



Fintech – Credit

26 April 2022



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This presentation contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 concerning our financial condition, results of operations and businesses.

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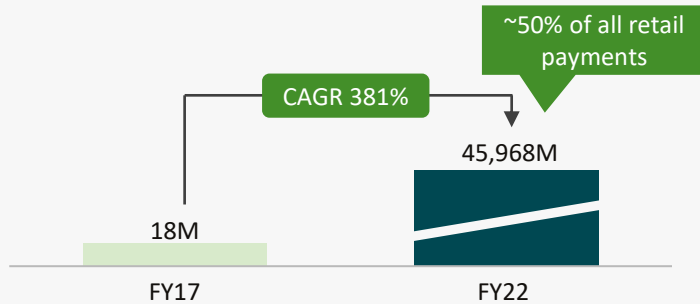
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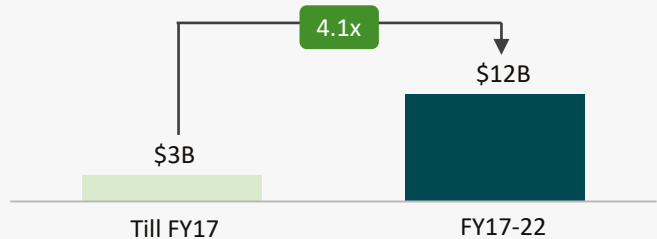
Key trends shaping Digital Payments and Fintech

Digital payments driven by scale

Unified Payments Interface (UPI) transactions in India (M)



Cumulative funding into India Payments (\$B)



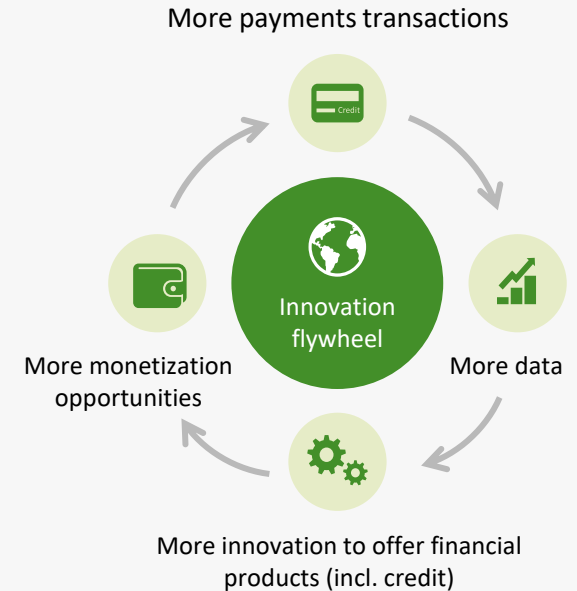
UPI's rapid growth has driven increased capital inflows into India payments ecosystem

Consolidation is increasing

| Acquirer | Deal size | Acquired |
|-----------|-----------|-------------|
| FIS | \$43B | worldpay |
| fiserv. | \$41B | First Data. |
| Square | \$29B | afterpay |
| Worldline | \$10B | ingenico |

Consolidation an accelerated way to increase scale

Innovation solving for credit & affordability



Scale enables rapid innovation and financial inclusion

PayU connects consumers, merchants & banks across our markets

India

1

Merchants

Integrated payments platform for merchants across categories

Processed **1B+** transactions worth **\$44B** in FY22

2

Consumers

Digital Banking and Credit for the Indian mass market

In India, a cumulative user base of **3M** active on **45 000+** merchants

3

Banks

Offering payment infrastructure for Financial institutions

Partnership with **~200** banks in India and expanding internationally

GPO

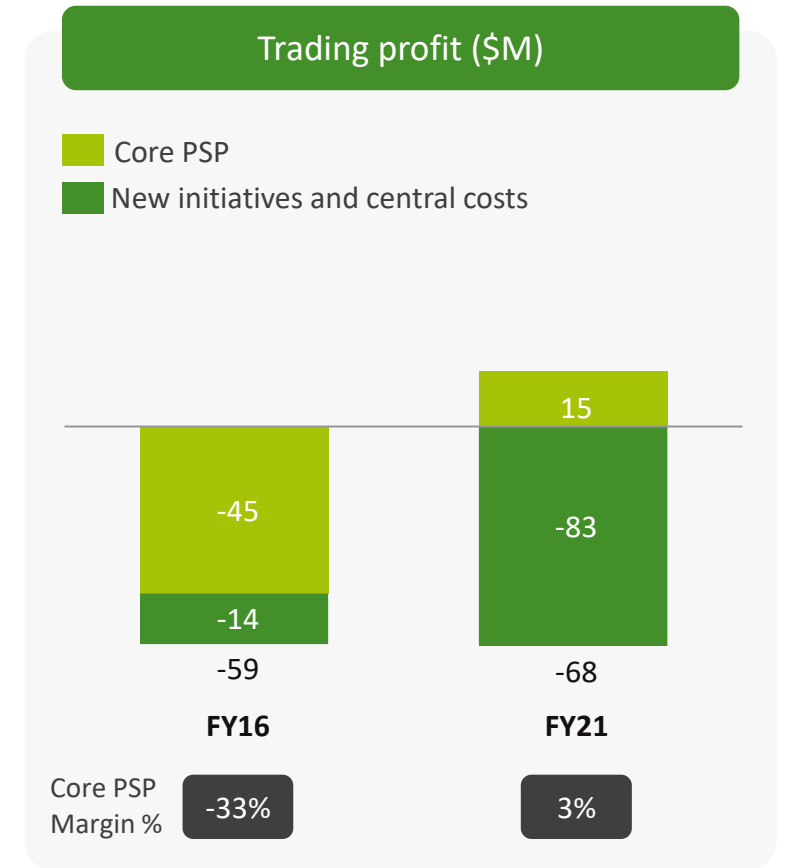
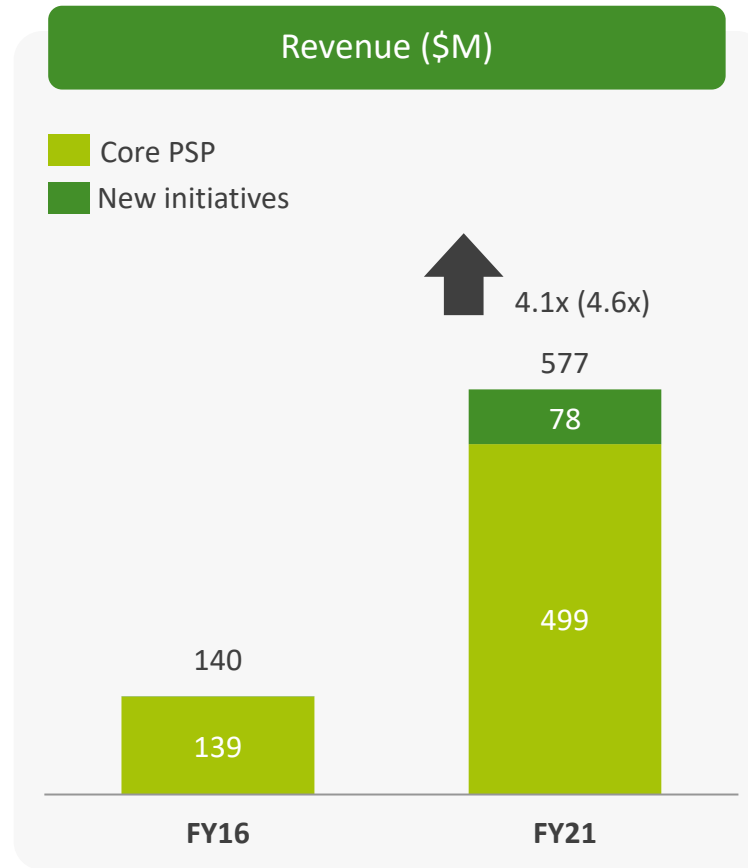
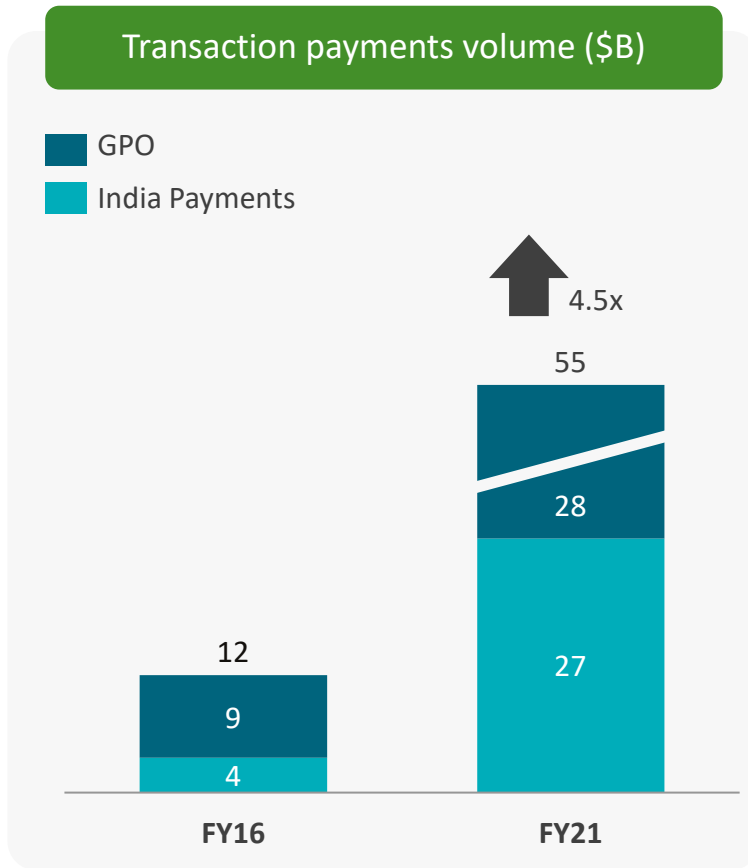
4

GPO Payments

Strengthen in core markets; explore adjacencies, BNPL

Presence in **18** high growth markets
Processed **1B+ transactions** worth **\$35B** in FY22

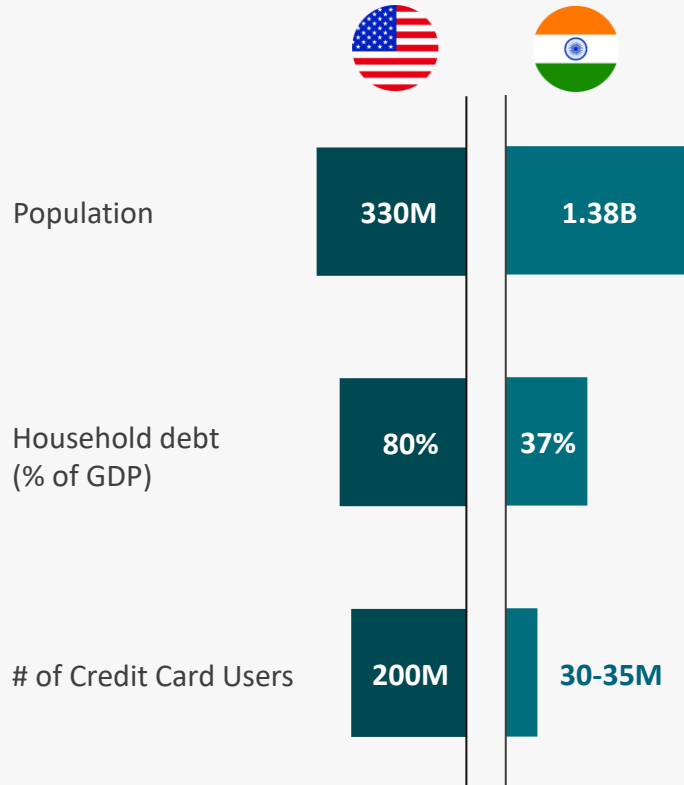
Rapidly growing business with strong economics



Including Billdesk¹, PayU will become the 7th largest online payments company with a TPV of more than US\$150B

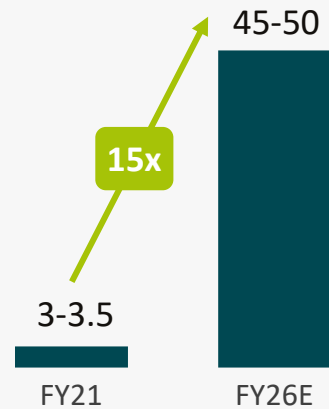
India is our biggest opportunity for credit

Low credit penetration in India...

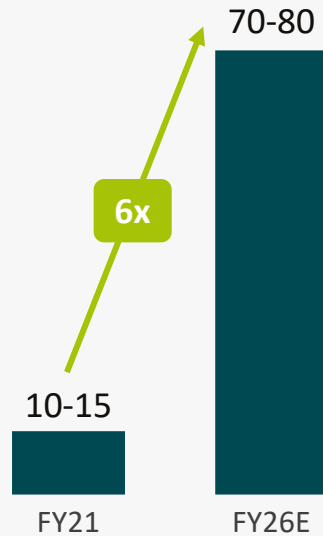


...presents a huge opportunity as the alternative lending scales

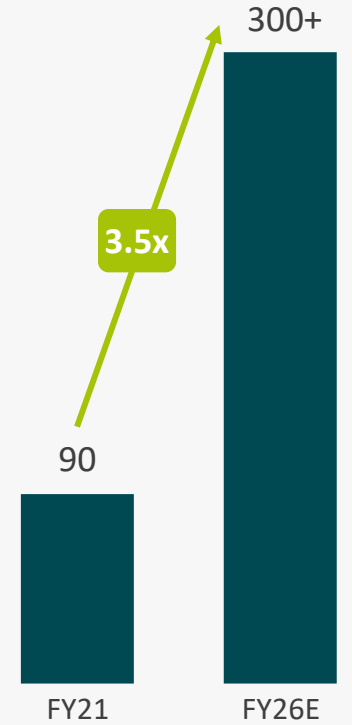
Buy Now Pay Later (\$B)



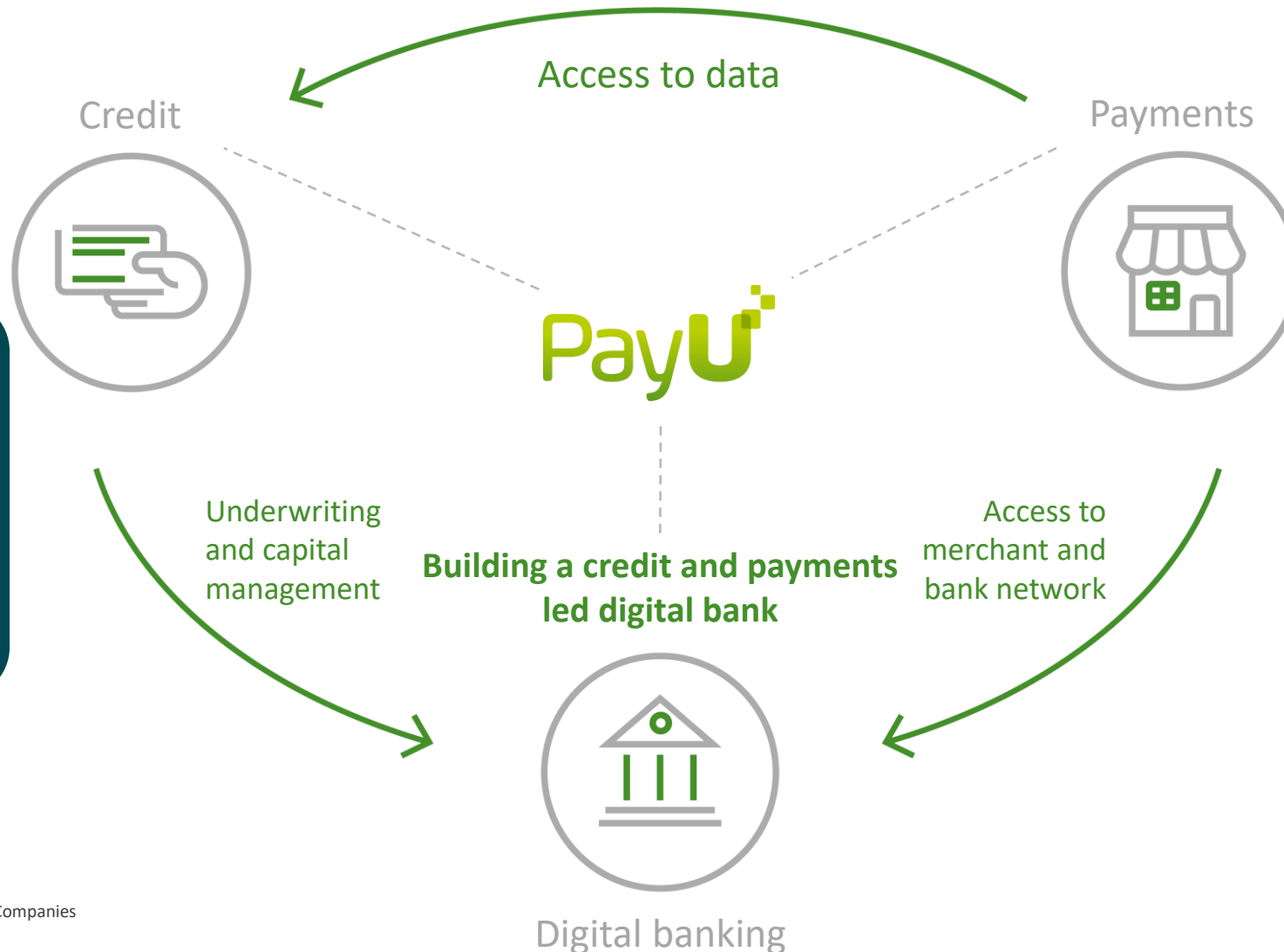
Credit based online payments (\$B)



Consumer internet market (\$B)



Our core business, a springboard into credit & digital services



- Diversified product portfolio- Transactional credit and personal loans
- Strong debt raising capability
- NBFC¹ license

- 2B+ transactions in FY22
- 500k merchants
- Partnership with ~200 banks
- PPI² license

What do we need to be successful in credit?

Access to customer acquisition flywheel



Lazypay is active on 45 000+ merchants, adding ~150k users per month

Access to multiple data sources



62M pre-approved base for transactional credit

Access to capital



A strong balance sheet with A+ credit rating and funding from Prosus

Transaction credit is a consumer flywheel

Transaction credit drives cross-sell of other credit products and services

Discovery at a trusted merchant partner



PayU

Adoption through high-frequency transactional credit



LAZYPAY

Offering longer credit duration products like personal loans



PaySense

Cross-sell other financial services

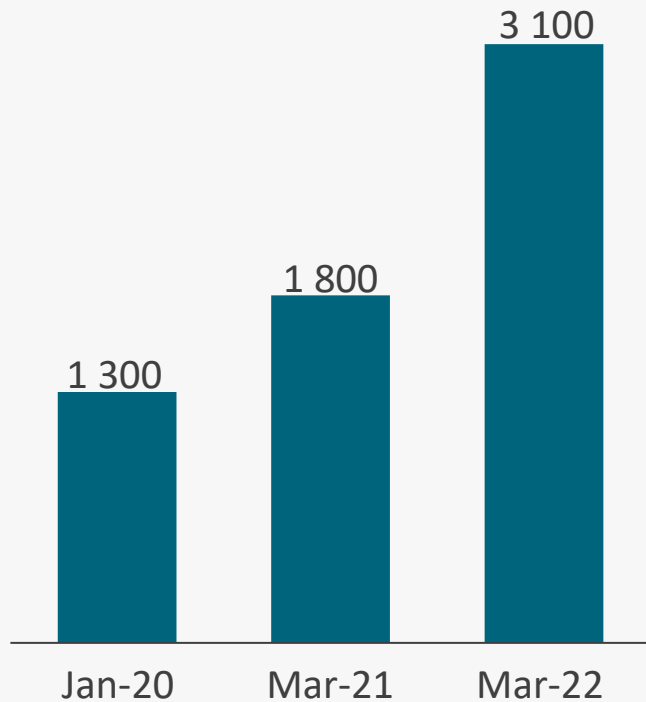


 In progress

We have built a resilient consumer credit portfolio...

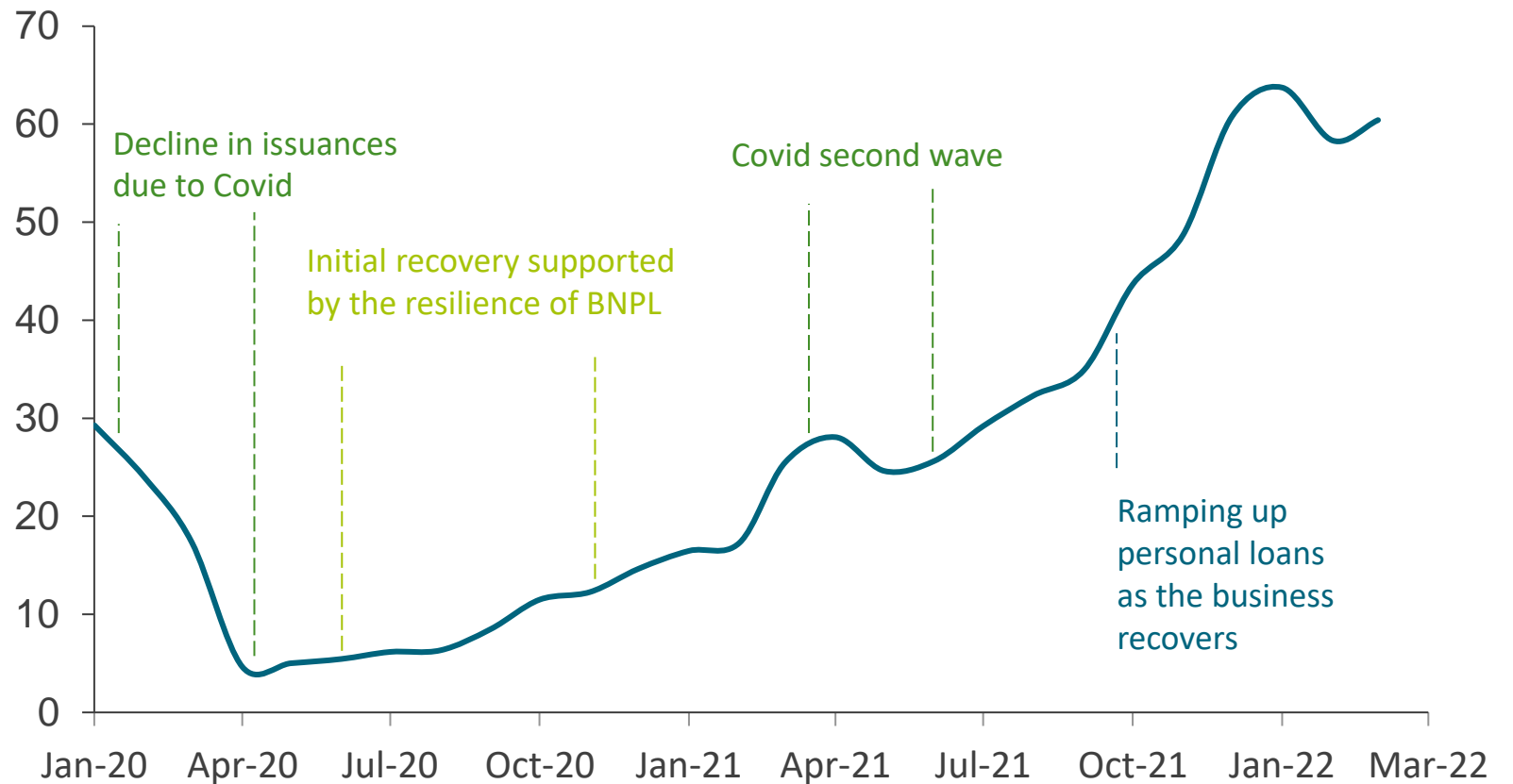


Cumulative Customer base (k)



Diversified product offering – BNPL, Personal loans, Co-lending

Monthly Issuances (\$m)¹



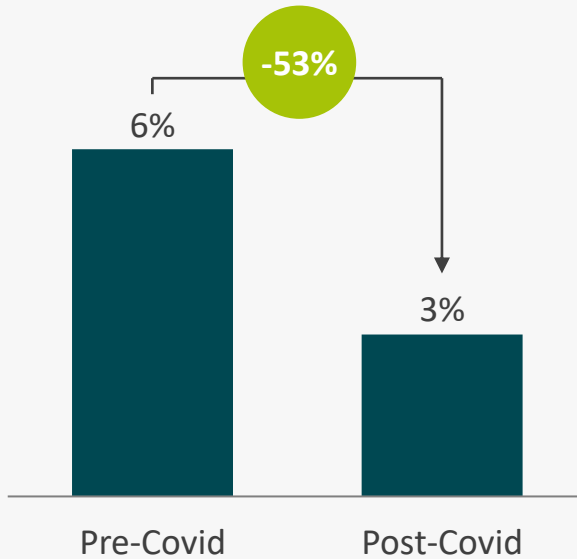
...and scaled the business by keeping loss rates low...

Revenue growth¹

4x

Exponential growth in revenue driven by recovery in issuances and launch of new products

Annualized loss rate of personal loans



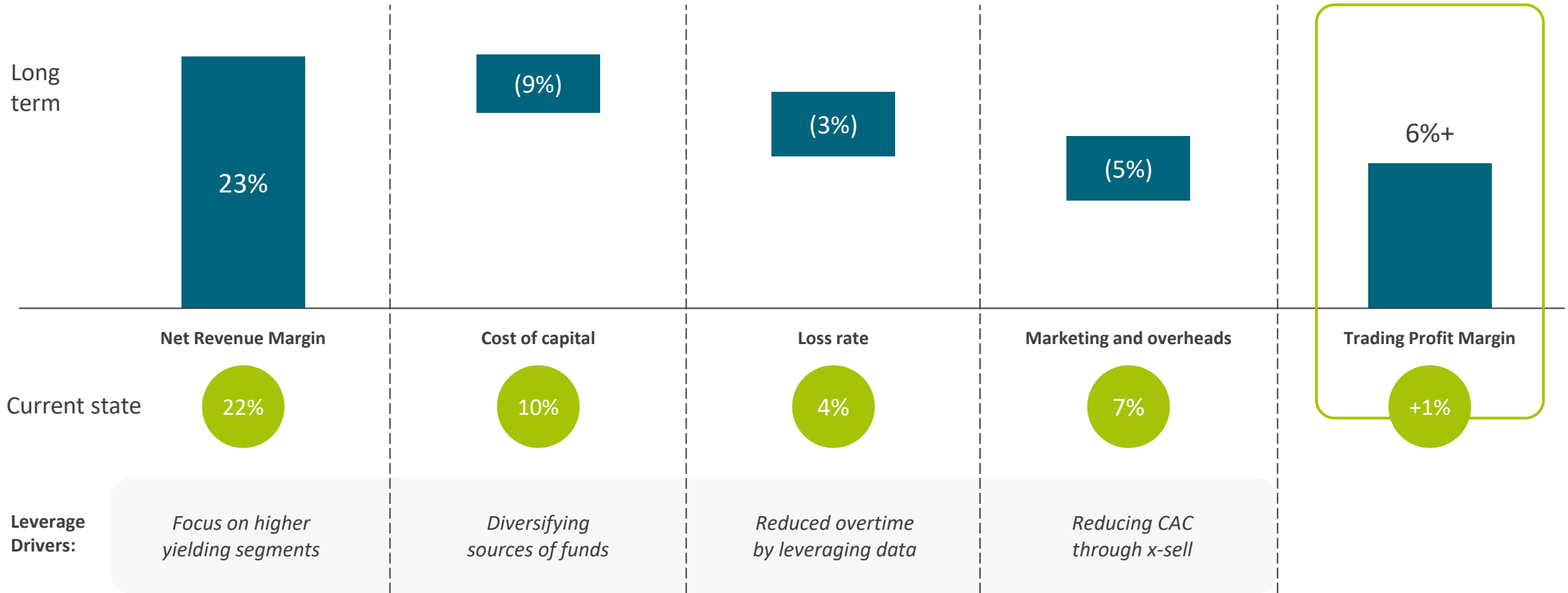
Improving loss rates through prudent risk management

Improvement in profitability driven by

- Increasing scale
- Diversification of sources of funds
- Leveraging data for optimizing loss rates
- Economies of scale in cost

... and we see a clear path to profitability

Expected unit economics at scale / steady state

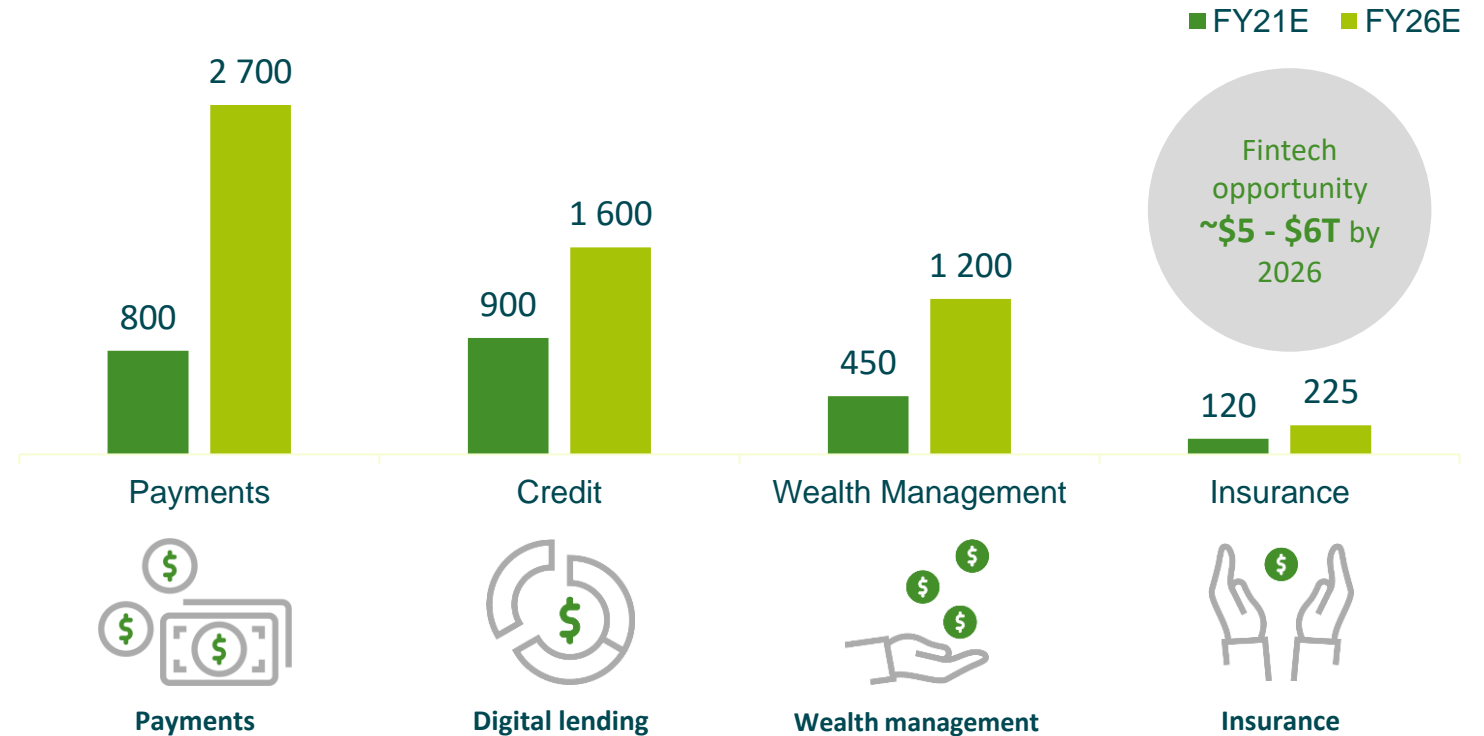


We are building a digital bank for the Indian mass market...

Payments and credit provides an opportunity to expand further into digital banking space

India offers tremendous head-room for Fintech business

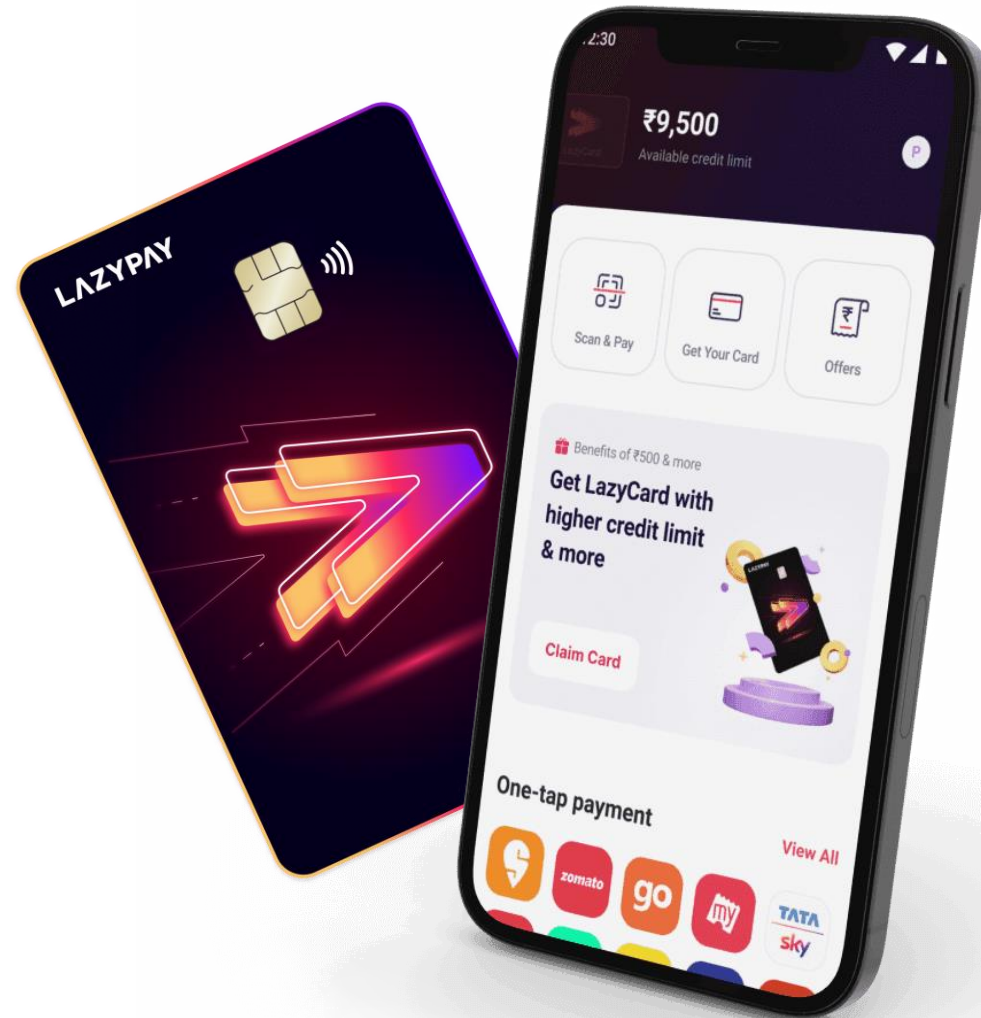
India Fintech addressable market (\$B)¹



LazyPay, the Financial Super App

Financial super app

Spend, Borrow, Shop, Save and Guard with



Takeaways

- 1. There is massive potential in consumer and SMB credit in India**
- 2. PayU is already operating at scale as a Fintech leader in India**
- 3. PayU has the competitive advantage and right to win in credit in India**
- 4. PayU will pursue this opportunity with a clear path to profitability**
- 5. PayU will build out a consumer & merchant centric financial ecosystem**

Q&A