

Q4 2022

1. Financial Performance

- **Narrative:** Infibeam's financial performance guidance includes ambitious revenue growth targets, aiming for an annualized TPV run-rate of INR 3.7 lac crore (\$49 billion) and \$100 billion by the end of FY24. A 25% revenue increase is targeted for the next fiscal year. The company expects to process INR 4 lakh crore in FY2023, with a run rate of INR 5 lakh crore at the end of FY2023. Gross revenue is projected to be in the range of INR 1600-1700 crore. A daily lending target of INR 100 crore by FY24 end is also set. Profitability is anticipated with EBITDA in the range of INR 170-190 crore and a PAT of INR 110-125 crore. Take rates are expected to improve further in the next quarter.

- **Management's Guidance:**

- Infibeam aims to achieve an annualized TPV run-rate of INR 3.7 lac crore (\$49 billion) and is on track to reach \$100 billion by the end of FY24. A 25% revenue increase is targeted for the next fiscal year. The company expects to process INR 4 lakh crore in FY2023, with a run rate of INR 5 lakh crore at the end of FY2023. Gross revenue is projected to be in the range of INR 1600-1700 crore. Daily lending target of INR 100 crore by FY24 end. Infibeam anticipates EBITDA in the range of INR 170-190 crore and a profit after tax (PAT) of INR 110-125 crore. Take rates are expected to improve further in the next quarter.

- **Actual Results:**

['Q1', '2023']:

- In Q1 FY23, Infibeam reported a TPV of INR 87,218 crore (\$11.6 billion). Gross revenue was INR 418 crore, and net revenue was INR 74 crore. EBITDA was INR 43 crore, and PAT was INR 12 crore. The net take rate improved to 6.9 basis points. India Payments TPV was INR 43,736 crore, a 51% YoY increase and a 9% QoQ increase. GeM GMV was INR 36,300 crore, a 100% YoY increase, but a -6% QoQ decrease. An annualized TPV run rate of INR 3.9 lac crore was achieved.

['Q2', '2023']:

- In Q2 FY23, Infibeam's TPV crossed INR 1 lac crore for the first time. India Payments TPV grew 18% YoY to INR 45,364 crore. Total payments net take rate was 7.5 bps (a 41% increase YoY). Standalone Gross Revenue was INR 435 crore and Consolidated Gross Revenue was INR 477 crore. Standalone Net Revenue was INR 70 crore and Consolidated Net Revenue was INR 79 crore. Consolidated PAT was up 123% in the quarter. The India Payments NTR stood at 7.2 bps. India Payments EBITDA was INR 41 crore and PAT was INR 47 crore. Total Payments EBITDA was INR 40 crore and PAT was INR 41 crore. Various sources indicate revenue growth exceeding expectations, with some mentioning 10%, 15%, and 25% increases. The discrepancy may reflect different reporting segments or metrics.

['Q3', '2023']:

- In Q3 FY23, Infibeam reported a TPV of 95,604 crore INR (27% YoY growth). Gross revenue reached 415 crore INR (4% YoY growth), and Net Revenue was 85 crore INR (21% YoY growth). EBITDA was 48 crore INR (26% YoY growth), and PAT was 35 crore INR (47% YoY growth). The India Payments Net Take Rate improved significantly to 8.3 bps from 4.9 bps (70% YoY increase). The Total Payments Net Take Rate grew to 8.9 bps from 5.5 bps (64% YoY increase). GeM TPV reached INR 41,946 crore (48% YoY growth). Bill payments showed a TPV of INR 4,000 crore (34% YoY growth) and volume of 30 million (30% YoY growth). Note that these results are from Q3 FY23, not Q4 FY22.

['Q4', '2022']:

- In Q4 2022, Infibeam reported varying TPV figures (INR 85,500 crore to INR 10,170 crore), gross revenue of INR 369 crore (84% YoY increase, 7% QoQ decrease), net revenue with a 15% YoY increase, an annualized TPV run-rate of \$49 billion, lending operations with an annualized run rate of approximately \$800 million (6x YoY growth), EBITDA of INR 45 crore (21% YoY increase), and PAT of INR 28 crore (11% YoY decrease). The net take rate improved to 6.7 bps (40% increase from Q4 FY21). These results show mixed performance compared to management's ambitious targets.

- **Evaluation:**

- **{'evaluation': 'Did not meet expectations', 'evaluation_reason': 'While the \$49 billion annualized TPV run-rate target was met, other key financial metrics such as gross revenue, EBITDA, and PAT fell significantly short of the guided ranges, indicating that overall financial performance did not meet expectations in Q4 2022.'}**

2. Market Position

- **Narrative:** Infibeam aims to increase its market share of digital payments (excluding UPI) in India from 8% to 9-10%. They hold a 90% market share in BillAvenue (utility payment platform). The company plans to launch in Saudi Arabia and the USA in the second half of FY23 and expand into 10+ countries for high-margin international payments business over the next 2-3 years. Further expansion into multiple countries is planned over the next 3-5 years.

- **Management's Guidance:**

- Infibeam aims to increase its market share of digital payments (excluding UPI) in India from 8% to 9-10%. They hold a 90% market share in BillAvenue. Infibeam plans to launch in Saudi Arabia and the USA in the second half of FY23. Expansion into 10+ countries for high-margin international payments business is planned over the next 2-3 years. Further expansion into multiple countries is planned over the next 3-5 years.

- **Actual Results:**

['Q1', '2023']:

- In Q1 2023, Infibeam maintained a 90% market share in BillAvenue. No specific Q4 2022 actual results on market share were found in the provided data for this theme.

['Q2', '2023']:

- In Q2 FY23, Infibeam achieved a 91% market share among billers and appears to have reached a double-digit market share (10%+) in overall payments. Details on international expansion are not available from the provided data.

['Q3', '2023']:

- No direct Q4 FY22 market share data is available in the provided Q3 FY23 data. However, Q3 FY23 data shows BillAvenue's market share remained at 90% and the addition of a record 1.1 million merchants.

['Q4', '2022']:

- In Q4 2022, Infibeam reported a 90% market share in BillAvenue and approximately 8% market share in digital payments (excluding UPI) in India. They are among the top three B2B online payment gateways in India and top two non-bank private payment companies in UAE.

- **Evaluation:**

- **{'evaluation': 'Met expectations', 'evaluation_reason': 'Infibeam maintained its 90% market share in BillAvenue and its market share in digital payments (excluding UPI) remained at 8%, aligning with its stated goal for Q4 2022. The international expansion was planned for a later date.'}**

3. Technological Innovation

- **Narrative:** Infibeam plans the commercial launch of TAPPay with additional functionalities for merchants in Q2 FY23 and the commercial launch of TrustAvenue

in the second half of FY23, with tie-ups and integration with lending institutions in full swing.

- Management's Guidance:

- Commercial launch of TAPPay with additional functionalities for merchants is planned for Q2 FY23. Commercial launch of TrustAvenue in the second half of FY23 is planned, with tie-ups and integration with lending institutions in full swing.

- Actual Results:

['Q1', '2023']:

- No specific Q4 2022 actual results on product launches were found in the provided data for this theme.

['Q2', '2023']:

- In Q2 FY23, TAPPay was deployed across more than 15,000 terminals. No information on TrustAvenue's launch is available from the provided data.

['Q3', '2023']:

- Q3 FY23 data shows that 50,000 to 100,000 installations of TapPay had been completed, and it was growing rapidly. There is no information regarding TrustAvenue's progress in the provided Q3 FY23 data.

['Q4', '2022']:

- No specific actual results for the launch of TAPPay or TrustAvenue are provided in the data for Q4 2022.

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'Q4 2022 data does not contain information on the launch of TAPPay or TrustAvenue; therefore, an evaluation against expectations cannot be performed.'}

4. Strategic Partnerships

- **Narrative:** Tie-ups and integration with lending institutions are underway for the commercial launch of TrustAvenue in 2H FY23.

- Management's Guidance:

- Tie-ups and integration with lending institutions are underway for the commercial launch of TrustAvenue in 2H FY23.

- Actual Results:

['Q1', '2023']:

- No specific Q4 2022 actual results on partnerships were found in the provided data for this theme.

['Q2', '2023']:

- No specific results regarding partnerships for TrustAvenue are available from the provided data.

['Q3', '2023']:

- No specific information on partnerships related to TrustAvenue's launch is available in the provided Q3 FY23 data. However, Infibeam increased its stake in Go Payments to 54.80% from 52.38% by investing Rs.16 Crores.

['Q4', '2022']:

- No specific actual results regarding partnerships for TrustAvenue are provided in the data for Q4 2022.

- Evaluation:

- {'evaluation': 'Cannot be Evaluated', 'evaluation_reason': 'The provided data for Q4 2022 does not offer details on partnerships related to TrustAvenue. An evaluation is therefore impossible.'}