

VAKRANGEE LIMITED



PRESS RELEASE VAKRANGEE Q4 FY2020-21 FINANCIAL RESULTS

Revenue from Operations stood at ₹ 101.85 Crore, QoQ growth of 36.96%

Total Revenue stood at ₹ 119.50 Crore, QoQ growth of 29.65%

EBITDA stood at ₹ 29.66 Crore, QoQ growth of 18.24%

PAT stood at ₹ 20.79 Crore, QoQ growth of 23.77%

MUMBAI, June 19, 2021: Vakrangee Limited (VL), announced its audited Financial Results for the quarter and year ended March 31, 2021.

KEY FINANCIAL HIGHLIGHTS FOR Q4 FY2020-21 (CONSOLIDATED) – QOQ BASIS

- Revenue from Operations stood at ₹ 101.85 crore in Q4FY2020-21 as against ₹ 74.36 crore for the preceding quarter, registering a growth of 36.96%.
- Total Revenue stood at ₹ 119.50 crore in Q4FY2020-21 as against ₹ 92.17 crore for the preceding quarter, registering a growth of 29.65%.
- EBIDTA stood at ₹ 29.66 crore in Q4FY2020-21 as against ₹ 25.09 crore for the preceding quarter, registering a growth of 18.24%.
- PAT stood at ₹ 20.79 crore in Q4FY2020-21 as against ₹ 16.80 crore for the preceding quarter, registering a growth of 23.77%.
- EPS (basic) for the face value of ₹ 1 stood at ₹ 0.20 in Q4FY2020-21 as against ₹ 0.16 in Q3FY2020-21, registering a growth of 25.00%.

KEY HIGHLIGHTS FOR Q4 FY2020-21:

- The Company has witnessed robust growth in Revenues as well as profitability on QoQ basis as the COVID and Lockdown situation has started to normalize and key services have started being operational.
- The company has also leveraged technology and process automation initiatives which has resulted into enhanced profitability. The Company's return to normalcy on the business front has been progressing well with month-on-month improvement in the sales. However normalization to pre-COVID levels shall take another quarter.
- Outlet revenues have been impacted as only our key essential services like Banking, ATM, Mobile recharges and Tele-medicine services have been fully operational however other key services like Assisted Online shopping, Online Pharmacy have recently become operational. Travel services and Logistics have been significantly impacted because of the on-ground field level delivery challenges and travel services being closed due to the lockdown situation.

DEMERGER SCHEME:

- Vakrangee has recently launched an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, company has evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services
- The company has initiated this Unique Hybrid proposition with launch of first Digital service of Total Healthcare services The Company plans to make many more existing Vakrangee services live through this platform.
- The Company is now launching an All in one : “BharatEasy” Mobile Super App based business platform.
- By downloading a single Vakrangee’s BharatEasy Super App mobile application, our customers would get access to a wide array of Products and Services which would significantly reduce their requirement to switch between multiple apps. This would lead to superior customer experience and convenience for the customer.
- The Mobile super app platform would be offering various consumer products and services under one umbrella. Consumers would use it every day because our app would offer a seamless, multi-service, integrated, contextualized and efficient experience.

BUSINESS MODEL: UNIQUE COMPETITIVE ADVANTAGES



RATIONALE FOR DEMERGER SCHEME

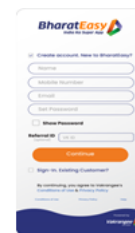
- The focus is on enhancing strategic flexibility to build a viable platform solely focusing on each of these businesses (Physical as well as Digital).
- We believe that both the businesses require greater attention and possess high growth potential, due to which the Company has decided for the segregation of the business.
- To Enable dedicated management focus, resources and skill set allocation to each business, which will in turn accelerate growth and unlock value for the shareholders.
- The segregation of the business of Physical Vakrangee Kendra Outlets and Digital Vakrangee Kendra (Online based business) would enable focused management to explore the potential business opportunities more effectively and efficiently. This would also set the platform for “value discovery” of the digital business at a later stage with the ultimate objective of maximising shareholder returns.
- **The demerger will unlock value of both business and result in shareholder value maximization.**

BUSINESS STRUCTURE: POST DEMERGER



Physical Platform : Vakrangee Kendra Network

- Strong Growth levers in Place : Assistance Model with strong focus in Rural India
- Leading player in Financial Inclusion, 3rd Largest White Label ATM operator
- One of the Largest Cash in Cash Out network in rural India
- Current network : 11,700+ Outlets
- Planned Target Outlets : Growth strategy
 - FY2022- 25,000 Outlets
 - FY2025 – 75,000 Outlets
- Total Transaction Value FY2021 – USD 5.2 Billion
- Total No of Transaction FY2021 – 126.8 Million



Digital Platform : BharatEasy Super App

- Incremental Value added Business platform for Online consumers
- All-in-one Super App platform for all Customer needs
- Focus on Ease, Convenience and Trust
- To Leverage Vakrangee Eco-System : Unique Proposition of Digital along with Physical: “Phygital”
- To leverage Strong Brand Recall in Rural India
- Unique Franchisee referral Program and Loyalty rewards program to build scale and reduce customer acquisition costs significantly

DEMERGER SCHEME – KEY UPDATES

Update on Cash consideration and share exchange ratio	<p>No cash consideration is payable under the Scheme.</p> <p>Share Exchange Ratio : 1:1</p> <p>The Resulting Company will issue equity shares to the shareholders of the Demerged Company as under:</p> <ul style="list-style-type: none">• Upon this scheme coming into effect, in consideration of the transfer of the Demerged Undertaking by the Demerged Company to the Resulting Company, in terms of this scheme, the Resulting Company shall, without any further act or deed, issue and allot to every member of the Demerged Company holding fully paid up equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company on the record date in respect of every One (1) Equity Shares of the face value of Re.1/- each fully paid up held by him / her / it in the Demerged Company, One (1) new Equity share of the Resulting Company of the face value of Re. 1/- each fully paid up.
Listing Update	<p>YES : The Resulting Company will make an application with BSE Ltd and National Stock Exchange of India Limited for listing of its equity shares in compliance with SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and relevant regulations thereof.</p>

PERFORMANCE OULOOK UPDATE


- **Sale Revenue & Profitability Growth : Positive & Encouraging**
 - Return to normalcy on the business front has been progressing well with month-on-month improvement in the sales
 - Quarterly Throughput crossed Rs. 115+ Billion
 - Annual Throughput crossed Rs. 376+ Billion (USD 5.2 Billion)
 - Implemented Process automation & Technology Initiatives resulting into enhanced profitability
- **Business Opportunity on Growth Side: Positive**
 - Substantial Increase in Trust & Awareness
 - Enhanced visibility and Brand Awareness during Nationwide Lockdown
 - More than 1,20,000+ Applications in place
- **Planned Target : Return to Normalcy & Strong Growth**
 - Expect Pre-COVID Business Revenue level by next Quarter onwards
 - Outlet expansion to 25,000 NextGen outlets by FY2022

PERFORMANCE UPDATE FOR Q4FY 2020-21 & FULL YEAR FY2020-21

- 11,700+ Total No. of NextGen Operational Outlets
- ~ ₹ 115.1 Billion Quarterly Throughput on Vakrangee Platform – Q4 FY21 Transaction Value
- ~32.4 Million Quarterly No. of Transactions on Vakrangee Platform – Q4 FY21
- ~ ₹ 376.1 Billion Annual Throughput on Vakrangee Platform – FY21 Transaction Value
- ~126.8 Million Annual No. of Transactions on Vakrangee Platform – FY21

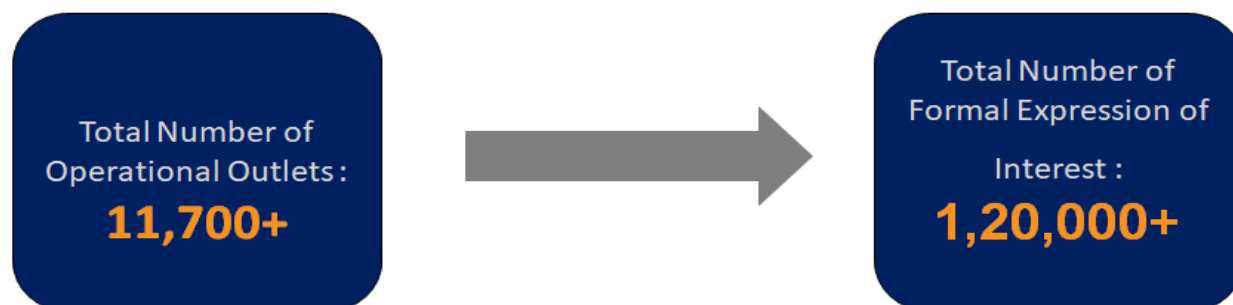
SUSTAINABILITY ESG PERFORMANCE UPDATE

Global recognition reflects company's commitment to further enhance its corporate governance and transparency standards. Company has achieved Global recognition across various platforms for its superior ESG performance and long term Business sustainability.

Sr. No.	ESG Assessment & Rating platform	Vakrangee Ranking	
1	Sustainalytics ESG Risk Assessment Rating	Globally ranked No.1 in the Sustainalytics ESG Risk rating rankings out of the 668 companies assessed in the Software and Services industry across worldwide	
2	CDP Score - Climate Change 2020	Achieved "B" Score from CDP for Environmental Practices, Better than the Industry's Average (Asia regional average of D, Global Average of C)	
3	CDP Score - Supplier Engagement Rating 2020	Achieved "A-" Score from CDP for Suppliers Engagement, Better than the Industry's Average (Asia regional average of B-, Global Average of C)	
4	SAM Corporate Sustainability Assessment (CSA) – S&P Global	Globally ranked No. 13 Company in the global industry ranking and ranked No. 9 in the Corporate Governance global industry raking based on RobecoSAM – S&P Global ESG Score.	 Now a Part of 
5	Bloomberg Gender Equality Index (BGEI)	Included in the Bloomberg's 2021 Gender-Equality Index (GEI). The 2021 Bloomberg GEI comprises of 380 companies across the world with a combined market capitalization of USD14 Trillion Headquartered in 44 countries and Regions across 11 sectors.	

VAKRANGEE KENDRA OUTLETS – PERFORMANCE UPDATE

VISIBILITY ON OPENING OF NEXTGEN OUTLETS



CLEAR VISIBILITY OF 25,000 NEXTGEN OUTLETS OVER THE NEXT 12 MONTHS

About Vakrangee Limited**(BSE Code: 511431; NSE Code: VAKRANGEE)**

Incorporated in 1990, Vakrangee is the unique technology driven company focused on building India's largest network of last-mile retail outlets to deliver real-time banking & Financial Services, ATM, insurance, e-governance, e-commerce and logistics services to the unserved rural, semi-urban and urban markets. The Assisted Digital Convenience stores are called as "Vakrangee Kendra" which acts as the "One-stop shop" for availing various services and products.

For further information, please contact at:Email: investor@vakrangee.in