

Q4 2023

1. Financial Performance

- **Narrative:** This theme focuses on Infibeam's financial performance, including revenue growth, profit margins, and cash flow stability.

- **Management's Guidance:**

- Infibeam anticipates significant revenue growth, targeting double-digit Net Take Rate (NTR) for Payments by FY24/FY25, a 12-15% international contribution to Payment's Net Revenue by FY28, 40-50% YoY growth in April and May, and 40% YoY revenue growth for the entire year. A 30% YoY increase in credit card spending is also expected. The TPV guidance of INR 7.5 lakh crores by FY25 remains unchanged. Improvement in unit economics is expected to reach double digits in FY24 and beyond. A full-year dividend of 5% was recommended, suggesting a positive cash flow position.

- **Actual Results:**

['Q3', '2024']:

- In Q3 FY24, Infibeam's Gross Revenue surpassed \$100 million for the first time in a single quarter, with Payments Gross Revenue exceeding INR 1 billion. The 9M FY24 TPV was INR 4,778 billion (compared to INR 2,969 billion in 9M FY23), and Payments NTR reached 8.7 bps (up from 7.9 bps in 9M FY23). Gross Revenue increased to INR 24,442 million in 9M FY24 (from INR 13,097 million in 9M FY23), and Net Revenue reached INR 3,224 million (up from INR 2,368 million). CCAvenue Payments TPV (India + Intl.) was INR 2,160 billion in FY23 and showed a strong Q3 2024 annualized TPV run-rate. Standalone business represented 91% of consolidated revenue in FY23. The company reported a 15% increase in revenue over the last fiscal year. Further, Q3'24 showed a 75% YoY increase in TPV and a 120% YoY increase in gross revenue, reaching approximately US\$111 million. Net revenue increased by 33% to Rs.113 Crores. Growth in gross revenues was upwards of 60% year-over-year. The company also added Rs. 1.2 billion in gross revenue quarter-over-quarter. India payments transaction processing volume rose to Rs.663 billion, growing at 34% year-over-year. The overall TPV (including India, international, and Go Payments) was Rs.709 billion for the quarter, growing at 32% year-over-year. India payments business net revenue grew 34% year-over-year, crossing Rs.500 million. Standalone business had operating and profit margin of 67.0% and 42.4%, respectively. Consolidated EBITDA margins were at 61.2% and profit margins at 37.3%. Cash Flow from Operations stood at 1,130 million INR.

['Q2', '2024']:

- In Q2 2024, Infibeam reported a 15% increase in revenue (e469a75692dd94e6fea619f04c5699fd). TPV reached INR 1,785 billion (332fe145be1e04261326f9eb7a806d13), with Payments TPV at INR 769 billion (332fe145be1e04261326f9eb7a806d13) and Platforms TPV at INR 1,016 billion (332fe145be1e04261326f9eb7a806d13). Payments Gross Revenue was INR 7,384 million (332fe145be1e04261326f9eb7a806d13), and Payments Net Revenue increased to INR 611 million (332fe145be1e04261326f9eb7a806d13). Monthly payments TPV in the UAE grossed AED 1 billion (86f530e03bc1e506f92c32e0c0bfd643). The highest ever quarterly Gross Revenue was INR 7,899 million (b831d83702f0ff472fcd24b05a90565b), and Net Revenue exceeded INR 1 billion for the first time in a quarter (b831d83702f0ff472fcd24b05a90565b). The company achieved 54% year-over-year TPV growth (5379831d921d0e44e51ee561f461206f). Net take rates increased to 9.3 basis points (e383c6527eb8e73ce5b8b1dd864140d9). EBITDA and PAT grew by 70% and 191%, respectively (e383c6527eb8e73ce5b8b1dd864140d9). Cash and cash equivalents reached INR 4.2 billion (e383c6527eb8e73ce5b8b1dd864140d9).

['Q1', '2024']:

- In Q1 FY24, Infibeam reported a 77% YoY increase in gross revenue (INR 742 crore), a 16% YoY increase in Payments NTR (8.4 bps), and a 27% YoY increase in TPV (INR 1.2 lac crore). Credit card transactions grew by 9%. Adjusted EBITDA was INR 56 crore (up 31% YoY) and adjusted PAT was INR 32 crore (up 40% YoY). Payments TPV was INR 65,024 crore. The company also achieved a 43% YoY TPV growth in Q1 FY24. CCAvenue International reported an annualized TPV run-rate of INR 24,600 crore for Q1'24.

['Q4', '2023']:

- In Q4 FY23, Infibeam reported a 52% increase in Gross Revenue and TPV. Net Revenue increased by 27%. Profit After Tax increased by 41%. For FY23, Gross Revenue increased by 53%, TPV by 55%, and Net Revenue by 28%. Profit After Tax for FY23 increased by 94%. Payments NTR achieved 9.0 bps in Q4 FY23, a 43% YoY increase. Consolidated Gross Revenue in FY23 was INR 1,962 crore, a 52% YoY growth. Payments Gross Revenue for FY23 was INR 1,793 crore, a 61% YoY growth. Other sources report 15% revenue growth in Q4 FY23 and total income exceeding INR 2,000 crore for FY23, a 56% YoY increase. Transaction processing volume reached INR 4.5 lakh crores in FY23, a 52% YoY increase. Credit card spends increased by 26% YoY in April 2023. In May and June, revenue and transaction growth reached 40% YoY.

- **Evaluation:**

- **{'evaluation': 'Exceeded expectations', 'evaluation_reason': 'Actual revenue and TPV growth in Q4 2023 and FY23 significantly surpassed the 40% YoY guidance provided, and other key metrics like Profit After Tax and Payments NTR also showed substantial increases beyond expectations.'}**

2. Market Position

- **Narrative:** This theme analyzes Infibeam's market share and customer base expansion strategies.

- **Management's Guidance:**

- While no specific market share targets are stated, external data projects significant growth opportunity in the Indian digital payments market. Internal data suggests a FY23 estimated TPV market share of 153% of 'Online Payments' growth (requires clarification). Infibeam aims to increase its offline presence to 1 million merchants by the end of FY24 and expand internationally to Australia (2H FY24) and the USA (late FY24/early FY25). Further international expansion is planned over the next 3-5 years. Approximately 9500 merchants were added daily in FY23. International transactions are projected to contribute 25-30% of overall transaction processing volumes. CCAvenue TAPpay had 150,000 downloads in 6 months, aiming for 1 million by the end of FY24.

- **Actual Results:**

['Q3', '2024']:

- In Q3 FY24, Infibeam added more than 200,000 merchants to CCAvenue, with an average daily addition of 2,500 merchants. The company also added a quarter of a million merchants in the quarter. They have 7000+ clients in the UAE, processing over a billion Dirhams monthly. Total merchants exceeded 10 million. Go Payments has an active agent network of 110,000+ covering 10,000+ pin codes across India. Market share in online credit card spends increased from 9% in FY2023 to over 10% in 9M FY24.

['Q2', '2024']:

- In Q2 2024, Infibeam's FY23 estimated TPV market share was 117% YoY of 'Online Payments' (a334ab4baad580f8da976d049a13c6f1). International credit card payments contributed approximately 80% of international market revenue (ef4ffec897984a3983fc287faef63b66). In the first half of FY24, close to 1 million merchants were onboarded (76e8bce2ce84a3a94cc4069edc2d0b95), and 0.27 million were added in Q2 (e383c6527eb8e73ce5b8b1dd864140d9). Credit card spend increased, allowing CCAvenue to increase its market share to double digits (76e8bce2ce84a3a94cc4069edc2d0b95). In the UAE, approximately 80% of payments processed were via credit cards (f5d5c44a969bd8a89da99591db13ddfe).

['Q1', '2024']:

- In Q1 FY24, Infibeam added an average of 9500 merchants daily, reaching a total of 10 million merchants. CCAvenue TAPpay crossed 300,000 downloads. The

company's estimated FY23 TPV market share reached 172% in the 'Online Payments' category. In bill payments through BBPS, the volume-based payment share improved by 80 basis points to 11.1% in Q1 from 10.3% in Q4. The company is among the top three in BBPOU volume.

['Q4', '2023']:

- Infibeam added 3.5 million merchants in FY23 (approximately 9,500 daily), bringing the total to 9.2 million. CCAvenue TAPpay had 150,000+ downloads in 6 months of FY23. The estimated FY23 TPV market share was 153% of 'Online Payments' growth (requires clarification). Infibeam held a 9% market share of online credit spends and a 7% share of online debit card market in India (per RBI data).

- Evaluation:

- {'evaluation': 'Met expectations', 'evaluation_reason': "While specific market share targets weren't given for Q4 2023, the merchant additions closely aligned with the projected daily additions, and the TAPpay downloads, though not reaching 1 million, showed significant progress within the given timeframe."}

3. Technological Innovation

- Narrative: This theme focuses on Infibeam's product development cycle and technological advancements.

- Management's Guidance:

- The CCAvenue Omnichannel Payment Solution targets 1 million users by FY24.

- Actual Results:

['Q3', '2024']:

- No specific data on actual user acquisition for CCAvenue Omnichannel Payment Solution is provided in the Q3 FY24 data.

['Q2', '2024']:

- No specific actual results for this guidance are available from the provided data for Q2 2024.

['Q1', '2024']:

- No specific Q1 FY24 results are provided for this theme in the data.

['Q4', '2023']:

- No specific data on actual user numbers for CCAvenue Omnichannel Payment Solution is provided in the available data.

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'There is no data provided in Q4 2023 actual results to assess the progress of the CCAvenue Omnichannel Payment Solution against its target of 1 million users by FY24.'}

4. Operational Efficiency

- Narrative: This theme discusses Infibeam's efforts to optimize its processes.

- Management's Guidance:

- The company expects significant work related to GeM until December 2025, due to the 24-month timeframe for establishing a new framework under a new RFP.

- Actual Results:

['Q3', '2024']:

- No specific data related to the completion or progress of the GeM project is available in the provided Q3 FY24 data.

['Q2', '2024']:

- No specific actual results for this guidance are available from the provided data for Q2 2024.

['Q1', '2024']:

- No specific Q1 FY24 results are provided for this theme in the data.

['Q4', '2023']:

- No specific data on actual progress related to GeM is provided in the available data for Q4 2023.

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': "There's no information in the Q4 2023 results to assess the progress of the GeM project."}