

## Q1 2024

### 1. Financial Performance

- **Narrative:** This theme focuses on Infibeam's financial results, including revenue growth and profit margins. Key aspects include projections for Net Transaction Revenue (NTR), gross revenue, net revenue, EBITDA, and PAT, along with targets for take rates and international contributions.

- **Management's Guidance:**

- Infibeam targets double-digit NTR for its Payments business by FY24, gross revenue between INR 3,000 and INR 3,300 crore (53-68% YoY increase), and net revenue between INR 410 and INR 415 crore (25-26% YoY increase). EBITDA is projected between INR 230-235 crore (28-31% YoY increase) and PAT between INR 130-150 crore (37-59% YoY increase). They expect double-digit take rates by year-end, with improvement from Q2 onwards. International payments are projected to reach 12-15% of Payment's Net Revenue by FY28 and potentially 30% or more of overall payment revenues. Processing volume growth is targeted at \$10 billion in the next couple of years, from the current \$1 billion.

- **Actual Results:**

**['Q3', '2024']:**

- Actual Q3 2024 results show significant growth. Gross revenue surpassed \$100 million for the first time in a single quarter, and Payments Gross Revenue exceeded INR 1 billion in a single quarter. The 9-month FY24 TPV was INR 4,778 billion compared to INR 2,969 billion in 9M FY23, indicating substantial growth. 9M FY24 Gross Revenue increased to INR 24,442 million from INR 13,097 million in 9M FY23, and Net Revenue reached INR 3,224 million, up from INR 2,368 million. However, specific Q3 2024 figures for net revenue, EBITDA, and PAT are not directly available in the provided data for a precise comparison to the Q1 2024 guidance.

**['Q4', '2024']:**

- In FY24, Infibeam achieved a Gross Revenue of 31,711 million INR, Net Revenue of 4,286 million INR, EBITDA of 2,526 million INR, and PAT of 1,478 million INR. These figures significantly exceed the management's guidance. The TPV for FY24 was 7,043 billion INR. Note that there is some discrepancy between the provided numbers and the citations provided. Further investigation is needed to reconcile these differences.

**['Q2', '2024']:**

- In Q2 FY24, Infibeam reported significant growth. Revenue increased by 15%, exceeding the lower end of the full-year guidance. Payments TPV reached INR 769 billion (up from INR 602 billion). Payments Gross Revenue increased to INR 7,384 million (from INR 4,343 million), and Payments Net Revenue rose to INR 611 million (from INR 393 million). Gross revenue reached INR 7,899 mn, exceeding \$100 million for the first time in a single quarter, while net revenue crossed INR 1 billion for the first time in a quarter. EBITDA and PAT also experienced sharp growth, increasing by 70% and 191%, respectively. The net take rate increased to 9.3 basis points, exceeding the earlier domestic target of 10 basis points. Cash and cash equivalents reached INR 4.2 billion.

**['Q1', '2024']:**

- In Q1 2024, Infibeam reported 77% YoY growth in gross revenue, reaching INR 742 crore. Net revenue was INR 99 crore. Adjusted EBITDA was INR 56 crore (a 31% YoY increase) and adjusted PAT was INR 32 crore (a 40% YoY increase). The net take rate was 8.4 basis points, a 16% YoY increase. Payments TPV grew significantly, with CCAvenue International reporting an annualized TPV run-rate of INR 24,600 crore for Q1'24 and overall TPV reaching INR 1,18,260 crore. A 43% YoY TPV growth was also reported.

- **Evaluation:**

- **{'evaluation': 'Did not meet expectations', 'evaluation\_reason': "While some metrics like EBITDA and PAT growth exceeded expectations, the Q1 gross and net revenue significantly fell short of the management's full-year guidance range."}**

### 2. Customer Base Expansion

- **Narrative:** This theme focuses on Infibeam's strategies to expand its customer base, both geographically and through new product offerings. Key aspects include plans for international expansion, new product launches, and target numbers for merchant acquisition and product adoption.

- **Management's Guidance:**

- Infibeam plans to launch payments in Australia by FY24 and South East Asia in FY25. They aim for 1 million downloads of their CCAvenue Omnichannel Payment Solution in FY24, expansion into India's hinterlands with SoftPoS, and reaching 1 million merchants this year. The launch of TapPay in the UAE is expected to increase market share, with future launches planned for Saudi Arabia and other GCC markets. They expect 10% of their (presumably 10 million) merchants to utilize TapPay within 12-18 months.

- **Actual Results:**

**['Q3', '2024']:**

- In Q3 2024, Infibeam added over 200,000 merchants to CCAvenue, averaging 2,500 daily additions. Another source mentions adding a quarter of a million merchants during the quarter. The company exceeded one billion Dirhams processed monthly in the UAE, with approximately 7000 clients. Overall, the data suggests significant progress in merchant acquisition, but specific data on TapPay adoption and the overall number of merchants acquired is not directly available to fully assess progress against the stated targets.

**['Q4', '2024']:**

- Actual results for merchant acquisition and product adoption are not explicitly provided in the data for Q4 2024. However, the data shows that by March 2024, Infibeam had over 10 million merchant accounts. This indicates significant progress towards their targets, but the specifics regarding TapPay adoption and the number of CCAvenue downloads are unavailable.

**['Q2', '2024']:**

- In Q2 FY24, Infibeam onboarded close to 1 million merchants during the nine months ending September 2023, averaging over 3,500 fully KYC merchants daily. This brought the total number of merchants using the CCAvenue platform to 2.7 million. In the UAE, monthly payment transaction processing volume grossed AED 1 billion.

**['Q1', '2024']:**

- By the end of Q1 FY24, downloads of the CCAvenue Omnichannel Payment Solution exceeded 300,000, significantly surpassing the anticipated 150,000 downloads in 7-8 months of FY23. The total number of merchants reached 10 million, with an average addition of 9,500 merchants daily during the quarter. A 61% increase in the number of merchants was also reported.

- **Evaluation:**

- **{'evaluation': 'Exceeded expectations', 'evaluation\_reason': 'The number of CCAvenue Omnichannel Payment Solution downloads significantly surpassed expectations in Q1 2024, and merchant acquisition far exceeded the annual target in just one quarter.'}**

### 3. Strategic Partnerships

- **Narrative:** This theme focuses on Infibeam's plans for forming and strengthening strategic alliances to enhance its market position and capabilities. A key

aspect is increasing its stake in Fable Fintech Pvt Ltd.

**- Management's Guidance:**

- Infibeam plans to increase its stake in Fable Fintech Pvt Ltd to 41%, adding an additional 25%.

**- Actual Results:**

**['Q3', '2024']:**

- There is no information provided in the data about the actual increase in Infibeam's stake in Fable Fintech Pvt Ltd.

**['Q4', '2024']:**

- The provided data does not contain actual results regarding Infibeam's stake increase in Fable Fintech Pvt Ltd.

**['Q2', '2024']:**

- No actual results for this theme are available in the provided Q2 2024 data.

**['Q1', '2024']:**

- No actual results regarding the increase in stake in Fable Fintech Pvt Ltd are provided in the data.

**- Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation\_reason': 'There is no information available in the provided data to assess whether the planned increase in stake in Fable Fintech Pvt Ltd occurred during Q1 2024.'}

#### 4. Regulatory Environment

**- Narrative:** This theme addresses the regulatory landscape and its impact on Infibeam's operations, including licensing requirements and compliance standards. Key aspects include pending regulatory approvals and data localization compliance.

**- Management's Guidance:**

- A pending regulatory approval is expected within the current fiscal year. Commercial operations in KSA are planned for the end of Q2, pending data localization compliance certification.

**- Actual Results:**

**['Q3', '2024']:**

- The provided data does not contain information on whether the pending regulatory approval was received or on the commencement of commercial operations in KSA.

**['Q4', '2024']:**

- The provided data does not offer specific details on whether the pending regulatory approval was received or if commercial operations in KSA commenced as planned by the end of Q2.

**['Q2', '2024']:**

- No specific mention of actual results regarding regulatory approvals or data localization compliance in the provided Q2 2024 data.

**['Q1', '2024']:**

- No actual results regarding regulatory approvals or KSA operations are provided in the data.

**- Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation\_reason': 'The provided data lacks information on the status of regulatory approvals or the commencement of commercial operations in KSA during Q1 2024.'}

#### 5. Cash Flow Stability

**- Narrative:** This theme highlights Infibeam's plans to maintain cash flow stability and its implications for future investments. A key aspect is increased investment in express settlement.

**- Management's Guidance:**

- Infibeam plans to increase investment in express settlement due to its perceived opportunity and available cash reserves.

**- Actual Results:**

**['Q3', '2024']:**

- In Q3 2024, Infibeam's Cash Flow from Operations was INR 1,130 million. This provides some indication of cash flow, but it does not directly address the investment in express settlement.

**['Q4', '2024']:**

- In FY24, Infibeam's cash flow from operations was 720 crores, a 537% increase year-over-year. This suggests strong cash flow stability. However, the data doesn't directly address investments in express settlement.

**['Q2', '2024']:**

- In Q2 FY24, Infibeam's cash and cash equivalents reached INR 4.2 billion after INR 1.2 billion capex in the first half.

**['Q1', '2024']:**

- In Q1 2024, cash flow from operations was INR 113 crore, and free cash flow was INR 117 crore.

**- Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation\_reason': 'While Q1 cash flow data is available, there's no information provided on the actual investment made in express settlement during the quarter.'}