



**Building a world without  
financial borders**

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**Laurent Le Moal | CEO PayU**

# PayU: Giving access to two billion consumers



**4** Continents  
**17** high-growth countries



**>300** Payment methods  
**>130** Banks



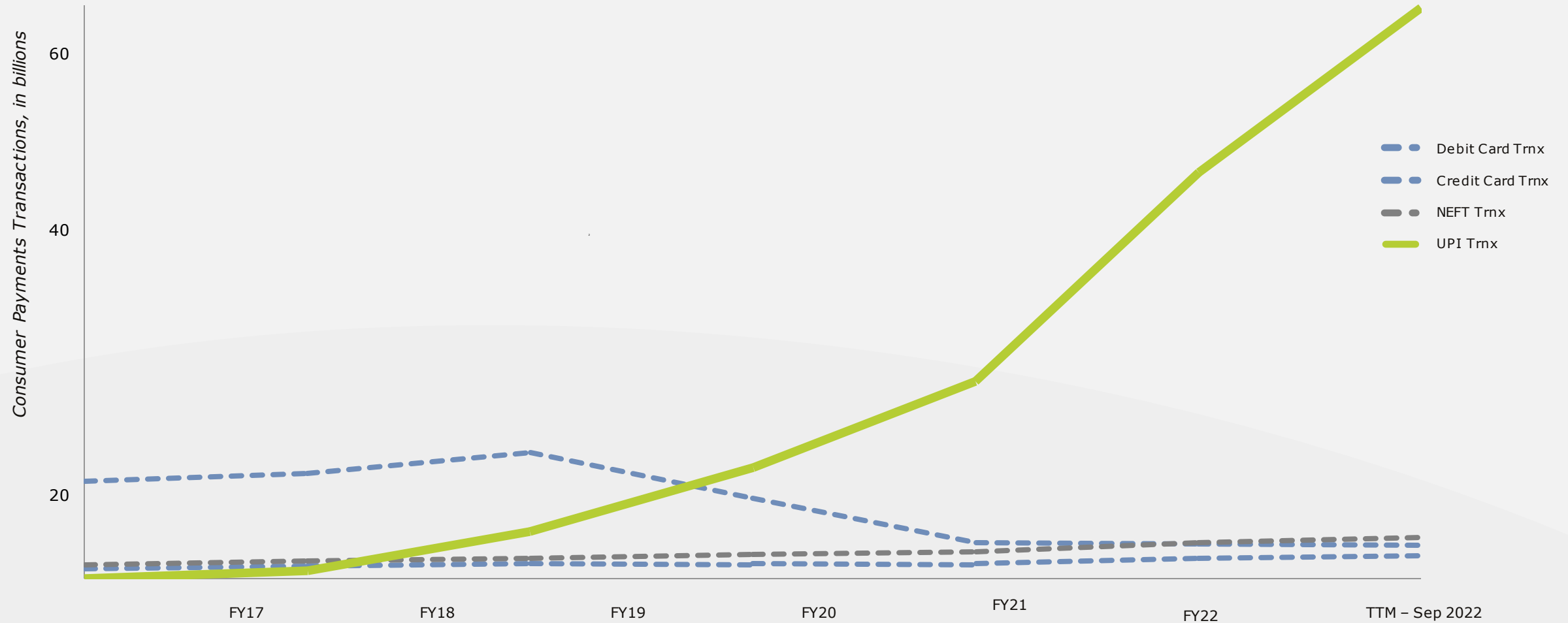
**>US\$78bn** processed payment volume



**> 15** licences

# The shift to digital payments

*The India success story with UPI*

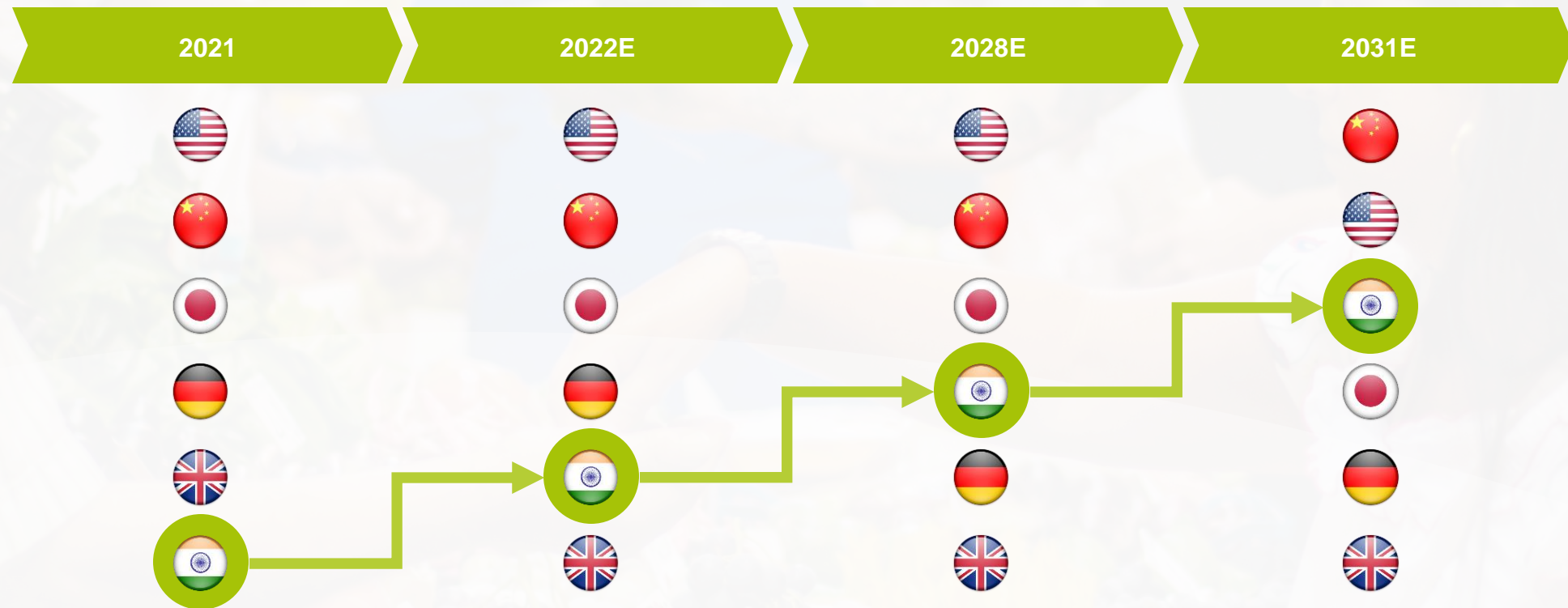


A woman in a yellow top is holding a smartphone in her right hand and a credit card in her left hand. The background is blurred, showing other people in a public setting. The text "Leading payments in India" is overlaid on the image, underlined with a green line.

# **Leading payments in India**

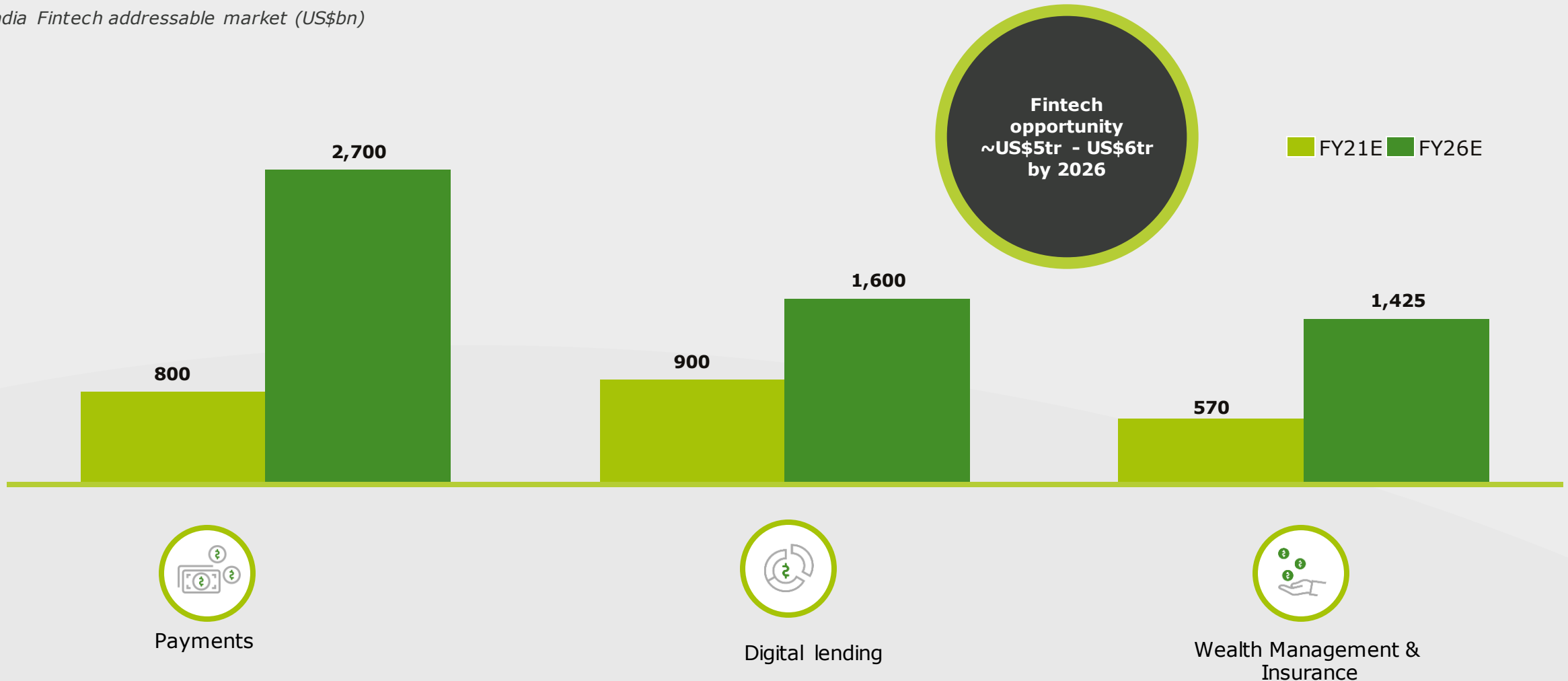
# India is on track to become the 3<sup>rd</sup> largest economy

Ranking of top 6 economies in the world by nominal GDP (in US\$)



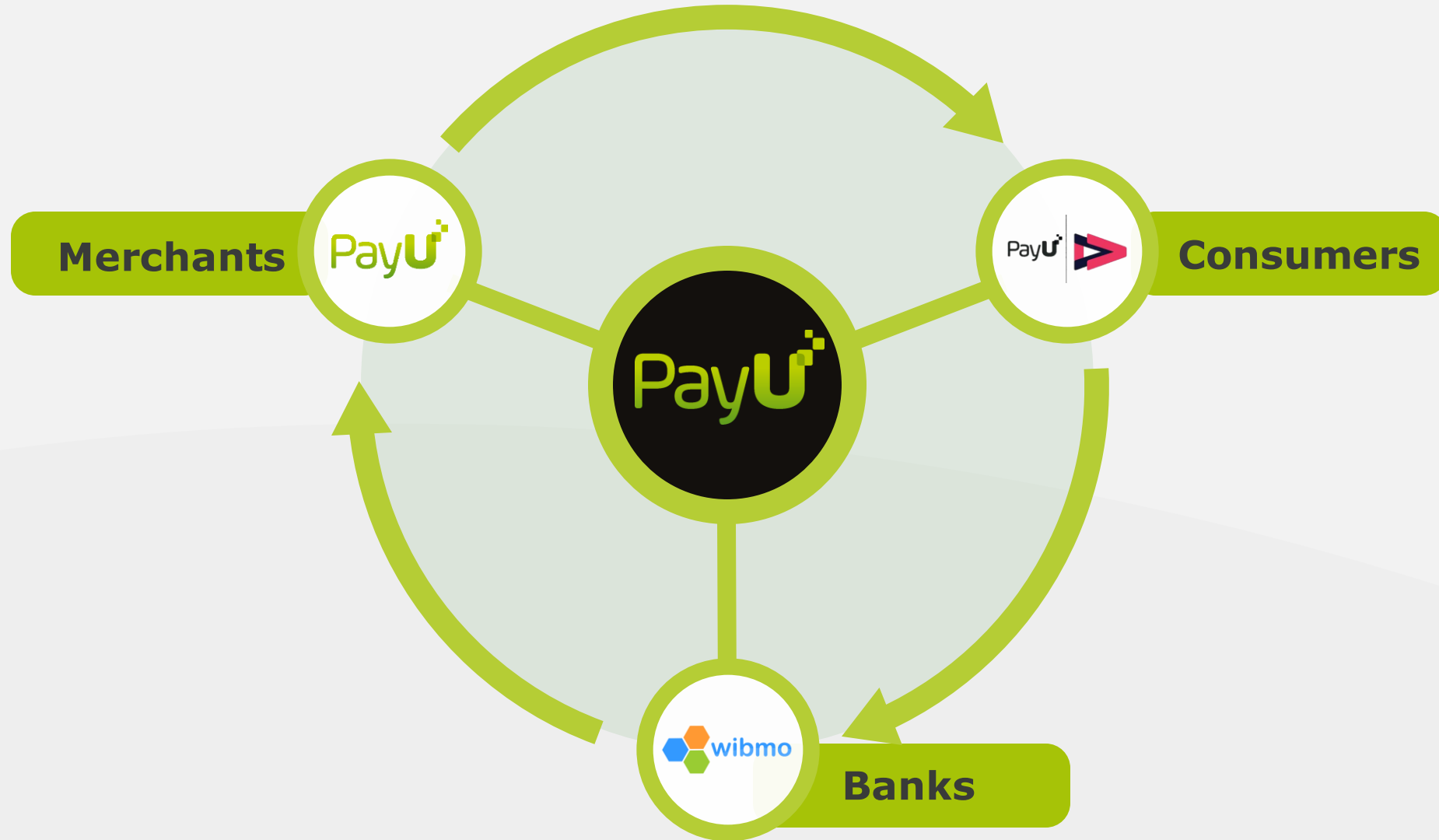
# Significant runway for financial services growth

India Fintech addressable market (US\$bn)





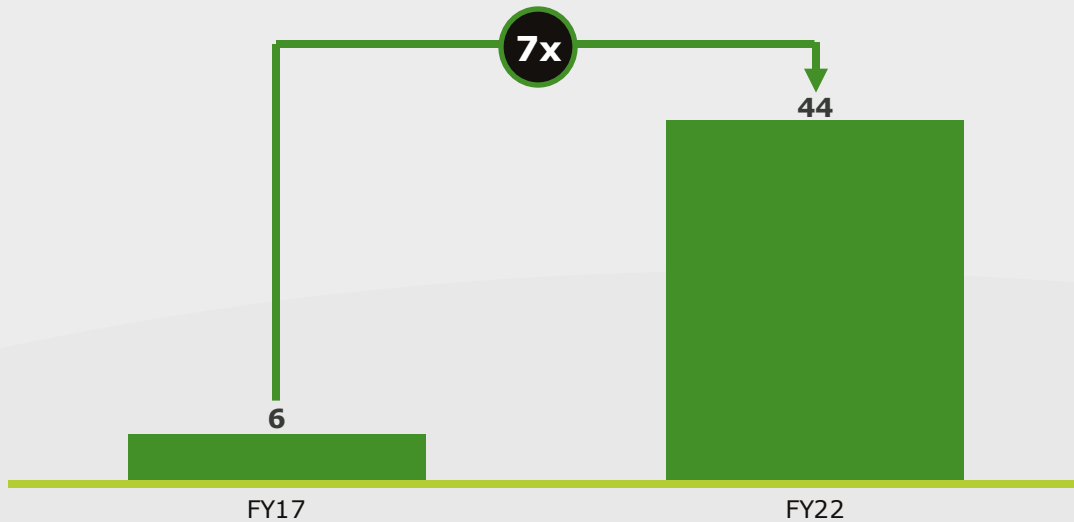
# We build an ecosystem around our platform



# PayU is the leading payments platform in India

## Payments volumes up 7x

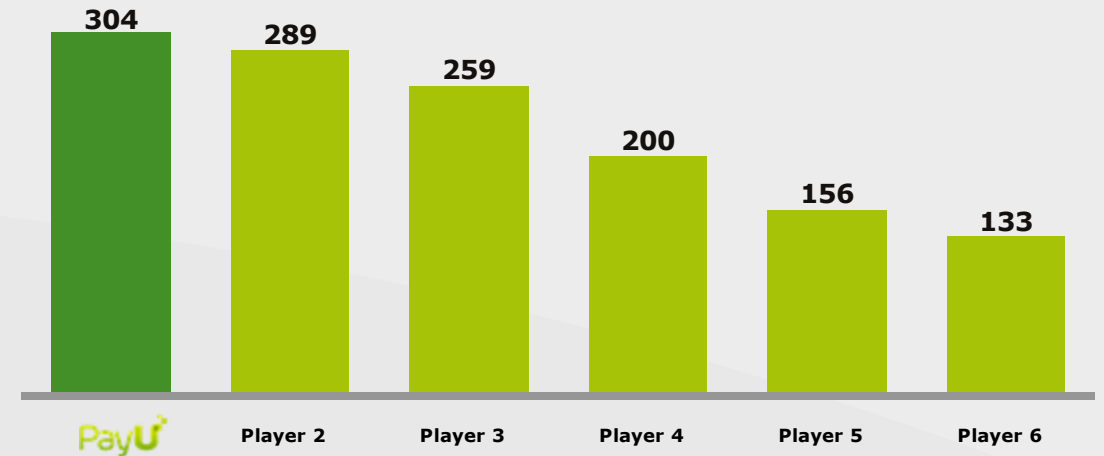
Total Payments Volume – India, in US\$bn, FY22



Rapid growth with the largest online merchants in India

## PayU is #1 in terms of payments revenues

India Non-Bank PSP Revenue Ranking<sup>2</sup> (not exhaustive) in US\$m, FY22

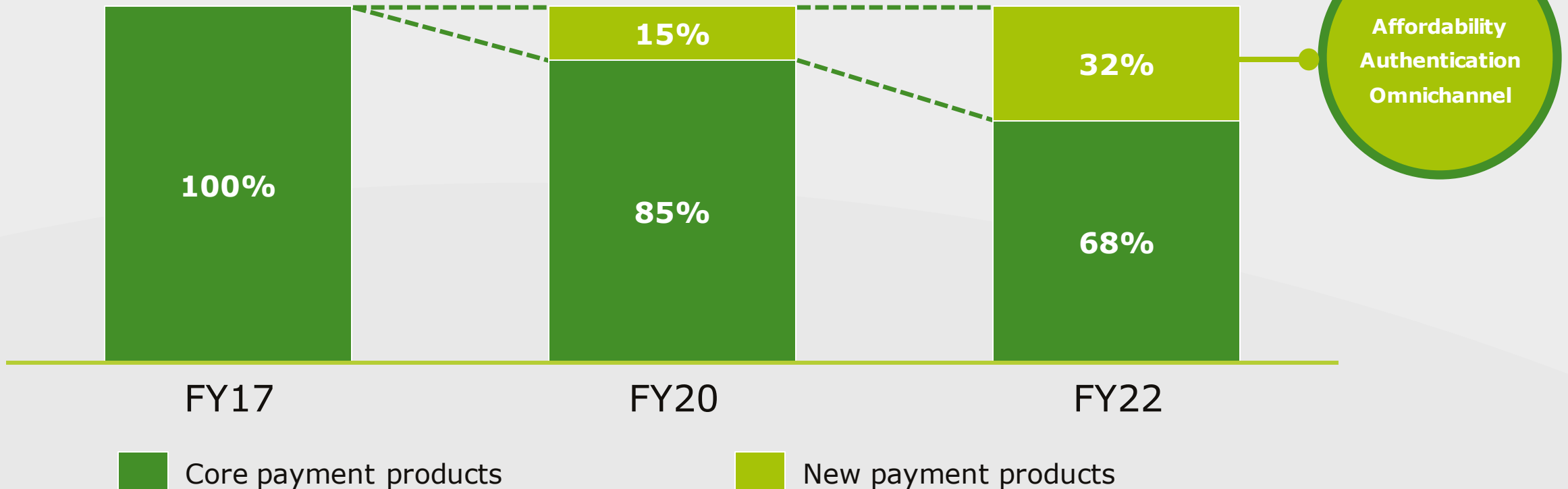


PayU is also one of only three profitable players in the industry



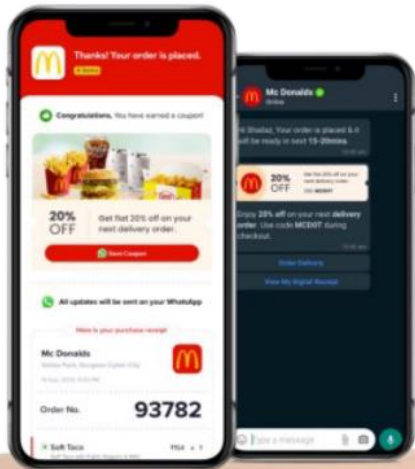
# We continue to diversify our revenue base

Revenue mix (% of total India PSP revenue)



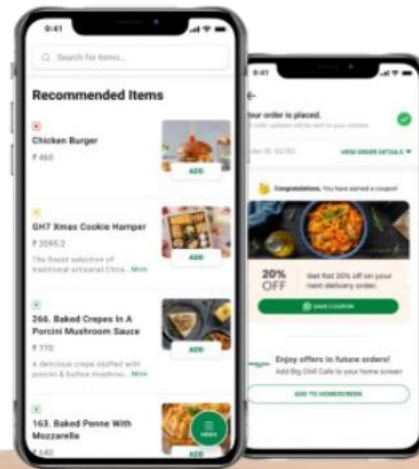
# And will expand from ecommerce to omnichannel

## Helping McDonalds facilitate contactless ordering



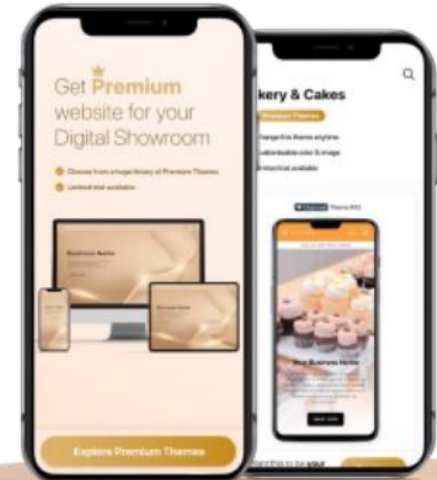
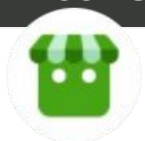
18

## Helping Big Chill Café accept orders on WhatsApp



19

## Helping merchants build online presence with digital showrooms



20

A woman in a yellow top is holding a smartphone in her right hand and a credit card in her left hand. In the foreground, another person's hand is holding a credit card. The background is blurred, showing other people in a social setting.

# Building our Credit business in India

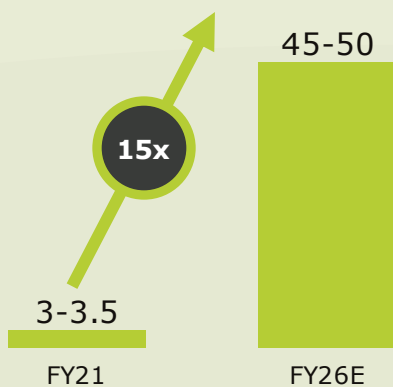
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**Prashanth Ranganathan | CEO PayU Credit**

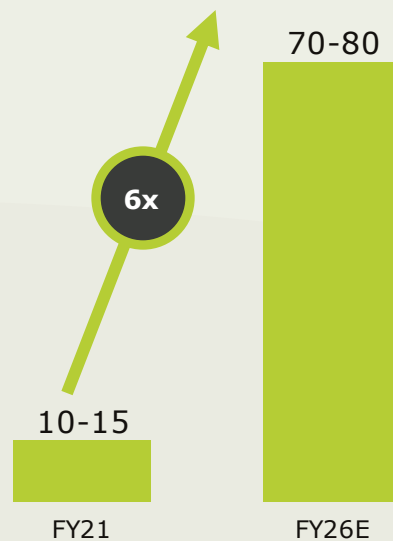
# India is our biggest opportunity for credit

## India presents a huge opportunity as alternative lending scales

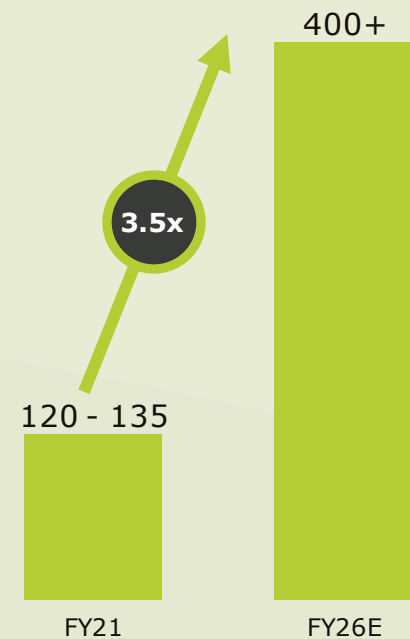
*Buy Now Pay Later  
(US\$bn)*



*Credit-based  
online payments (US\$bn)*



*Consumer internet  
market (US\$bn)*



# Transactional credit is a consumer flywheel

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



**Discovery at  
a trusted  
merchant partner**



**Adoption through  
high-frequency  
transactional credit**



**Offering longer credit  
duration products like  
personal loans**



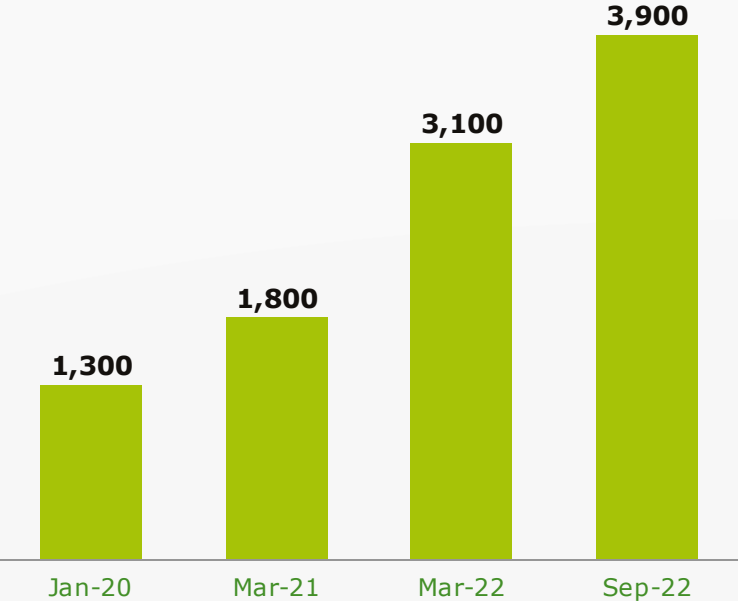
**Cross-sell  
other  
financial services**

 *In progress*

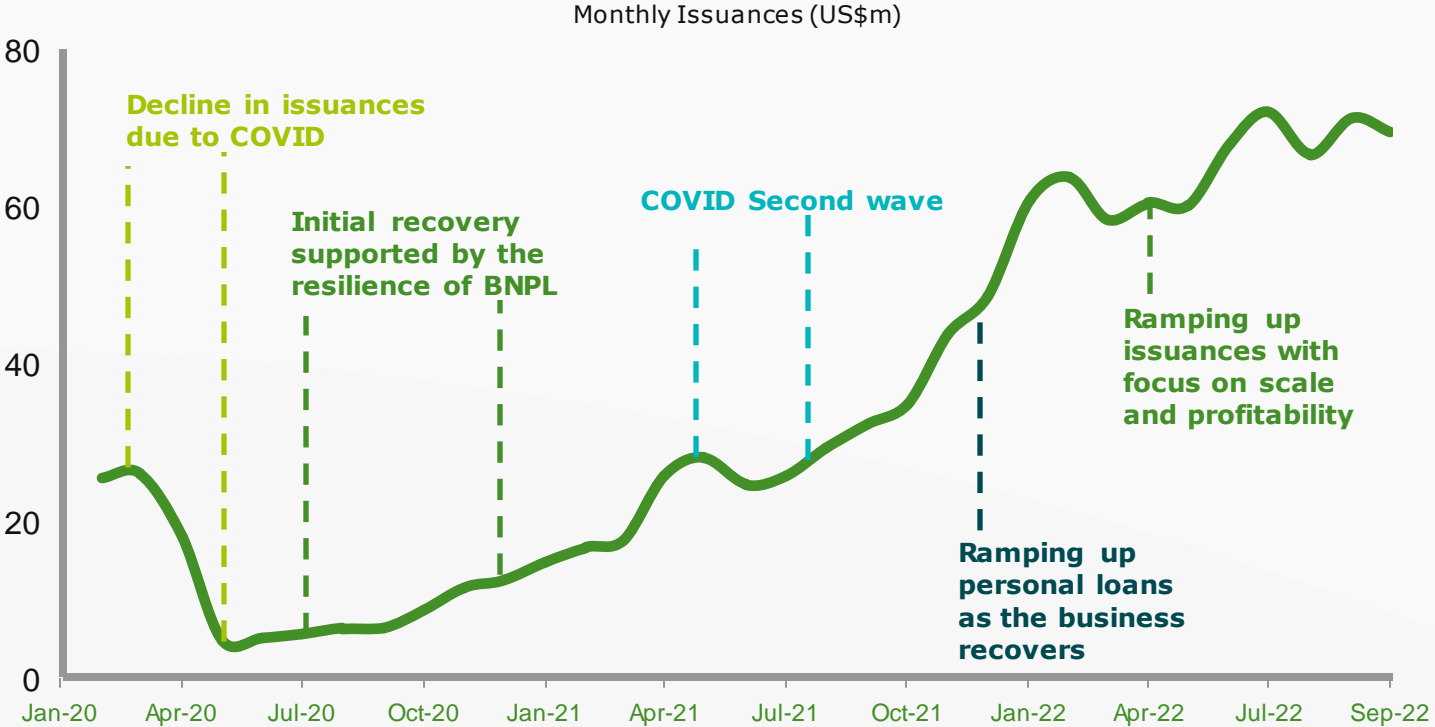
# We have built a resilient consumer credit portfolio...



Cumulative Customer base (k)



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

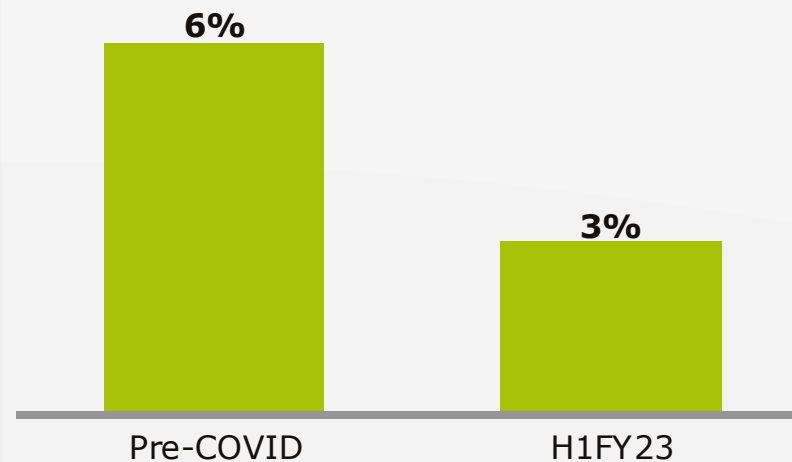


# ...and scaled the business while keeping loss rates low

## Revenue growth<sup>1</sup>



## Annualised loss rate of personal loans



## Improvement in profitability driven by

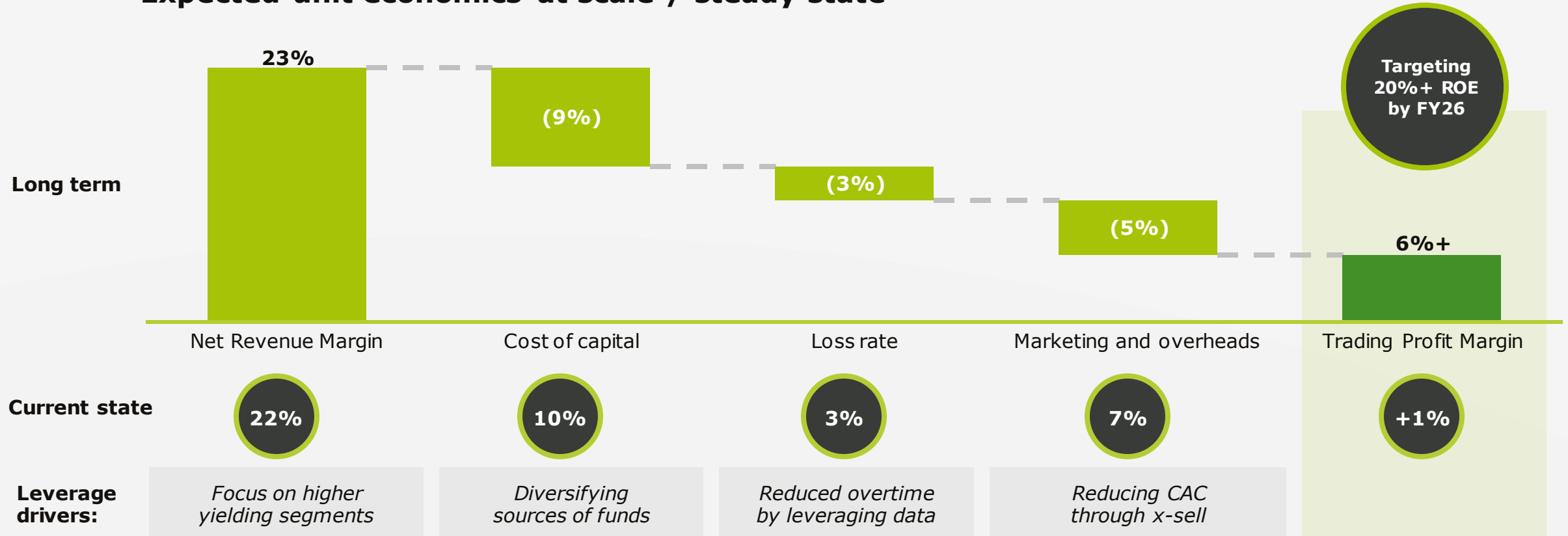
- Increasing scale (likely to hit breakeven by Q4 FY23)
- Diversification of sources of funds
- Leveraging data for optimising loss rates
- Cost discipline



# Solid unit economics and clear path to profitability



## Expected unit economics at scale / steady state

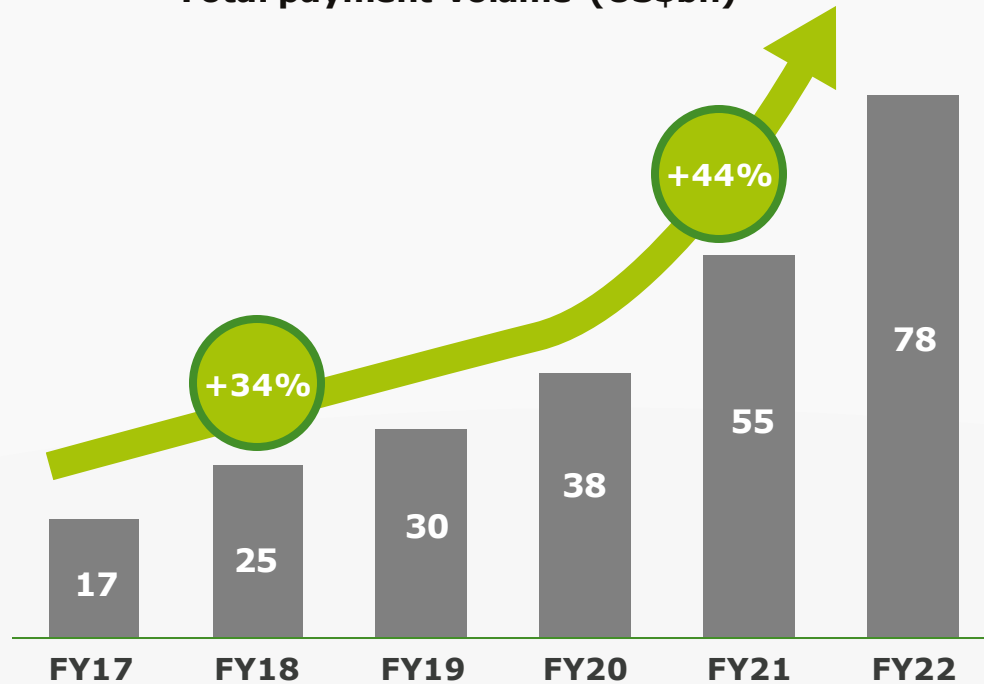


A woman in a yellow top is holding a smartphone in her right hand and a credit card in her left hand. The background is a blurred shop interior with various items on shelves. The text "Financial overview" is overlaid in white, underlined with a yellow line.

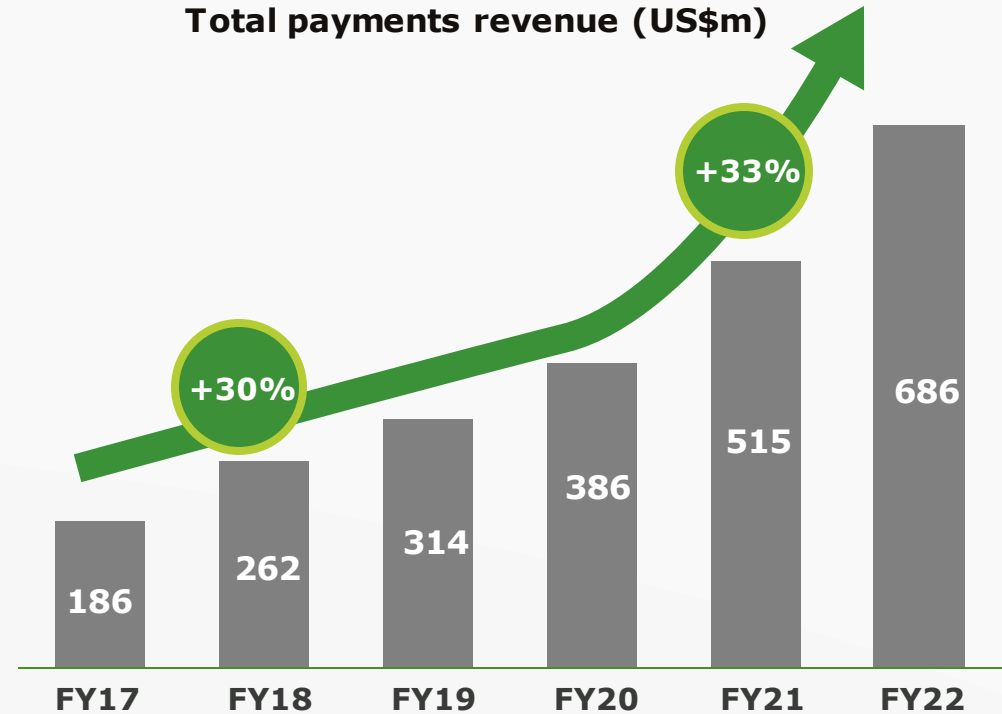
# Financial overview

# Payments volumes and revenues continue to accelerate ahead of market

Total payment volume (US\$bn)



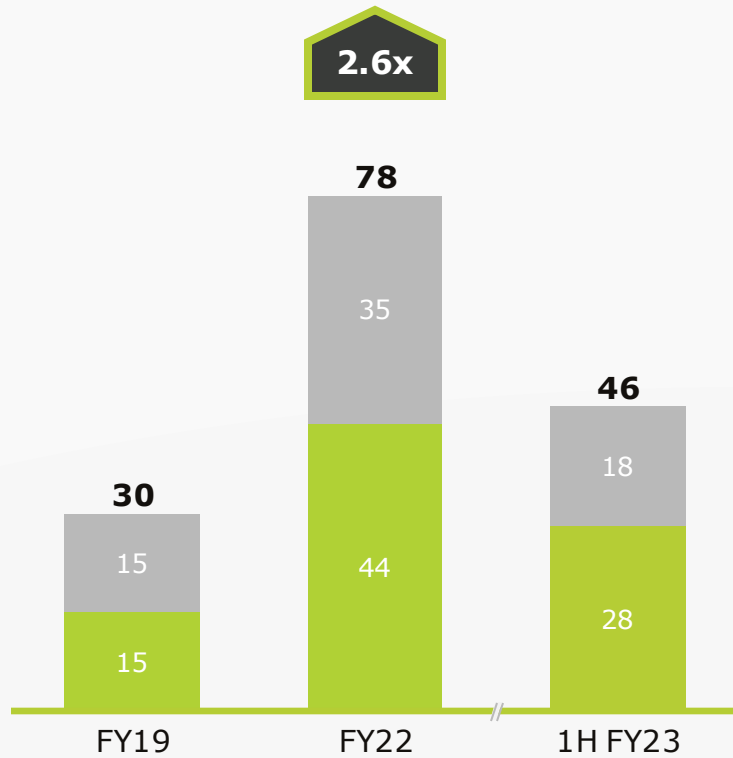
Total payments revenue (US\$m)



# We focus on profitability in our core payments and invest in credit

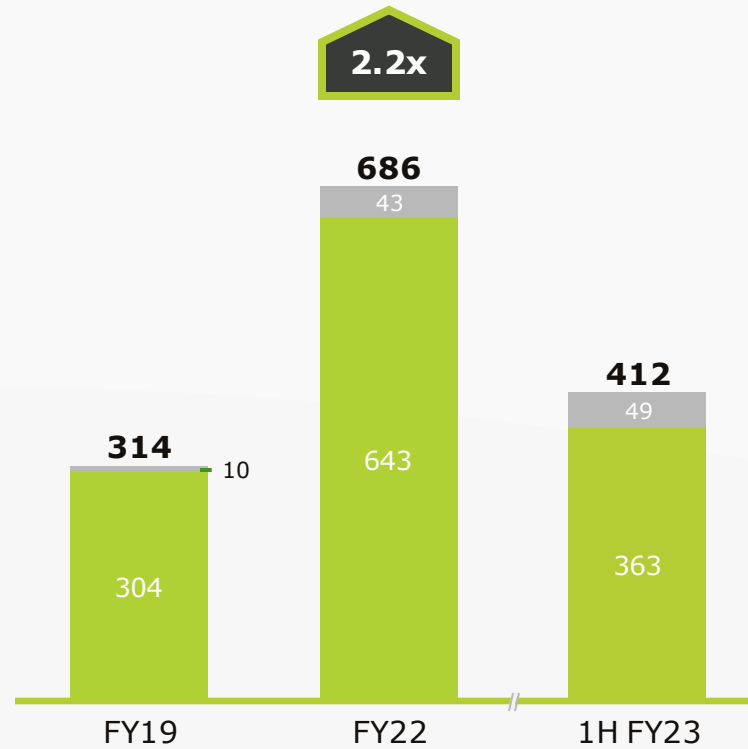


Transaction payments volume (US\$bn)



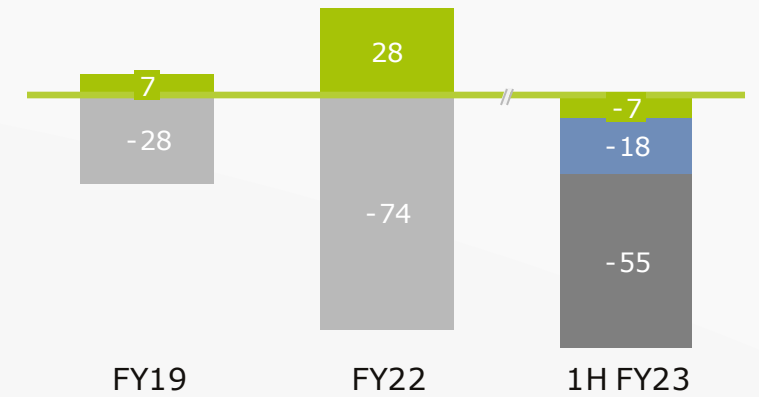
■ GPO ■ India Payments

Revenue (US\$m)



■ New Initiatives ■ Core PSP

Trading profit (US\$m)

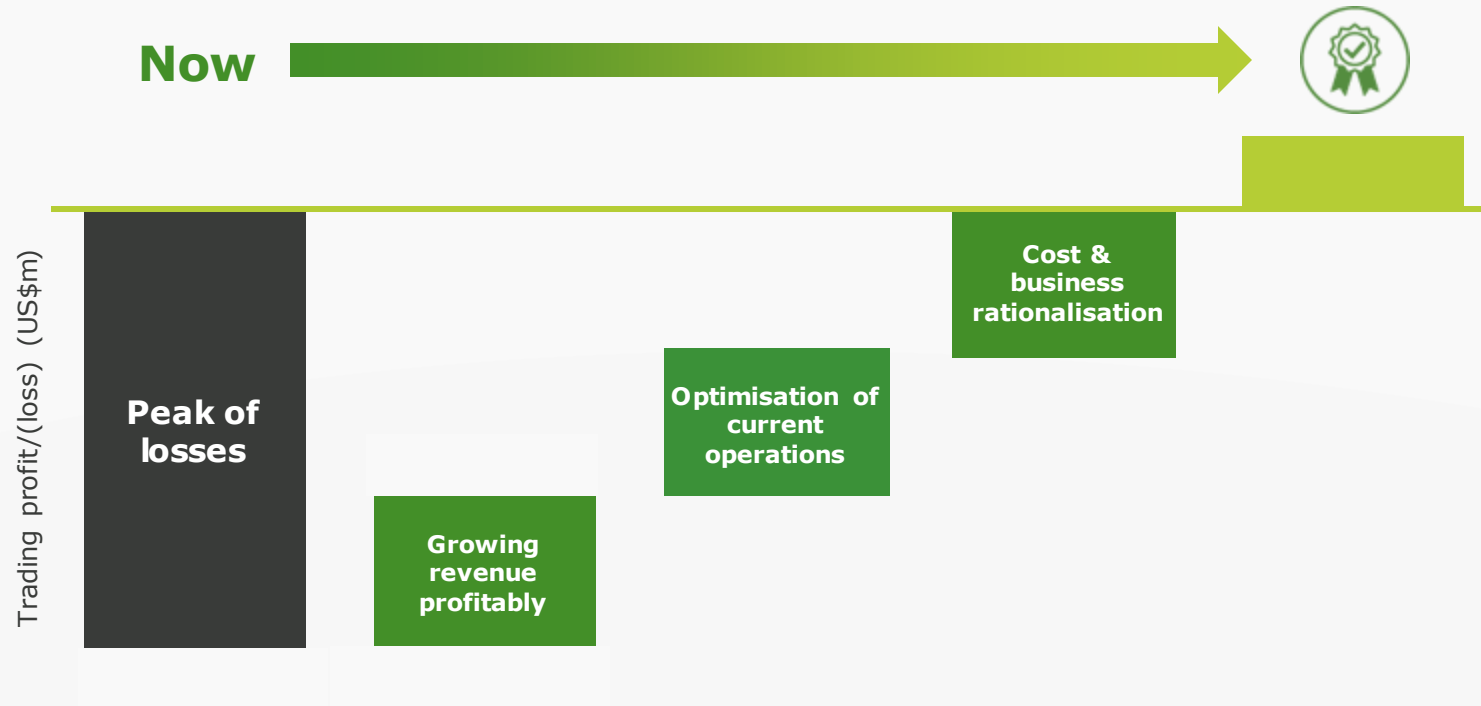


■ Core PSP  
 ■ One-off provision  
 ■ New initiatives and segment central costs

Note: Consolidated results of majority owned business. This excludes results from Associates.

# Our path to profitability and healthy margins thereafter...

## Path to profitability



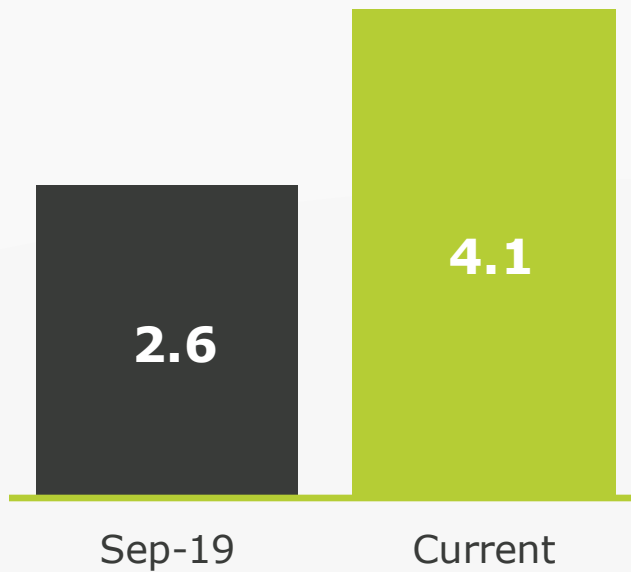
## Margin ambition



# ...which should lead to significant value creation

## Historic Payments & Fintech valuation

Net asset valuation (US\$bn)



## Valuation ambition

### Core Payments

2-3x

#### Drivers

Scale  
Diversification  
Cost optimisation

### Credit

4-6x

#### Drivers

Scale & X-sell  
Better risk & collections  
Efficient capital mgmt.



# Takeaways

**High-growth  
markets**



**Leadership in  
India**



**Rapidly scaling  
Credit business**



**Focus on  
profitability on  
core Payments  
and Credit**





A woman in a yellow shirt is holding a smartphone in her right hand and a credit card in her left hand. The background is blurred, showing other people in a public setting. The PayU logo is overlaid in white text on the smartphone.

PayU