
PB Fintech Limited, Press Release

04th November, 2023

Performance Review: Financial Results for the quarter ended September 30, 2023

Q2 FY24: New Retail Protection (Health & Term) grew 53% YoY, Overall Revenue up 42%

PAT losses shrink 89% to ₹21 Cr from ₹187 Cr YoY

Q2 FY24 - YoY

1. Scale
 - a. Insurance premium at ₹3,475 Cr, an ARR of ₹14k Cr
 - b. Disbursals ARR of ₹16.5k Cr, 6 Lacs Credit Cards
2. Core Online Business
 - a. New Protection (Health + Term) Premium up 53%
 - b. Operating revenue ₹597 Cr, up 46%
 - c. Contribution margin improves to 45%
 - d. Adjusted EBITDA improves to ₹68 Cr from ₹12 Cr, margin improves to 11%
3. Total Business
 - a. Operating revenue ₹812 Cr, up 42%
 - b. Adjusted EBITDA margin improves to 2% from -9%
 - c. PAT Loss reduces 89% from ₹187 Cr to ₹21Cr
4. New Initiatives
 - a. Operating revenue of ₹215 Cr, up 31%
 - b. Continued leadership in PoSP business

Commenting on results, the company stated:

1. Our online marketplaces Policybazaar and Paisabazaar, which we refer to as core business, improved their Adjusted EBITDA by ₹66 Cr YOY for Q2 FY24. This number for the last 6 quarters has averaged at ₹56.25 Cr which translates to an annual gain of 225Cr. We had 6 quarters ago guided this at 150-200 Cr a year.
2. We are very pleased that our Health & Term Insurance business, which is a bulk of our long-term value, witnessed 53% YoY growth in new premium for Q2 FY24, which is the highest in the last 7 quarters. This growth continues to accelerate.
3. Our total insurance premium for the quarter was ₹3,475 Cr, an ARR of ₹14k Cr.
4. Our renewal / trail revenue is at an ARR of ₹436 Cr, up from ₹294 Cr last year same quarter. This typically operates at over 85% margins and is a significant source of profit growth.
5. We maintain CSAT of 88% and continue to improve our claims support and customer onboarding services.

6. Credit business continues to grow very well and has been adjusted EBITDA positive since Dec 2022. We are now at the annualized run rate of ₹16.5k Cr disbursal and about 6 Lacs credit card issuance on an annualized basis. We added about 2.24 mn new consumers who accessed their credit score through our platform in Q2 FY24, bringing our total credit score consumer base to 39mn.
7. 75%+ of cards were processed end-to-end 100% digitally. 75%+ disbursements are from existing customers.

We continue to strengthen our leadership in New Initiatives while building further efficiencies.

1. PB Partners, our agent aggregator platform, continues to lead the market in scale & efficiency of operations.
 - a) We have moved the business increasingly towards smaller and higher quality advisors.
 - b) Highest proportion of non-motor qbusiness.
 - c) Present in 16.3k pin codes across India, covering over 85% of pin codes in India.
2. Our UAE premium has grown 2.5x YoY.

Our consolidated PAT for H1 increased by ₹358 Cr to minus ₹33 Cr and we stay confident of this year being PAT positive.

About PB Fintech

Policybazaar & Paisabazaar are the flagship platform of PB Fintech Ltd. & are India's largest online platform for insurance and lending products according to Frost & Sullivan. PB Fintech launched Policybazaar in 2008 to respond to Consumers' need for more awareness, choice and transparency and create a consumer-pull based, provider-neutral model for insurance distribution. In Fiscal 2020, Policybazaar was India's largest digital insurance marketplace among all online insurance distributors with 93.4% market share based on number of policies sold. In 2014, PB Fintech launched Paisabazaar with the goal to transform how Indians access personal credit by accentuating ease, convenience and transparency in selecting a variety of personal loans and credit cards. Paisabazaar was India's largest digital consumer credit marketplace with a 53.7% market share, based on disbursements in Fiscal 2021. Paisabazaar is also widely used to access credit scores, with c.26 million consumers cumulatively having accessed their credit score through the platform as of January 31, 2022.