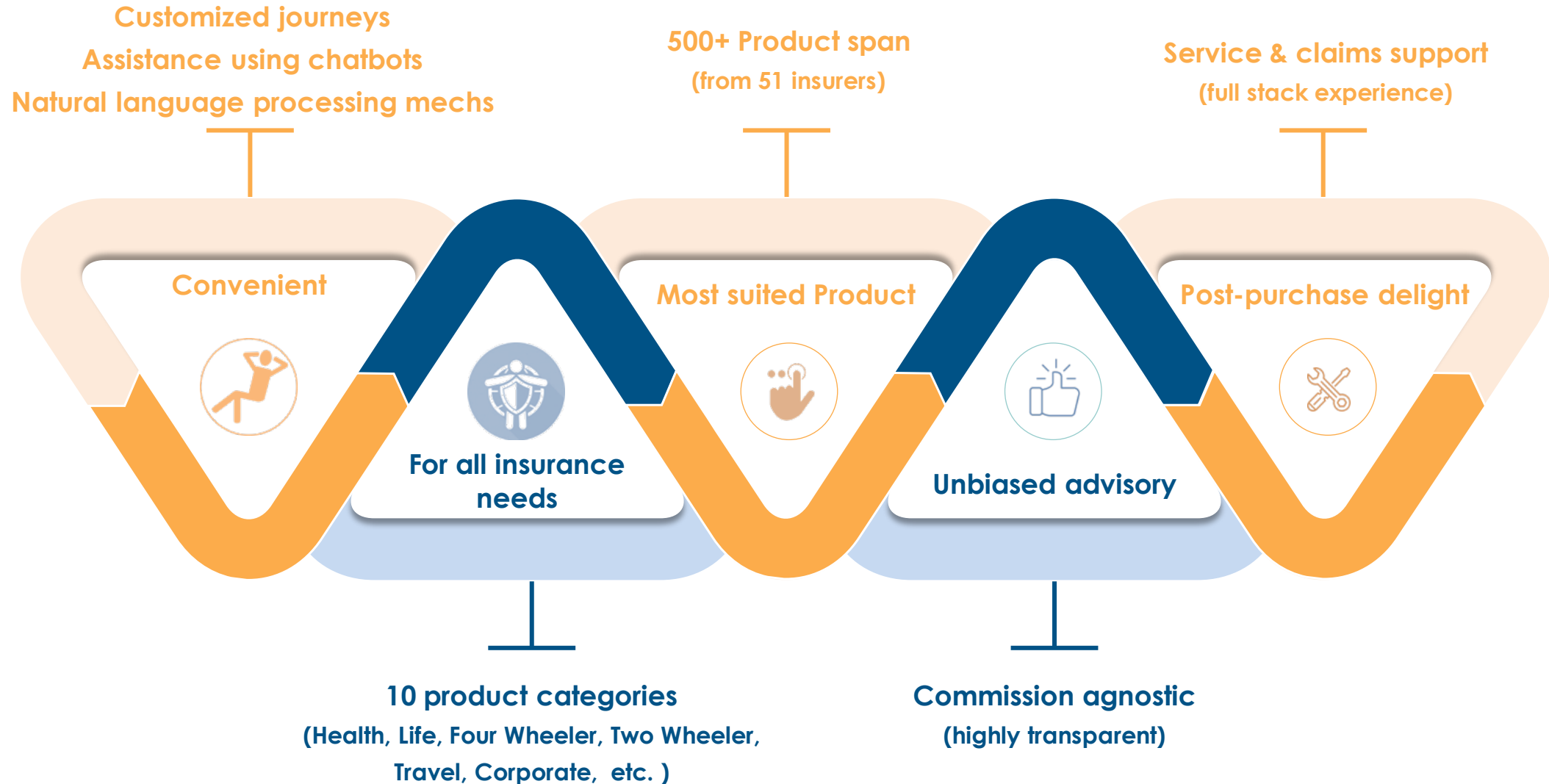
Geography	Penetration (%)			Density (USD)		
	Life	Non-Life	Total	Life	Non-Life	Total
USA & Canada	3.1	8.8	11.8	1,878	5,392	7,270
Advanced EMEA	4.6	3.3	7.9	1,893	1,341	3,234
Emerging EMEA	0.7	1.2	1.9	30	50	80
Advanced Asia Pacific	6.2	3.1	9.3	2,331	1,159	3,490
Emerging Asia Pacific	2.3	1.7	4.1	124	92	215
World	3.3	4.1	7.4	360	449	809
India	3.2	1.0	4.2	59	19	78



# PB Advantage for consumers

Uniquely positioned for capturing mindshare

Policybazaar provides a holistic product suite with seamless experience



Leverage data and technology to create best in class products and experiences



## Improved customer disclosures

- Data **disclosure directly from the customer** - bypassing agent channel which is prone to fraud
- Tech based document verification



## Extensive historical data

- **14 years digital vintage**: Rich data on customers & claims variables
- **c.12mn transacting customers** since inception



## Enhanced scoring using digital data

- Intricate data collected by PB which is unavailable in an offline environment
- Risk pricing simulation: Use of **digital variables exclusive to PB** in addition to traditional variables; niche/customized product conceptualization
- **Risk scores** calculated for **fraud** and shared with insurers at the time of case login

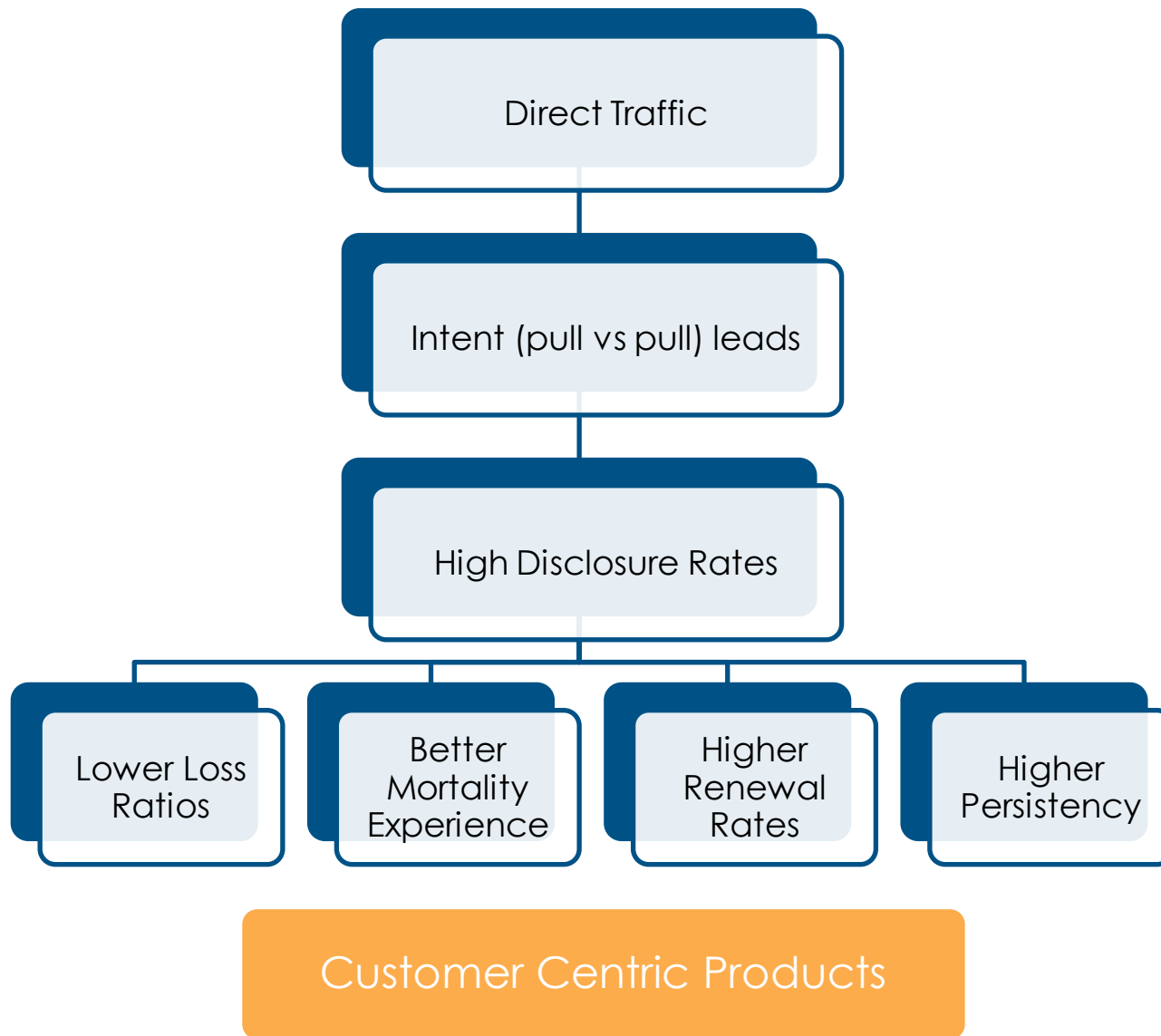


## Rich insights from voice analytics

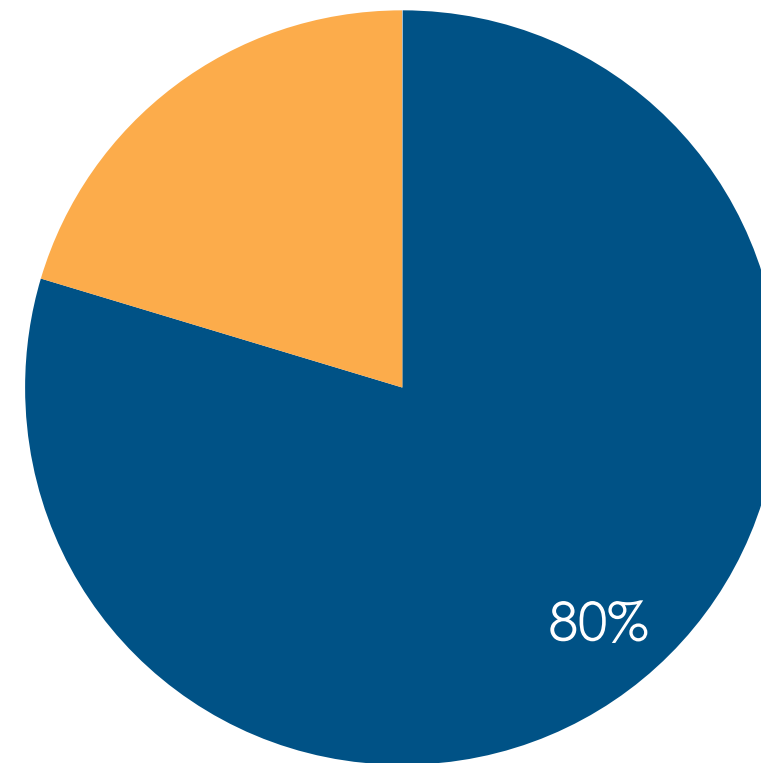
- **100% of calls converted** to text & analysed for behavioural insights, thus sharp risk assessment for insurers
- **Reducing false positives** through customer conversation tone analytics

# Direct Traffic Drives PB Flywheel

## Leading to Customer Centric Products



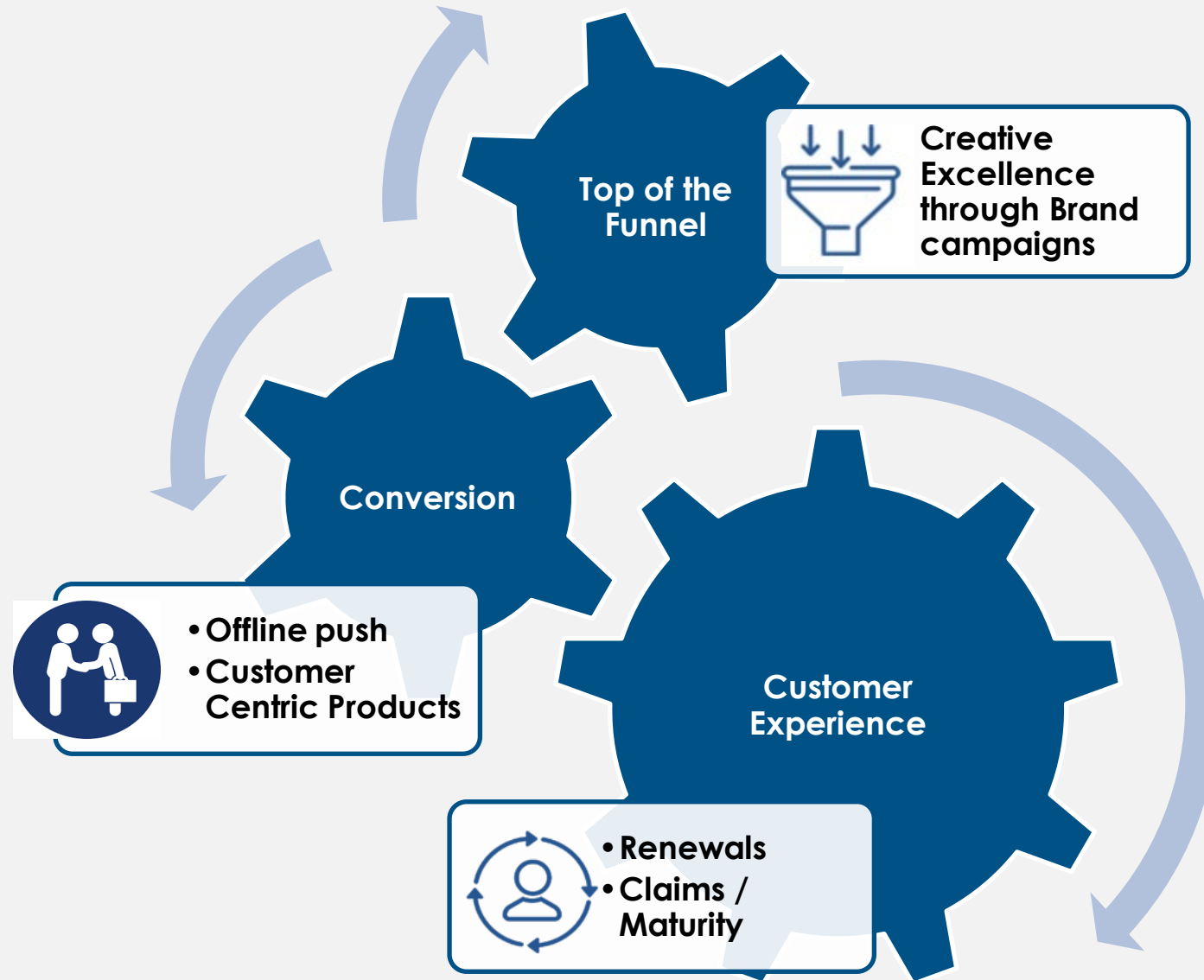
Direct channel drives the business  
Premium %



■ Direct ■ Others






## FY23: Key Focus Areas



Insuring Indian Middle Class Families  
“Har Family Hogi Insured”



# The best of both worlds: Online B2C + Offline Push

Direct to Consumer Retail Business		Intermediary Led Business
Online B2C	Online B2C + Offline Push	B2B2C
		
Consumer Led business	Consumer Led business	Agent Led / Initiated business
Consumers	Consumers	Consumers
<ul style="list-style-type: none"> <li>• Tele-assistance during purchase</li> <li>• Choices of products &amp; pricing</li> <li>• Tech &amp; customer-center based service / claims assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Tele-assistance + Human touch</li> <li>• Choices of products &amp; pricing</li> <li>• Tech &amp; customer-center based service / claims assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Human touch</li> <li>• Low choices of products &amp; pricing</li> <li>• Limited service / claims assistance</li> </ul>
Insurers	Insurers	Insurers
<ul style="list-style-type: none"> <li>• Payout to distributor</li> <li>• Sharp risk assessment + real-time control on claims / frauds / mis-selling</li> </ul>	<ul style="list-style-type: none"> <li>• Payout to distributor</li> <li>• Sharp risk assessment + real-time control on claims / frauds / mis-selling</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of maintaining the agency channel / payout to B2B2C partners</li> <li>• Cannot control high claims / frauds / mis-selling</li> </ul>

## Offline Push through stores & in-person appointments



### Website / Mobile site

- Choice of products, pricing, combos
- Unassisted purchase
- Service – book health tests, upload documents, etc



### Telephone

- Assistance during purchase
- Service coordination – medicals + documentation



### Chat

- Assistance during purchase through chatbots
- One-click renewals
- Real-time updates on service & claims requests



### Video Call / Video Uploads

- Higher trust factor
- Video medicals / KYC
- Fraud detection – liveliness scores
- Motor claims



### Retail Store

- Walk in purchase
- Human touch
- Service & Claims assistance
- Multiple product purchase & combos



### In person

- Convenience of location
- Human touch
- Service & Claims assistance
- Multiple product purchase & combos

# A data & technology driven approach to change the insurance landscape

## User friendly interface assisting customers throughout the lifecycle

Compare Premiums in 30 Seconds

NAME Mr.

DOB DD  MM  YYYY

MOBILE +91

**Compare & Save Big**

By clicking on "Compare" you, agreed to our [Privacy Policy](#) and [Terms of use](#)

INSURER & PLAN	PAYOUT	COVER UPTO	CLAIMS SETTLED	PREMIUM
<b>HDFC Prudential</b> iProtect Smart	1Cr	60 yrs Max Limit: 85 yrs	98.6%	₹1,298 5% Off ₹1,174 monthly ₹13,745 annually <a href="#">Change</a>
<b>HDFC Life</b> 3D Plus Life Option	1Cr	60 yrs Max Limit: 85 yrs	99.0%	₹1,248 5.5% Off ₹1,179 monthly ₹13,710 annually <a href="#">Change</a>
<b>MAX Life</b> Online Term Plus	1Cr	60 yrs Max Limit: 85 yrs	98.7%	₹1,059 monthly ₹12,038 annually <a href="#">Change</a>
<b>EGON Life</b> iTerm	1Cr	60 yrs Max Limit: 100 yrs	96.4%	₹981 monthly ₹11,280 annually <a href="#">Change</a>



Payment and Plan Summary

SELECT PAYMENT MODE

☒ Credit Card ☐ Debit Card ☐ Net Banking

Pay using Credit Card

☒ Credit Card

Pay Rs. 582 (1 Month Premium) now & opt for standing instruction for all your subsequent premium payments.

☒ Standing instruction shall be setup on this card

**Pay Securely**

Please do not Press "Back" or "Refresh" the Page

Fill-in customer details

Compare products across insurers

Self video inspection (Motor)  
or Telemedical (Life / Health)  
or upload docs

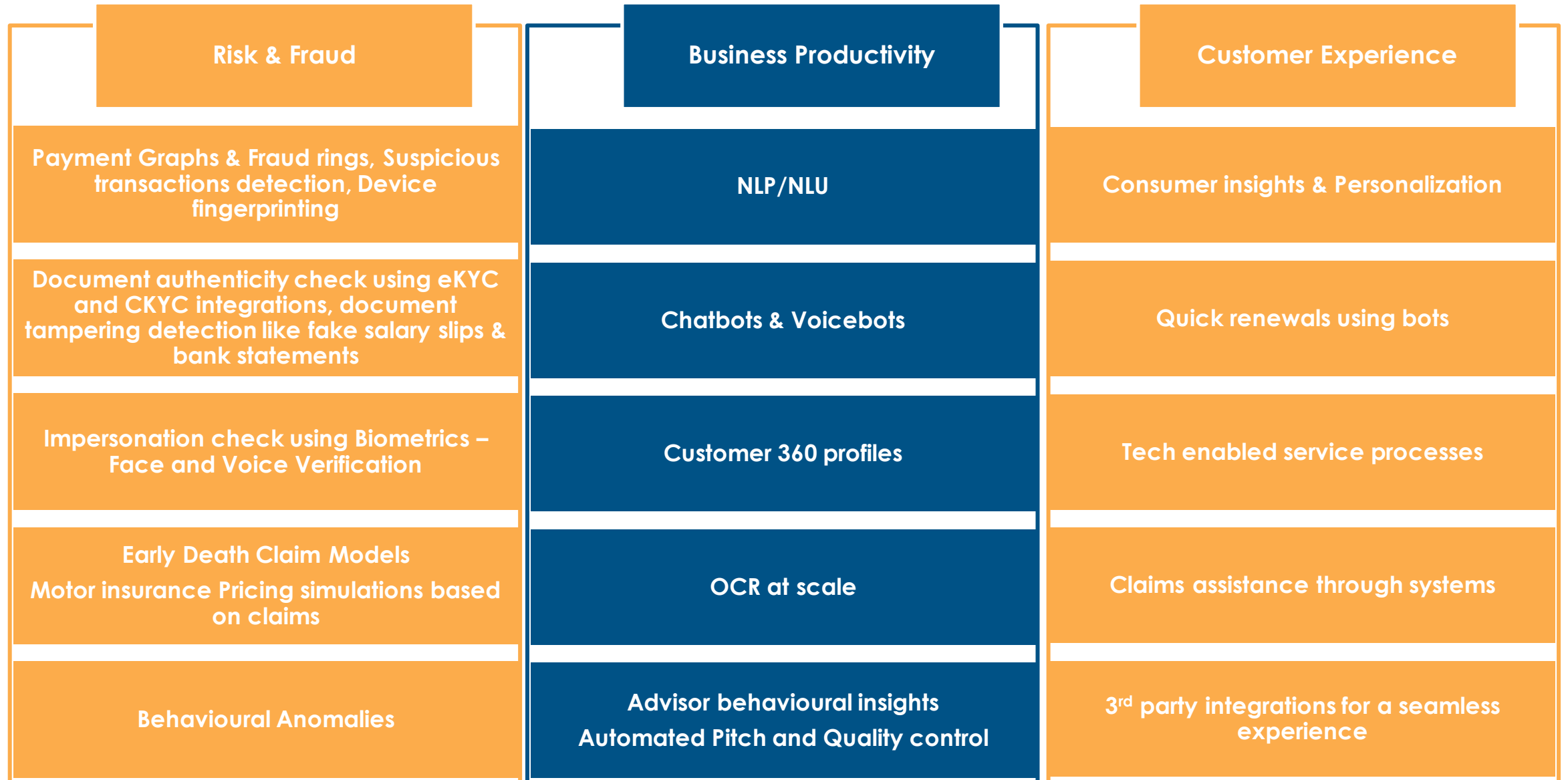
Easy payment  
process



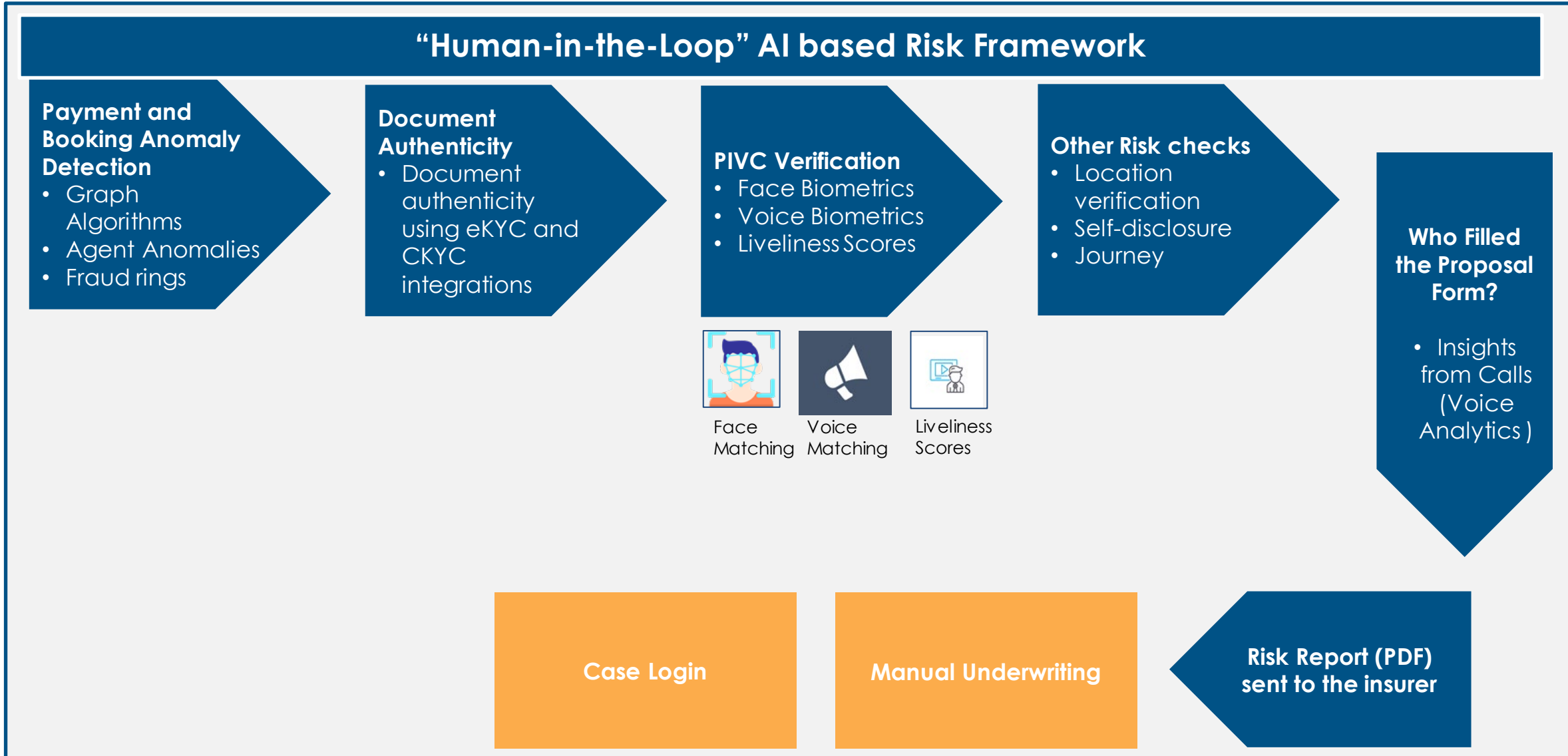
## Unique customer journey through Chatbots

- ✓ Handles customer queries resulting in faster fulfilment
- ✓ Response within a minute
- ✓ Increased Unassisted Share of Business

## Advanced Tech @ PB

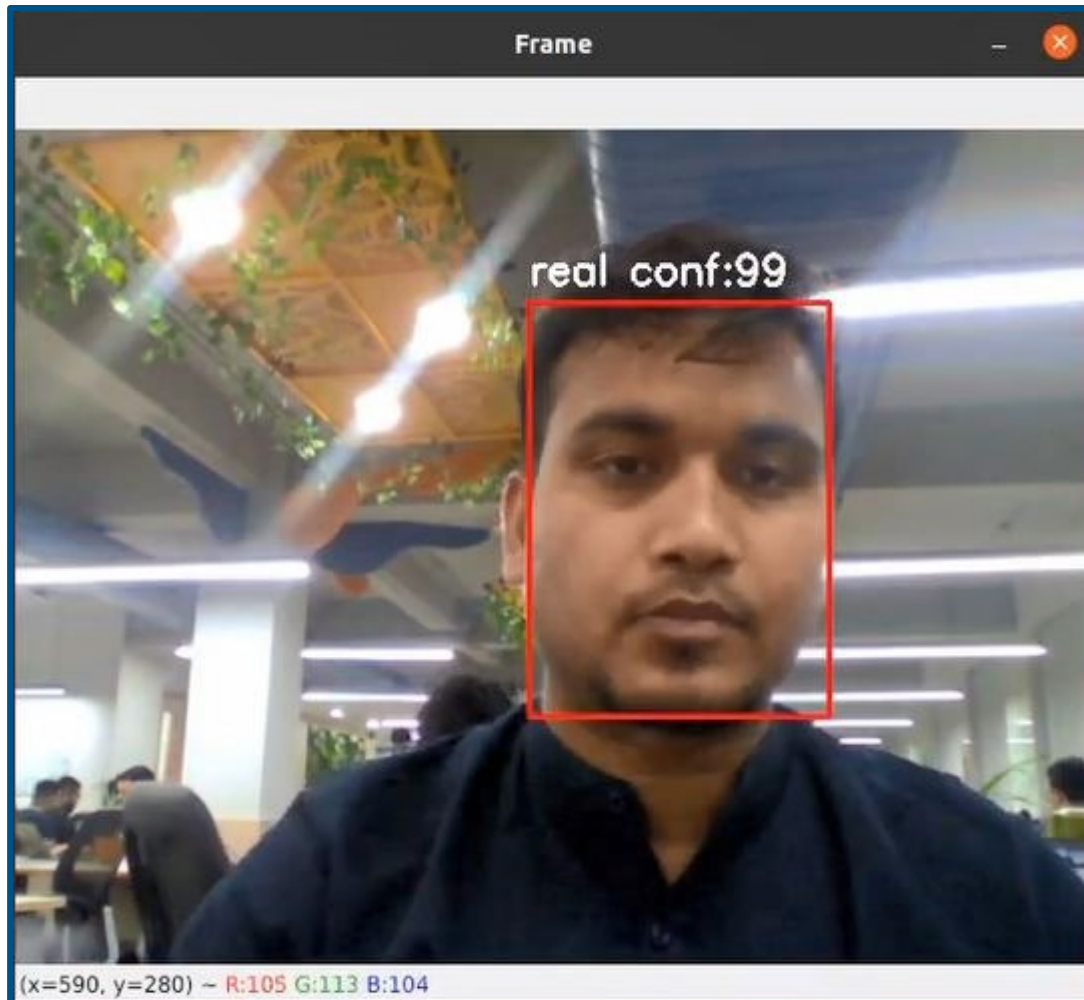


# Our Fraud Detection Framework

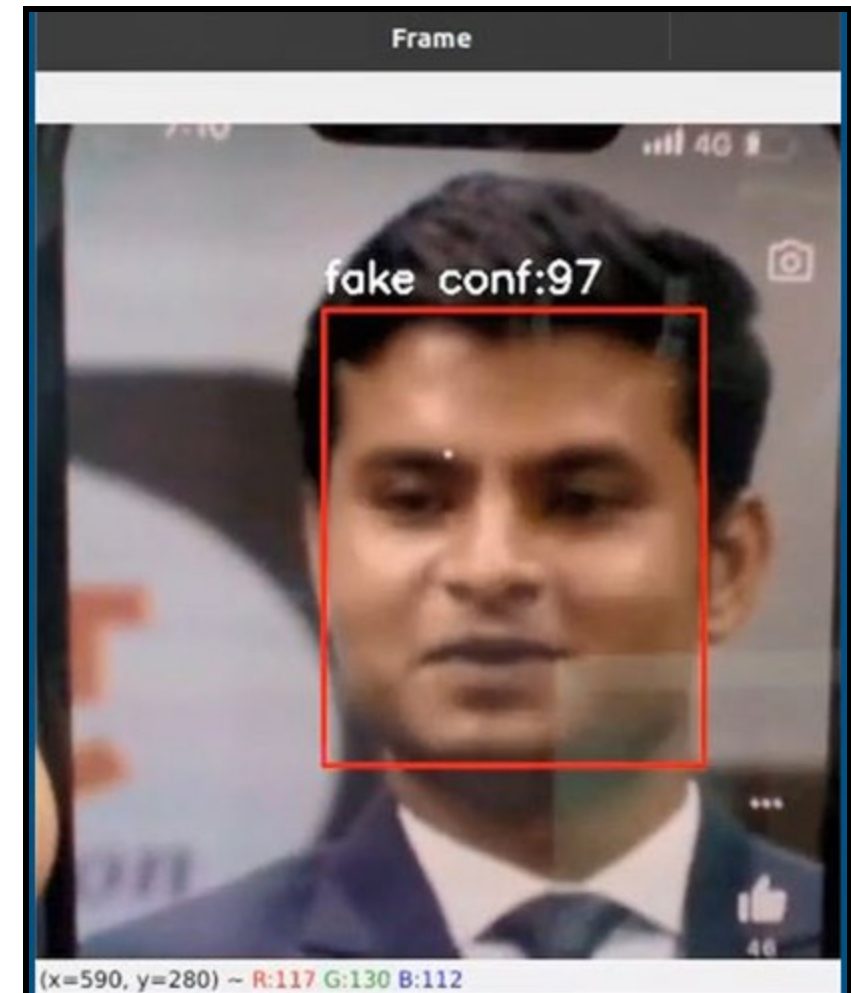


## Fraud control: Liveliness Detection

Real Person in the Video



Video Spoofing  
Image shown from a phone  
during video KYC





# Customer Centricity is the key for us – reflective in 84% CSAT



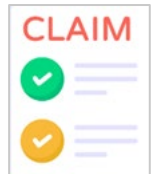
## Service Experience

- Pre-fill KYC details using CKYC and eKYC integrations, a central system for multiple purchases
- Medicals done at home enabled by insurer partners using dedicated Phlebotomists
- Automated documentation and other processes using tech, system based endorsements
- Use of mobile phone app-based videos for motor insurance surveys



## Relationship Management

- 360 degree view
- Centralized KYC documentation
- Nominee management
- Easy renewals, add-on / rider purchases, cross-purchases



## Claims management

- On-ground support for Health & death claims in 100+ cities
- App-based claims assistance during motor insurance claims, seamless coordination with consumer / surveyor / garage / insurer
- Assistance at the time of maturity for savings products



paisabazaar.com

# INDIA'S LARGEST DIGITAL MARKETPLACE FOR CONSUMER CREDIT



**14 Lacs**

Monthly Enquiries  
(credit products)



**11%**

of India's credit enquires  
on Paisabazaar<sup>2</sup>



Customer enquiries from  
**1,000+ cities**



**2.7 Cr**

Credit Score customers

**58 Lacs**

New customers added in  
the year



Acquiring a  
customer every  
**3.9 seconds**

Over **₹ 9,100 Cr**

Loan disburseals ARR<sup>1</sup>



**3.4 Lacs**

Credit Cards issued ARR<sup>1</sup>



**10.6 Lacs**

Transactions ARR<sup>1</sup>



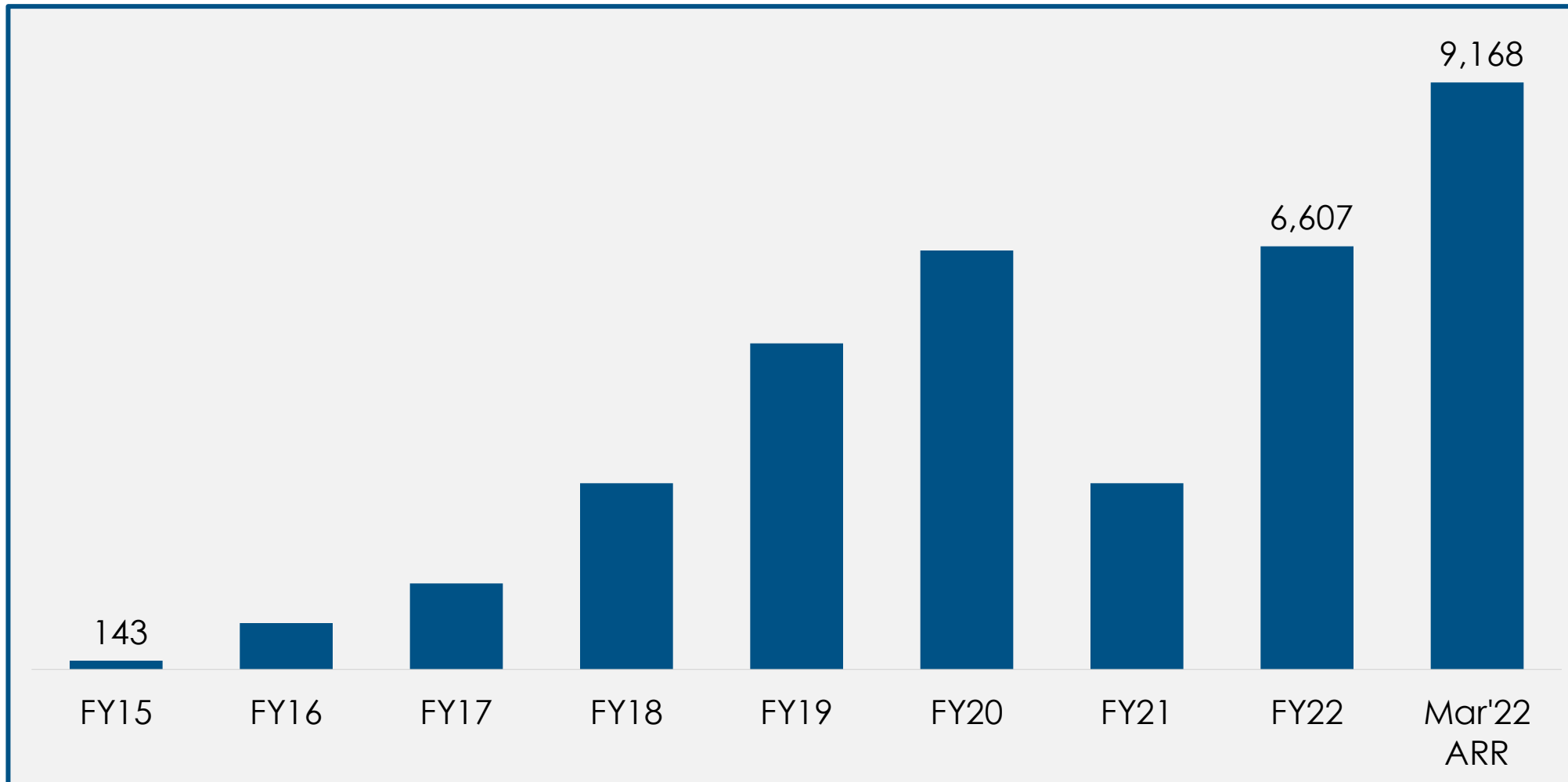
All Data is for Mar-22

<sup>1</sup> ARR Annualized run rate

<sup>2</sup> Internal management estimates; Market share for Unsecured Loans, Credit card and Mortgage loans

Credit Disbursal has grown 46X in 7 years

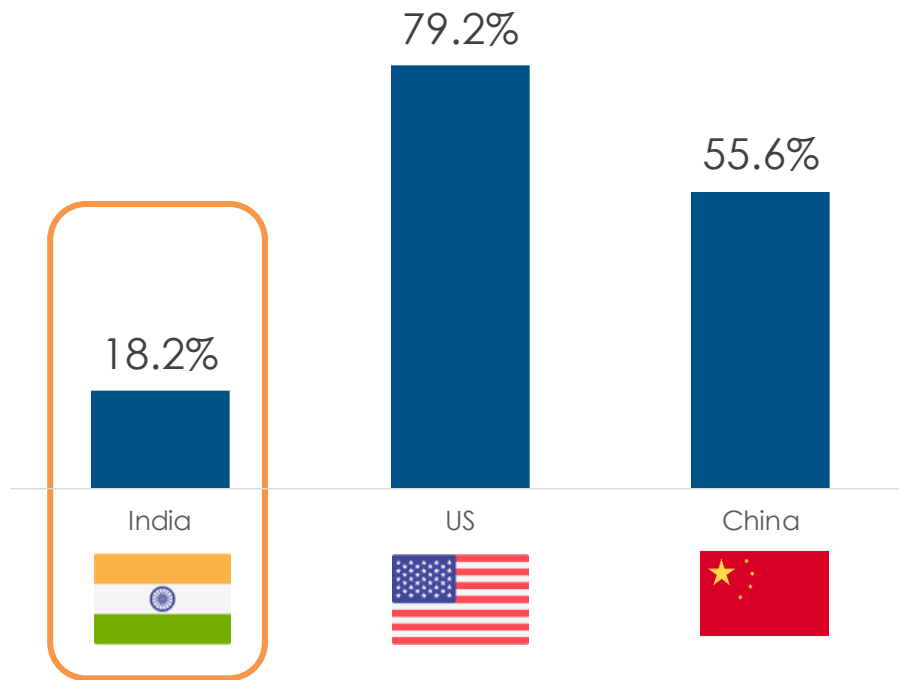
### Strong Disbursals growth (₹ Cr)



# India continues to have one of the lowest credit penetration; Credit Market expected to grow strongly

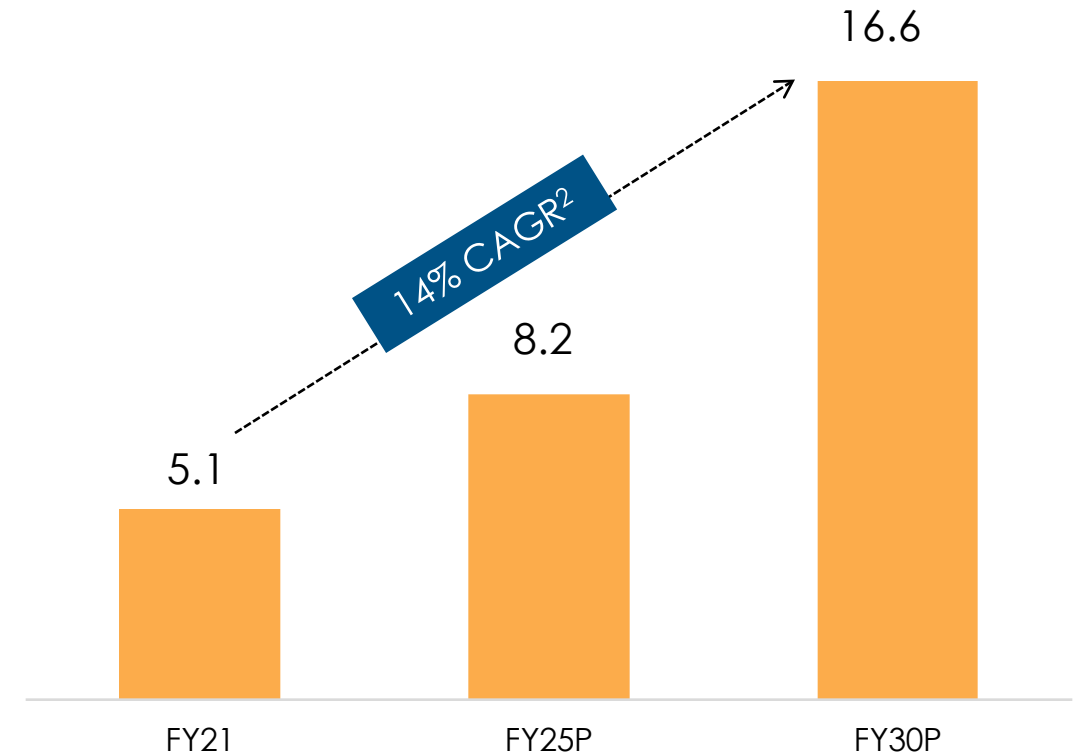
## Under-penetration in India's Consumer Lending

### Outstanding loan balance as a % of nominal GDP (CY2020)



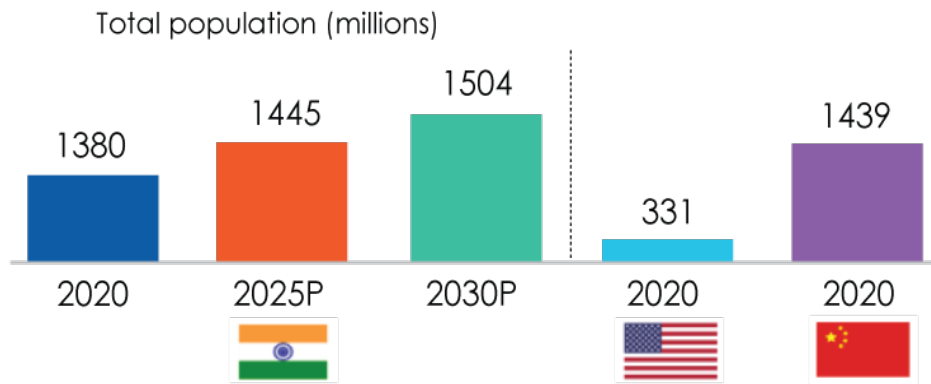
## Fast-growing unsecured consumer credit market

### Loan disburseals<sup>1</sup> (₹ Lacs Cr)



# Rapid Digitization & world-class Infrastructure can be game-changers

## India's paradigm shift towards digitization



### Penetration

Internet	45%	63%	75%	90%	65%
Smartphone	39%	57%	72%	82%	63%
Payment Wallets	14%	23%	38%	28%	59%
Online Shopping	14%	22%	36%	77%	54%

Source: Frost & Sullivan

## Gold-standard digital infra layers in place



### Credit Bureau

- 4 active Bureaus
- ~250 mn on Bureau
- >100 mn Prime customers



### Identity Layer

- Aadhaar
- e-KYC
- e-Sign



### Payments Layer

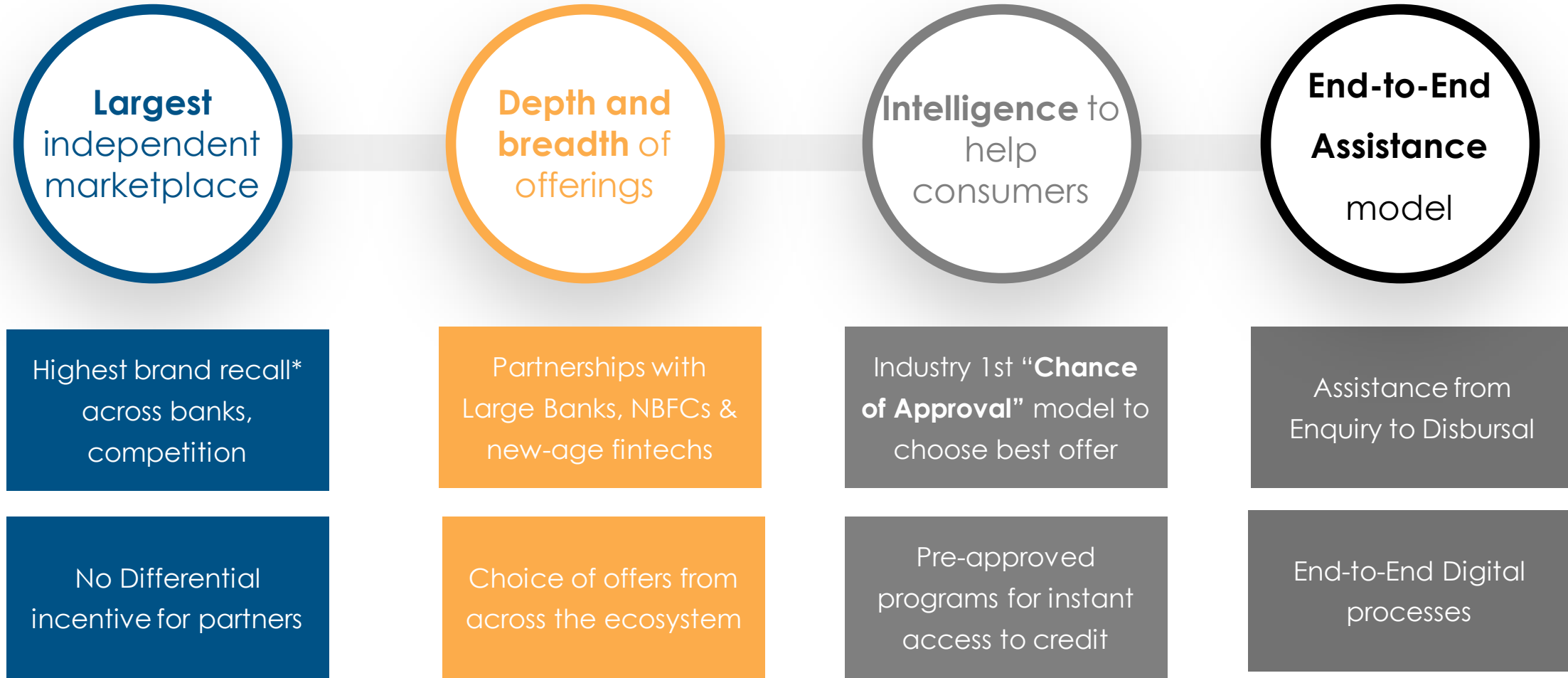
- UPI
- Aadhaar Payments Bridge
- Aadhaar-enabled Payments



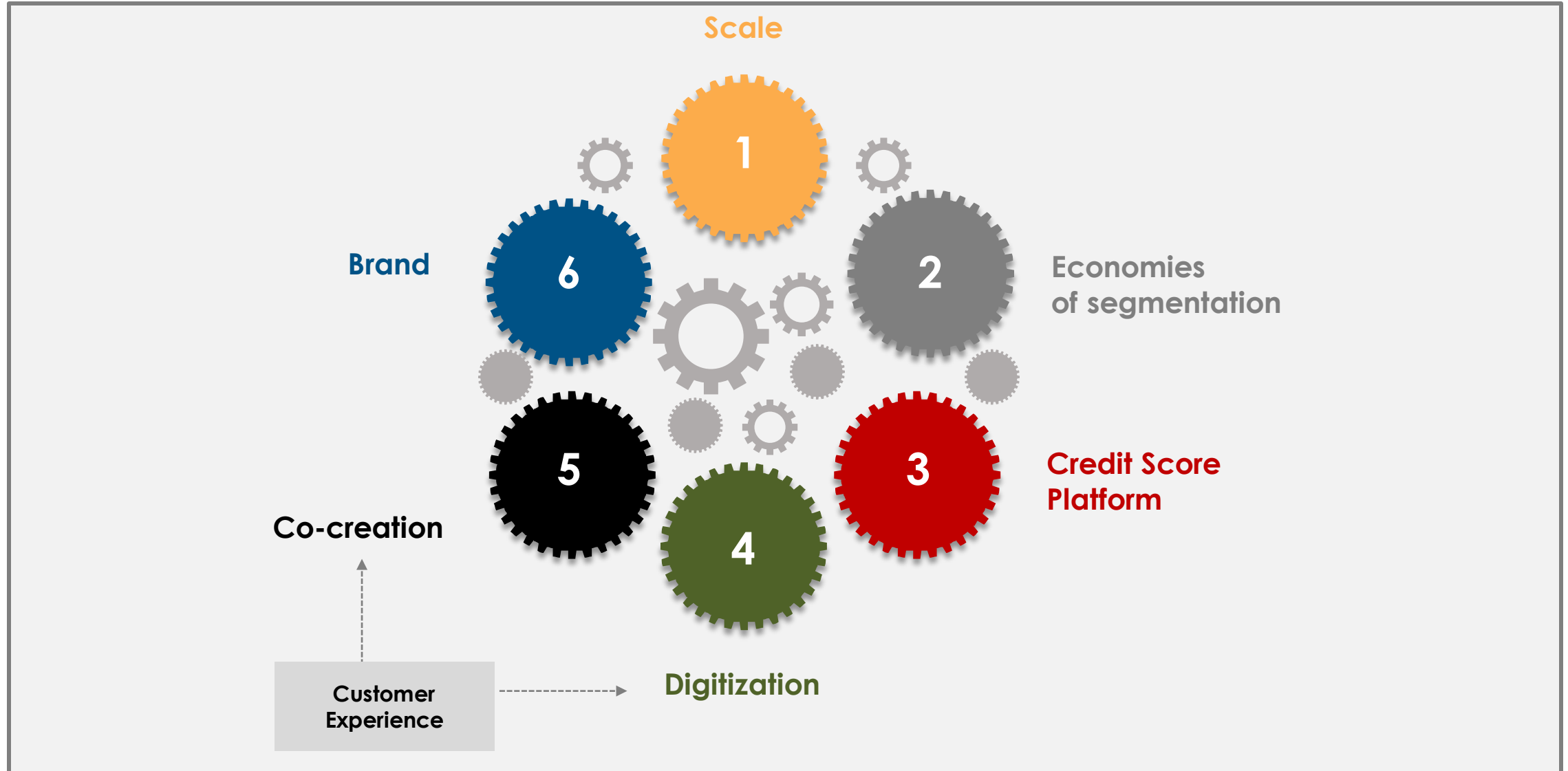
### Data Empowerment

- Consent Architecture
- DigiLocker
- Account Aggregator

# Paisabazaar.com: Platform of Choice for India's Credit Needs



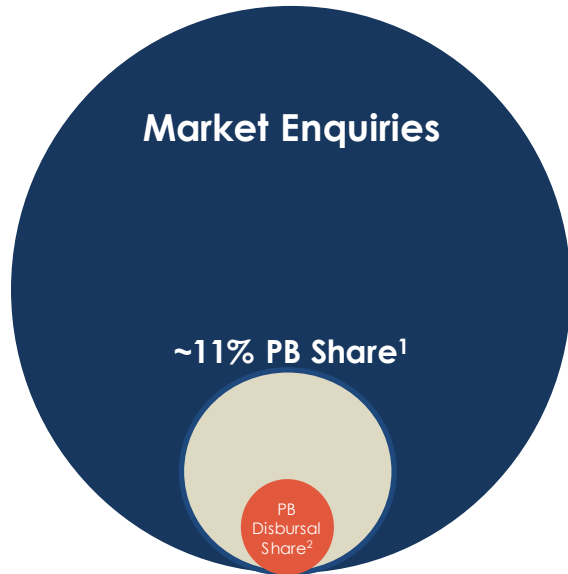
# Our moats to help us compete, differentiate & win



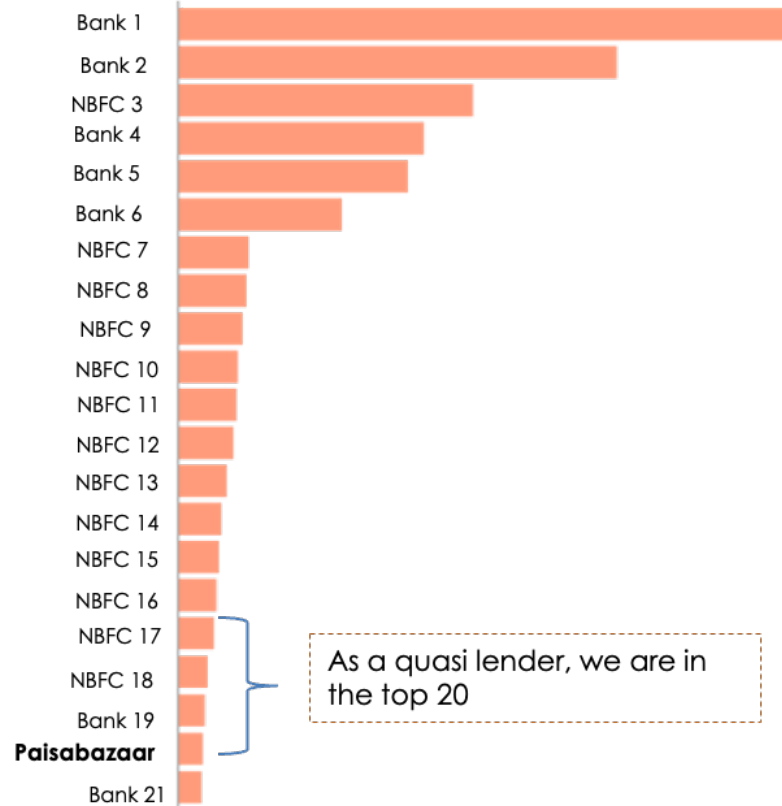
1

# Achieved **Scale**, yet size of opportunity remains massive

11% of India is comparing on Paisabazaar



If we were a lender, we'd be amongst the country's 20 largest



Huge market opportunity across key categories

	Market Size¹	We are at...
Credit Score	25 Cr	2.7 Cr
Unsecured Loans³	₹ 6.6 Lac Cr	₹ 7,300+ Cr
Credit Cards	180 Lac	338 k
Home Loans	₹ 7.2 Lac Cr	₹ 1,800+ Cr

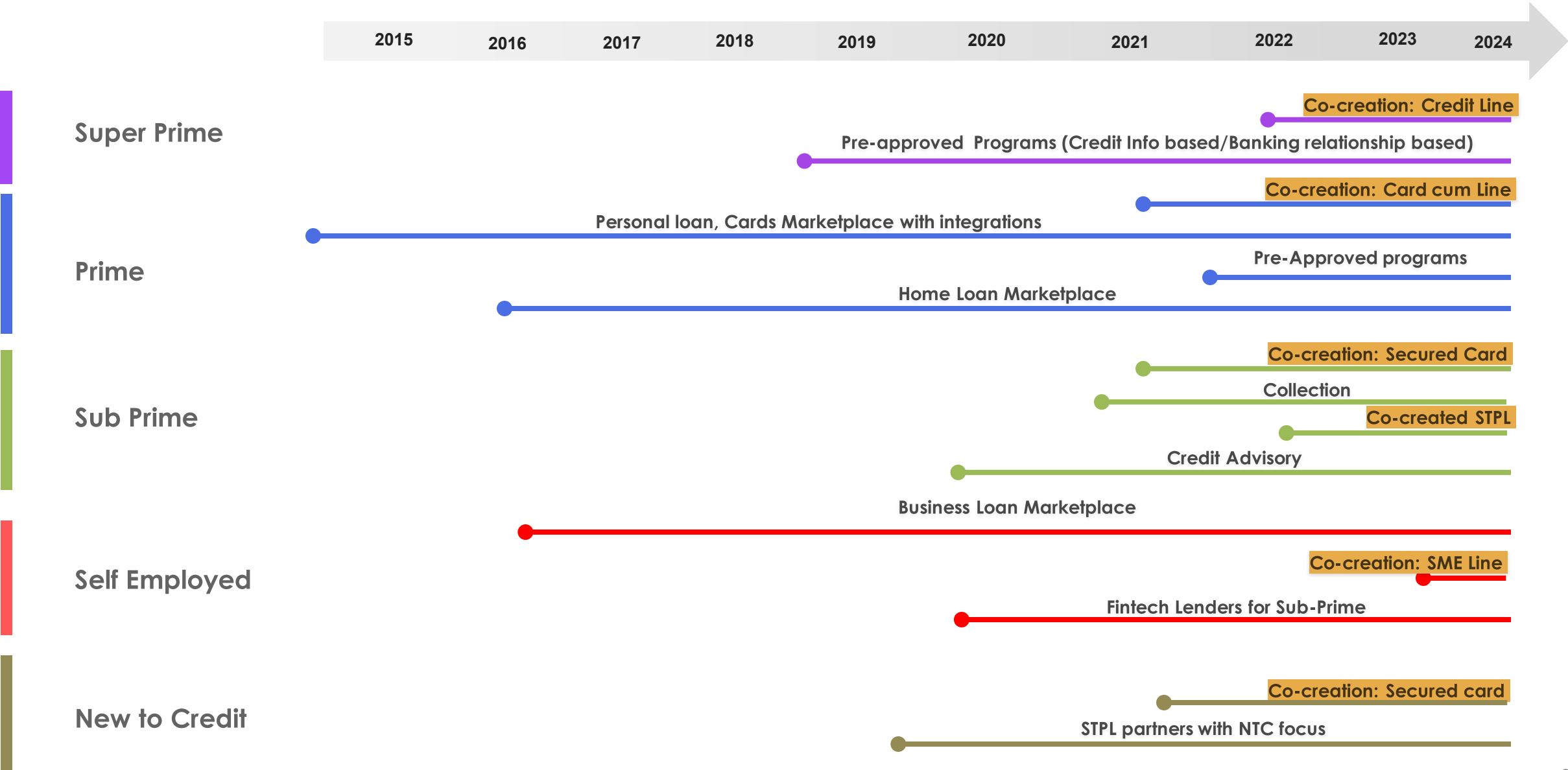
In the next few years, we aim to

✓ Double enquiry share

✓ Be amongst the top 10 quasi-lender

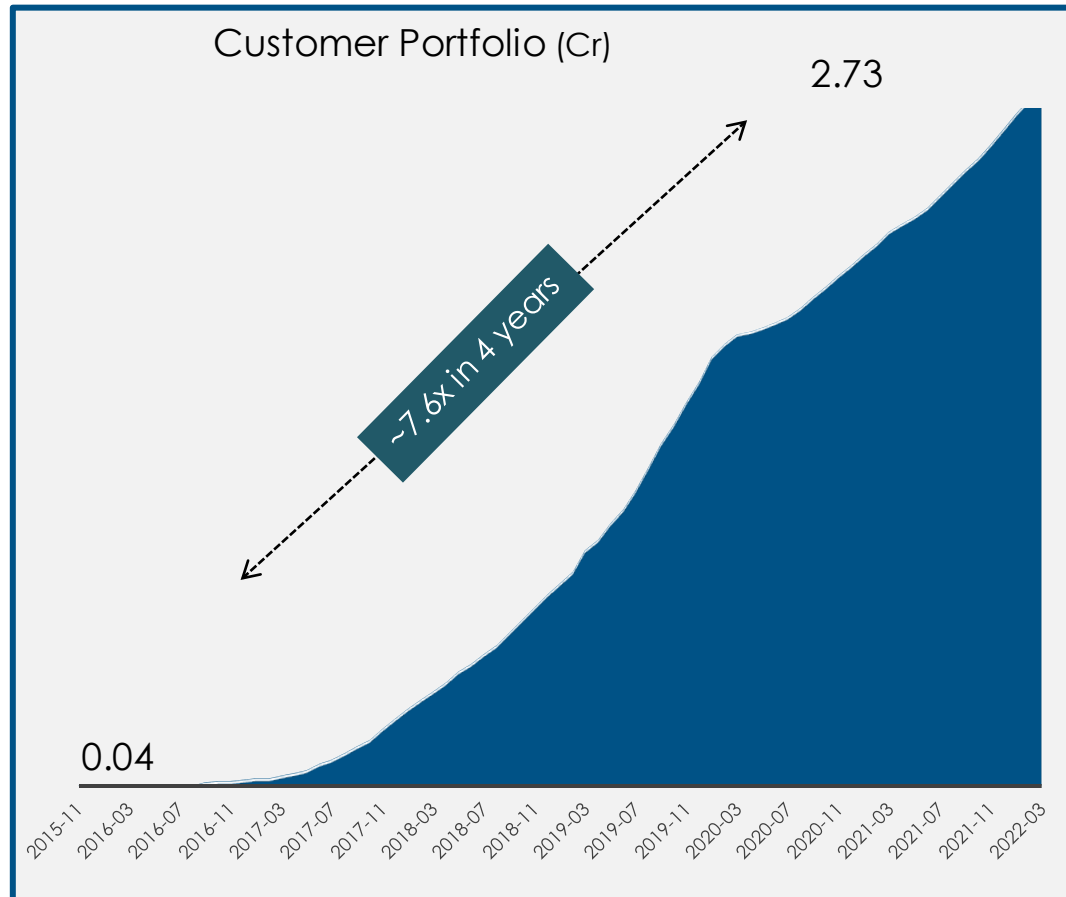
✓ Increase market share by 3-5x across segments



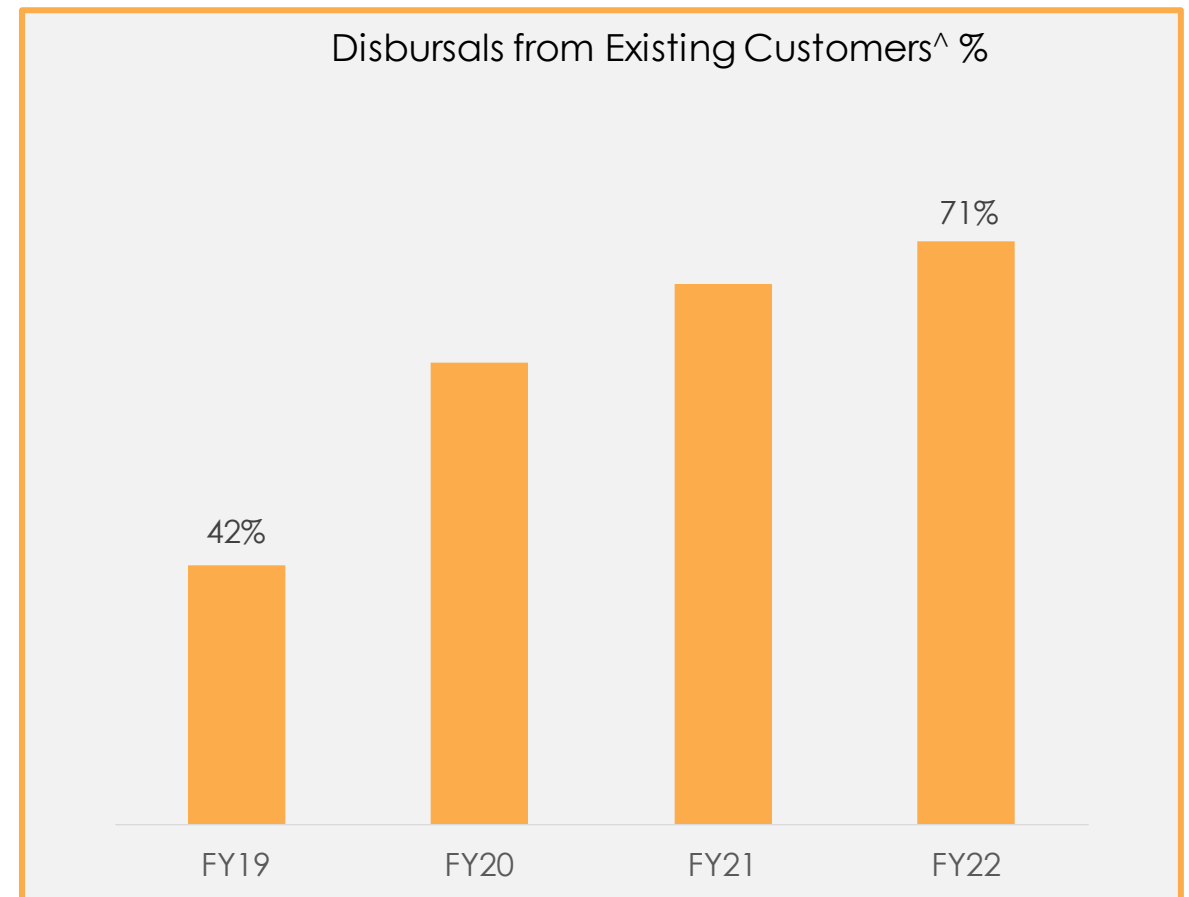


# Credit Score: Driving India's largest credit awareness initiative

2.73 Cr customers have become credit aware



~71% of the Disbursals from existing customers;  
Strong repeat behaviour



# Credit score: Deep analytics driving product innovation & monetization

Driving deep Segmentation to innovate, fill need gap

		Credit segmentation			
		New to Credit	Sub - prime	Prime	Super-prime
Engagement Segmentation	Sleepers	20	55	150	
	At-risk			340	
	Core Active	30	130		460
	Engaged				

100= Portfolio average revenue per customer

Tapping new opportunities and creating new categories



## Pre-approved Programs

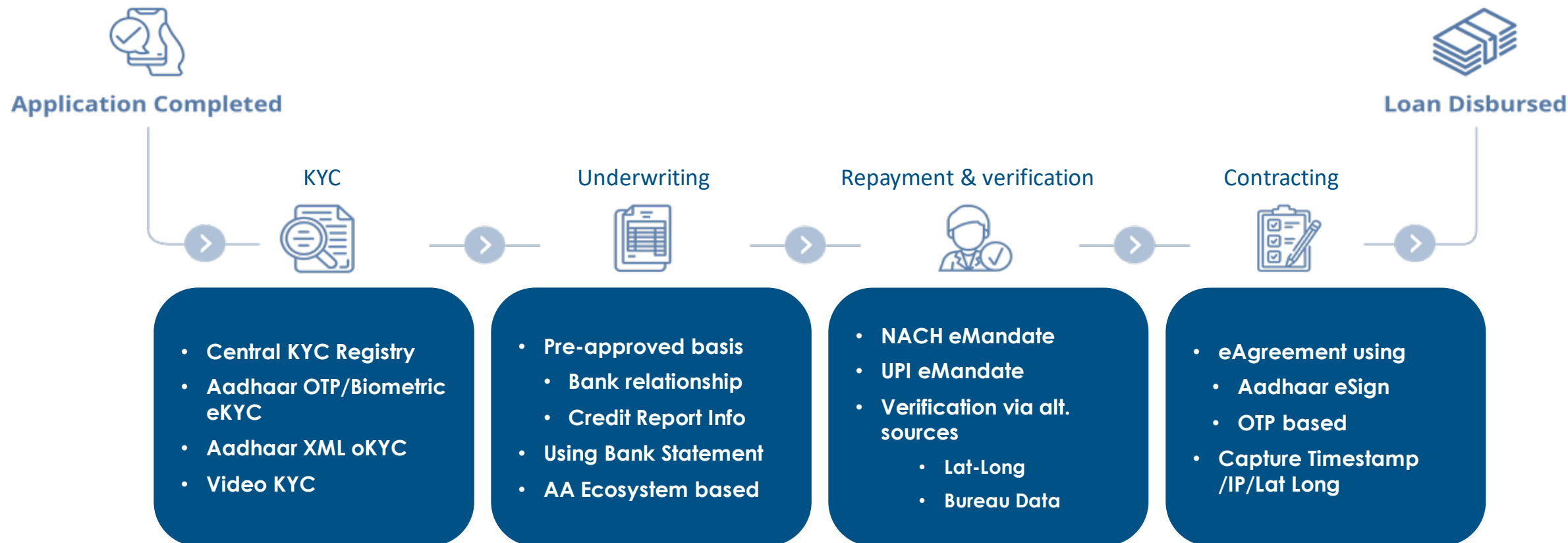
- Helps build margins
- 12 programs across cards and loans



## Credit Improvement

- Helping delinquent customers pay-off outstanding
- Advisory services to help customers manage score
- Co-created Step UP as a score builder product

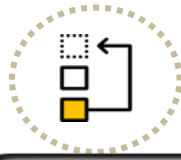
Better conversion rates & instant disbursal leading to better customer experience



Initiatives like Account Aggregator, CKYC will further strengthen digitization

## Digitization: Case Study - Built best-in-class CX with Axis Bank using Digital Stack

## Seamless 3-Step Process



## 1. Loan Offer Selection

paaisabazaar.com

AXIS BANK

Offer Details Personal Information Final Confirmation

1 2 3

Offer Details

Interest Rate 10.49%

Max. Loan Amount ₹ 5,00,000

Loan Tenure 5 Years

Max. Loan EMI - ₹ 10,744

Edit Plan

☐ I give my consent to Axis Bank to do a credit bureau check. Any deviation from the said information may lead to rejection of application.

Continue

Know more about Axis Bank Loan Charges



## 2. Details Verification

paaisabazaar.com

AXIS BANK

Offer Details Personal Information Final Confirmation

1 2 3

Verify Details

We have pre-filled your details as per information recieved from the bank. Please verify the details to proceed.

ADDRESS DETAILS

Address

W.No. 8-67, Ground Floor, Sector 17, Saranagar, Mangalore 575012

Email Address

harishreddy@gmail.com

Note: Email should be registered with the bank

Employer Name

Paradise Marketing & Consulting Ltd.

Continue



## 3. Offer Acceptance

paaisabazaar.com

AXIS BANK

Offer Details Personal Information Final Confirmation

1 2 3

Congrats

Vishwanathani

Your loan application is being processed. You will receive communication regarding your disbursement from Axis Bank.

For any queries reach out to Axis Bank Customer Support at 1800-010-0000

Reference No. : 123456789

Loan Amount	Monthly EMI to be paid
₹5,00,000	₹10,744
Annual Interest Rate	Tenure
10.49%	60 Months

- Instant disbursement

- E2E on PB platform – superlative experience for consumers

# Co-creation: Strategy to fill inclusion or innovation gap

Creating long-term consumer value



## Serving credit-starved segments

- Step UP - Credit Card for Sub-prime & NTC
- STPL for Sub-prime



## Innovation

- POD: Unique Card-cum-line product
- PB Credit line: Flexible withdrawals & repayments



## Seamless CX

- Instant FD/Card/Loan Issuance
- Better funnels



## Brand building

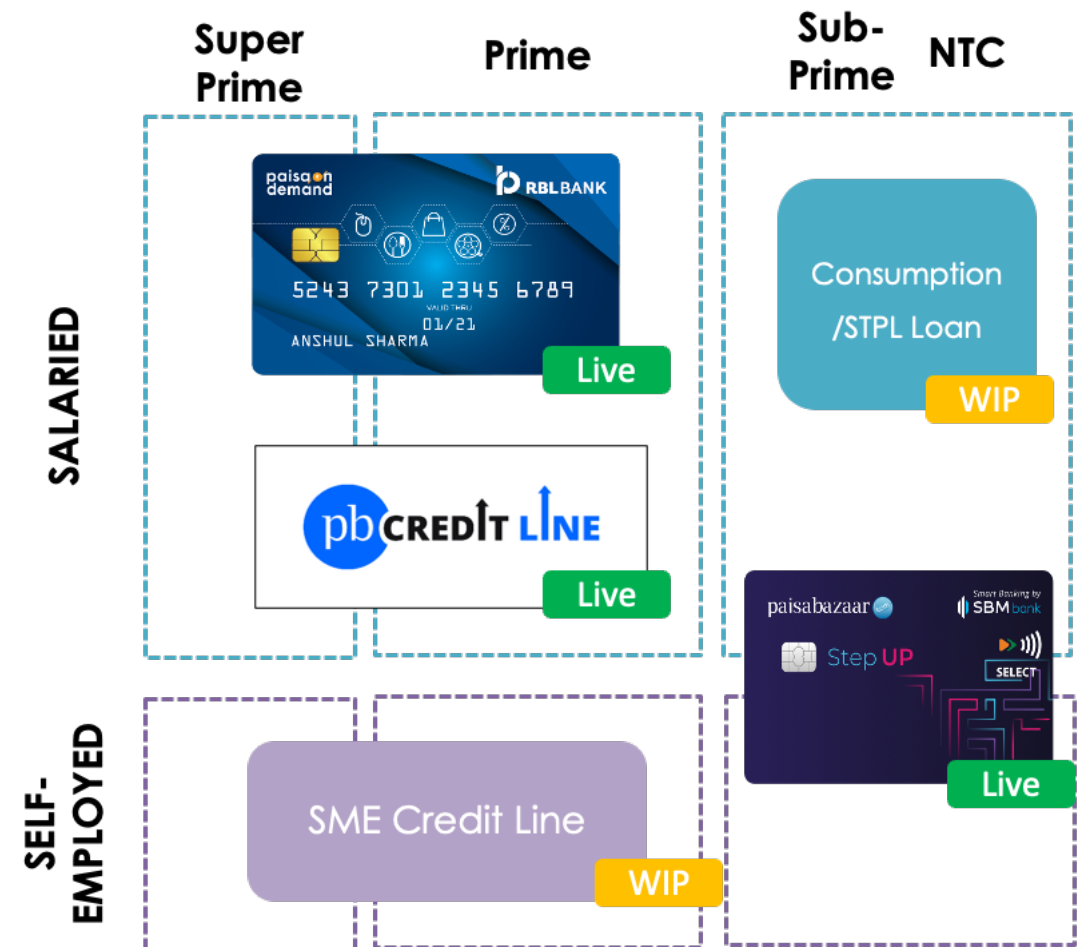
- Long term brand association



## Improved Insights

- Creates a virtuous cycle of intelligence

Building a comprehensive product suite



5

# Co-creation: Newly launched products are gaining good traction

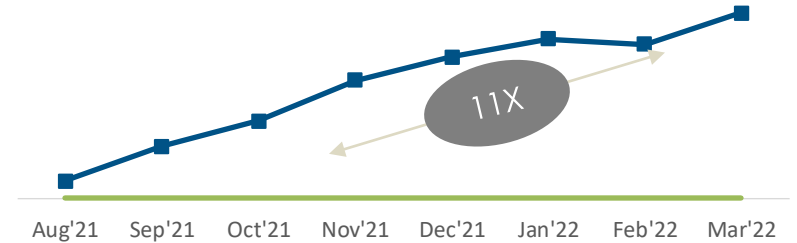
3 Products live – across credit segments

Customers Acquisition – Gaining Traction



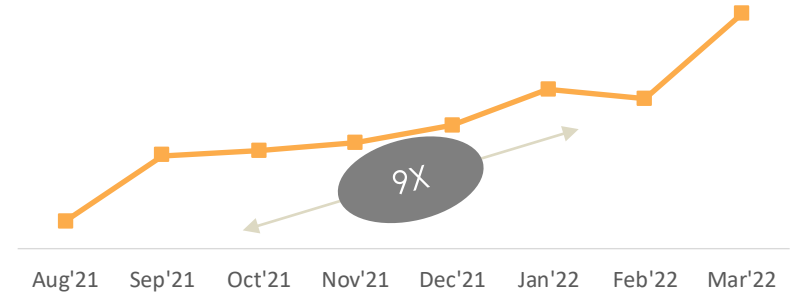
## Step UP Secured Credit card

- NTC and Subprime segment
- Credit Card backed by a FD



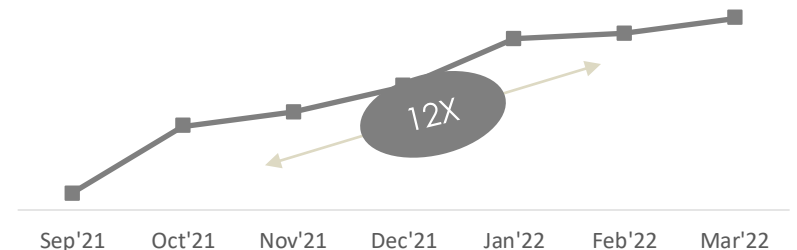
## Credit Line

- Super Prime Segment
- Personal Loan, pay-as-you-use



## Paisa on Demand

- Prime Segment
- Credit Card cum Line Product



Aim to increase share of Co-created products



5

# Case Study: Co-created Step UP Credit Card with SBM Bank

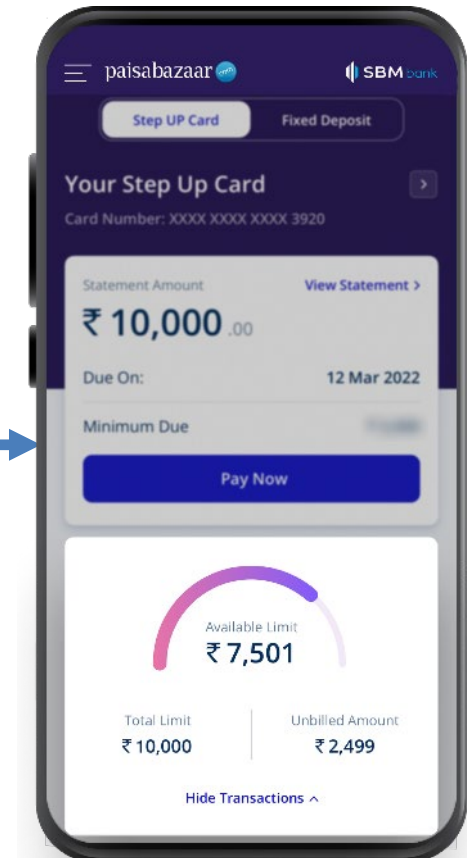
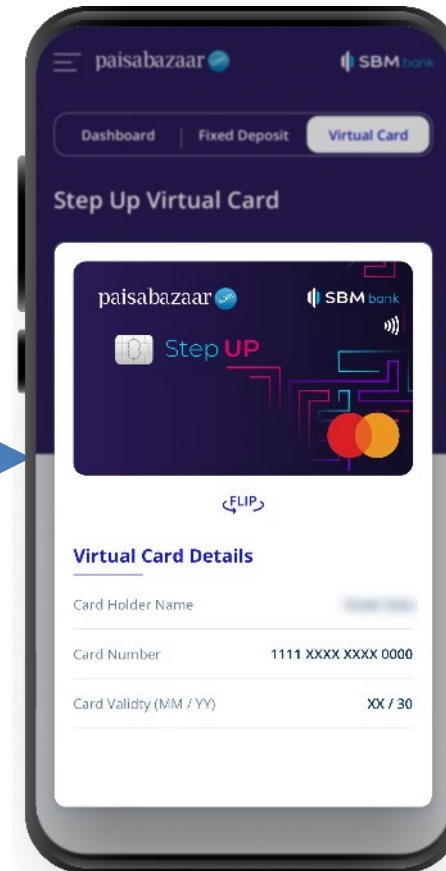
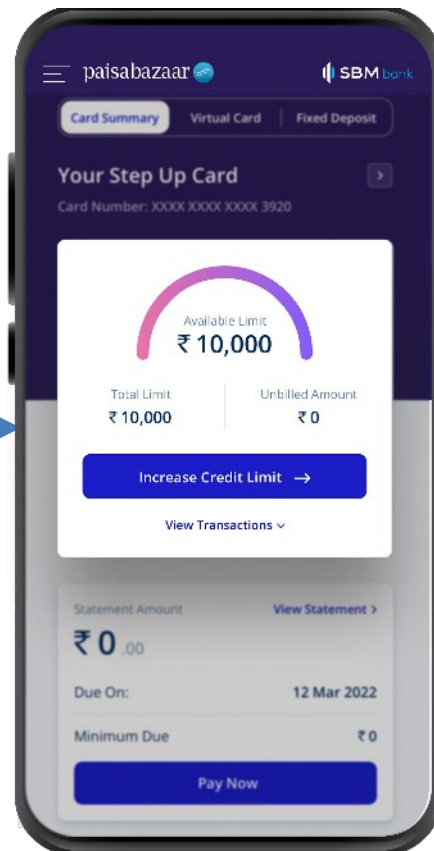
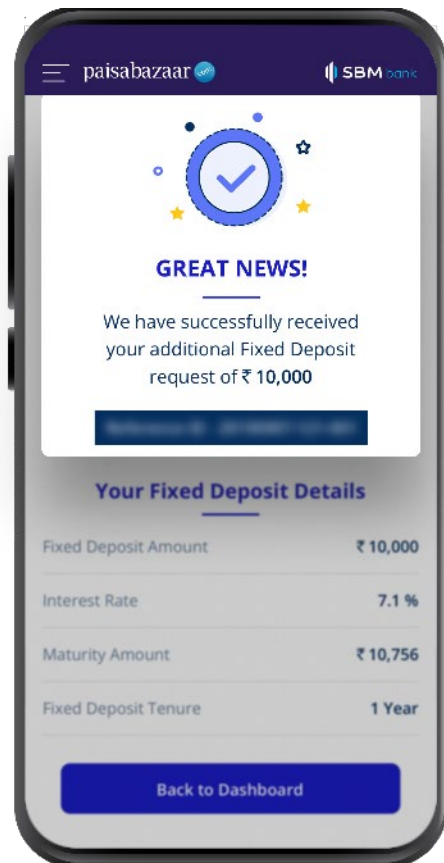
Best in class journey for credit card, built on Digital Stack

Instant FD booking

Instant card Issuance

Instant Virtual Card

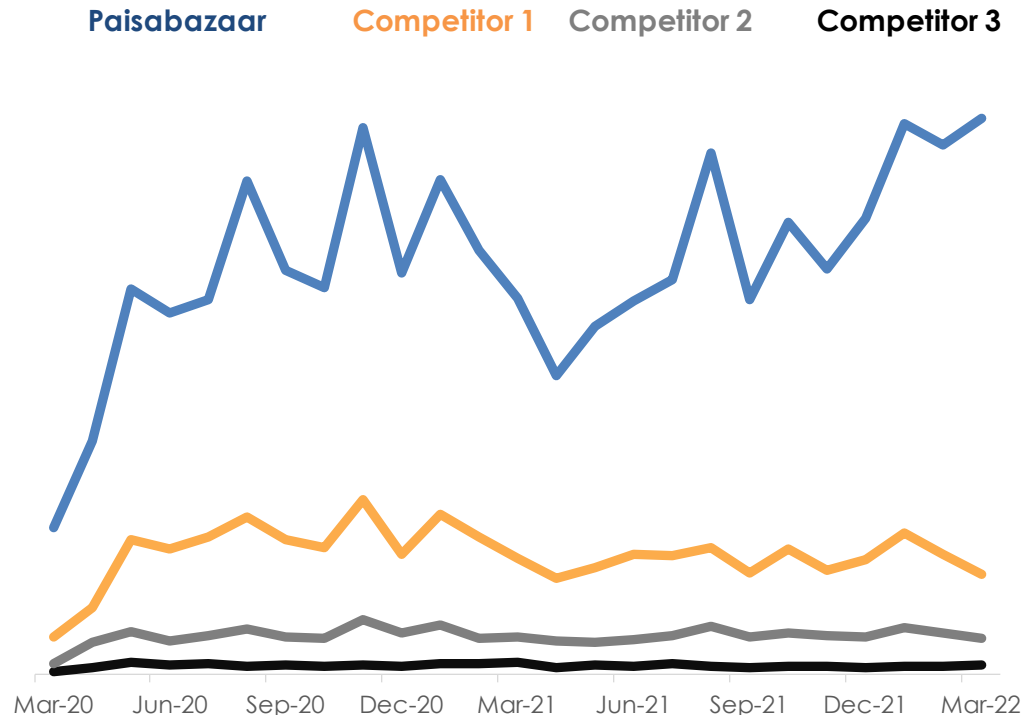
Superlative E2E CX



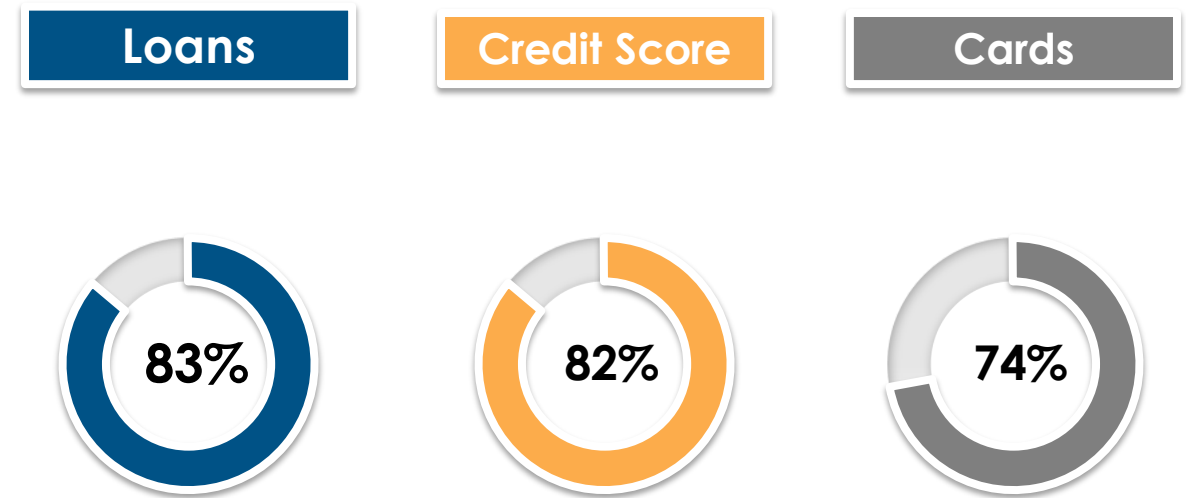


## 6 Brand Paisabazaar: Dominating the fintech aggregator space

### Brand searches 3.5X of nearest competitor



### High 'Top-of-mind' recall for Paisabazaar across categories



Source – Survey by white canvas | Feb'22

Continuous brand investments has established Paisabazaar as one of India's most popular fintech brands

## **Our Investments & New Initiatives**

# Our Investment Philosophy

- We have ₹ 5,154 Cr cash as of March 31, 2022
- Inorganic opportunity criteria:
  - Strengthen the existing businesses
    - Enhanced Consumer Engagement
    - Product Innovation
    - Customer service convenience
    - Claims support
  - Betting on team or capability rather than business volume
  - Cultural fit is a must
- We have spent time looking at inorganic opportunities
  - We have not been able to identify any inorganic growth opportunity where we felt convinced that buy vs build was the right decision for us
  - In most instances, we continue to prefer “BUILD” over “BUY”
- **We have invested ₹ 174 Cr (c.3% of our cash) across 3 initiatives, whose cumulative buy alternative would have been well over ₹ 7,500 Cr**

- A platform for independent sellers of Insurance and other financial products
  - Enable seller to sell across Products and Suppliers via an app
  - Tech based platform for Research, Issuance, and Customer Management
- Clear Market Leader, driving scale with operating efficiency is the way forward
  - Started July 2021
  - ₹200+ Cr monthly premium in March 2022
  - Present in 11,816 pin codes out of 19,100 pin codes in India
- Buy vs Build
  - Buy options were \$200 – 700mn
  - We instead attained the leadership position in under \$7mn (in 6 months)

# Delivering A New Age Corporate/SME Insurance Experience

## India's Fastest Growing Corporate Insurance Business

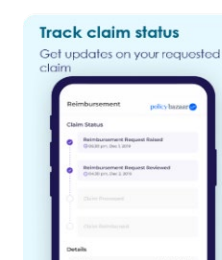
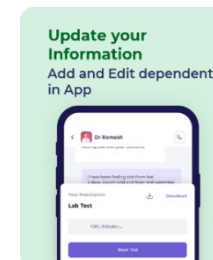
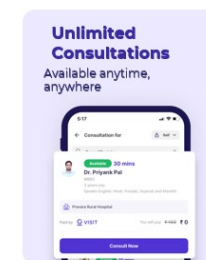
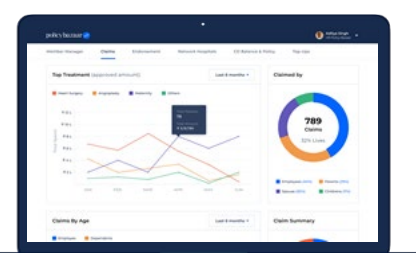
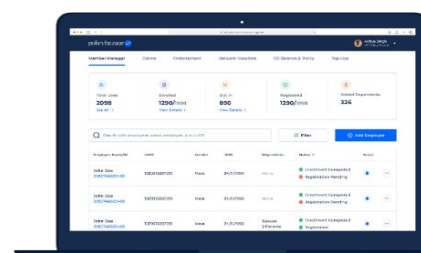
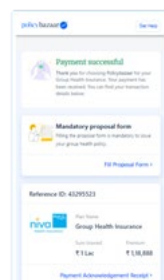
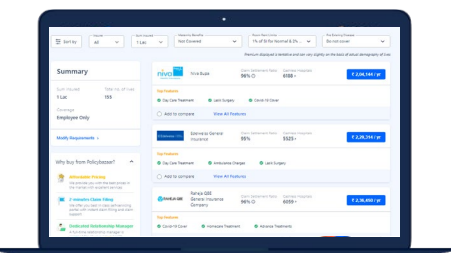
₹ FY22  
Premium 400 Cr+

- ✓ Comprehensive product offering online & offline – Health & Commercial Lines
- ✓ Sales offices launched in NCR, Bengaluru, Mumbai & Pune
- ✓ Unassisted online platform for all products (Asset, Liability, Employee Benefits)
- ✓ Sales thought leadership brought in from leading industry players
- ✓ Integrations complete with all key TPAs & insurers – Fully Digital operations

## Trusted by India's best (with a 92% retention on large clients)



## Digitizing Corporate Insurance – From considering a purchase to making a claim



Lowest Cost, Flexible, Online Payment  
(MSME – Health, Life, Fire, Cyber, Crime)

Real Time tracking & Claim Ratios for Admin  
(Manage members, claims & benefits digitally)

App, 24/7 concierge & WhatsApp support  
for employees  
(Insta claims, health ID, telehealth, managed wellness)

END

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