Date: May 28, 2025

To,
Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051.

SCRIP SYMBOL: RNFI

Sub.: Shareholders' letter dated May 28th, 2025

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Shareholders' letter dated May 28th, 2025.

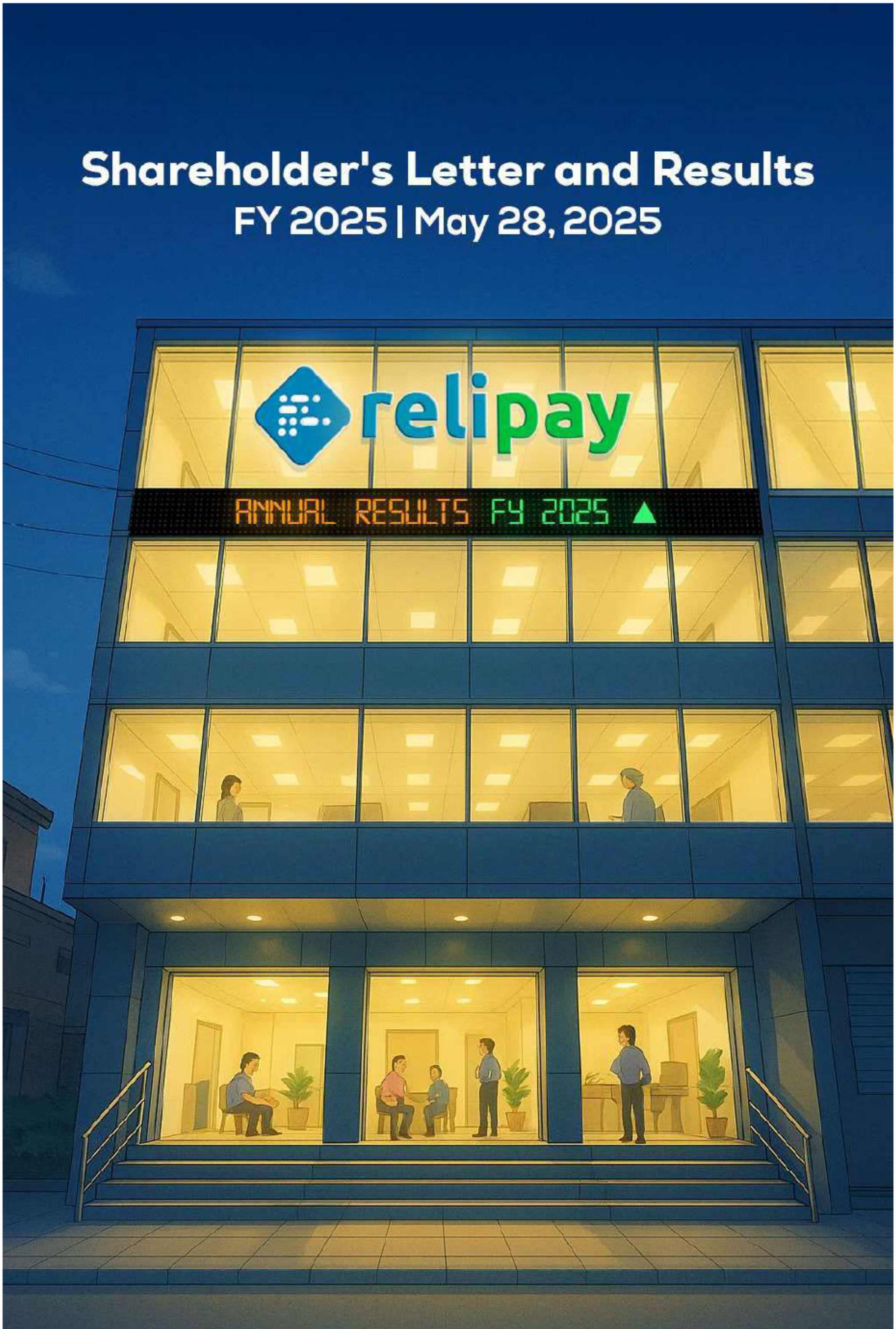
The above information will also be hosted on the website of the Company i.e. www.rnfiservices.com

For RNFI Services Limited
(Formerly known as RNFI Services Private Limited)

Ranveer Khyaliya
Digitally signed by Ranveer Khyaliya
Date: 2025.05.28 14:43:21 +05'30'

Ranveer Khyaliya
Managing Director
DIN: 07290203

Shareholder's Letter and Results
FY 2025 | May 28, 2025



Our Vision

To be India's leading tech-driven distribution and staffing platform, empowering rural and semi-urban communities through trusted agents, inclusive products, and secure, technology-driven solutions. We envision an India where every individual, regardless of geography or income, has seamless access opportunities through a single, mobile-first platform.

Our Roadmap Ahead

RNFI is positioning itself as the preferred partner for any institution serving Bharat. Powered by cutting-edge technology and unwavering commitment to compliance, the company is positioned to deliver sustainable growth.

Managing Director Statement – Ranveer Khyaliya

At RNFI, our growth strategy is anchored in a clear and proven principle: greater agent participation, broader product offerings, and an expanded client base collectively drive scalable and sustainable business growth. This formula—More Products + More Agents + More Customers = Greater Business Growth—continues to guide our long-term vision and operational roadmap.

We are focused on deepening our presence across India's underserved markets by executing a set of high-impact strategic initiatives. First, we are advancing digital payment adoption through the expansion of our Merchant QR (P2M) solutions, enabling seamless, real-time transactions and fostering daily consumer engagement. Second, the upcoming launch of a comprehensive Insurance Broking Platform will mark a significant step in diversifying our financial services portfolio, providing underserved customers with access to essential protection products.

Our agent network, which forms the backbone of our distribution model, will continue to scale—driving greater reach, product penetration, and transaction accessibility. In parallel, we are investing in the expansion of our regulatory credentials to unlock deeper partnerships and vertical integration with financial institutions. Additionally, we are reinforcing our compliance and operational frameworks to support growth at scale while maintaining high standards of governance, security, and efficiency.

ANNUAL RESULTS FOR FY 2025

ANNUAL PERFORMANCE HIGHLIGHTS FY 2025

Revenue	Gross Profit	EBIDTA	PAT	Non Forex PAT Margin	Net PAT Margin
916.8 Cr.	130 Cr.	43.4 Cr.	20.1 Cr.	4.6 %	2.2 %
▼ 2%	▲ 108%	▲ 126%	▲ 104%	▲ 65%	▲ 108%
YoY Growth	YoY Growth	YoY Growth	YoY Growth	YoY Growth	YoY Growth

Net Worth	Active Sahayaks	ARPU	New Clients	Borrowing	Current Ratio
114.3 Cr.	2.1 Lac	1066.1	28	15.8 Cr.	1.5
▲ 257%	▲ 52%	▲ 25%	▲ 100%	▼ 48%	▲ 50%
YoY Growth	YoY Growth	YoY Growth	YoY Growth	YoY Reduction	YoY Growth

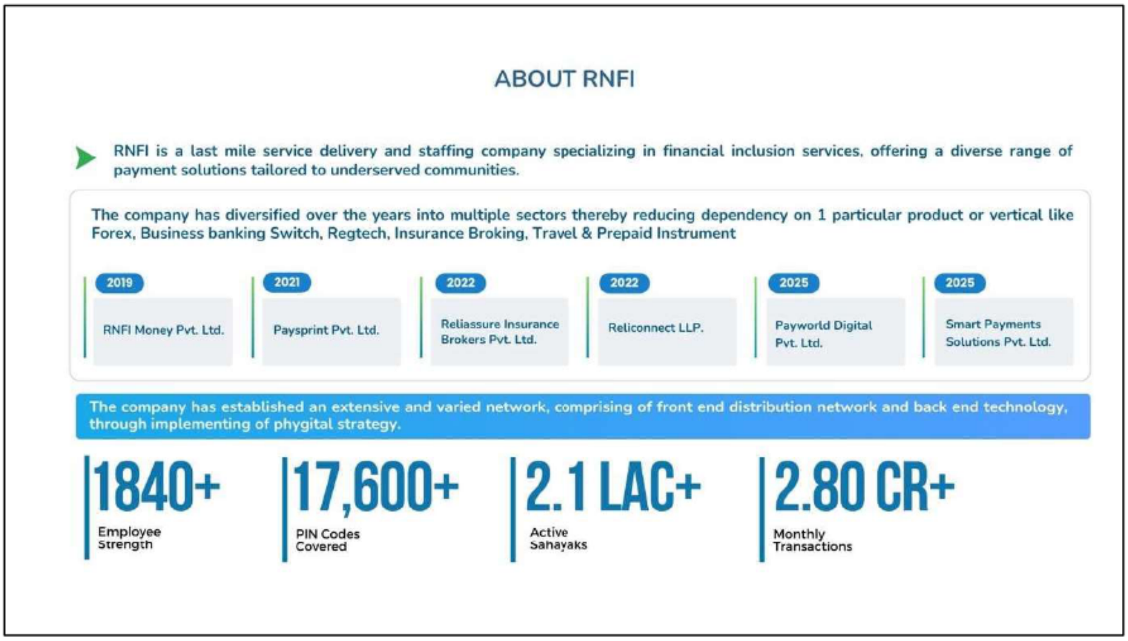
KEY TAKEAWAYS FROM FY 2025

- **Strong Growth in Non-Forex Business**
  Significant contribution to Net PAT increased with 142% growth in Non-Forex segment.
- **Operational Efficiency**
  Improved processes and cost control boosted overall profitability.
- **Higher ARPU Across Multiple Products**
  Diverse product offerings led to increased average revenue per user.
- **Asset-Light Model**
  No fixed costs for agents, ensuring flexibility and reduced overhead.
- **Technology Development & Upgrades**
  Continuous innovation enhanced cost management and operational performance.
- **Boosting Annuity via Sahayak ARPU**
  The company has boosted annuity income by increasing Sahayak ARPU through a broader product portfolio and a success-based fee model, enhancing overall profitability.

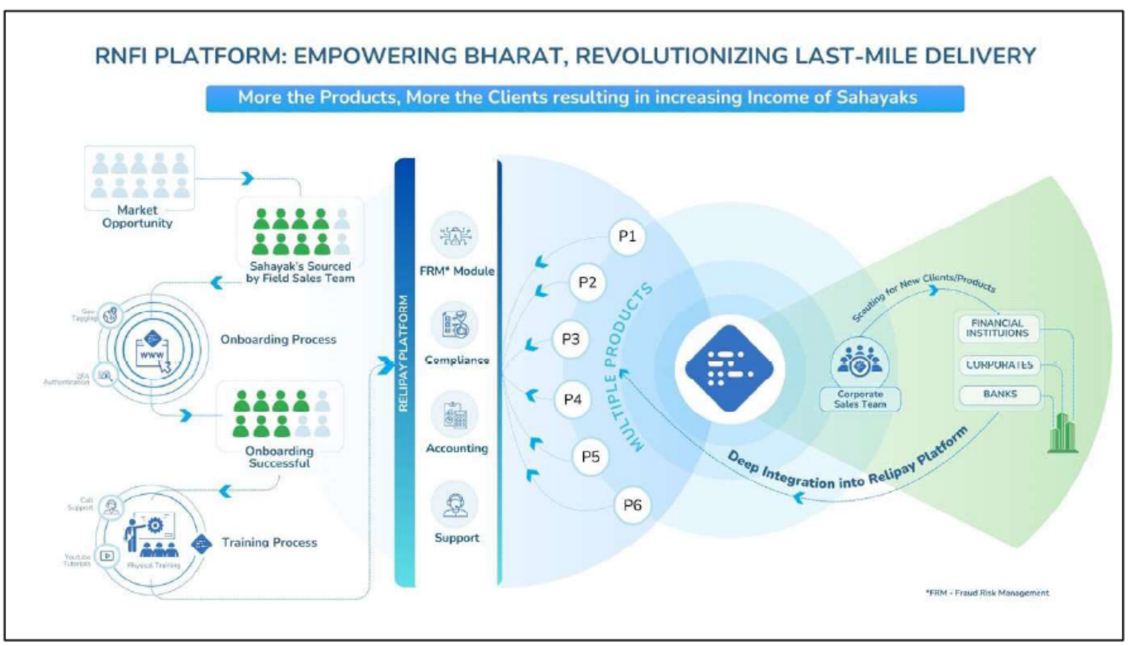
In the letter below, we address the key questions that we think investors might have.

1. Introduction to RNFI & Subsidiaries

1.1. What is RNFI, and what does the company specialize in?



The journey of a Sahayak begins with scouting by the field sales team, followed by onboarding and training. Once onboarded, the corporate sales team engages them in discovering and adopting new products, ensuring continuous growth and alignment with business objectives.



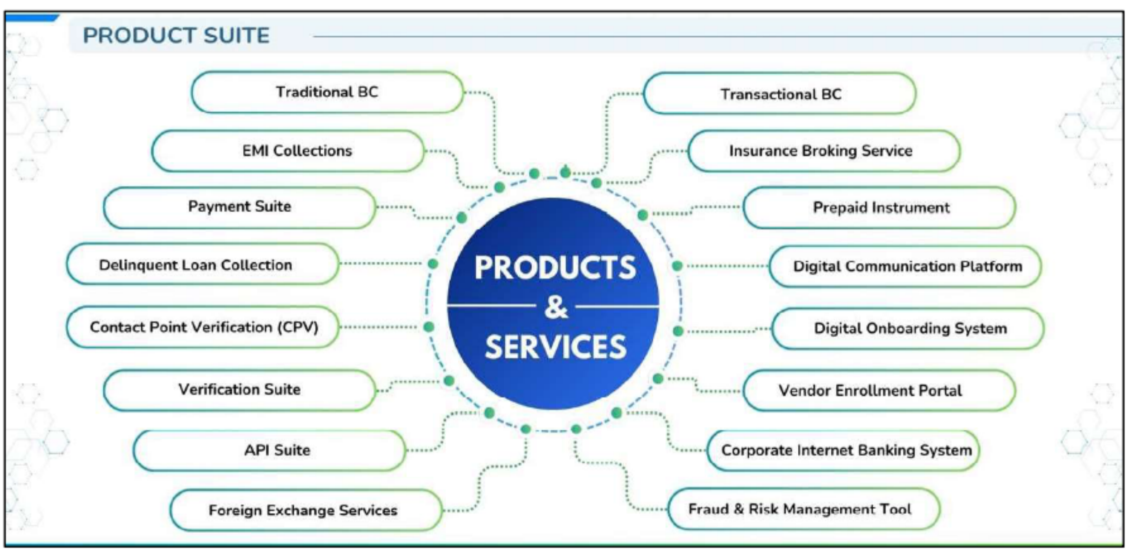
1.2. RNFI's financials suggest a forex-led revenue with thin margins, but is the high-margin non-forex segment actually the core business?

Contrary to perception, RNFI is not a forex-centric business; its revenue model is predominantly transaction-based rather than relying on low-margin foreign exchange operations. Notably, forex activities hardly contributes 0.5% to the company's Profit After Tax (PAT). Due to accounting conventions, forex transactions are recorded as currency sales and purchases, which may create an appearance of forex dominance. However, RNFI's financial presentations distinctly outline the net profit percentages for both forex and non-forex business verticals to provide clarity on actual profitability.

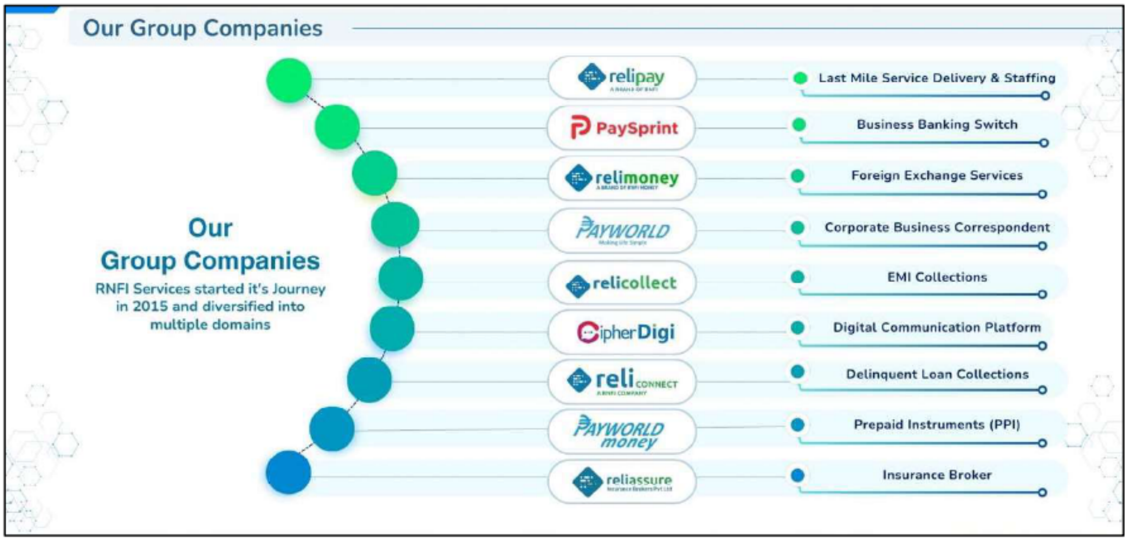
We are continuing the forex business since it is a pre requisite of an Authorised Dealer II licence which we have applied from our subsidiary RNFI Money Private Limited. Post the approvals from the regulator, we should be able to leverage our massive sahayak's network to generate leads for foreign remittances.

1.3. What are RNFI's various verticals, and what services does it provide?

RNFI offers a comprehensive suite of financial products and services across multiple business verticals. A detailed overview of the product portfolio is as under:



1.4. How is RNFI structured as an organization, including its subsidiaries and what do they focus on?



1.5. Why does RNFI operate through multiple subsidiaries?

RNFI's multi-subsidiary structure enhances operational efficiency, regulatory compliance, and product specialization, ensuring tailored financial solutions for diverse market needs. The company operates under a fundamental growth principle: **greater agent participation, broader product offerings, and an expanded client base drive business scalability**. All subsidiaries, including Paysprint, operate under a unified structure for technology, finance, HR, and sales, enhancing efficiency and scalability. However, Paysprint maintains a dedicated Sales and Marketing team.

2. Business Performance Overview

2.1. How has RNFI performed financially over the last year across all subsidiaries?

RNFI has experienced robust financial growth, driven by increased transaction volumes and adoption of its financial services. The company maintains a resilient profitability profile, supported by a well-diversified revenue stream across its subsidiaries. Paysprint and Reliassure have demonstrated significant contributions to overall group performance, achieving rapid expansion. The remaining subsidiaries are expected to follow a similar growth trajectory in upcoming quarters.

2.2. What are the key KPIs highlighted in the last presentation, and how do they impact business growth?

RNFI's key performance indicators (KPIs) include **sahayak network expansion and average revenue per sahayak**, which directly influence retention, operational efficiencies, and strategic scaling initiatives. PAT remains the primary financial driver, anchoring RNFI's business strategy under the guiding principle:
More products + More agents + More customers = Greater business growth.

2.3. Why is product-wise gross profit allocation challenging given RNFI's operational model?

RNFI's shared operational structure—covering sales, technology, finance, and HR—creates complexities in allocating costs across individual products and subsidiaries. As a result, precise product-wise gross profit calculations are challenging due to the integrated nature of resource utilization.

2.4. How is the rising adoption of UPI affecting RNFI's cash-based business, and what strategies are in place to adapt?

As UPI adoption continues to rise, RNFI has strategically integrated UPI solutions through its subsidiary, PaySprint, which provides connected banking services to a broad network of partners. Additionally, RNFI's recent acquisition of Smart Payments Solutions Private Limited—a PPI license holder developing UPI-based products—positions the company for accelerated growth in the digital payments space.

At the same time, despite the surge in digital transactions, cash usage in India remains robust, with currency circulation levels staying high even post-demonetization, underscoring continued demand for cash-based services.

2.5 How diversified is RNFI's revenue? Is it dependent on any particular product or client?

RNFI maintains a **highly diversified revenue portfolio**, spanning business correspondent (BC) transactions, EMI collections, insurance commissions, delinquent loan recoveries, forex operations, and connected banking solutions. No single revenue stream accounts for more than 10% of the company's total bottom line, ensuring financial resilience and operational flexibility.

RNFI's diversification strategy has proven effective, as reflected in the company's strong PAT performance in H2 FY 2025. Despite recent regulatory shifts affecting the domestic remittance sector, RNFI's multi-product approach has helped mitigate the impact, enabling continued profitability and long-term growth.

The company achieved over 100% PAT growth in the last fiscal year, underscoring the resilience of its diversified portfolio—no single product accounts for more than 10% of PAT. Looking ahead, RNFI is further enhancing diversification, aiming to reduce individual product contributions to below 5%.

3. Vision & Future Growth

3.1. What are RNFI's emerging and future product plans?

RNFI is actively expanding its digital financial services portfolio through regulatory approvals and the development of innovative, tech-driven platforms. In FY 2025, its subsidiary Paysprint introduced several new offerings, including a digital escrow solution platform, with additional product launches planned in the near future to further strengthen RNFI's position in the digital finance ecosystem.

The recent acquisition of Payworld has significantly enhanced RNFI's agent network, supporting growth across both transactional and traditional BC segments. This also accelerates the scale-up of Smart Payments' UPI and PPI business by leveraging RNFI's and Payworld's existing merchant base, particularly for QR-based solutions.

Additionally, RNFI's insurance subsidiary has received IRDA approval for its ISNP license, enabling the launch of a digital B2B insurance platform that will utilize the company's extensive distribution network. In the forex segment, RNFI's arm Relimoney has applied for an AD-II license, which, upon regulatory approval, will allow it to introduce a comprehensive foreign remittance platform for individuals across all categories approved by the regulator.

These initiatives will be primarily promoted through RNFI's existing Sahayaks and internal workforce, providing a strategic advantage in market penetration.

3.2. What key regulatory licenses does RNFI currently hold, and how do they support expansion goals?

RNFI operates through its subsidiaries, holding key regulatory credentials including **FFMC, IRDA, AUA KUA, and PPI licenses**. These authorizations provide a strong foundation for business scalability while ensuring seamless regulatory compliance across its financial verticals.

3.3. What are RNFI's growth plans for the next three years, and why is a phased approach preferred over rapid expansion?

RNFI adopts a **phased expansion strategy**, prioritizing operational efficiency, risk mitigation, and financial sustainability. We are committed to sustaining our current growth momentum by following a focused and scalable strategy. By continuously introducing new and relevant products, we enhance our value proposition. Expanding our agent network increases our reach and service delivery capabilities, while growing our customer base drives transaction volumes and revenue. Together, these three pillars (**More products + More agents + More customers = Greater business growth**) reinforce each other, creating a strong foundation for sustained business growth.

We are implementing this strategy in a phased and measured manner to ensure a healthy balance between expansion and profitability—an approach that has been integral to our DNA since inception.

4. Strategy

4.1. What are RNFI's key strategic priorities for the next three years?

RNFI's strategy focuses on:

- **Driving digital payment adoption** through **Merchant QR solutions (P2M)**.
- **Launching a comprehensive Insurance Broking Platform** to expand financial service offerings.

- **Scaling the agent network**, ensuring improved transaction accessibility and product distribution.
- **Expanding regulatory credentials**, facilitating further business integration with existing product verticals.
- **Enhancing compliance** and operational processes for greater efficiency

4.2. How is RNFI positioning itself in the fintech market compared to competitors?

RNFI differentiates itself through a **diversified product portfolio, an extensive agent network, a strong compliance framework, and scalable technology platforms**. Its multi-vertical approach uniquely positions the company to offer comprehensive financial services beyond traditional fintech models.

4.3. Is RNFI considering new acquisitions, and if so, in which business verticals?

While RNFI is not actively pursuing acquisitions at this time, the company remains strategically open to opportunities in digital payments, lending, and fintech-driven financial services. Any future acquisitions will be highly selective, focusing on businesses that offer strategic value, can be turned around efficiently, and are available at attractive valuations. The objective will be long-term value creation—not merely short-term contributions to the bottom line.

4.4. What steps is RNFI taking to enhance its agent network and competitive positioning?

RNFI strengthens its **agent network** through:

- **Streamlined DIY agent onboarding**, improving accessibility and efficiency.
- **Regular platform updates**, ensuring **faster transactions, enhanced reporting, and financial tracking**.
- **Secure authentication protocols**, mitigating fraud risks and reinforcing system integrity.
- **Optimized commission structures**, particularly in **high-margin products**, incentivizing participation.
  Given RNFI's broad industry presence across multiple financial verticals, **its competitive landscape is diversified rather than concentrated against specific players**.

4.5. Has the acquisition of Payworld Digital Services benefited RNFI?

The acquisition of Payworld has significantly strengthened RNFI's agent network, enabling the expansion of UPI offerings through its step-down subsidiary, Smart

Payments. These new UPI products, developed by Smartpay and integrated with RNFI's network, are expected to generate strong traction. As a result, the company anticipates recovering its investment within a short timeframe.

5. Technology

5.1. How scalable is RNFI's current tech platform to accommodate growing transaction volumes?

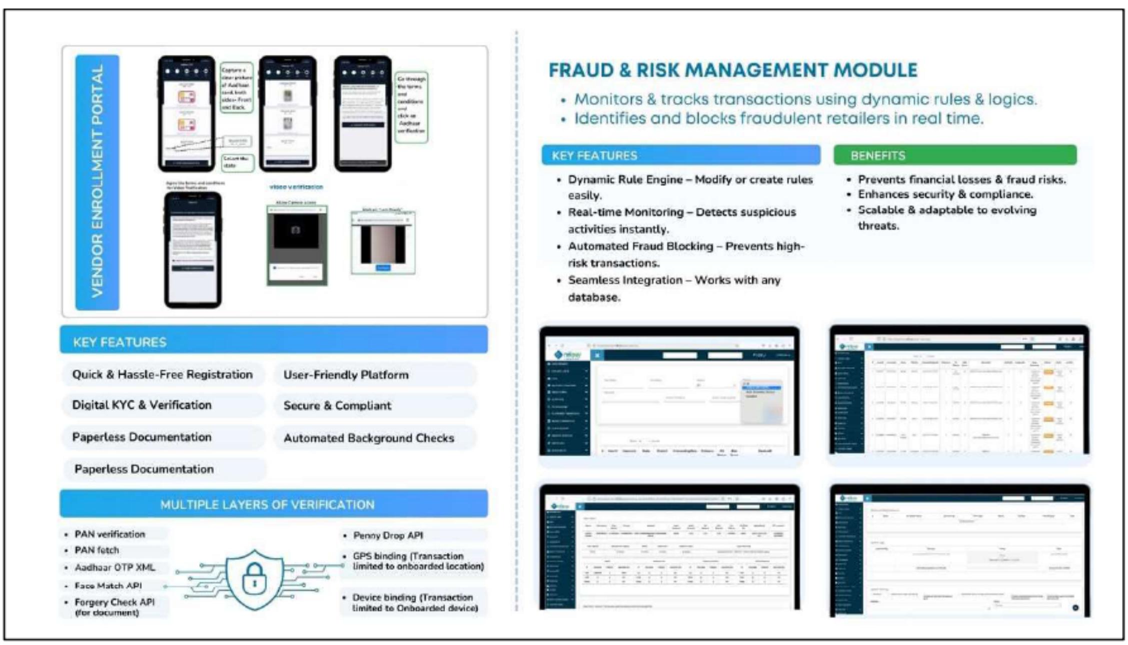
RNFI's **robust technology infrastructure** is designed to support **five times its current transaction volumes**, ensuring **long-term scalability**.

5.2. How is RNFI improving system uptime and transaction success rates?

RNFI leverages an **in-house technology team** dedicated to continuous infrastructure upgrades, enhancing **transaction success rates** and **maintaining industry-standard uptime**. Comprehensive **SOP-driven bug detection protocols** ensure system reliability and performance optimization.

5.3. Does RNFI have an internal R&D or innovation team and how are they integrating AI and machine learning for fraud detection and agent onboarding?

Yes, we have a dedicated in-house innovation team that actively develops new products and modules. We've already leveraged AI and ML for digital onboarding and our Fraud & Risk Management (FRM) tool, and we're incorporating these technologies into several other products currently under development.



6. **Compliance**

6.1. How robust is RNFI's internal audit and compliance framework?

RNFI maintains a **rigorous audit framework**, ensuring **financial and regulatory compliance** across all subsidiaries. Given RNFI's engagement across regulated sectors (**RBI, SEBI, IRDA**), operations undergo **frequent regulatory and third-party audits**, reinforcing **robust governance**.

6.2. Are there upcoming license renewals that RNFI needs to manage?

Yes, RNFI's **Insurance Broking license** is up for renewal in **H1 FY26**.

6.3. Does RNFI undergo third-party audits for security and compliance?

Yes. RNFI's subsidiaries **undergo frequent third-party audits**, ensuring **continuous regulatory and operational compliance**. Additionally, RNFI collaborates with banks and financial institutions requiring **CERT-IN empanelled security audits**, guaranteeing industry-leading **data security standards**.

6.4. Have recent regulatory developments affected any of RNFI's business verticals?

Despite **recent regulatory shifts in the domestic remittance sector**, RNFI's **diversified revenue model** has safeguarded profitability. **H2 FY 2025 results** highlight continued PAT growth, demonstrating the company's resilience.

6.5. How does RNFI handle regulatory risks related to fintech operations?

RNFI **proactively adapts** to regulatory changes through:

- **Technology stack upgrades**.
- **Operational SOP refinements**.
- **Robust and well-established compliance team**
- **Targeted training programs**, ensuring employee awareness of evolving regulations.

6.6. What is RNFI's approach to mitigating fraud and ensuring safe transactions?

RNFI strengthens transaction security through:

- **Regular third-party audits**, identifying vulnerabilities and implementing safeguards.
- **Two-factor authentication (2FA)**, ensuring access is restricted to **authorized agents**.
- **Whitelist-based transaction filtering**, reducing exposure to fraudulent activities.
- **Dedicated support teams**, addressing suspicious transactions in real time.
- **FRM -** A proprietary fraud and risk management tool designed for real-time transaction monitoring and proactive fraud prevention.

7. **Fundraising, Valuation & Acquisitions**

7.1. How much financial runway does RNFI have with its existing funds?

RNFI maintains **sufficient internal accruals** to support **day-to-day operations** across its subsidiaries. Additionally, **IPO proceeds** have been efficiently allocated over the past eight months, funding **working capital requirements** and **meeting regulatory net-worth obligations**.

7.2. Has RNFI conducted any ESOP transactions recently?

No. However, **RNFI management** is actively exploring the **introduction of an ESOP plan** in the upcoming financial year.

8. **Governance**

8.1. How does the company ensure transparency and strong governance?

- All promoters' shares are consolidated into a **trust** to enhance long-term stability.
- A distinguished independent board comprising highly reputable individuals with extensive experience in the financial services sector.
- A management board enriched with seasoned professionals from banking and fintech, steering the company's growth.
- Timely and regular disclosures to NSE regarding contracts, awards, and licenses, fostering transparency and keeping shareholders well-informed about the company's progress.