



# Zaggle Prepaid Ocean Services Limited

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**Investor Presentation**

**July 2024**

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## From the Founder's desk...



**Raj P Narayanam**

Founder and Executive  
Chairman

"We began the year on a strong footing, achieving a revenue of Rs. 2,522.1 mn, a significant increase of 112.9% on a YoY basis in Q1FY25. Our Adjusted EBITDA (before ESOP expense) for the said quarter was Rs. 255.8 mn, a growth of 85.3% on a YoY basis. The growth is largely led by strong demand for Zoyer and Credit card bundled solution.

We are committed to innovate and adapt our product portfolio to meet the ever-evolving customer's needs. Harnessing the power of AI and Machine Learning we have created our own AI enabled bot, RazBot and advanced our Optical Character Recognition (OCR) capabilities. We continue to work on multiple use cases to provide industry leading solutions to our customers.

Recently, we have added customers with large user base including a leading two-wheeler OEM, a well-known insurance player, amongst others. Further, with our recent partnership with Skydo, we will integrate Skydo's international inward remittance platform with our Zoyer solution to provide an integrated value proposition to corporate clients.

In line with our growth strategy, we are focused on inorganic growth opportunities in Spend Management space to enhance our leadership position. We are actively exploring complementary inorganic expansion opportunities and will provide updates as positive developments occur. These potential acquisitions would help Zaggle to scale faster.

With that being stated, we expect to continue a similar performance for upcoming quarters driven by increased customer base, newer use cases, deeper penetration into the existing customers and cross selling of our solutions. For this fiscal year, we project a revenue growth of 45% to 55% over the previous fiscal year. Additionally, we reaffirm our goal of doubling our revenue within the next two years. We expect our Adjusted EBITDA to hold steady around current levels."

# Performance highlights



Strong performance across various metrics

Q1FY25

₹ 2,522.1 Mn

YoY + 112.9%

Revenue from operations

₹ 255.8 Mn

YoY + 85.3%

Adjusted EBITDA (before ESOP)

₹ 224.3 Mn

YoY + 182.0%

Reported EBITDA

₹ 220.0 Mn

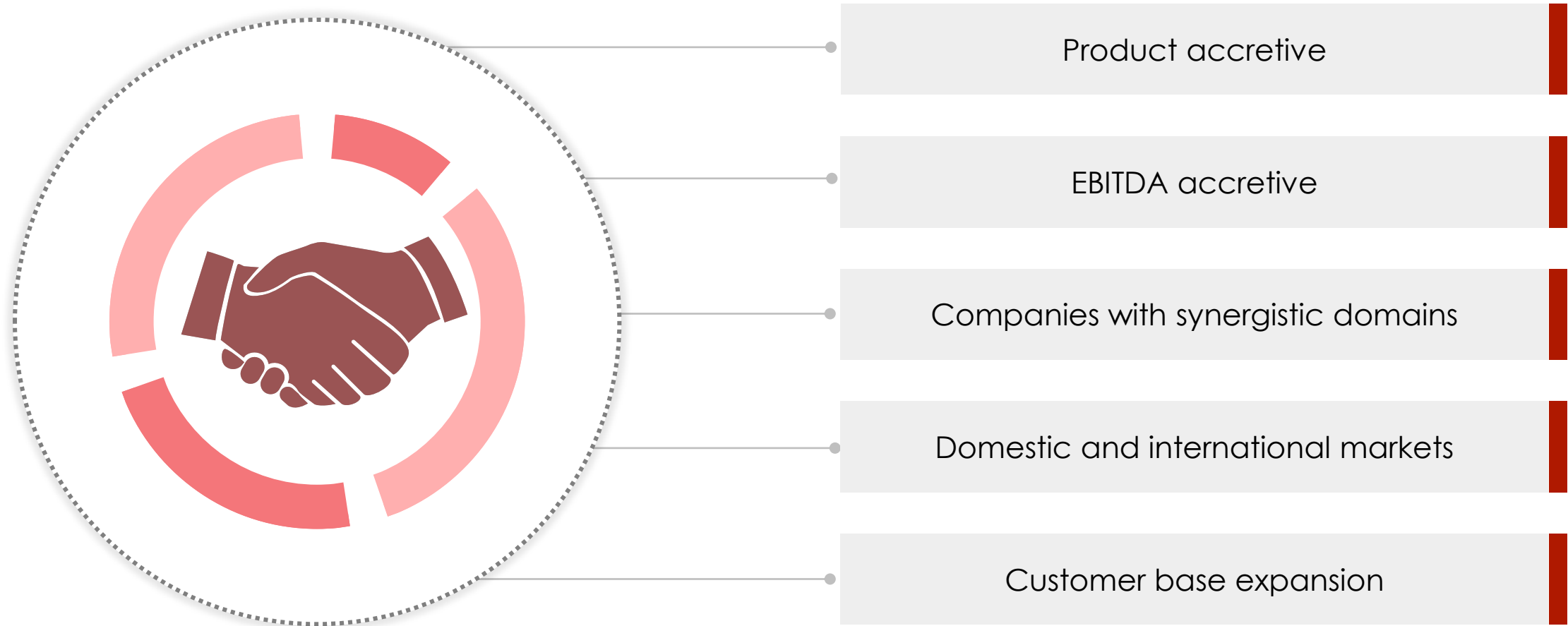
YoY + 122.1%

Cash PAT

# Recent strategic alliances/ customers wins for growth

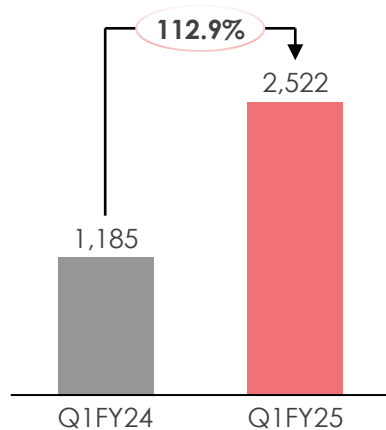
	Contract brief	Value proposition	Duration
<b>Skydo Technologies Private Limited</b>	Integrated international inward remittance solutions to corporate clients	Bundling the international inward remittance platform with our Zoyer solution to provide an integrated value proposition to corporate clients	Perpetual
<b>Wipro</b>	Employee Expense management and Employee benefits	Multi wallet Employee Benefits solution	1 Year
<b>PNB MetLife India Insurance Co. Ltd.</b>	Employee Expense management and Employee benefits	Multi wallet Employee Benefits solution	3 Years

# Potential inorganic expansion framework

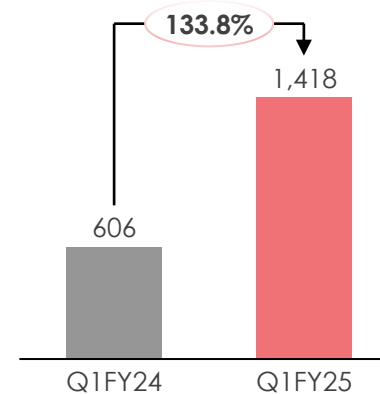


# Quarterly financial highlights

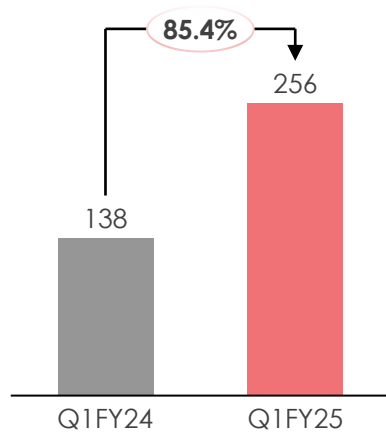
Revenue from operations (₹ Mn)



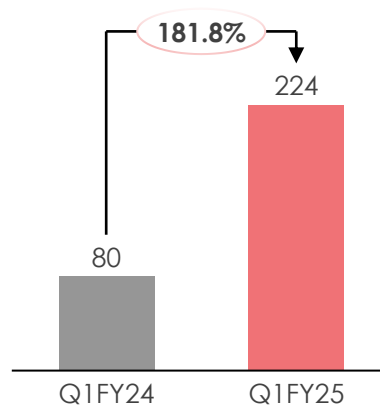
Gross Profit (₹ Mn)



Adjusted EBITDA (₹ Mn)

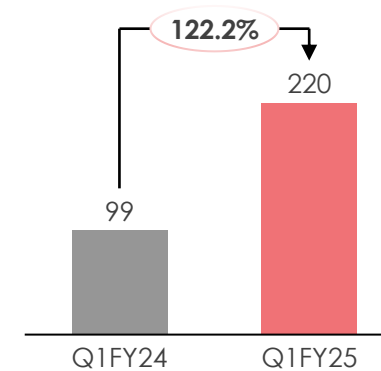


Reported EBITDA (₹ Mn)\*



Cash PAT (₹ Mn)

PAT + Depreciation & Amortization + ESOP Expense



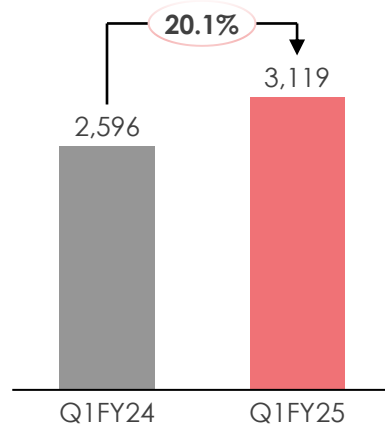
\* Reported EBITDA is after reducing the ESOP expenses



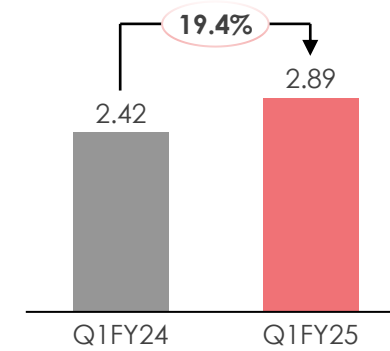
# Key operational performance indicators

## KPIs

Total customers catered to (number)

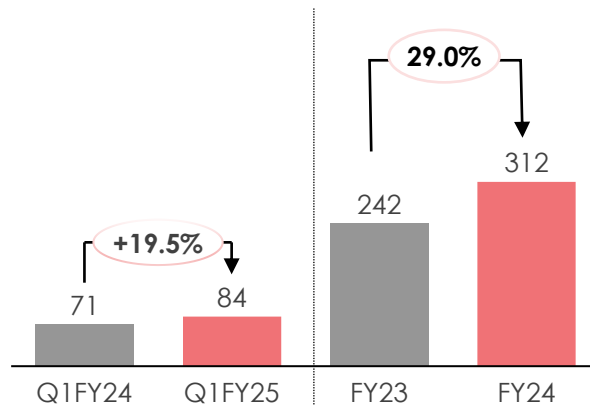


Aggregate users on the platform (million)

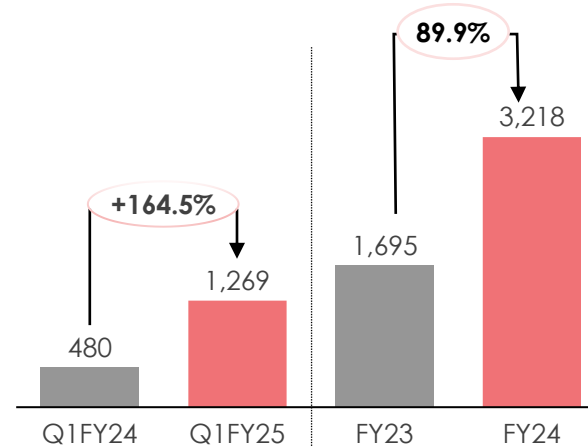


## Revenue Mix (₹ Mn)

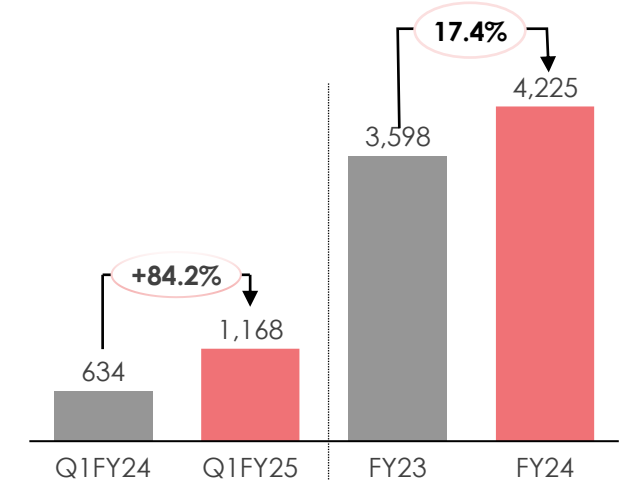
Software Fees



Program fees



Propel platform revenue



# Quarterly revenue contribution

Q3 & Q4 are higher revenue quarters in the business

Contribution to annual revenues

16.0%

23.5%

26.7%

33.8%

15.3%

23.8%

25.7%

35.2%

Revenue from operations (₹ Mn)

886

1,303

1,476

1,869

1,185

1,842

1,995

2,734

2,522

Q1FY23

Q2FY23

Q3FY23

Q4FY23

Q1FY24

Q2FY24

Q3FY24

Q4FY24

Q1FY25

YoY  
+33.7%

YoY  
+41.4%

YoY  
+35.1%

YoY  
+46.3%

YoY  
+112.9%

- Business growth in Q1FY25 is due to increase in transaction volume growth and customer expansion

# Profit and loss statement

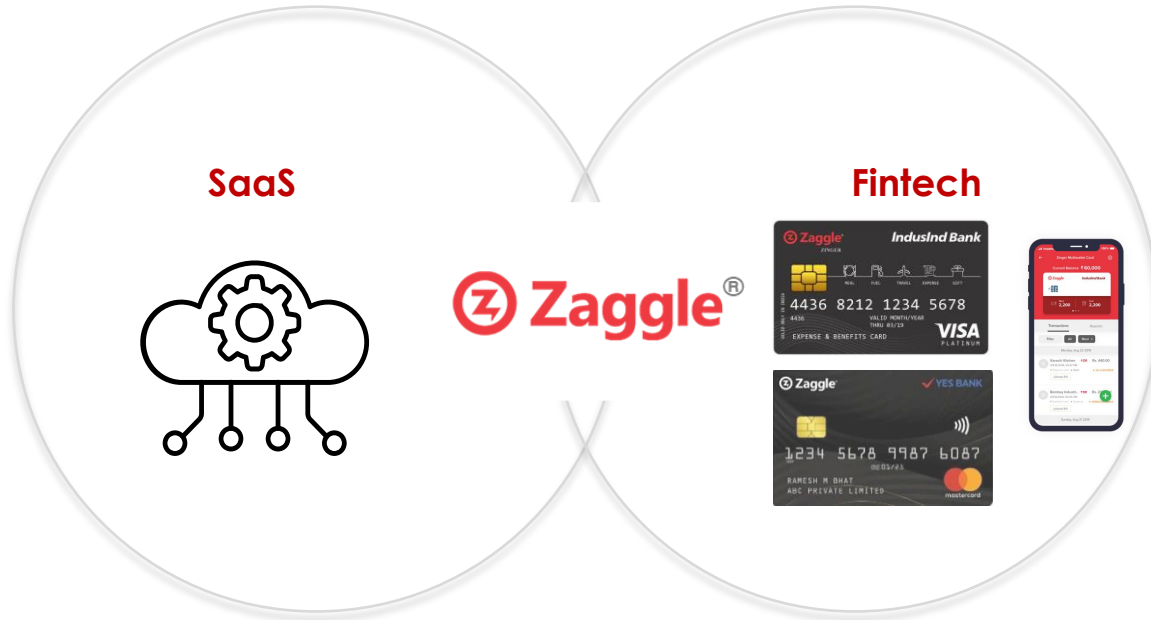
Particulars (Rs. Million, unless stated otherwise)	Q1FY25	Q1FY24	YoY	Q4FY24	QoQ
<b>Revenue from operations</b>	<b>2,522.1</b>	<b>1,184.8</b>	<b>112.9%</b>	<b>2,733.7</b>	<b>-7.7%</b>
Cost of point redemption / gift cards	1,100.6	569.8		1,115.1	
Consumption of cards	4.0	8.8		3.9	
<b>Gross Profit</b>	<b>1,417.5</b>	<b>606.2</b>	<b>133.8%</b>	<b>1,614.7</b>	<b>-12.2%</b>
<b>Gross Profit Margin</b>	<b>56.2%</b>	<b>51.2%</b>		<b>59.1%</b>	
Employee benefits expense	109.5	81.0		83.2	
Incentive and cash back	896.5	249.9		1,097.9	
Other Expenses	155.7	137.3		162.0	
<b>Adjusted EBITDA</b>	<b>255.8</b>	<b>138.0</b>	<b>85.4%</b>	<b>271.6</b>	<b>-5.8%</b>
<b>Adjusted EBITDA Margin</b>	<b>10.1%</b>	<b>11.6%</b>		<b>9.9%</b>	
ESOP Cost	31.4	58.4		-0.6	
<b>Reported EBITDA</b>	<b>224.3</b>	<b>79.6</b>	<b>181.8%</b>	<b>272.2</b>	<b>-17.6%</b>
<b>Reported EBITDA Margin</b>	<b>8.9%</b>	<b>6.7%</b>		<b>10.0%</b>	
Other Income	45.2	14.6		46.8	
Depreciation	21.4	20.1		21.5	
EBIT	248.1	74.1	235.0%	297.5	-17%
EBIT Margin	9.8%	6.3%		10.9%	
Finance Cost	20.6	44.1		37.9	
Profit before Tax	227.6	29.9		259.6	
Tax	60.4	9.4		68.0	
<b>Profit After Tax</b>	<b>167.2</b>	<b>20.6</b>	<b>713.6%</b>	<b>191.6</b>	<b>-12.7%</b>
<b>PAT Margin</b>	<b>6.6%</b>	<b>1.7%</b>		<b>7.0%</b>	
<b>Cash PAT (PAT+DA+ESOP)</b>	<b>220.0</b>	<b>99.0</b>	<b>122.2%</b>	<b>212.5</b>	<b>3.5%</b>
<b>Cash PAT Margin</b>	<b>8.7%</b>	<b>8.4%</b>		<b>7.8%</b>	
EPS - Basic (Rs.)	1.37	0.24		1.88	
EPS - Diluted (Rs.)	1.36	0.24		1.87	

## Q1FY25 – Key Highlights

- The YoY growth in the topline is driven by:
  - Increase in credit card volume and consistent performance of Zoyer
  - Client addition with large user base
- Improvement in Gross Profit is largely due to change in product mix
- The finance cost has decreased due to prepayment of debts post IPO
- Increase in Employee Costs & Opex costs are in line with Business growth
- The total ESOP expenses in FY25 is expected to be approx. INR 70 Mn to 90 Mn

# What we do

# Zaggle: At a glance



**# 1** Issuer of Prepaid cards in India

**50 mn+** cards

Leading player in spend management space

**3,100+** Corporate customers

**2.9+ mn** Users

**Key Products**

**SAVE**  
Employee Expense management and benefits

**PROPEL**  
Reward & recognition

**ZOYER**  
Accounts payable platform

**In-house developed technology** with **strong network effect**

Business model with **diversified revenue streams across products**

**Diversified customer relationships** across sectors along with preferred banking and merchant partnerships

**Seasoned management team and board**

**Multilingual interface**

**GDPR Compliant**

**Products are customizable**

FY24

**Revenue**

**7,756 mn**

Q1FY25

**2,522 mn**

**Adjusted EBITDA**

**856 mn**

**256 mn**

**Cash PAT**

**674 mn**

**220 mn**

Note: #Source : Frost & Sullivan Report

GDPR: General Data Protection Regulation

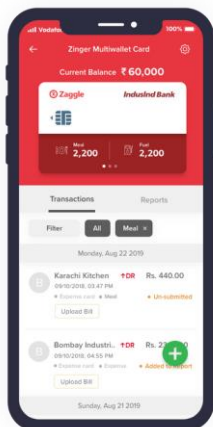
# Differentiated SaaS-based fintech platform with...

Offering a combination of payment instruments, mobile application and API integrations

## Omnichannel technology offering



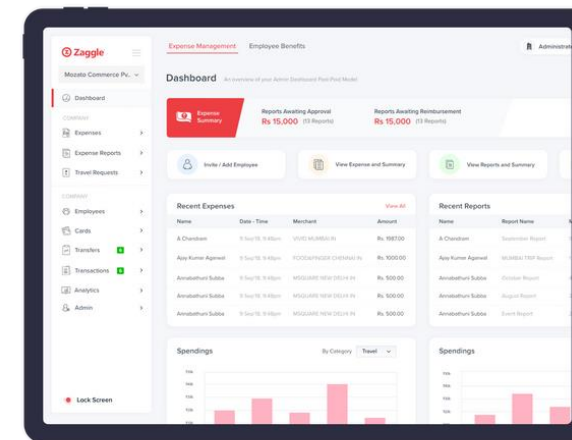
Co-branded cards with bank



Mobile app to manage spends

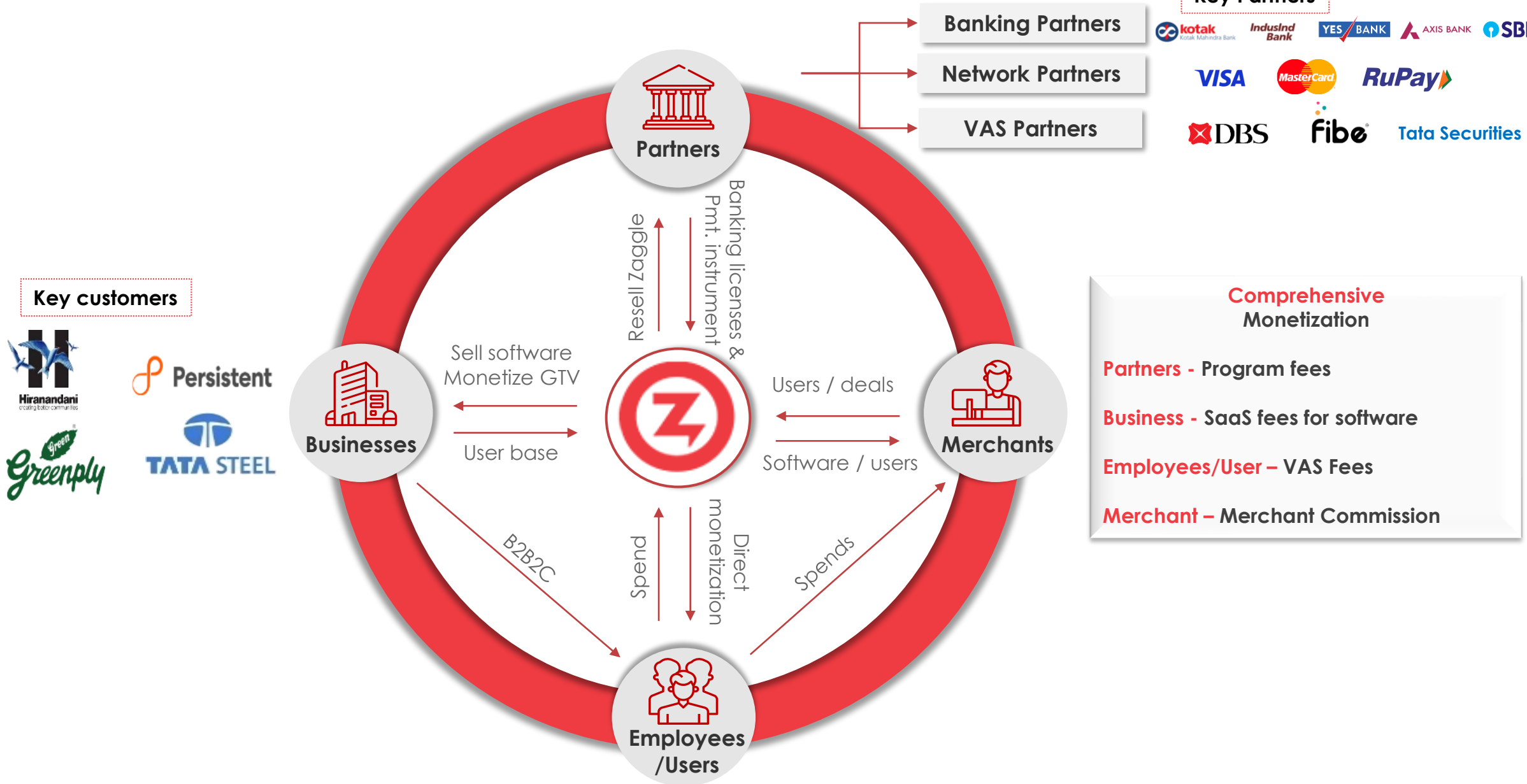


Multiple Banks & network partners

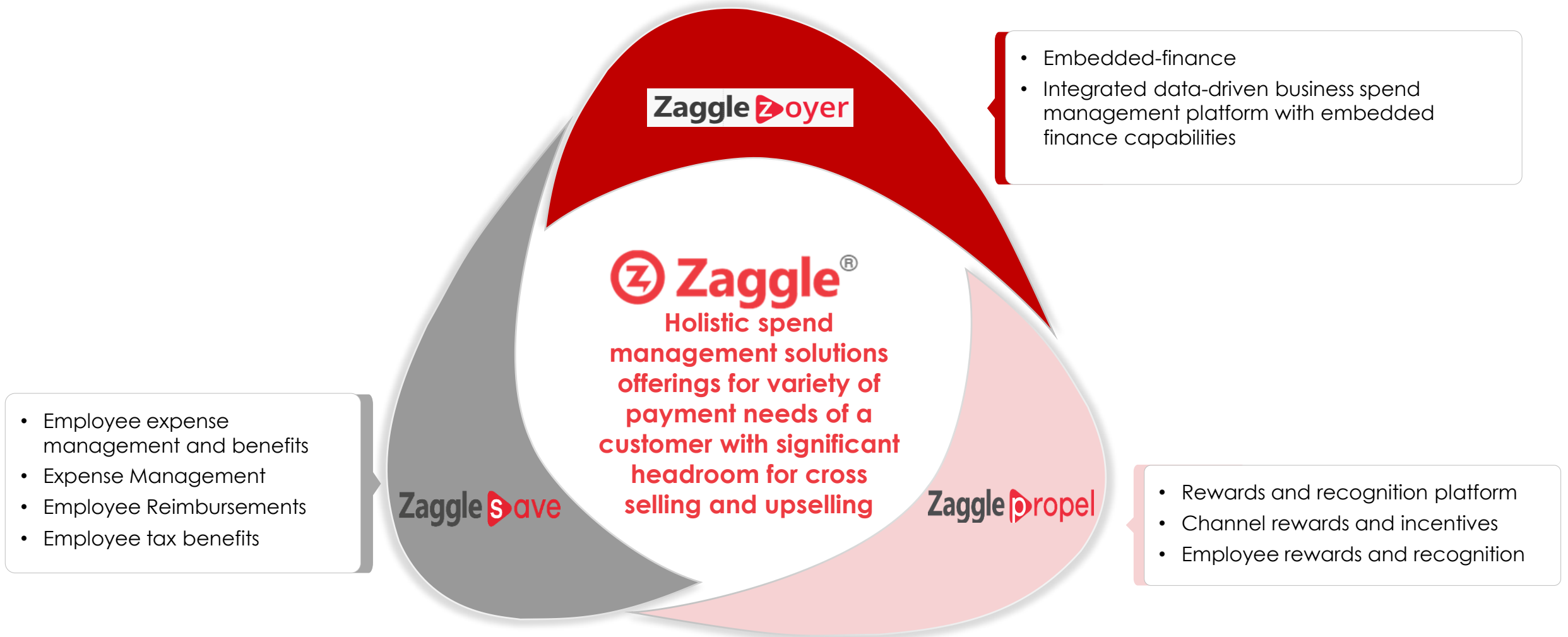


Dashboard to manage reporting & analytics

# ... Strong network effect



# Comprehensive suite of products for a large & growing addressable market





# Propel – digitizing reward computation and disbursal



- Channel & employee rewards
- Incentives
- Engagement



Seamless partner onboarding



Metric based incentive computation



Leaderboards, badging and achievements



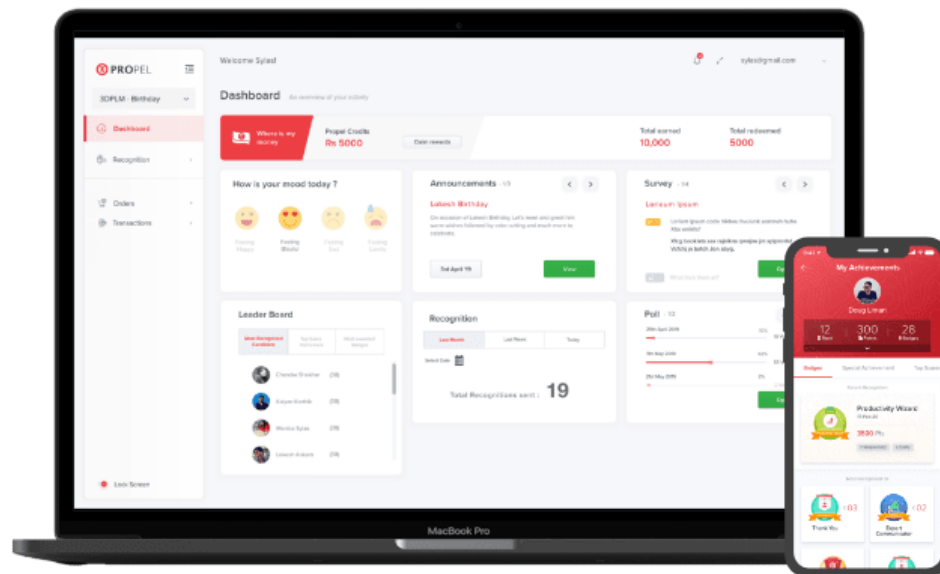
Automated claim management



Reports and analytics



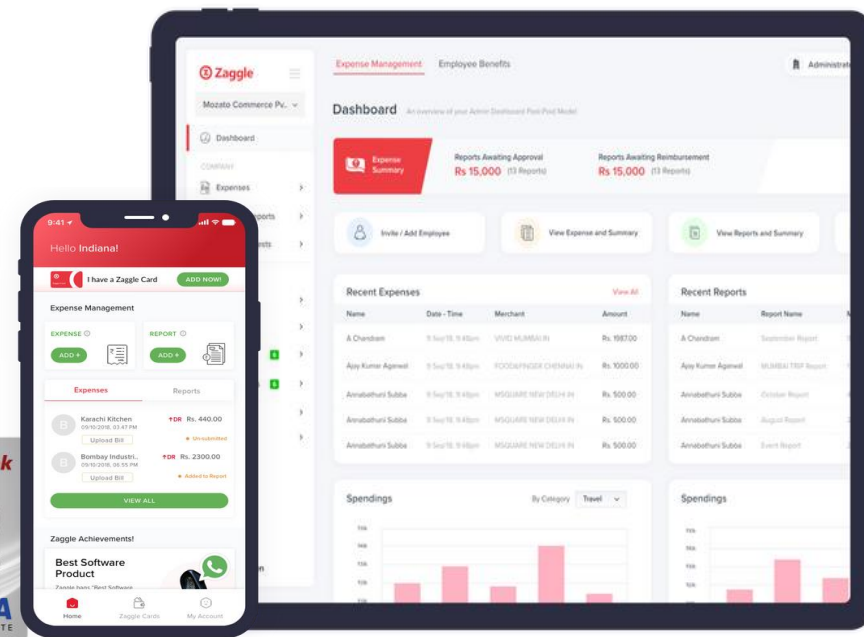
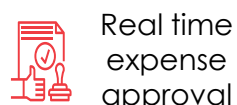
Peer-to-peer recognition

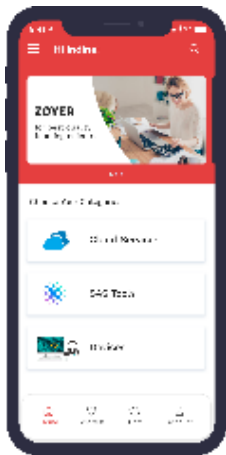


# Save – simplifying employee spends



- Robust policy engine
- Strong anti-fraud detection
- Real time visibility
- Easy spend reconciliation





## Problems addressed by Zoyer



### SaaS spender

Keep control of SaaS purchase, renewal, disposal & Security



### Project based spender

Empower project team & track expense across projects



### Cloud & infra spender

Tools to recon, compile & tell the stories about the numbers



### Marketing and campaign

Marketing spends tracking in Real time. Sales campaign spends



### Travel & entertainment

Automate/simplify advance requests, receipt submission & reimbursement for employees



### Budget management

Real-time data capture & reporting for better decision-making



### Subscription management

Experience easy onboarding & happy employees. Role based SaaS mapping



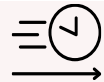
### Automated role-based workflow

Pre configured & rule based for auto movement of process task & approvals



### Timely vendor payments

On time payments. Embedded finance for easy access to credit visibility



### Faster book closure

Close the financial balance sheet 5x faster with pre-processing for Expense heads

# Strategic roadmap for sustained growth



**Continue to increase our customer & user base with growing potential market**

India's Workforce	Addition to EPF	CAGR of Credit cards	Prepaid cards	
<b>528 Mn</b> <small>(as on Mar-23)</small>	<b>55.9 Mn</b> <small>(2018-2023)</small>	<b>16%</b> <small>(FY 19-23)*</small>	<b>₹ 3,000 Bn</b> <b>Transaction Value</b> <small>(2027)</small>	<b>35.8%</b> <b>CAGR</b> <small>(2023-27)</small>



- Recently launched Corporate Credit Card business to address variety of vendor payments
- R&D efforts using API integration to gather helpful insights on available data
- Undertake constant market research to know the evolving trends in various industries
- Innovation drive using the intelligence gathered

**Continue to innovate and introduce new products & use cases**

**Leverage on strategic alliances**



Note: EPF: Employees' Provident Fund scheme

Source: Frost & Sullivan Report. Note: (1) Value Added Services

\*Goldman Sachs Report : The rise of 'Affluent India'

# Seasoned management team and board

## Leadership

### Raj P Narayanam Founder and Executive Chairman

- › Founded Zaggle in 2011 with a vision to simplify corporate spends
- › Completed post-graduate diploma in business management with specialization in finance from the FORE School of Management - New Delhi
- › He has experience in the technology and fintech industry
- › Has made varying levels of investments in certain companies at different points in time
- › Has served on the board of the company since 2012



### Avinash Ramesh Godkhindi Managing Director and CEO

- › Leading Zaggle's growth since 2012
- › Holds a bachelor's degree in engineering from Bangalore University, Bengaluru, and a master's degree in business administration from the University of Chicago, Chicago
- › Has served on the board of the company since 2012
- › Awarded the "Inspiring CEO" award by the Economic Times in 2022
- › He has experience in the banking industry
- › Prior to joining Zaggle, Avinash worked with Citibank in India



## Board of Directors

### Arun Vijaykumar Gupta Non-Executive Director

- › Holds a bachelor's degree in commerce from the P.D. Lion's College of Commerce and Economics, University of Bombay
- › Directorships: Route Mobile, Absolute Sports Private Limited



### Prerna Tandon Independent Director

- › Holds a master's degree in business administration from the Panjab University, Chandigarh
- › She worked as the Vice President – operations at Infosys BPO Limited & Vice President – productivity & digitization leader at Genpact India



### Abhay Deshpande Raosaheb Independent Director

- › 20+ years of experience in Financial banking
- › PhD Economics and engineering from the Dr. Babasaheb Ambedkar Marathwada University, Aurangabad, Maharashtra
- › He has experience in the IT industry
- › Directorships: Rapidue Technologies, Payswift Technologies, Recykal Foundation, Anubhuti Welfare Foundation, Sarvah Incubation Foundation, Musika Solutions Private Limited, Apr Reality Llp



### Aravamudan Krishna Kumar Independent Director

- › Non-Executive Chairman at UCO Bank
- › He retired in 2014 from State Bank of India as MD
- › Holds a bachelor's degree in arts and economics (honors course) from the University of Delhi
- › Certified associate of the Indian Institute of Bankers
- › Directorships: MTAR Technologies, TVS Wealth, Sathguru Catalyser



## Management

### Aditya Kumar Chief Financial Officer

- › Member of The Institute of Chartered Accountants of India, New Delhi
- › He has experience in the financial services industry
- › Prior to joining Zaggle, he worked at Spandana Sphoorty Financial Limited as Vice President Investor Relations-Finance

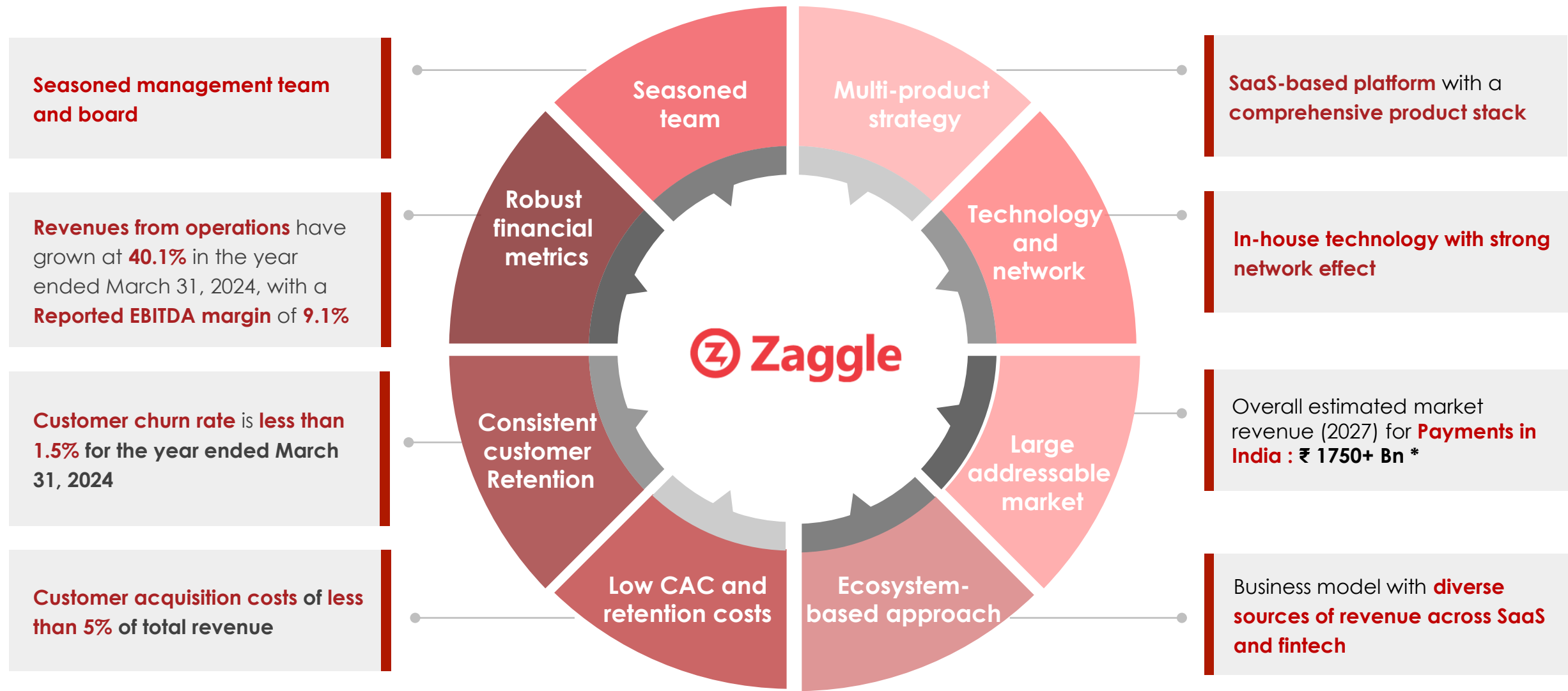


### Hari Priya Company Secretary & Compliance Officer

- › Member of the Institute of Company Secretaries of India, New Delhi and bachelor's degree in law from Osmania University,
- › Prior to joining Zaggle, she worked at Spandana Sphoorty, Gayatri Projects and Axis Clinicals



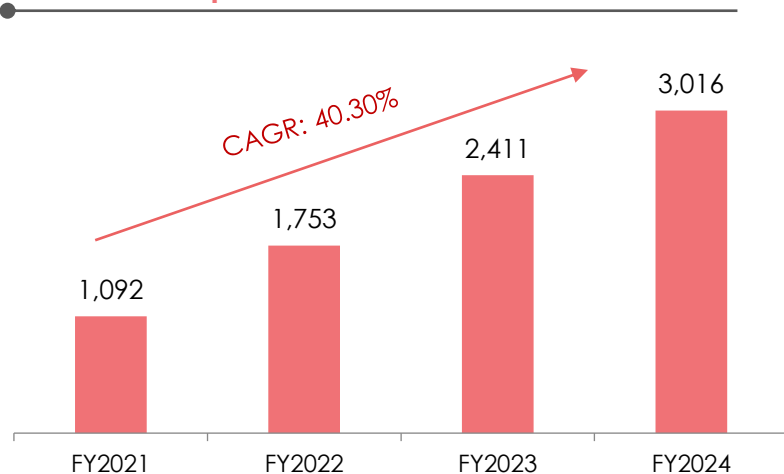
# Zaggle in a nutshell



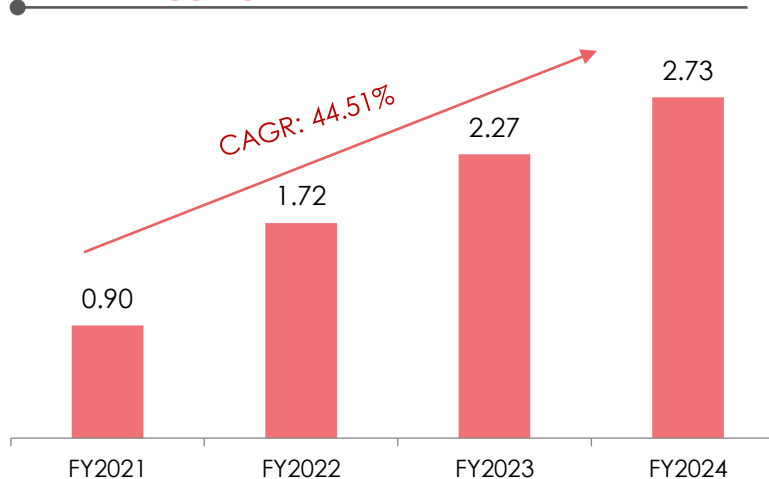
# Historical financials

# Historical financial and operating metrics

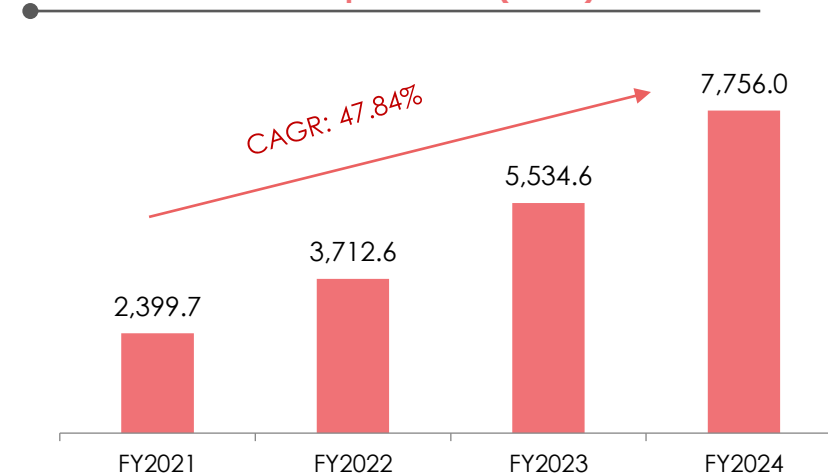
Corporate customers



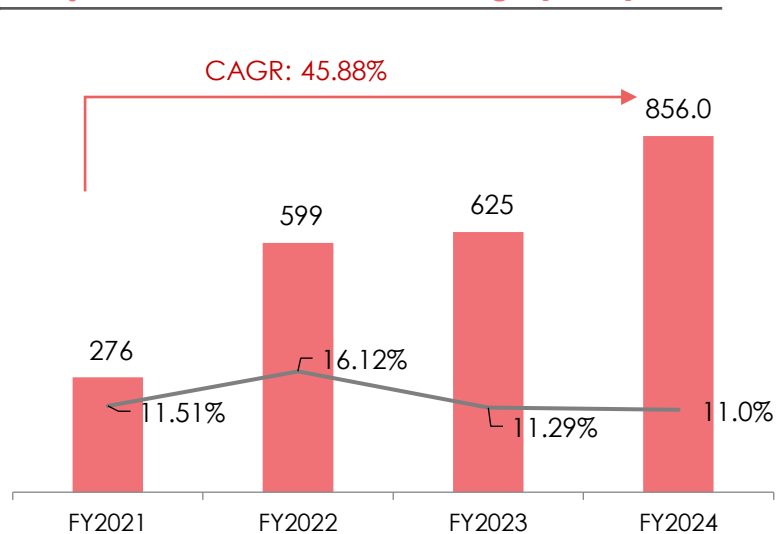
Aggregate users <sup>(1)</sup> (Mn)



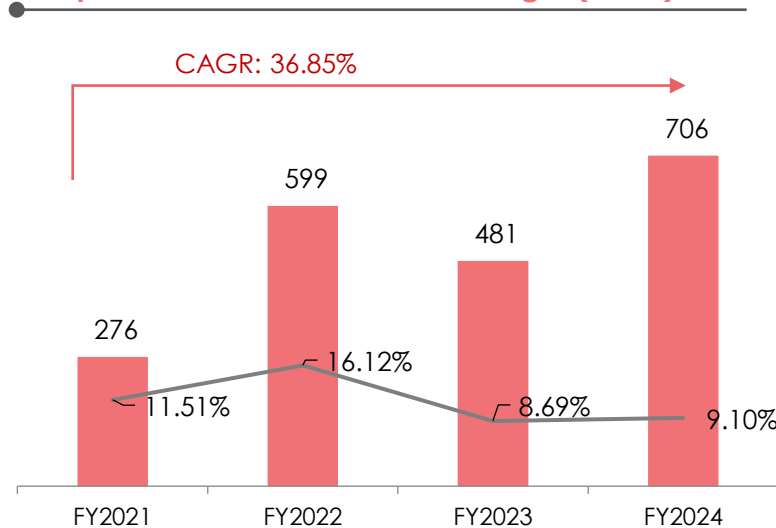
Revenue from operations (₹ Mn)



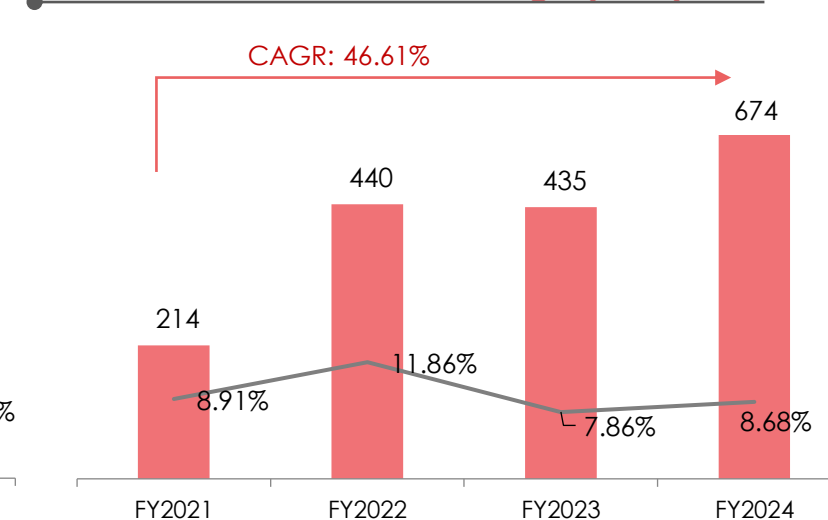
Adjusted EBITDA & EBITDA margin (₹ Mn)



Reported EBITDA\* & EBITDA margin (₹ Mn)



Cash PAT & Cash PAT margin (₹ Mn)



Note: (1) Total number of users (Employees, channel partners, and customers of Customers) served by the company, FY: As of and for the year ended March 31

\* Reported EBITDA –after ESOP expense ₹144.13 in FY23 and ₹150.3 in 9MFY24



# Historical balance sheet

Particulars	FY24	FY23	FY22	FY21	Particulars	FY24	FY23	FY22	FY21
<b>ASSETS</b>					<b>EQUITY AND LIABILITIES</b>				
<b>Non-current assets</b>					<b>Equity</b>				
Property, plant and equipment	25.32	23.48	19.77	9.51	Equity share capital	122.49	92.22	1.80	1.80
Right-of-use assets	119.10	196.73	55.15	36.75	Other equity	5,631.33	395.29	-37.38	-457.31
Intangible assets	81.56	68.90	44.29	26.97	<b>Total equity</b>	<b>5,753.82</b>	<b>487.51</b>	<b>-35.58</b>	<b>-455.51</b>
Intangible asset under development	498.63	108.68	15.00	0	Liabilities				
Financial assets					<b>Non-current liabilities</b>				
(i) Investments	259.83	4.85	0	0	Financial liabilities				
(ii) Other financial assets	46.12	14.69	7.3	4.13	(i) Borrowings	154.73	513.29	483.27	376.92
Other non-current assets	11.00	29.77	21.38	0	(ii) Lease liabilities	87.57	158.65	51.04	31.89
Income-tax assets (net)	27.60	119.01	123.59	74.70	Provisions	16.40	11.43	7.22	5.66
Deferred tax assets (net)	27.22	23.1	24.59	106.88	<b>Total non-current liabilities</b>	<b>258.70</b>	<b>683.37</b>	<b>541.53</b>	<b>414.47</b>
<b>Total non-current assets</b>	<b>1,096.38</b>	<b>589.21</b>	<b>311.07</b>	<b>258.94</b>	<b>Current liabilities</b>				
<b>Current assets</b>					Financial liabilities				
Inventories	3.58	0.97	1.12	2.69	(i) Borrowings	581.29	697.44	161.45	313.92
Financial assets					(ia) Lease liabilities	42.68	44.10	7.35	7.85
(i) Investments	5.20	12.32	0	0	(ii) Trade payables				
(ii) Trade receivables	1,746.21	1026.59	429.51	226.81	- Total outstanding dues of micro and small enterprises	6.53	9.63	7.77	0.08
(iii) Cash and cash equivalents	79.40	195.89	7.11	27.89	- Total outstanding dues of creditors other than micro and small enterprises	13.10	82.56	99.58	190.96
(iv) Bank balances other than (iii) above	2,713.67	30.07	29.00	5.00	(iii) Other financial liabilities	21.11	23.7		
(iv) Other financial assets		0	0	0	Provisions	0.95	0.22	0.14	0.11
(v) Other financial assets	30.40	1.15	0	0	Other current liabilities	281.77	294.96	144.29	148.92
Other current assets	1,286.52	491.39	148.72	99.47	Current tax liabilities (net)	1.41	47.80	0	0
<b>Total current assets</b>	<b>5,864.98</b>	<b>1,758.38</b>	<b>615.46</b>	<b>361.86</b>	Total current liabilities	948.84	1,176.71	420.58	661.84
<b>Total assets</b>	<b>6,961.36</b>	<b>2,347.59</b>	<b>926.53</b>	<b>620.8</b>	<b>Total liabilities</b>	<b>1,207.54</b>	<b>1,860.08</b>	<b>962.11</b>	<b>1,076.31</b>
					<b>Total equity and liabilities</b>	<b>6,961.36</b>	<b>2,347.59</b>	<b>926.53</b>	<b>620.8</b>

The Parent Company had incorporated a wholly owned subsidiary, Zaggle Technologies Limited ("ZTL"), a private Company in the UK in Jan-23, as a subscriber to the memorandum. ZTL had not commenced any business, operations or activities. In Aug-23, the board decided to strike off ZTL's name off the register in compliance with applicable provisions of the UK laws. Hence, all numbers presented are on standalone basis

# Historical profit and loss statement

Particulars (₹ Million, unless stated otherwise)	FY24	FY23	FY22	FY21
<b>Revenue from operations</b>	<b>7,756.0</b>	<b>5,534.6</b>	<b>3,712.5</b>	<b>2,399.6</b>
<b>Gross Profit</b>	<b>3,946.5</b>	<b>2,328.3</b>	<b>2,259.6</b>	<b>2,087.8</b>
<b>Gross Profit Margin</b>	<b>50.9%</b>	<b>42.0%</b>	<b>60.8%</b>	<b>87.0%</b>
Employee benefits expense	363.1	291.7	154.3	124.6
Incentive and cash back	2,168.3	1,002.0	1,176.4	1,380.3
Other Expenses	559.5	409.5	330.4	306.6
<b>Adjusted EBITDA</b>	<b>855.7</b>	<b>625.0</b>	<b>598.5</b>	<b>276.2</b>
<b>Adjusted EBITDA Margin</b>	<b>11.0%</b>	<b>11.2%</b>	<b>16.1%</b>	<b>11.5%</b>
ESOP Cost	149.8	144.1	-	-
<b>Reported EBITDA</b>	<b>705.9</b>	<b>480.9</b>	<b>598.5</b>	<b>276.2</b>
<b>Reported EBITDA Margin</b>	<b>9.1%</b>	<b>8.6%</b>	<b>16.1%</b>	<b>11.5%</b>
Other Income	112.7	11.1	4.0	3.2
Depreciation	83.6	61.9	20.9	20.4
EBIT	735.0	430.1	581.6	259.0
EBIT Margin	9.5%	7.7%	15.6%	10.8%
Finance Cost	137.2	113.7	69.8	77.1
Profit before Tax	597.8	316.3	511.7	181.9
Tax	157.6	87.3	92.5	(11.3)
<b>Profit After Tax</b>	<b>440.2</b>	<b>229.0</b>	<b>419.2</b>	<b>193.3</b>
<b>PAT Margin</b>	<b>5.7%</b>	<b>4.1%</b>	<b>11.2%</b>	<b>8.0%</b>
<b>Cash PAT (PAT+DA+ESOP)</b>	<b>673.6</b>	<b>435.1</b>	<b>440.1</b>	<b>213.7</b>
EPS - Basic (₹)	4.06	2.48	4.57	2.11
EPS – Diluted (₹)	4.03	2.46	4.57	2.11

The Parent Company had incorporated a wholly owned subsidiary, Zaggle Technologies Limited ("ZTL"), a private Company in the UK in Jan-23, as a subscriber to the memorandum. ZTL had not commenced any business, operations or activities. In Aug-23, the board decided to strike off ZTL's name off the register in compliance with applicable provisions of the UK laws. Hence, all numbers presented are on standalone basis

# Annexure

# Key awards, accreditations and recognitions



**BW Businessworld Festival of Fintech Conclave Awards:**  
Fintech Leader of the Year,  
2024



**Govt of Telangana:** Recognized  
Pride of Telangana, 2024



**BW Businessworld Festival of Fintech Conclave Awards:**  
Fintech Brand of the Year,  
2024



**11th Payments Industry Awards:** Best Spend  
Management System Provider,  
2024



**11th Payments Industry Awards:** Best Card Initiative for  
Zaggle Zati X Provider, 2024



**Best Digital Expense Management Platform (India) 2024** by CFI.co - Capital Finance International



**Global Banking & Finance Award:** Excellence in  
Innovation Business Spend Management Software India  
2023



**Top 50 Indian Digital Finance Influencers 2024:** Promoter Raj Narayanam was awarded for his visionary contributions persistently guide the FinTech revolution in India.



**10th Payments Industry Awards:**  
Best B2B Payment Solution  
Provider, 2023



**BW Businessworld Festival of Fintech Conclave Awards:**  
Winner – Best Payments Solutions  
of the Year, 2023



**BW Businessworld Festival of Fintech Conclave Awards:**  
Best Digital Card, 2021



**Govt of Telangana:** Recognized  
for building a robust and sustainable SaaS and fintech  
business, 2022



**India Startup Festival:**  
"Certificate of Appreciation" by  
Sri Sathya Sai Grama  
Muddenahalli, 2022





# Thank you



## Company

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### **Zaggle Prepaid Ocean Services Limited**

CIN: L65999TG2011PLC074795

Hari Priya, Company Secretary & Compliance Officer

Email id: [Investor.Relations@zaggle.in](mailto:Investor.Relations@zaggle.in)

## SGA Strategic Growth Advisors

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### Investor Relations Advisor

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### **Strategic Growth Advisors Pvt Ltd.**

CIN: U74140MH2010PTC204285

Devika Shah / Shikha Puri

Email id: [devika.shah@sgapl.net](mailto:devika.shah@sgapl.net) / [shikha.puri@sgapl.net](mailto:shikha.puri@sgapl.net)

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