

Q1 2025

1. Revenue Growth and Financial Projections

- **Narrative:** Infibeam projects significant revenue growth in FY25, driven by a multi-pronged strategy. This includes a USD 10 million investment to penetrate the US market with CCAvenue Payment Gateway and PhroneticAI Solutions, aiming for a 30% revenue contribution within two years. The company also anticipates growth in its other value-added services. Specific revenue projections vary across sources, with targets ranging from 15% growth in the next quarter to 25-30% overall revenue growth in 2025. International contributions to payment net revenue are projected to reach 12-15% by FY28. The company expects substantial increases in Transaction Processing Volume (TPV) in Q2 and Q3 of 2025.

- **Management's Guidance:**

- Infibeam projects Net Revenue of INR 39,000 - 42,000 million (5% - 17% YoY growth) and Gross Revenue of INR 4,500 – 5,000 million (23% - 32% YoY growth) in FY25. A 15% revenue increase is expected in the next quarter. A projected revenue growth of approximately 25-30% is anticipated for 2025. Value-added services are expected to contribute 2-4% of revenue this year, increasing to 7-10% within a couple of years. The US market penetration strategy aims for a 30% revenue contribution within two years. International contribution to Payment's Net Revenue is targeted at 12-15% by FY28.

- **Actual Results:**

['Q1', '2025']:

- In Q1 FY25, Infibeam reported a 20% YoY increase in Net Revenue (INR 7,528 million) and a 1% increase in Gross Revenue. Transaction Processing Volume (TPV) reached INR 1,977 billion compared to INR 1,183 billion in Q1 FY24. Payments Net Transaction Rate (NTR) increased to 11.2 bps from 8.4 bps in Q1 FY24.

- **Evaluation:**

- {'evaluation': 'Partially Met expectations', 'evaluation_reason': 'While Q1 Net Revenue exceeded expectations with a 20% YoY increase, the 1% increase in Gross Revenue fell significantly short of the projected 23-32% YoY growth, indicating a partial fulfillment of expectations.'}

2. Profitability and Margin Expansion

- **Narrative:** Infibeam anticipates improved profitability in FY25, with projections for EBITDA and PAT growth. Increased net take rates in payments also contributed to profitability growth in Q2.

- **Management's Guidance:**

- FY25 guidance includes PAT of INR 2,750 – 3,000 million (18% - 35% YoY growth) and EBITDA of INR 1,750 – 2,000 million (9% - 19% YoY growth). EBITDA is projected to be around 10-20% and PAT 20-35% in 2025.

- **Actual Results:**

['Q1', '2025']:

- In Q1 FY25, Infibeam reported EBITDA of INR 698 million (+25% increase) and PAT of INR 504 million (+43% increase). EBITDA margin was 11.2 bps (+33% increase). PAT as a percentage of NR was 43% compared to 32% in Q1 FY24.

- **Evaluation:**

- {'evaluation': 'Exceeded expectations', 'evaluation_reason': 'Q1 2025 results for both EBITDA (+25%) and PAT (+43%) significantly exceeded the lower bounds of the FY25 guidance, suggesting a strong start to the year and exceeding initial expectations.'}

3. Market Share Expansion and International Growth

- **Narrative:** Infibeam is focused on increasing its market share, particularly through international expansion. The company aims to significantly increase its international business contribution to revenue.

- **Management's Guidance:**

- A 10% market share increase is targeted for the next fiscal year. The international business is expected to contribute 12-15% of net revenue income within the next two years, up from single-digit contribution currently. The company aims to achieve a 30% international business contribution, although this appears to be a longer-term timeline issue.

- **Actual Results:**

['Q1', '2025']:

- The provided data does not contain specific Q1 2025 results directly addressing market share expansion or the international business contribution to revenue. Further information would be needed to assess actual performance against this guidance.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'Insufficient data is available in Q1 2025 results to assess progress against market share expansion or international growth targets.'}

4. Technological Innovation and Product Development

- **Narrative:** Infibeam is investing in R&D, including pursuing patents for AI-related technology and planning the launch of a new POS device for offline payments.

- **Management's Guidance:**

- The company expects to receive an AI-related patent within the next 6-12 months. A comprehensive POS device for offline payments is slated for launch in 2024.

- **Actual Results:**

['Q1', '2025']:

- The provided data does not contain information on patent receipt or the POS device launch in Q1 2025.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'Q1 2025 results provide no information on the progress of patent applications or the POS device launch.'}

5. Strategic Partnerships and Contract Conversion

- **Narrative:** Infibeam anticipates converting several contracts within the coming weeks.

- **Management's Guidance:**

- More information on several converted contracts is expected to be shared in the next 4-8 weeks.

- **Actual Results:**

['Q1', '2025']:

- The provided data does not contain information on contract conversions in Q1 2025.

- **Evaluation:**

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'There is no information available in Q1 2025 results regarding contract conversions.'}

6. Operational Efficiency

- **Narrative:** Infibeam aims to reduce operational costs.

- **Management's Guidance:**

- A 5% reduction in operational costs is targeted within the next six months.

- **Actual Results:**

['Q1', '2025']:

- In Q1 FY25, Infibeam reported an 8-10% reduction in operational costs, exceeding the initial target.

- **Evaluation:**

- {'evaluation': 'Exceeded expectations', 'evaluation_reason': 'The 8-10% reduction in operational costs surpassed the 5% target set by management.'}