

Saturday, August 14, 2021

To,

The Manager – Listing,

BSE Limited

Phiroze Jeejeebhoy, Towers,

Dalal Street, Mumbai- 400001

Ref: (MONEYBOXX | 538446 | INE296Q01012)

Subject: Press Release

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of other applicable laws, if any, please find the Press Release for the quarter ended on June 30, 2021.

This is for your information and records.

This will also be hosted on the company's website at www.moneyboxxfinance.com

Thanking You,

Yours faithfully,

For **MONEYBOXX FINANCE LIMITED**



(Bhanu Priya)

Company Secretary & Compliance Officer

Press Release - Financial Results for Q1 FY22

**Strong performance in a challenging environment;
Moneyboxx reports growth of 101.6% in its Total Income during Q1 FY22 to INR 4.26 crores**

New Delhi, August 14, 2021

A meeting of the Board of Directors of MONEYBOXX FINANCE LIMITED (MFL or Moneyboxx) today considered and approved the unaudited results for the quarter ended 30th June 2021. Despite very severe impact of the COVID-19 pandemic on disbursement, total income in Q1 FY22 more than doubled to INR 4.26 crores compared to INR 2.11 crores in Q1 FY21, **thus registering a growth of 101.6%** mainly driven by improving business at existing branches and doubling of branches compared to previous year.

| Results at a Glance: | Q1 FY22 | Q4 FY21 | Q1 FY21 | % YOY | % QOQ |
|------------------------------------|----------------|----------------|----------------|--------------|--------------|
| Branches | 22 | 22 | 11 | 100.0% | |
| Active Customers | 6,704 | 6,800 | 2,874 | 133.3% | -1.4% |
| Key Financial in INR crore: | | | | | |
| Gross Disbursements | 0.55 | 25.07 | 0.00 | | |
| Loan Book (quarter end) | 53.26 | 61.88 | 26.22 | 103.1% | -13.9% |
| Loan Book (quarterly average) | 57.57 | 53.63 | 27.75 | 107.5% | 7.3% |
| Total Income | 4.26 | 3.85 | 2.11 | 101.6% | 10.7% |
| Profit (Loss) before taxes | -1.09 | -1.39 | -0.90 | | |
| Profit (Loss) after taxes | -1.08 | -0.51 | -0.88 | | |

Performance Highlights of Q1 FY22

- ▶ Moneyboxx reported strong **growth of 103.1% in its loan book**, which stood at INR 53.26 crores as on June 30, 2021, in comparison to INR 26.22 crores as on June 30, 2020, driven mainly by doubling of branches compared to previous year. Loan Book declined by 13.9% compared to INR 61.88 crore as of March 31, 2021, as disbursements were negligible in the quarter ending June 2021 amidst a severe second wave of COVID-19 in India. Like the trend of lockdown last year, disbursements dipped to INR 0.55 crore in Q1 FY22. Nevertheless, Look Book, in terms of quarterly average, grew by 7.3% in Q1 FY22 compared to Q4 FY21, benefiting from strong disbursements of INR 25.07 crore in Q4 FY21.
- ▶ **Resilient business model:** After a dip in disbursements in Q1 FY22 due to second wave of COVID, business momentum has picked up from July 2021 and has quickly rebounded to normal levels. Focus on borrowers in essential sectors (viz., Livestock, Kirana) has helped Moneyboxx build a robust loan book with negligible NPAs and maintain industry leading collection efficiency even during pandemic.
- ▶ Total Income in Q1 FY22 more than doubled to INR 4.26 crores compared to INR 2.11 crores in Q1 FY21, driven by improving business at existing branches and doubling of branches compared to previous year. Despite very low disbursements in Q1 FY22, Total Income grew by 10.7% to INR 4.26 crore in Q1 FY22 compared to INR 3.85 crore in Q4 FY21, benefiting from strong disbursements in the previous quarter ending March 31, 2021.

- Loss before tax narrowed to INR 0.90 crore in Q1 FY22 supported by income growth and lower other expenses compared to Loss before tax of INR 1.39 crore in Q4 FY21. The losses are attributed to build-out stage costs in the initial years of operations, **though the losses would have been negligible in FY21, and company would have been profitable in Q1 FY22 without COVID.** Having said that, Moneyboxx is committed to building a scalable and sustainable business model and envisions a clear path to profitability with growing scale and AUM, rising employee productivity and benefits of operating leverage.

| Key Ratios | Q1 FY22 | Q4 FY21 | Q1 FY21 |
|--|---------|---------|---------|
| Tier-I Capital (% of Loan Assets) | 41.71% | 37.66% | 100.07% |
| Tier-II Capital (% of Loan Assets) | 3.54% | 0.38% | 1.16% |
| Total Capital (% of Loan Assets) | 45.25% | 38.05% | 101.23% |
| Leverage Ratio (TOL / Owned Funds) | 2.44 | 2.10 | 0.61 |
| Gross NPA | 0.40% | 0.21% | Nil |
| Net NPA | 0.20% | 0.11% | Nil |
| ECL Provisions (% of Loan Book) | 0.57% | 0.49% | 1.16% |
| Loan write-offs (as % of Avg. Loan Book) | 0.22% | 0.20% | Nil |

- **Robust asset quality:** The Company has exceptional asset quality with very low write-offs. Loan write-offs were nil in the first three quarters of FY21 and write-offs in Q4 FY21 (INR 10.53 Lakhs) and Q1 FY22 (INR 12.92 Lakhs) were very low at 0.20% and 0.22% of Average Loan Book, respectively considering the impact of COVID on businesses. Moneyboxx has robust asset quality metrics with low Gross NPA of 0.40% and Net NPA of 0.20% as of 30th June 2021 despite extraordinary circumstances created by pandemic. The Company carries adequate ECL Provisions as of Q1 FY22 at 0.57% of loan book.
- **Capital base strengthened with Tier-II Capital raise:** Moneyboxx strengthened its capital base in Q1 FY22 by raising Tier-II Capital of INR 2.11 crore through issue of subordinated debt. **The Company will further raise about INR 7-8 crore of Tier-II Capital in August 2021.** The Company is adequately capitalized with Total Capital as % of Loan Assets at 45.25% as of 30.06.2021 compared to 38.05% as of 31.03.2021 and plans to further raise capital in FY22 to support its growth plans. Leverage ratio remains comfortable at 2.44 times as of 30.06.2021.
- Moneyboxx raised INR 11.5 crore of debt from existing lenders in Q1 FY22 and received additional debt commitments for next 3 months. Continued support from existing lenders and addition of 12 new lenders in FY21 demonstrates the confidence of the lenders in Company's credit processes, asset quality, collection efficiency and the management team.

Commenting on the results, Deepak Aggarwal (Co-CEO & CFO) said, "We managed to maintain robust asset quality with negligible NPAs and best in the industry collection efficiency despite COVID-19 pandemic challenges during first and second wave. Even though negligible disbursement in Q1FY22 will impact the performance of FY22 which is true for the entire industry, we firmly believe in the strength of our portfolio and underwriting expertise and remain very positive on the long-term industry growth outlook. We expect very soon we will start getting lending support from multiple banks which will reduce our borrowing cost significantly and bring a sea change in our unit-economics. Further, Moneyboxx is committed to change the way impact investing is looked at and bring significant positive change in lives of borrowers.

About Moneyboxx Finance Limited

Moneyboxx, which started operations under the new ownership and management in February 2019, has 22 branches spread across four states — Rajasthan, Madhya Pradesh, Haryana, and Punjab. Its medium-term aim is to build over INR 1,000 crore of asset under management (AUM) within the next 3-4 years. Moneyboxx focuses on disbursing small-ticket unsecured business loans to individual borrowers (Livestock, Kirana, Retail Traders, Micro-manufacturers in Tier-III and beyond cities and rural areas) with loans ranging from INR 50,000 to 3,00,000 and average tenure of 24 months.

Disclaimer-:

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