



Press Release

Infibeam Records 396% Growth in Profit at Rs 435 Mn in FY17

Reports Consolidated Financial Results for March Quarter 2017 and Full Fiscal Year 2017 Results

Ahmedabad 30th May, 2017: Infibeam Incorporation Limited (BSE: 539807; NSE: INFIBEAM), today announced its financial result for the quarter ended March 31st, 2017 and the fiscal year then ended. The company has demonstrated its ability to successfully turning Service Segment (Infibeam Web Services) and Product Segment (Infibeam e-retail platform) profitable while recording consistent growth.

The Company believes that entrance into various International region is positive as realizations in the foreign markets are much higher comparatively.

(Service Segment)

Financial Performance Highlights: Q4 FY17 vs Q4 FY16 and FY 17 vs FY16

Total Revenue:

- Q4FY17 grew by 60 % to Rs 1,209 Mn compared to Rs 756 Mn in Q4FY16
- FY17 grew by 31% to Rs 4,413 Mn compared to Rs 3,369 Mn in FY16

Service Revenue:

- Q4FY17 grew by 97% to Rs 539 Mn compared to Rs 274 Mn in Q4 FY16
- FY17 grew by 56% to Rs 1,599 Mn compared to Rs 1,028 Mn in FY16.

Product Revenue:

- Q4FY17 grew by 39 % to Rs 670 Mn compared to Rs 482 Mn in Q4 FY16
- FY17 grew by 20% to Rs 2,815 Mn compared to Rs 2,341 Mn in FY16.

EBITDA:

- Q4FY17 grew by 198 % to Rs 236 Mn compared to Rs 79 Mn in Q4FY16
- FY17 grew by 203% to Rs 830 Mn compared to Rs 274 Mn in FY16.

PROFIT AFTER TAX:

- Q4FY17 grew by 489% to Rs 136 Mn compared to Rs 23 Mn in Q4FY16
- FY17 grew by 396% to Rs 435 Mn compared to Rs 88 Mn in FY16.



Consolidated Financial Highlights: Q4 FY17 and Fiscal Ended 31st March 2017.

(Rs. In Million)

	Q4 FY17	Q4 FY16	% change	FY17	FY16	%change
Service Rev.	539	274	97%	1,599	1,028	56%
Product Rev.	670	482	39%	2,815	2,341	20%
Total Revenue	1,209	756	60%	4,413	3,369	31%
EBITDA	236	79	198%	830	274	203%
PAT	136	23	489%	435	88	396%

Business Segment Highlights:

A) Infibeam Web Services.

The Company Service Segment representing B2B business has registered very strong growth and as percentage of revenue the segment has increased Y-o-Y and operates upwards of 50% EBITDA margins with profit. The Company is optimistic about the company's focus on an off-shore centric model and believe it to be margin accretive in the longer term primarily due ease of replicating the BuildaBazaar and value added services infrastructure without significant costs and investment.

Q4 FY 17 Operational highlights

- Number of merchants – 71,341
- Service Revenue – Rs 539 Mn
- % growth compared to Q4 FY16 – 97 %
- % growth compared to FY16 56%

B) Infibeam E- Retail Platform.

The Company is in forward investing mode at backend which includes expansion of supply chain capability and as GST opens up opportunity to cross boarding of movement of products which enable and facilitate the movement of products seamlessly across the border. The company will continuously expand the presence and allow the business model to emerge and opportunity to offer many other brands and suppliers using various marketplace including Infibeam and BuildaBazaar platform.



Q4 FY 17 Operational highlights

- Number of Active users – 8.17 Mn
- Product Revenue – Rs 670 Mn
- % growth compared to Q4 FY16 – 39%
- % growth compared to FY16 - 20%

Business Outlook

Till date, the Company has signed and initiated execution of several key projects with leading Consumer Brands, Infrastructure Development Company, Payment Solution Companies, and Telecoms both for domestic and international market. These decisions aim to accelerate business expansion plans within the Product and Services business segments.

1. Infibeam, along with CC Avenue, signed an agreement for investment into RemitGuru as an Anchor Investor

The Board of Directors of the Company approved to make investment with Avenues (India) Private Limited ((CCAvenue") into Avenues Payments India Private Limited ("RemitGuru") as an Anchor Investor. Prior to this investment, CCAvenue already held 26.76% Equity stake in this Company. This investment would be helpful in increasing the cross-border ecommerce business transactions and making the remittance business cash free through fin-tech solutions.

RemitGuru is a digital cross border money remittance solution with a secured, scalable and configurable platform. Customers from more than 25 countries send money to India through this platform in 8 currencies. The Company seamlessly integrates to multiple payment systems and compliance networks across the world. Furthermore, the company also offers its state of the art platform to banks across the globe to enable them to launch their own cross border transaction services.

2. Infibeam Incorporation Limited and (n) Code Solutions to Develop Distributed Marketplace using BuildaBazaar for Gujarat 'SMEs'

(n) Code Solutions, the IT division of GNFC and Infibeam Incorporation Limited will provide a technology enabled distributed marketplace i.e. Unique Platform to Small and Medium Enterprises ("SMEs") registered within Gujarat on ".OOO" domain. The said platform services will be provided to SMEs in Gujarat through a Service Agreement



with (n) Code Solutions, a division of Gujarat Narmada Valley Fertilizers and Chemicals Limited ("GNFC"). Under the agreement, (n) code solutions will market the platform to SMEs and offer required platform training and support. The unique marketplace platform and value added services from Infibeam will be provided to SMEs in Gujarat to market their products and services to online customers. Furthermore, every merchant will get their own branded store and email on ".OOO" domain. The platform comes integrated with digital payment solutions and wallets for merchants to collect payments, logistics companies for delivery as well as third party marketplace integrations to generate additional sales.

3. Infibeam acquired DRC Systems Private Limited

The Company through its Wholly Owned Subsidiary Company i.e. NSI Infinium Global Private Limited signed a binding Memorandum of Understanding ("MoU") with DRC Systems India Private Limited ("DRC") for acquisition of DRC with full management control. It was an all-cash deal with a payment consideration amounting to approx. Rs 6.00 Crores.

DRC is engaged in the business of providing software solutions for enterprise E-commerce, ERP and related solutions. They have also been providing customized solutions using BuildaBazaar platform to the merchants of Infibeam in India and globally. The company employs more than 200 software engineers to build and customize solutions on proprietary and open source software frameworks to deliver world class experience to merchants.

4. Investment in Equity stake of Avenues (India) Private Limited ("CCAvenue") and Subsequent Merger of CC Avenue.

The Company signed a Memorandum of Understanding and made payment of Rs. 150.00 Crores to acquire 7.50% Equity stake and subsequently to merge CC Avenue with the Company with control. The Board has also approved further investment of Rs. 60.00 Crores for acquiring 3.85% stake of CCAvenue already held by NSI Infinium Global Pvt. Limited, the Wholly Owned Subsidiary Company ("NSI") of Infibeam Incorporation Limited. With this, the total investment made by Infibeam into CCAvenue increased to Rs. 210.00 Crores representing 11.35% stake in the CC Avenue.

The merger of CC Avenue into Infibeam will be highly cash and profit accretive business which should result in to a high growth opportunity under combined strength of more than 100,000 merchants. Further details will be worked out for creating operating synergising for domestic and international markets which will result in quantum growth in the business of Infibeam.



The role of payment processor is very crucial under e-commerce model for the completing financial transactions after the purchase made by the customer.

CC Avenue is the one of the largest, payment aggregator company, providing payment platform to more than 100,000 merchants helping them to collect online payments in e-tailing in India. They offer multi-channel payment platform with tie ups with more than 48 banks for net banking with UPI [Unified Payment Interface], Debit & Credit card payments covering Masters, VISA and RuPay among others. CC Avenue will soon have Bharat Bill Payments Systems which will facilitate all bill payments for utilities and services among others. Infibeam has more than 70,000 merchants, who are availing e-tailing solutions from the company and the advantage to Infibeam would be in form of incremental revenue by way of deeper integration for customer shopping on BuildaBazaar merchant store and also Infibeam.com.

5. Infibeam to establish Unique & Verified Digital Identity Platform on the .OOO Domain for Sikkim State

Infibeam Incorporation Limited has received confirmation from the Government of Sikkim to provide a "Unique & Verified Digital Identity Platform" ("Digital Services") on .OOO global top level domain (gTLD) with authorized and secured digital wallets for Indians residing in the State of Sikkim. As a part of this program, Infibeam to provide a platform for creation of digital web identity for citizens residing in the State of Sikkim ("Users") to enable access and digital storage of their own citizen centric records. Furthermore, Users will also get benefited by way of getting a free email address for their primary use, free personal web store for commerce and revenue generation opportunity, free 10 GB cloud storage, as well as integrated Digital wallet. Infibeam will also develop dedicated tourism portal for tourists visiting the State of Sikkim from all over the world.

6. Signed Agreement with American Holding Company, Sears Holding Management Corporation ("SEARS") to provide e-commerce platform services.

As part of international expansion strategy, the company has executed an agreement with Sears Holdings Management Corporation ("SEARS"), an American Holding Company and the owner of retail store brands like Sears and Kmart etc. Infibeam to provide e-commerce platform services including advanced machine learning algorithms for enabling automated Products Classification at Sears Marketplace. The Company has started working on the platform and believes that it will contribute to the overall revenue significantly in subsequent quarters. Sears is a leading integrated retailer focussed on seamlessly connecting digital and physical shopping experience.



7. Infibeam signed MoU with IL&FS for implementing digital projects

Infibeam Incorporation Limited has entered into a MoU with IL&FS Township & Urban Assets Limited ("ITUAL") for undertaking and implementing projects in digital space and e-commerce for Central Government, various State Governments and Private Partners. Infibeam shall set up a Special Purpose Vehicle ("SPV") which will be located at GIFT Two Building, GIFT City, Gandhinagar wherein Infibeam will provide its state-of-the-art technology and office premises for expanding and implementing digital projects that would be implemented by SPV.

8. Issuance of Equity Shares upon conversion of Fully Convertible Warrant to BCCL

The Company has issued one warrant fully convertible into Equity Shares for aggregate amount not exceeding Rs 60.00 Crores to Bennett Coleman and Company Limited ('BCCL'), on preferential issue basis at a conversion price of Rs 1,375/- per Equity Share (including premium). The said warrant has been converted into 4,36,363 Equity Shares.

9. Agreement with Gujarat Co-operative Milk Federation (GCMMF) for developing and implementing 'Online and Mobile' framework

Earlier in Q1 the Company has signed an agreement with Gujarat Co-operative Milk Marketing Federation (GCMMF) for developing 'online and mobile' framework to enable selling of Amul Products "direct-to-home". Infibeam has successfully implemented the platform and managed the supply chain as pilot in Ahmedabad and Gandhinagar in Gujarat. The online services will be expanded to target B2B selling and other cities shortly at future date.

10. Saudi Telecom Authority deal to unlock value through international presence and off-shore centric business model

The company's technology platform has been signed up by Saudi Telecom Company to build a next generation mobile experience "Jawwy". Entry into the Middle Eastern zone is huge positive for the company in line with its target of international presence.



Major Milestones:

Since listed on 4th April, 2016, Infibeam shares have provided returns to its investors. Based on the evaluation of share performance on stock exchanges (BSE & NSE) and sound financials, Infibeam has been included in the list of two major indices. Infibeam is one among few companies listed recently making early entrance in these lists.

- On May 26, 2017, Infibeam is included in NIFTY Alpha 50 Index. NIFTY Alpha 50 Index aims to measure the performance of securities listed on NSE with high alphas. It is a well-diversified 50 stock index.
- On 31st March, 2017 Infibeam Incorporation was included in Futures and Options segment of National Stock Exchange of India Ltd. (NSE).
- Mr Vishal Mehta, Managing Director, Infibeam Incorporation Limited conferred with B. H. Jajoo AMA Outstanding I.T Entrepreneur of the Year Award.
- Morgan Stanley India Domestic Index (MSCI) a leading provider of benchmark indices globally have added Infibeam Incorporation Limited in their recent-companies listing. Infibeam, one among 6 companies, has been included in the list, which has been effective from 30th November, 2016.
- From August 26, 2016 Infibeam Incorporation Limited has entered into S&P BSE 500 Index.
- Market capitalization as on 30th May 2017 is Rs 5,030 crores.

Update on IPO Proceeds:

As part of Issue Object Clause and schedule of payment, the Company has executed property transfer agreement with Sabarmati Capital Two Limited (SCTL) and taken possession of the Gift City, Tower 2 building for setting up of Corporate Office and Cloud based Data Centre. The work is in progress and the Company will be reporting on the detailed progress in subsequent Quarter of FY18. Under the terms stated in the prospectus. The Company will be reporting detailed work in progress on all the IPO proceeds on quarterly basis.

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