

ADDING VALUE  
MULTIPLYING GROWTH



PAYMENTS | PLATFORMS

A Global **FinTech** Company

Q4 & FY20  
Earnings Presentation  
5 June 2020

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# Agenda

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1	Evolution of Infibeam Avenues Limited
2	Building a strong, sustainable and scalable business
3	Our numbers speak of our performance and achievement
4	Unlocking value for shareholders

# Evolution of Infibeam Avenues Limited

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INFIBEAM AVENUES LIMITED

## Company profile – Global FinTech company

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- **Global Financial Technology (FinTech)** company with operations in India, UAE, Saudi Arabia and USA
- India's first and amongst the most trusted **online digital payments solution** provider with a profitable track record
- Also, India's leading **enterprise software platforms** provider offering core e-commerce software technology solutions to large enterprises in India, including the Government of India, and the Middle East
- Company also offers **other digital services** assisting businesses in doing business online

### Listed in India

**BSE** (A Group, S&P BSE 500) and **NSE** (NIFTY IT)

Ticker: BSE-539807 / NSE-INFIBEAM

# We have built a strong, sustainable and scalable business

>1,000,000	c.₹ 900 bn	c.INR 500 bn	Top 3	4
<p>Merchants in India and International markets; amongst highest</p> 	<p>worth of transactions processed across our platforms in FY20</p> 	<p>orders processed on IAL's largest platform implementation <sup>1</sup></p> 	<p>In India, among online payment solution providers <sup>2</sup></p> 	<p>Countries of presence; India, UAE, Saudi, USA</p> 

- Bootstrapped since inception
- Strong brand value and brand recognition
- Comprehensive digital technology portfolio entirely built in-house
- Strong value proposition for all merchants including government
- Experienced leadership and strong technology team
- Strong financial position

<sup>1</sup> Since winning the GeM contract in July 2017  
<sup>2</sup> Second in terms of net profit market share and third in terms of RMS and TPV of top 5 payment aggregators

Company has successfully built a strong business over the years and significantly strived to enhance business value

Evolution of Infibeam Avenues Limited

## Key business and organisational developments

- Strong **growth in payments volume**
- **Strong merchant addition** in the payments business
- Alliance with **one of the top 5 US-based bank** in India for acquiring payments
- Launch of Payments business in **Saudi Arabia and the USA**
- Planned **stake increase in Go Payments (Go)** from 48% to 52.38%
- **Entering Payments Issuance Business** to offer complete digital payment solutions to merchants and businesses:
  - Launched **secured lending (express settlement)** business and signed up multiple clients; transactions live and worth INR millions, daily
  - Launch of **prepaid corporate cards** for employees in partnership with Go
  - 100% acquisition of Cardpay Technologies to offer **corporate credit cards** branded GRIT Cards, at an acquisition cost up to US\$ 1.06 million
- **New client wins on BBPS platform**; HPCL, Bharat Gas, India's largest LPG provider, Palghar Municipal, large financial services company for loan repayment service, DMT services, etc.
- **Strengthening of leadership team** with the appointment of Mr. R Srikanth as President, corporate finance and investor relations
- Demerger of SME E-commerce service and Marketplace business to **unlock shareholder value**

## Few Awards and Recognition – FY20

Evolution of Infibeam Avenues Limited

<p><b>Best Digital Payment Processor</b></p> <p>India Digital Summit 2020, by IAMA</p>
<p><b>Best Digital Payment Facilitator</b></p> <p>Driver of Digital (DOD) Awards and Summit 2019</p>
<p><b>CCAvenue recognized as Superbrand 2019</b> (industry and consumer verified)</p> <p>Superbrands India</p>
<p><b>Risk Management Team of the Year</b></p> <p>ERM World Awards 2019, by Transformance Forums</p>
<p><b>Most Innovative Payment Service Provider and Fastest Growing Online Payment Service Provider - UAE</b></p> <p>International Finance Awards 2019</p>

<p><b>Best Technology Platform</b></p> <p>Scotch Award: Technology deployment for Government Projects &amp; Digital Platforms</p>
<p><b>Best Workplace of the Year</b></p> <p>Employee Experience &amp; Engagement Awards 2019</p>
<p><b>Ranked 418 in FT1000 High Growth Companies Asia-Pac 2018</b></p> <p>Financial Times and Statista Awards 2018</p>
<p><b>Game changing idea of the year</b></p> <p>ET Retail Awards</p>
<p><b>Best Marketing Technology Combination</b></p> <p>Martech Leadership Awards 2019 by KamiKaze &amp; Zendesk</p>



# Building a strong, sustainable and scalable business model

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INFIBEAM AVENUES LIMITED

# Diversified FinTech portfolio to simplify business and payments

Building a strong, sustainable and scalable business model

## Acquiring

- Payment gateway for acquiring & processing of cards and various alternative payment methods (APMs), bulk payments, white label

## Issuing

- Prepaid cards, Corporate Credit cards and Lending for enterprise merchants

FinTech solutions  
across industry  
value chain

## Remittances

- Domestic (Domestic transfer + agent network + Neo bank)
- International (Platform + P2P remittances + Real time through international banks' Net Banking)

## Software Platforms

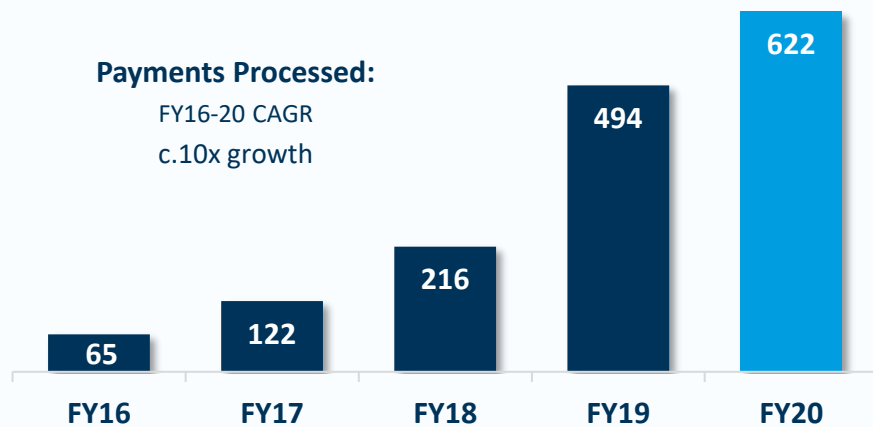
- Enterprise eCommerce platform, bill payment platform, hospitality platform as an integrated platform with payment solution

# A leading online payment solutions provider in India and UAE

Building a strong, sustainable and scalable business model

- Among the leading payment acquirer in India and the UAE
  - 2nd in India in terms of net profit
  - 3rd in revenue market share
  - 2nd in UAE in payments processed among non-bank pvt. cos.
  - 1<sup>st</sup> in India in number of Wallet and EMI options
- Planned expansion in multiple countries: launched Saudi Arabia & USA

## Successful Payments Processed (INR bn)



FY 2019 onwards payments processed includes UAE  
AED 1 = ₹19.5

### INDIA


... and over 100,000 more

### UAE


... and over 500 more

# Secured lending

Building a strong, sustainable and scalable business model

## What is CCAvenue Finance?

CCAvenue Finance is a solution that assists businesses in acquiring and maintaining a steady working capital for improved operational efficiency.

Depending on your requirement, you can opt to secure CCAvenue Finance through any of these methods →

### Express Settlements

Get your payouts on the same business day and meet your rolling capital requirements without any hassle

[Learn more →](#)

### Business Loans

Coming Soon

Get quick access to pre-approved and collateral-free loans to maintain a healthy working capital and accelerate your business growth

### Employee Loans

Coming Soon

Offer your employees collateral-free loan to meet their short-term financial needs and make them feel financially secured

### Bill Discounting

Coming Soon

Raise quick working capital against your company's unpaid invoices for improved business growth

### Corporate Card

Coming Soon

Issue prepaid corporate cards for employees which can be used for a variety of business expenses, namely - travel, food, hotel, etc.

Ability to earn higher TDR with no risk

# Corporate prepaid cards

Building a strong, sustainable and scalable business model

## Card offering



- Meal wallet
- General purpose wallet
- Other customizable wallets

- Rewards & Recognition
- Birthday presents
- Channel partner gifting

## Physical and Virtual Card

- Swipe at any POS terminal
- Use online & offline
- ATM withdrawals
- Rupaya cards (3 yrs validity)

- Available on the Go Website & App
- Can be used online only

## Benefits for Corporates

- Fully Compliant with PCI-DSS, RBI & Income Tax Act
- Virtual or Physical cards created instantly on dashboard
- Instant send or revoke benefits to employees
- 360 degree view of fund flow and usage
- Block or hotlist card and allow resetting of PIN

## Benefits for Employees


- Widely accepted across multiple outlets
- Real-time alerts on the registered mobile number
- Check balances and track loads and spends on Go dashboard
- Balance can be carried forward to the next year
- End-to-end security
- Cashbacks credited directly to the employee's card

# Corporate credit cards


Building a strong, sustainable and profitable business




Credit Card for every use case for corporate executives




Instant credit line with higher limits




Higher reward points with multipliers




Auto repayment by direct debit to bank account



Limited-term no charge credit with dynamic limits



Spend analysis, cost optimization, competitive benchmarking and more



Niche segment; low competition

India TAM (Annual)\*  
 >US\$ 500 mn  
 \* assuming 600,000 founding members and 20% YoY growth

Founded by Kumar and Manik Singla; based in Bengaluru

100% acquisition of shares of CardPay; will become WoS of IAL

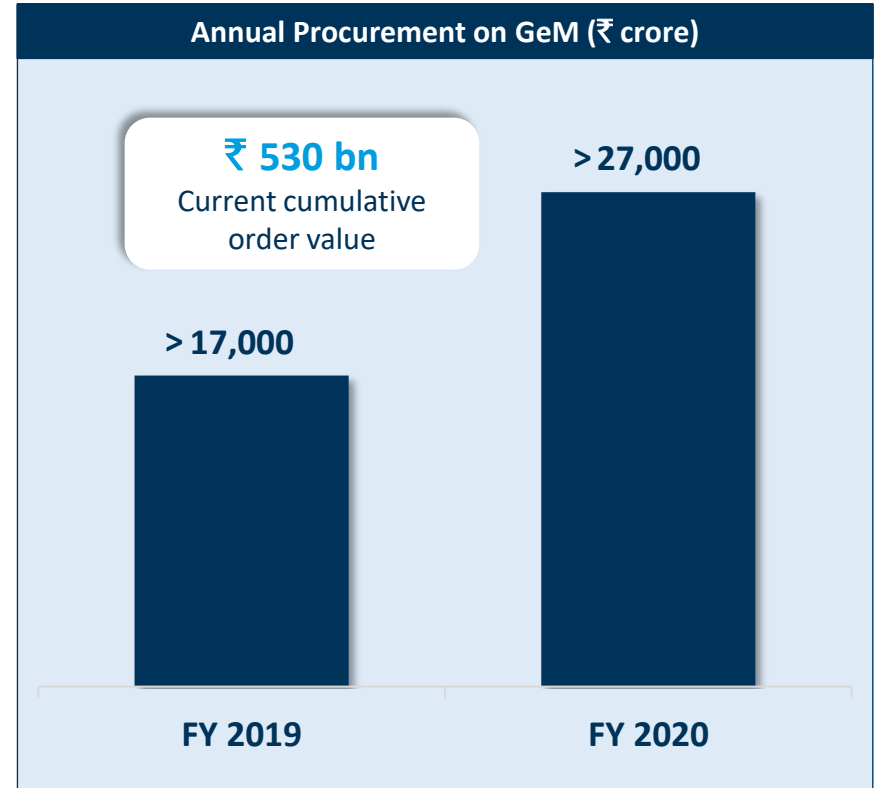
Acquisition cost- up to US\$ 1 mn; part cash and part based on achieving certain KPIs

Brand name - GRIT Cards

# GeM to become a top e-marketplace to sell Indian products

Building a strong, sustainable and scalable business model

- Government incl. PSU procurements across India is c.13-15% of country's GDP, >US\$250bn (Central, State, Railways, Army, Navy); US\$100 bn to come online
- GeM portal to be opened up for private sector
- GeM to sell products made in India, heritage and traditional products, and products from the co-operative sector on the portal
- The GeM portal can also become an outlet in the country and abroad for swadeshi goods from India
- GeM is working with other banks, Trade Receivable Discounting System (TReDS), and SIDBI to offer bill discounting and financing of working capital f
- World Bank has enhanced threshold for use of GeM from US\$ 100,000 to US\$ 1 Million
- Launch of GeM 4.0 with advanced technology and focus on MSMEs, SHG, etc. in August 2020



Source: [www.gem.gov.in](http://www.gem.gov.in)

\* Assumed \$ 1 = ₹ 70

# Our portfolio offerings - competitive landscape

Building a strong, sustainable and scalable business model

	Infibeam Avenues	Peer 1	Peer 2	Peer 3
Payment Gateway	✓	✓	✓	✓
Enterprise Payments (White Label)	✓	✗	✗	✗
Bulk Payments	✓	✗	✗	✓
Lending	✓	✗	✓	✓
BBPS	✓	✓	✓	✗
ResAvenue	✓	✗	✗	✗
International presence	✓	✗	✓	✗
Domestic Remittances	✓	✗	✗	✗
International Remittances	✓	✗	✗	✗
Corporate Credit Card	✓	✗	✓	✓
Corporate Prepaid Card	✓	✗	✗	✗
Software Platforms	✓	✗	✗	✗
Profitable	✓	✓	✗	✗

Single shop for Fin Tech offerings - ahead of competition



# Our numbers speak of our performance and achievement

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INFIBEAM AVENUES LIMITED

# Financial performance – FY20

Our numbers speak of our performance and achievement

## FY20

### Revenue

INR 6,481 mn  
up 10.0 % YoY

### EBITDA

INR 2,167 mn  
up 90% YoY  
margin 33.4%

### PAT

INR 1,081 mn  
up 147% YoY  
margin 16.7%

## 4Q FY20

### Revenue

INR 1,359 mn  
down 27% YoY

### EBITDA

INR 491 mn  
down 3% YoY  
margin 36.1%

### PAT

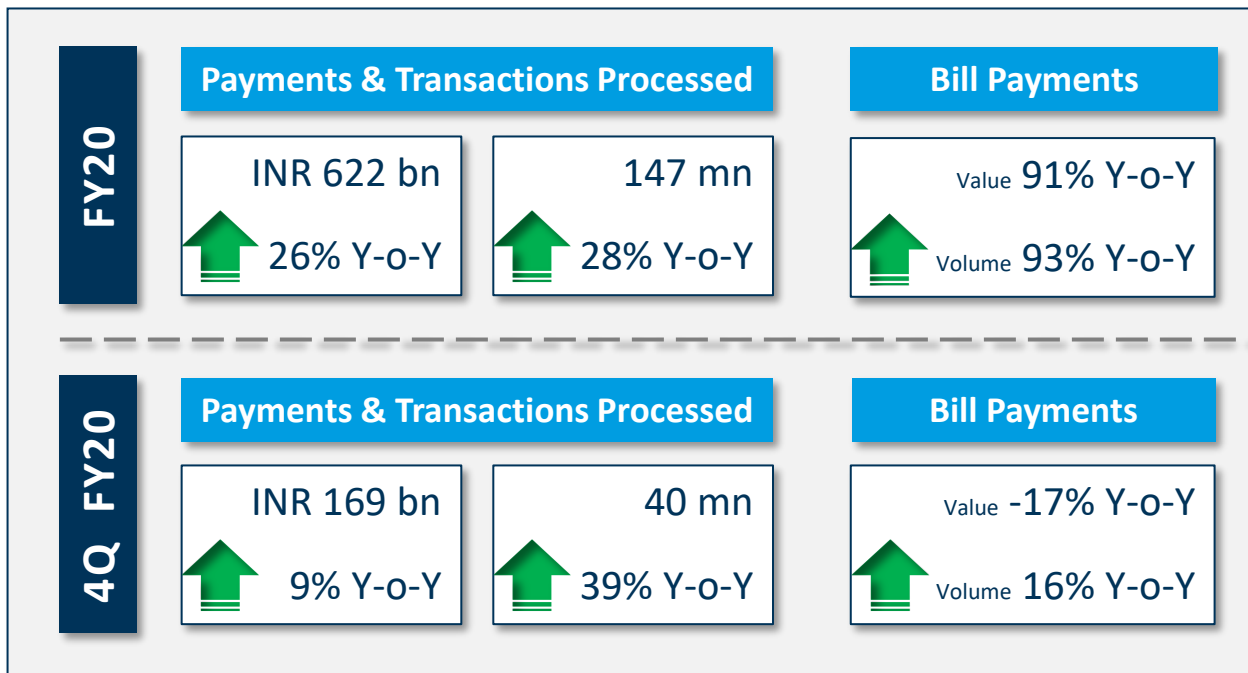
INR 274 mn  
up 8% YoY  
margin 20.2%

- FY20 Revenue up 10% YoY
  - Strong growth in Enterprise Software Platforms business on account of growth in transaction based clients and few fixed price clients
  - Growth in Payments business despite, MDR on UPI and Rupay reduced to zero by Govt. from 1st Jan 2020, lockdown in last week of March 2020 on account of Covid-19 significantly affecting businesses, cancellations and refunds in travel and hospitality industry on account of lockdown, and predatory pricing by the competitors
- EBITDA margin at 33.4% in FY20 from 19.4% in FY19 on account of operating leverage achieved on growing scale

FY19 Restated (Unaudited) - excluding divestment and demerger of non-core businesses

# Robust operational performance across businesses

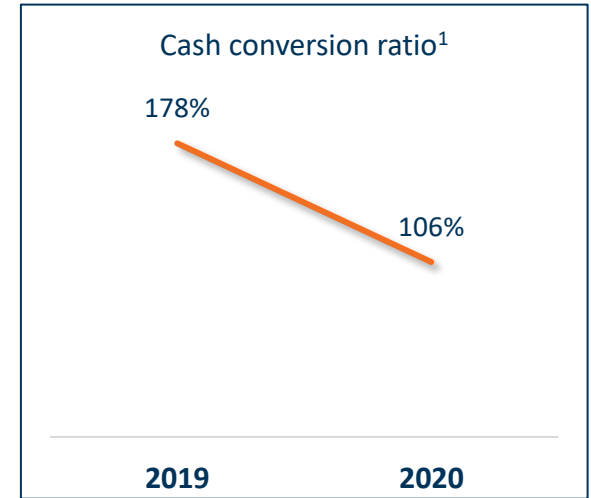
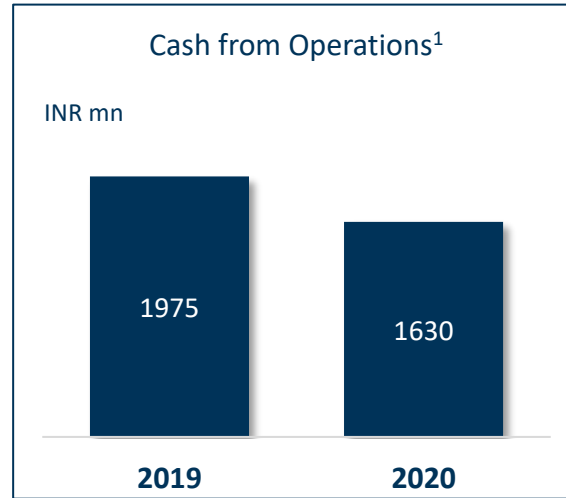
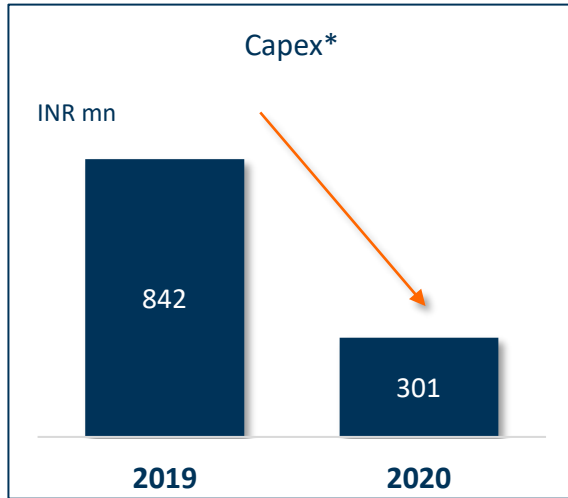
Our numbers speak of our performance and achievement



1. Payments and Transactions processed through various payments solutions offered to merchants in India and International markets
2. Bill Payments processed on BillAvenue Platform; processing bill payment under Bharat BillPay infrastructure

## Efficient capital allocation strategy

Our numbers speak of our performance and achievement



\* Net of IPO money utilised

<sup>1</sup> Cash from Operations before working capital changes

- Debt-free with optimum utilisation of internal accruals and negative working capital requirement
- Ability to generate cash despite severe pricing pressure from competition
- Strong relationships with merchants and banking partners helps counter predatory pricing and lowering churn
- Prudent and optimum use of capex helps generate surplus cash which can be used for organic & inorganic growth
- Consistent EBITDA conversion to cash; above 100%

# Strong cash flow generation



## Generate High Rate of Free Cash Flow Conversion

- Free cash flow of INR 1,232 mn in FY20
- FCF as % of FY20 Revenue – 19% vs. 2% in FY19
- Free cash flow of INR 135 mn in FY19



## Optimum Use of Capex and Reduce Leverage

- Capex of INR 301 mn in FY20
- Debt of INR 264 mn in FY20 vs INR 403 mn in FY2019
- Committed to optimum capex and nil leverage



## Maximize Shareholder Returns

- Disciplined capital allocation, including investing in business opportunities and M&A

FCF = EBITDA – Capex (capex is net of IPO money utilized)

# Unlocking value for shareholders

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# Demerger and subsequent listing of non-core businesses (marketplace & related)

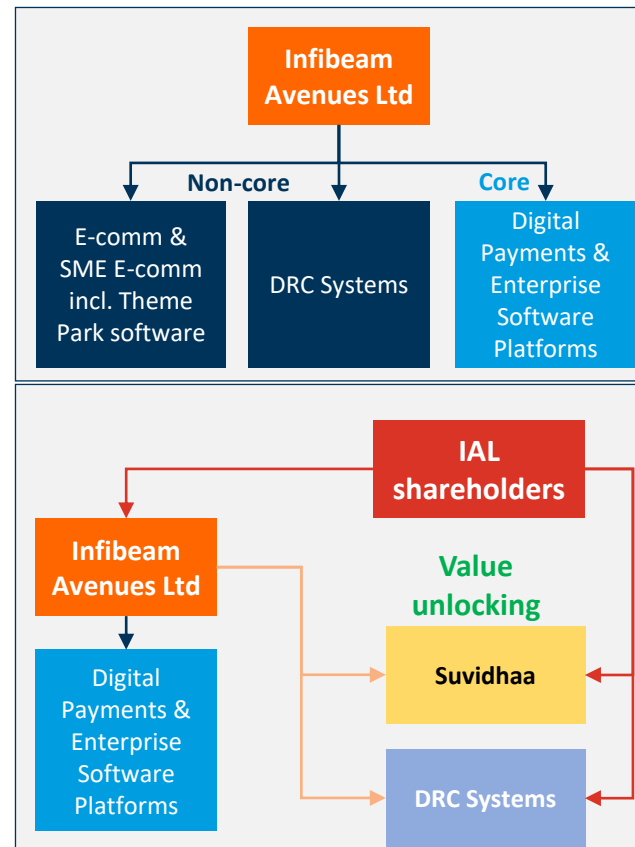
Creating value for shareholders

➤ **Potential demerger and vesting of E-Commerce Business and SME E-Commerce Services undertaking (“E-Commerce businesses”) to Suvidhaa Infoserve (Suvidhaa)**

- In FY19 Suvidhaa bought 6.41% of IAL’s E-Commerce businesses with control, NSI Infinium Global Pvt Ltd (NSI), housed in IAL’s 100% subsidiary, for a cash consideration of approximately Rs. 320 mn at a valuation of Rs. 5 bn
- On 12 Sept. 2019, IAL Board approved to demerge NSI, to merge it with Suvidhaa and receive shares for further stake sale in NSI to Suvidhaa
- IAL shareholders will receive 197 shares in Suvidhaa Infoserve for every 1500 shares held
- **IAL shareholders will hold 42.48% stake in Suvidhaa**
- **IAL, through one of its subsidiary will hold 4.97% stake in Suvidhaa**

➤ **Potential demerger & vesting of Theme Park & Event Software business to DRC Systems**

- IAL’s e-commerce software platform technology specifically catering to Theme Parks and for Events will be demerged and merged into DRC, a niche IT solutions company
- IAL shareholders to receive 1 share in DRC Systems for every 412 shares held
- **IAL shareholders will hold 41.71% in DRC**
- **IAL will hold 29.73% in DRC**



## Growth drivers

- Global Fintech Company; Global Payment Solutions Provider
- Continued Focus on Payments Business
- India: Strong Organic growth, and Large and Marquee Customer Base in India
- Overseas: 'Country-in-a-Box' Strategy
  - UAE, Saudi and USA
- Expanding Globally; Further Expansion in the Anvil
- Consistently Converting EBITDA into Free Cash
- Almost Debt Free Company
- Experienced management and strong core business teams; unchanged since inception





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# Thank You

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