roadzen

Roadzen Inc. Announces Strategic Equity Financing of Approximately $4.5 Million for Its India Subsidiary at an $84 Million Pre-Money Valuation

September 4, 2025

- Raise anchored by marquee investors, including leading family offices and institutional investors in India.
- Values Roadzen's India Subsidiary, contributing less than 60% of global revenues, at **approximately a 25% premium to the Nasdaq-listed parent company's market capitalization.**
- Proceeds are anticipated to accelerate India growth, drive technology acceleration for the global business, and reinforce Roadzen's AI leadership – including DrivebuddyAI and core business lines – with 50%+ revenue CAGR expected for the next three years in India.

NEW YORK, Sept. 04, 2025 (GLOBE NEWSWIRE) -- Roadzen Inc. (Nasdaq: RDZN) ("Roadzen" or the "Company"), a global leader in AI at the convergence of insurance and mobility, today announced that it has received binding commitments for INR 40 crores (equivalent to approximately $4.5 million based on current exchange rates) in equity financing for its India subsidiary, at INR 740 crores or $84 million pre-money valuation on a stand-alone basis.

The financing values Roadzen's Indian subsidiary, which contributes less than 60% of Roadzen's consolidated revenues, at approximately $84 million pre-money — around 25% above the Company's current Nasdaq market capitalization. The contemplated dilution to the India subsidiary is approximately 5%, with the parent continuing to own approximately 95% of the India business. The transaction provides growth capital while resulting in no dilution for shareholders in the Nasdaq-listed Parent Company.

Transaction Summary

- Pre-money valuation: $84 million for the India subsidiary.
- Dilution: Approximately 5% at the subsidiary level, with Roadzen continuing to own approximately 95% of the India subsidiary.
- Common equity only; no warrants or preferred rights; pari passu with existing shareholder (Roadzen).
- Zero dilution at the Nasdaq-listed parent company.
- Post-completion of this raise, Roadzen will have raised approximately $9 million this quarter through successive straight equity financings — first backed by its four largest shareholders at the parent level and now further strengthened by the India raise, anchored by leading family offices and institutional investors, both completed at significant premiums to the market cap of the Company.
- The financing attracted strong demand, exceeding initial raise targets.

India is at the center of one of the most compelling global growth stories. The country recently surpassed Japan to become the world's fourth-largest economy and is expected to double its GDP over the next decade. It is already the fourth-largest auto market globally with more than 4 million cars sold annually, yet non-life insurance penetration remains just ~1% of GDP. As penetration rises toward 3% (in line with larger economies), alongside a doubling of GDP and the car park, the auto insurance market could expand eight times over the coming decade — representing an incredible growth opportunity in an industry increasingly shaped by AI and technology-driven innovation. New regulations such as AIS-184, are expected to further accelerate adoption of advanced driver safety systems, where Roadzen's DrivebuddyAI is the only validated solution positioned to serve more than 1 million new commercial vehicles annually, underscoring Roadzen's leadership in applying AI at scale to real-world mobility challenges.

Rohan Malhotra, Founder and CEO of Roadzen, commented, "India is an incredible growth story for Roadzen, and this raise sets a clear, independent benchmark for one of our most important markets. Our listed peers in both India and the U.S. trade at 6–18x forward sales multiples, yet our parent company does not trade anywhere close to the intrinsic value of the business. We have raised $4.5 million at the parent level over the summer and now have commitments of an additional $4.5 million at the India subsidiary — showing strong institutional support for the business, with these capital raises coming at a premium to the stock price of the Nasdaq-listed parent. The India subsidiary's valuation alone implies a benchmark of more than $2 per share for the global business, at which level we believe it still remains significantly undervalued compared to its peers."

Mr. Malhotra continued, "The participation of several marquee institutional investors underscores the conviction in our growth trajectory and AI leadership. These financings put us on a very strong footing for the quarters ahead. We encourage investors to track our progress closely — we believe the business is poised for significant growth, supported by a world-class shareholder base. Finally, I want to emphasize that we remain sensitive to dilution at current levels and are committed to protecting and enhancing shareholder value as we continue to unlock the intrinsic value of Roadzen."

N. Jayakumar, Managing Director & Group CEO of Prime Securities Limited, added, "This transaction validates both the intrinsic value of Roadzen's India operations and the institutional confidence in the Company's leadership and execution. The Indian market continues to offer superior valuations for high-growth AI businesses, and Roadzen is exceptionally well-positioned to continue to capitalize on this dynamic."

The gross proceeds to the India subsidiary from the financing are approximately INR 40 crores (~$4.5 million). The financing is expected to close on or about September 15, 2025. Prime Securities Limited is acting as the exclusive Investment Bank in connection with the offering.

About Roadzen Inc.
Roadzen Inc. (Nasdaq: RDZN) is a global technology company transforming auto insurance using advanced artificial intelligence (AI). Thousands of clients, from the world's leading insurers, carmakers, and fleets to dealerships and auto insurance agents, use Roadzen's technology to build new products, sell insurance, process claims, and improve road safety. Roadzen's pioneering work in telematics, generative AI, and computer vision has earned recognition as a top AI innovator by publications such as Forbes, Fortune, and Financial Express. Roadzen's mission is to continue advancing AI research at the intersection of mobility and insurance, ushering in a world where accidents are prevented, premiums are fair, and claims are processed within minutes, not weeks. Headquartered in Burlingame, California, the Company has 323 employees across its global offices in the U.S., U.K. and India. To learn more, please visit www.roadzen.ai.

Cautionary Statement Regarding Forward Looking Statements
This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," and "continue," or the negative of such terms or other similar expressions. Such statements include, but are not limited to, statements regarding the closing of the financing described above, anticipated benefits of our products and solutions, business growth in the U.S., U.K. and India, anticipated , strategy, demand for our products, expansion plans, future operations, future operating results, estimated revenues, losses, projected costs, prospects, plans and objectives of management, as well as all other statements other than statements of historical fact included in this press release. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those described in "Risk Factors" in our Securities and Exchange Commission ("SEC") filings, including the annual report on Form 10-K we filed with the SEC on June 26, 2025. We urge you to consider these factors, risks and uncertainties carefully in evaluating the forward-looking statements contained in this press release. All subsequent written or oral forward-looking statements attributable to our company or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements included in this press release are made only as of the date of this release. Except as expressly required by applicable securities law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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