

Core Online business: Revenue up 39%, Adjusted EBITDA 69 Cr up 14x,

Overall: PAT losses shrink 94% to 11.9 Cr from 204 Cr YoY

Q1 FY24 - YoY

1. Core Online Business
 - a. New Protection (Health + Term) Premium up c.40%
 - b. Operating revenue ₹516 Cr, up 39%
 - c. Contribution margin improves to 45% from 42%
 - d. Core business Adjusted EBITDA ₹69 Cr up from 5Cr
 - e. Adjusted EBITDA margin 13% up from 1%
2. Total Business
 - a. Operating revenue ₹666 Cr, up 32%
 - b. PAT Loss reduced 94% from ₹204 Cr to ₹11.9Cr
3. New Initiatives
 - a. Operating revenue of ₹149 Cr, up 11%
 - b. Strong focus on quality of POSP business
 - c. Loss in new initiatives ₹46 Cr vs 71Cr

Commenting on results, the company stated:

Policybazaar and Paisabazaar, which are jointly classified as Core Online Businesses, are India's leading marketplaces for insurance and credit products. For the last 5 quarters, adjusted EBITDA has improved at an ARR (annualized run-rate) of over 200Cr.

1. Q4 is traditionally the strongest quarter, and for the first time ever our core online business revenue for Q1 FY24 is higher than our Q4 FY23, beating traditional seasonality
2. We are also very pleased that our core engines of value, the new insurance premium of protection (Health + Term), grew at c.40%, and this growth has been accelerating month on month through the quarter.
3. Our consolidated adjusted EBITDA was a positive ₹23 Cr for Q1, an improvement from minus ₹66 Cr same quarter last year, an increase of ₹89 Cr.
4. Core online business adjusted EBITDA increased by ₹64 Cr YoY.
5. Our Renewal / trail revenue is at an ARR of ₹418+ Cr, up from ₹273 Cr last year same quarter. This typically operates at over 85% margins and is a significant source of profit growth
6. Continuous improvement in Customer onboarding, service, and Claims support – we maintain CSAT of 88%

Credit business continues to grow very well and has been adjusted EBITDA positive since Dec 2022.

1. We are now at the annualized run rate of ₹16,000 Cr disbursal and 5.8 Lacs credit card issuance on an annualized basis (July 2023)
2. About 36.9mn customers have accessed credit score on our platform.
3. Digitization is becoming significant in Lending – currently led by Credit cards where ~75% of Cards issued, and 44% of unsecured lending transactions were through end-to-end (E2E) digital processes.
4. 75% disbursals are from existing customers, demonstrating strong customer trust and repeat behavior.
5. Trail revenue is now at 14% of total credit business revenue

On New Initiatives

1. PB Partners
 - a. Continues to lead the market in scale & efficiency of operations.
 - b. We have moved the business increasingly towards smaller and higher quality advisors.
 - c. It has the highest proportion of non-motor business and is present in 15.4k pin codes across India, covering over 80% of pin codes in India.
 - d. We stay convinced about the future potential of this business and committed to it.
2. Our UAE biz has grown 2.6x YoY

We stay confident of being significantly PAT positive for the year.