

## Purpose Fuels Growth

Powering Infinite eCommerce



## Earnings & Investor Presentation

3Q FY22 (Oct'21 – Dec'21)

31 – Jan – 2022

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## FINANCIAL & OPERATIONAL PERFORMANCE – Q3'22

**First** Listed Fintech in India

# Consolidated Earnings' Performance snapshot – Q3 FY22

## Total TPV

**INR 75,430 cr \***

\$ 10.2 bn

17 % QoQ

90 % YoY

## Gross Revenue

**INR 397 cr**

\$ 53.3 mn

28 % QoQ

74 % YoY

## Net Revenue (NR)

**INR 70 cr**

\$ 9.4 mn

14 % QoQ

15 % YoY

## Net Take Rate

**6.2 bps**

6.0 bps in Q2'22

## EBITDA

**INR 38 cr**

\$ 5.1 mn

10 % QoQ

-5 % YoY

## PAT

**INR 24 cr**

\$ 3.2 mn

35 % QoQ

89 % YoY

## PAT % of NR

**35 %**

29 % in Q2'22

21 % in Q3'21

### ➤ Gross Revenue Review

- Increasing contribution from new merchants and ...
- ... pick up in travel & hospitality, airlines, discretionary spends, etc.
- Increase in credit card volume

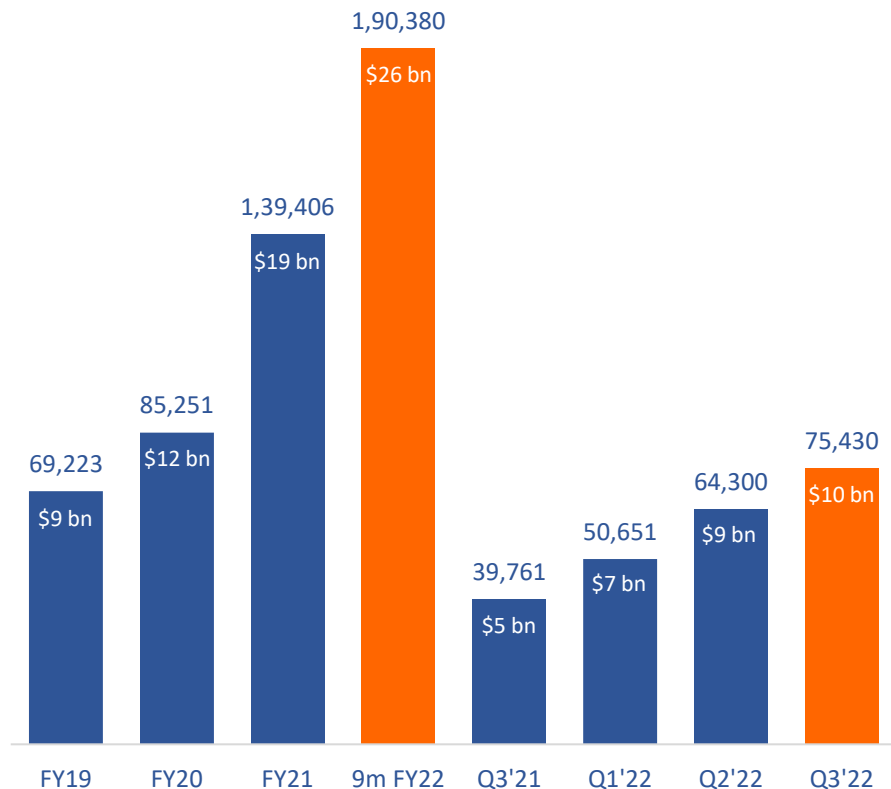
### ➤ Net Revenue / NTR Review

- Promotional processing fee of 1.75% in 3Q vs. 2.00% in 2Q due to festivals & vacations/travel
- However, NTR grew 2% QoQ on incremental contribution from new businesses (refer slide 18)
- Scaling of new businesses in next 2-3 years will increase Net Revenue / NTR and hence operating margins

\* Excl. TPV from zero MDR payment options  
Total TPV = Payments TPV (CCAvenue + Go Payments) + GeM GMV  
US\$ 1 = INR 74.5

# Key Q3'22 highlights: All-round growth continues across Payments, Platforms, Secured Lending

Transaction Processing Value (INR crore)



## ➤ Total TPV up 90% YoY

- Dec'21-based annualised total TPV run-rate of ~\$41bn; ahead of our guidance of \$40bn set for Dec'21
- GeM GMV up 182% YoY; Targeting INR 1 tn (\$14 bn) for FY22 & INR 2 tn (\$27bn) in FY23\*
- **Accelerating towards our guidance of \$100bn**

## ➤ Secured lending INR 1,300 cr (\$175 mn)

- Annualised run-rate >\$700mn; >3x ahead of guidance
- Lending is secured against successful payment transactions
- Lending rate potential: 12% - 48%
- Profitable business (improves NTR and Optg. & PAT margins)
- **Targeting annualised run-rate of \$1bn by end of FY22**

## ➤ Strong merchant additions continue: building strong future growth pipeline

- 5mn total merchants in Q3'22 vs. 4.2 in Q2'22
- 0.8mn additions in Q3'22 vs. 0.7mn in Q2'22

## Key business developments – Q3'22

### ➤ **AI-based credit platform launch: greenfield development**

- Platform launched today, branded **TrustAvenue**; [www.trustavenue.com](http://www.trustavenue.com)
- Zero Liability and Zero risk; profitable lending business model
- Banks & NBFCs to embed their loan products on Company's lending platform
- Ongoing discussions with various Banks and NBFCs

### ➤ **Strengthening payments platforms by launching offline payments in February**

- Acquired 100% stake in Bengaluru based 'Uvik Technologies Pvt Ltd', allowing smartphones to be converted to business & payment terminals
- Strategy is to cover entire merchant ecosystem- online and offline comprising MSMEs, large enterprises, PSUs & government, and banks
- Offline offerings to include- Contactless payments, QR codes, bill payments, agency services, credit cards, WC loans, reporting & analytics, etc. (cross-sell and up-sell opportunities)
- Company has issued equity shares on preferential basis to Season Two Ventures Management LLC not exceeding INR 27.50 cr, as part of the deal

### ➤ **Received Expression of Interest (EOI) coupled with primary investment from Royal family of Qatar**

- Setting up payments business in Qatar thru a Joint Venture (JV) formation with the Qatar Royal family coupled with primary investment by them
- IAL directly or thru its fully owned subsidiary will own majority stake in the JV to be set-up in Qatar
- Further marks our interest in expanding and penetrating within the high growth Middle East markets
- Company will also benefit from the FIFA World Cup 2022 to be held in Qatar

## Key business developments – Q3'22

### ➤ Bonus

- Board of directors have approved a bonus in the ratio of 1:1

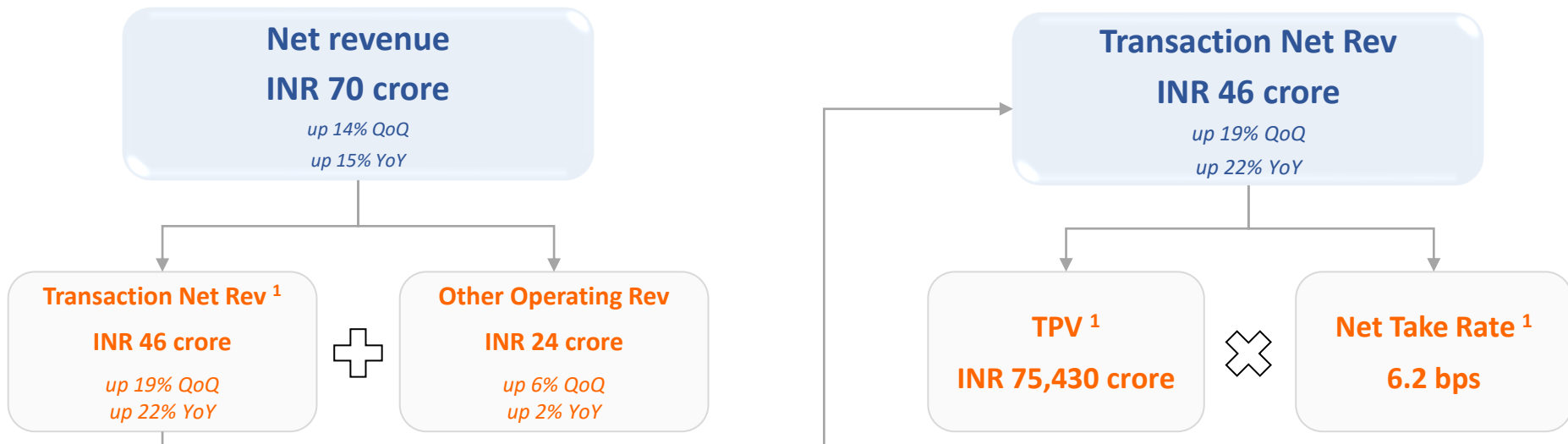
### ➤ Dividend

- Board of directors have approved an interim dividend of 5%, record date 8 February 2022

### ➤ New umbrella entity (Payment Network) license

- Awaiting RBI approval

## Net revenue and net take rate performance – Q3 FY22



- Focus is, to increase the scalable, transaction-based revenue across businesses, supported by stable annuity revenue from Platforms business
- **Net Take Rate (NTR) up** despite running promotional rates entire Q3
- Increase in higher NTR transactions comprising credit card transactions, uptake in travel & hospitality sectors and increase in discretionary spends
- Also, incremental contribution from other businesses supported NTR
- Large enterprise wins in the 9mts'22 will allow cross-sell of various fintech solutions within our portfolio, increasing wallet share and hence NTR; B2B (bulk) payments, lending, corporate debit & credit cards, remittances, and more

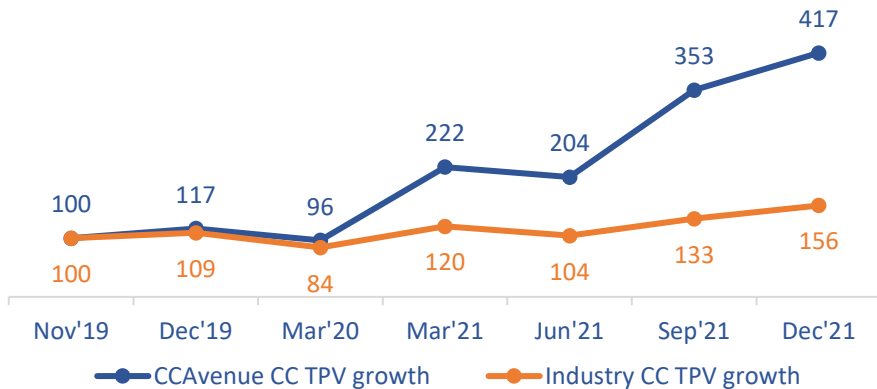
<sup>1</sup> includes All Payments + GeM

<sup>2</sup> excludes Go Payments

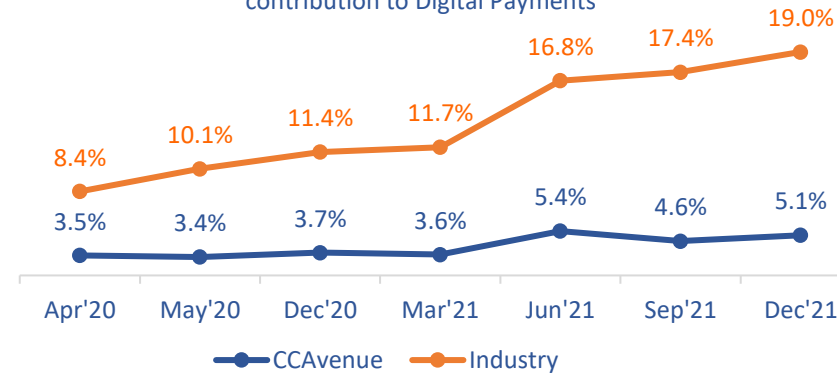


## Ahead of industry in cards vol & val growth and lower UPI share: Industry leading **Net Take Rate**

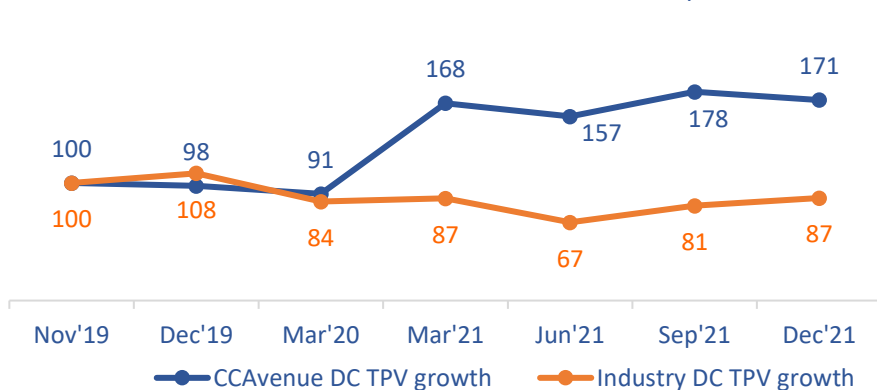
CCAvenue **Credit Card TPV** Growth vs. Industry



CCAvenue **UPI contribution** to Payments TPV vs. Industry UPI contribution to Digital Payments



CCAvenue **Debit Card TPV** Growth vs. Industry



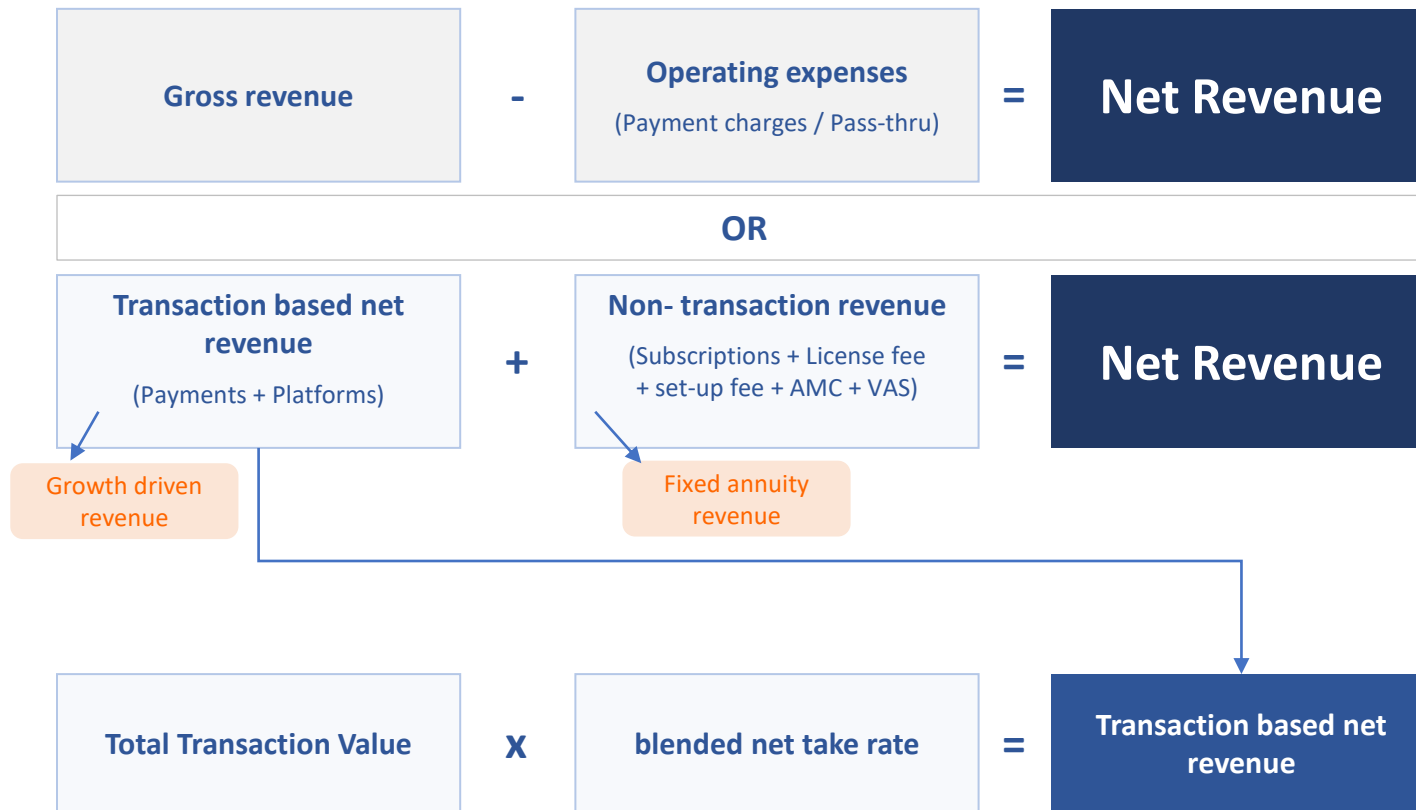
Higher growth than industry in cards Value & Volume

Maintained low contribution of “Zero MDR” UPI

200+ pay options and multi-merchant revenue strategies

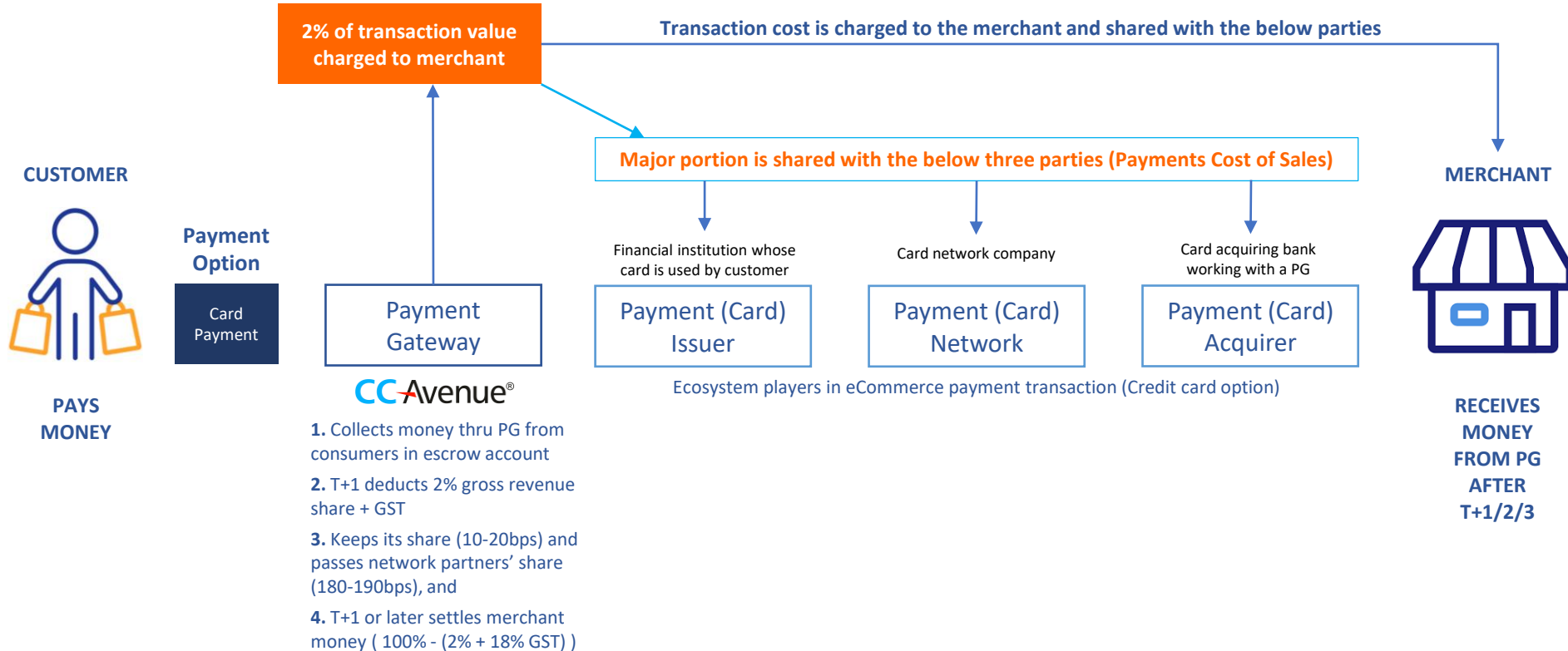
Among industry best **Net Take Rate** realisation

Industry represents Digital Payments TPV as reported by RBI excl RTGS  
Credit Card and Debit Card



# Digital payments - Ecosystem players in eCommerce payment transaction (Credit card option)

Typical online payment transaction – Consumer using credit card as a payment option



## Financial performance – Growth acceleration across all business segments

Consol. P&L (FYE Mar 31, 20xx) in INR crore	Q3 FY22	Q2 FY22	change QoQ	Q3 FY21	change YoY	FY20 <sup>1</sup>	FY21	YoY
Total TPV	75,430 (\$10 bn)	64,300 (\$9 bn)	17%	39,760 (\$4 bn)	90%	87,822 (\$12 bn)	139,405 (\$19 bn)	64%
Net take rate ( <i>bps</i> )	6.2	6.0	2%	9.6	-36%	9	7	-28%
Gross Revenue	397	311	28%	228	74%	658	676	3%
Net Revenue ( <i>NR</i> )	70	61	14%	61	15%	239	233	-2%
Operating Expenses	359	277	30%	188	91%	482	534	11%
<b>EBITDA</b>	<b>38</b>	<b>34</b>	<b>10%</b>	<b>40</b>	<b>-5%</b>	<b>143</b>	<b>142</b>	<b>-1%</b>
<b>EBITDA % of NR</b>	<b>54%</b>	<b>56%</b>	-	<b>65%</b>	-	<b>60%</b>	<b>61%</b>	-
Dep. & Amtz.	13	16	-19%	17	-21%	87	75	-14%
PBT	30	23	32%	22	39%	132	82	-38%
Tax	6	5	19%	9	-31%	21	12	-46%
<b>Profit After Tax <sup>2</sup></b>	<b>24</b>	<b>18</b>	<b>35%</b>	<b>13</b>	<b>89%</b>	<b>99 <sup>3</sup></b>	<b>70</b>	<b>-29%</b>
<b>PAT % of NR</b>	<b>35%</b>	<b>29%</b>	-	<b>21%</b>	-	<b>41%</b>	<b>30%</b>	-

<sup>1</sup> Incl. Go Payments for like-to-like comparison with FY21. Go Payments became 52.4% subsidiary from May 2021.

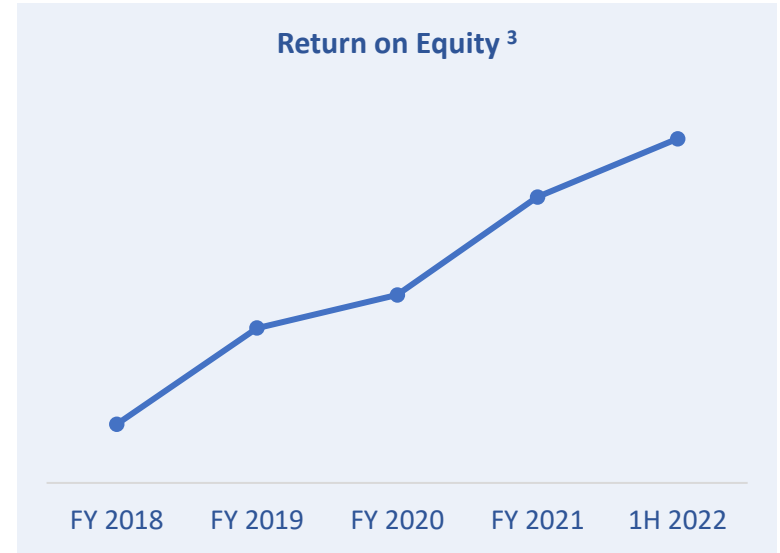
<sup>2</sup> PAT from continuing operations for Q2'22, Q1'22 and Q2'21. PAT for FY20 has not been adjusted.

<sup>3</sup> excluding one time exceptional gain

USD 1 = INR 74.5

## Balance Sheet & Cash Flow

- Strong cash reserves
- Zero debt (repaid all outstanding debt in Q2'22)
- Positive cash from operations<sup>1</sup>: consistent in the last five years
- >100% EBITDA to cash conversion<sup>2</sup>: consistent in the last five years
- Consistently FCF positive



<sup>1</sup> Cash from Operations (CFO) is before WC changes as WC changes includes merchants' settlement money which is not cash generated by IAL

<sup>2</sup> EBITDA / CFO

<sup>3</sup> ROE is Standalone and calculated on revenue generating assets (Standalone contributes >90% of consolidated revenue comprising India Payment business and Marketplace Platform business)

**Consistently growing ROE and generating strong cash flow from operations**



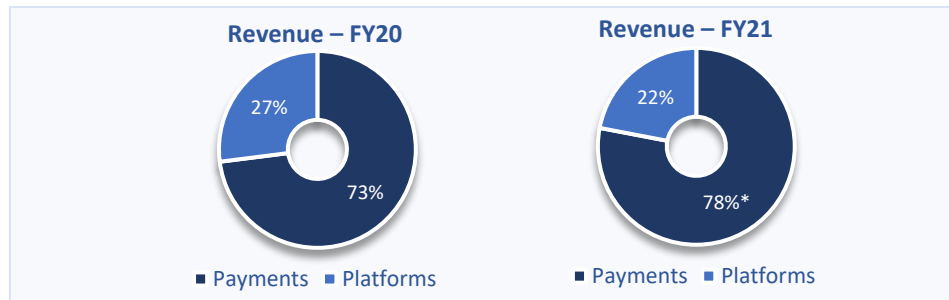
## COMPANY OVERVIEW

**First** Listed Fintech in India

## Company overview

- Incorporated in 2010, based in India, **started as an eCommerce enabler, entered the payments sector** through the merger with one of India's leading payment gateway platform CCAvenue in 2017 (CCAvenue founded in 2001); B2B customer focus
- **Oldest Retail PG in India** with many firsts; over two decades experience
- **India's first eCommerce marketplace** platform technology provider
- Solutions cover **full stack Online Digital Payments (Payments)** and **Enterprise Software Platforms (SaaS)** including cloud service
- Expanded to **Middle East payments market** in Jun'18; became **second largest** non-bank private player in UAE in 18 mts; EBITDA & PAT positive
- In Sep'19 **launched PG in Saudi Arabia**, followed by **launch in the US** in Feb'20, further expanded in **Oman in Jun'20**
- **First listed fintech company (listed in 2016)** with a consistently **PROFITABLE** track record
- Listed on **BSE & NSE**, part of **FTSE Small Cap Index**; and part of **MSCI Global Small Cap Indexes**

5 mn	Rs 3.3 tn (\$44 bn)	~Rs 1.9 tn (\$25 bn)	No. 2
merchants	1yr forward Total TPV run-rate <sup>1</sup>	Cumulative orders processed on GeM <sup>2</sup>	in India & UAE <sup>3</sup>



INDIA				
				
				
				
				
				
				

UAE				
				
				
				
				
				
				

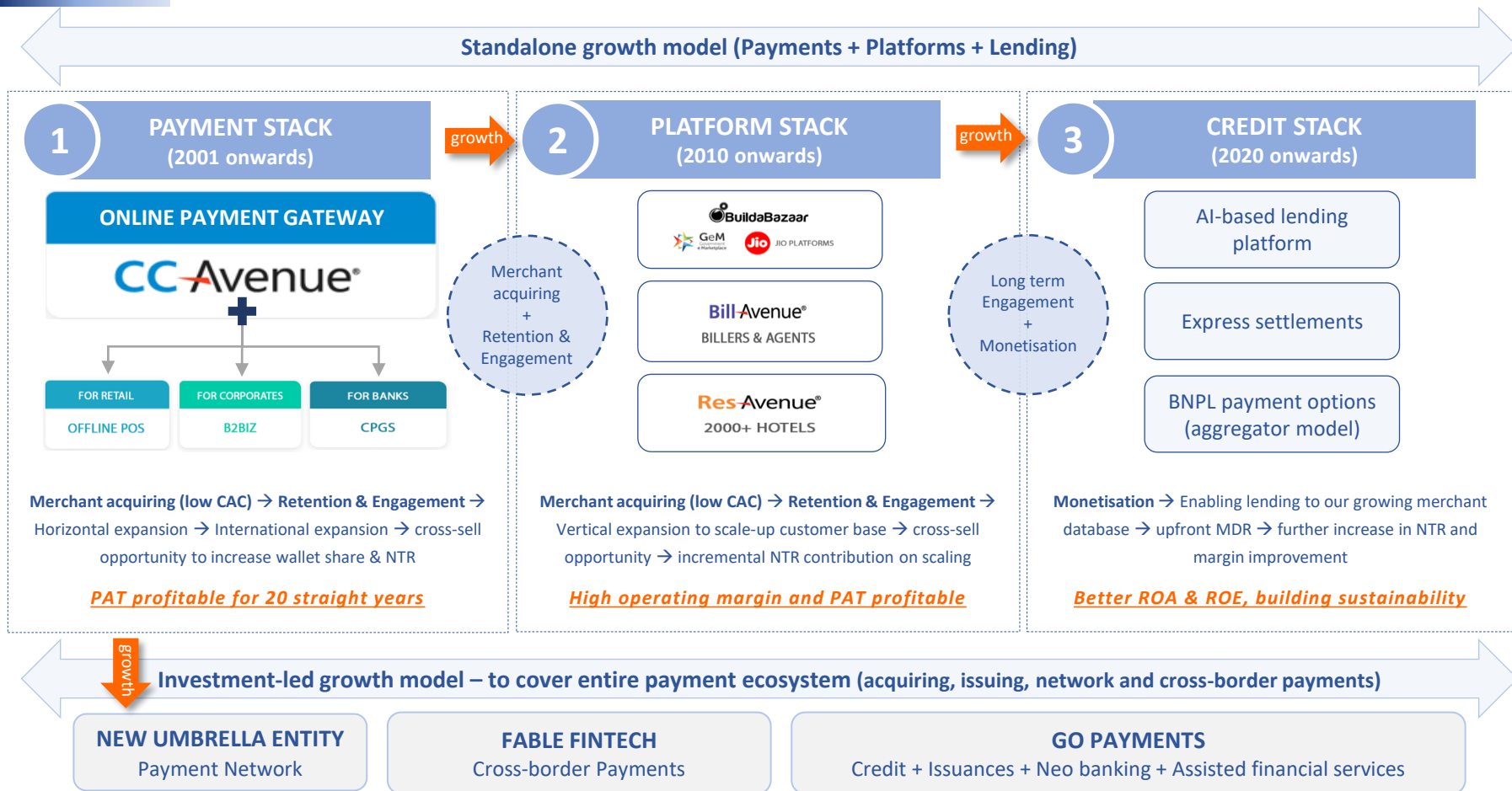
<sup>1</sup> FY 2022 Transaction Processed Value (TPV) run-rate as per Dec'21 run-rate of Payments TPV + GeM GMV

<sup>2</sup> As of 31-12'22, Since winning the Government e Marketplace (GeM) contract; commercially live since Jan'18

<sup>3</sup> India – 2nd in terms of net profit mkt sh; UAE – 2nd among non-bank private payment cos. in terms of Payments Value

\* Payments revenue in FY21 includes revenue from our subsidiary – Go Payments

# Comprehensive technology solutions for merchants to do business online







## BUSINESS OVERVIEW

- Building a strong, sustainable and scalable business model

- **First Listed Fintech in India**

# Two core business lines (Payments & Platforms) with multiple growth engines

**Entp. eComm.  
Software  
Platforms**

## Full Stack B2B Digital Payment Solutions

Payment Acceptance, Payment Issuance, Neo Banking, Assisted commerce, Remittances, Bill Payments

**Payment Gateway +  
White Label**

**CC Avenue®**

**Acquiror Processor  
(CPGS)**

**CC Avenue®**

**B2Biz Payments +  
White Label**

**CC Avenue®**

**Neo Banking + DMT  
+ Assisted  
Commerce**

**Go PAYMENTS**

**Bill Payments**

**Bill Avenue®**

**Hospitality**

**Res Avenue®**

**Entp. eCommerce  
SaaS Platforms**

**BuildaBazaar**

- **Frontend PG for merchants**
- Online + Offline
- White-labeled by HDFC, Kotak, JPM<sup>1</sup>
- Marquee clients
- 200+ payment options
- Multi-currency
- PCI-DSS 3.2.1
- Present in UAE, KSA, Oman, USA
- Compliant to local regulations in all geographies

- **Backend card processor for Banks**
- Offers MPI, switch and network
- Test launched in Oman; now 90%+ Oman's online card volume secured
- Multiple fees from setup to per transaction
- PG agnostic
- Plans to launch globally including India

- **Automation of Collection (Receivables) & Payment (Payables) for corporates**
- Complements PG; higher wallet share
- Also, white-label arrangement with HDFC Bank

- **Digital banking for corporates & SMEs**
- Issuance Switch
- Corp credit cards
- Corp Prepaid cards
- Lending
- Domestic Money Transfer (DMT)
- AEPS
- Assisted commerce
- Cash collection services for corporates

- **RBI licensed BoU and CoU for single window bill payments**
- 600,000+ agents on ground across 2600+ Indian towns
- Billers across segments
- Exclusive processor for India's top 3 LPG cylinder companies
- 94% mkt share of BBPS billers

- **Hospitality platform to book and distribute hotel inventory integrated with IAL's PG**
- Channel manager and booking engine allows to pool and distribute rooms across various sales channel and collect money through PG
- 2500+ hotels
- India + UAE

- **SaaS platforms for large scale eComm implementation**
- **GeM**, largest eCom implementation; est. \$100+b annual GMV; 10+m sellers
- **Jio Platforms** live
- Data center for public cloud svc
- Production ready blockchain platform running on HyperLedger
- Domain infra svc

● New businesses

Full-stack Digital Payment and SaaS platforms to cater end-to-end digital needs of businesses; revenue & margin drivers

# Revenue and cost drivers of key business offerings



**Payment Gateway**



**Bill Payments**



**Govt eMarketplace platform**



**Enterprise ecommerce marketplace platform**



**Value Added Services**

<b>Businesses</b>	<ul style="list-style-type: none"> <li>• CCAvenue (India + Intl.),</li> <li>• ResAvenue</li> <li>• B2Biz</li> <li>• CPGS (Entp. Payments)</li> </ul>	<ul style="list-style-type: none"> <li>• BillAvenue</li> </ul>	<ul style="list-style-type: none"> <li>• BuildaBazaar for Enterprise</li> </ul>	<ul style="list-style-type: none"> <li>• BuildaBazaar for Enterprise</li> </ul>	<ul style="list-style-type: none"> <li>• .000</li> <li>• Odigma and</li> <li>• other web-VAS</li> </ul>
<b>Revenue model</b>	<ul style="list-style-type: none"> <li>• Transaction based                             <ul style="list-style-type: none"> <li>○ Percentage</li> <li>○ Flat-fee</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Transaction based                             <ul style="list-style-type: none"> <li>○ Flat-fee</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Transaction based                             <ul style="list-style-type: none"> <li>○ Percentage</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• License fee</li> <li>• Maintenance fee</li> <li>• Development charges</li> </ul>	<ul style="list-style-type: none"> <li>• Subscription fee</li> <li>• Maintenance fee</li> <li>• Development fee</li> </ul>
<b>Revenue drivers</b>	<ul style="list-style-type: none"> <li>• TPV</li> <li>• Monthly volume</li> <li>• Take rates charged to merchants</li> <li>• International business</li> <li>• Business from partners</li> </ul>	<ul style="list-style-type: none"> <li>• No of billers</li> <li>• Biller categories</li> <li>• Consumer using BBPS channels for bill payment</li> <li>• Agent institution network</li> </ul>	<ul style="list-style-type: none"> <li>• Govt buyers</li> <li>• Integration of various ministries</li> <li>• State govt participation</li> <li>• PWD integration</li> <li>• More products and services selection</li> </ul>	<ul style="list-style-type: none"> <li>• Number of large enterprises</li> <li>• Renewal</li> </ul>	<ul style="list-style-type: none"> <li>• Number of merchants</li> </ul>
<b>Direct Cost drivers</b>	<ul style="list-style-type: none"> <li>• Bank TDR</li> <li>• Partner charges</li> </ul>	<ul style="list-style-type: none"> <li>• Commission rates</li> </ul>	<ul style="list-style-type: none"> <li>• na</li> </ul>	<ul style="list-style-type: none"> <li>• Na</li> </ul>	<ul style="list-style-type: none"> <li>• na</li> </ul>

## A leading online payment solutions provider in India and the UAE

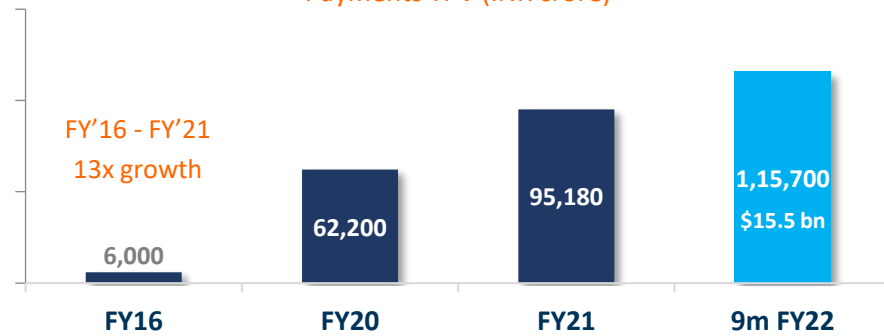
### ➤ Among the leading payment gateway in India and the UAE

- Among the leaders in India & UAE
- 200+ payment options & multi currency
- Integrated across industry verticals
- Among the most profitable payment companies in India
- White label for banks; HDFC Bank, Kotak Bank, JP Morgan India
- Marquee clients across industry verticals

### ➤ **Planned expansion in multiple countries:** Country-in-a-box strategy

- Operational in UAE, Saudi Arabia and Oman (USA, Qatar soon)

Payments TPV (INR crore)



### Strong tailwinds in India & GCC

- Regulatory and Central Bank push
- Ecosystem involving consumers, merchants, corporates, banks and governments embracing digital adoption
- Low share of eCommerce spend, which is rising
- Improving ICT infrastructure supported by affordable smartphone and cheap internet data prices
- Innovation around tech platforms to reach unbanked
- Innovation around payment options for convenience of consumers

### USA

- Matured market with tremendous scope for innovative products to serve various niche markets across industry verticals

### South East Asia

- Big market for growth – Indonesia, Philippines, Thailand, etc.

\* Strong FY21 & FY22 TPV growth despite low contribution from Covid affected sectors namely aviation, travel & tourism, hotel, entertainment and lower discretionary spends

Strong tailwinds, low penetration levels and increasing adoption to augment growth

## Em-Powering digital payments in the GCC

**AED 4 bn+**  
FY'22E TPV  
run-rate

up 40% from AED 3 bn  
guided in FY21

**55%**  
Annual TPV  
3yr CAGR

**5000+**  
merchants

**No. 2**  
Rank in UAE<sup>1</sup>



Infibeam's UAE operations generate **very high profitable margins**



Infibeam's UAE payments business is the **only non-funded private company** among all the payment companies in the UAE



Launched in **UAE in 2018** (Rank No. 2), **Saudi Arabia in 2019**, and **Oman in 2020** (90% mkt share of online card processing)



Declared the **Best Online Payments Facilitator** at MEA's UAE Business Awards 2019



Been adjudged the '**Fastest Growing Online Payment Service Provider**' in the Technology Awards category at the International Finance Awards



**Key clients in UAE:** Burj Khalifa At The Top, Damac, Nakheel, Emaar, DHL, Oman Air, MIT, Trump Golf, Qatar Insurance, Ajman University, and more

## PG agnostic payment processor for banks internationally

**CPGS – An on-premises and SaaS based global payment solution to process cards of various payment networks (like Visa/Mastercard/Amex and more) for financial institutions (FIs)**



- First launched in Oman in Sep'2020; IAL's 3rd GCC country after UAE in 2018 and Saudi Arabia in 2019
- Partnered with Bank Muscat (largest bank) and BankDhofar (second largest by market value)
- Multiple revenue streams; AMC, per txn fee & more
- Hosted from India

### Oman Opportunity

- Majority market share of cards by our clients
- Growing eCommerce market; low penetration
- Potential to process large number of card txns.
- Opens up opportunity to target other banks/FIs



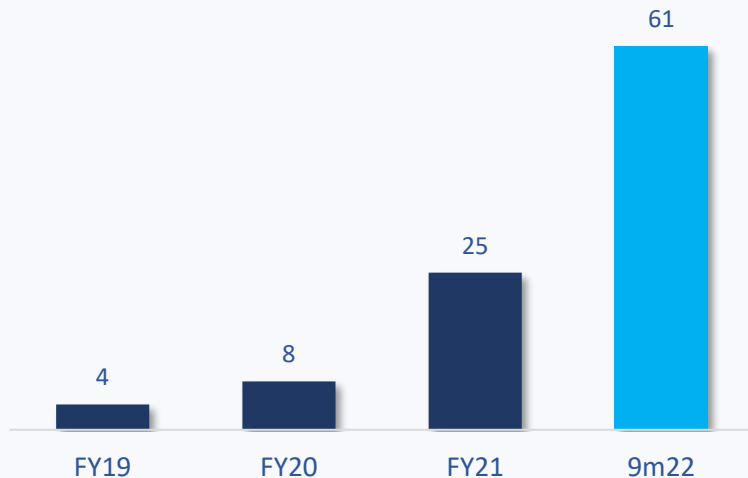
- Partnered with India's largest conglomerate by market value to offer CGPS services
- Significant scale opportunity
- **Services now LIVE**

### CPGS growth drivers:

- High volume
- Per transaction fee; No pass thru
- Assured growth; as digital transactions increase
- No PG required
- Geography agnostic; international focus
- Controlled from India; cost advantage

International focus; revenue and profitability driver

Bill Payments Volume (in nos. mn)



- Built on the BBPS<sup>1</sup> infrastructure, BillAvenue is a unified, interoperable, online payments platform for Indian citizens
- Among select non-bank private players licensed by the RBI to operate as a BBPOU<sup>2</sup>
- Exclusive processors for IOCL, BPCL & HPCL for LPG cylinders
- **90%+ market share** of total billers on BBPS as of Dec 2021. We are a TSP to majority of them.
- **Annualised run-rate run-rate: 93 mn**
- In India, 20+ mn bills<sup>3</sup> get generated everyday; there are 1+ mn billers across the country
- Repeat business<sup>4</sup>: **100%**

**350+**  
Agent  
Institution

**800,000**  
Agents

**2,600**  
Indian cities  
& towns

**18,203**  
Billers

Few Customers



## Fragmented market and digital adoption to drive strong growth

- an integrated platform & payment solution for hotel industry
- offers a complete Central Reservation System (CRS) for hotel reservation and hotel inventory distribution across various online sales channels, integrated with our digital payment solutions
- is a SaaS-based solution, offering fully hosted booking engine which integrates into a hotel's branded website seamlessly
- electronic distribution platform ensures distribution of rates and inventory on major OTAs and third-party distribution channels, all managed through a single window
- has multilingual capabilities to serve multi-lingual Indian and international customers of the hotel
- Hoteliers can collect real-time payments through ResAvenue's booking engine, hosted IVR and via email/SMS invoices
- target segment includes 'three star' and above hoteliers and certain hotel chains, in India and the UAE

**2000+**  
Hotels

**Integrated**  
with major  
OTAs

**Achieved pre-covid daily bookings run-rate in Q3'22**

**Integrated business model: Platforms (Subscription) + Payments (Transaction)**



## A hosted e-commerce platform built for large scale eCommerce implementation

### Business Overview

- A cloud-based, e2e SaaS platform allowing corporates to transact online, manage the back-end (orders, inventory & logistics), make digital payments, undertake online marketing & other VAS; 3P capability
- Scalable and customizable eCommerce software platform to meet large scale eCommerce implementation
- High EBITDA margin business

### Select Clients –

#### GeM platform (procurement for Gov. of India)

9m'22 order value: INR 68,200cr

- Hosting one of the largest online market, built for Gol's procurement, Government e-Marketplace (GeM) portal
- Indian Railways, Defense, CPSE, etc. being integrated; Unified public procurement portal for Gol
- GeM current cumulative GMV, as per [www.gem.gov.in](http://www.gem.gov.in), is ~\$25 bn (Statistics updated by GeM daily)
- *Transaction based revenue pricing model on the order value of each transaction*

#### Reliance's Jio Platforms Limited (JPL)

- Marketplace platform customized for JPL and its affiliates
- Enterprise eCommerce Marketplace Platform (*Annuity income*) and Enterprise Payments (*potential to capture upside*)



IAL has an asset-lite, profitable and scalable SaaS business model

Fully secured lending to the merchant against consumers payment already received in the escrow account



### Express Settlement

\$175 mn

*up 11% QoQ*



### Growth

4x higher than  
Q4'21 average



### Mid-term (3 yrs.)

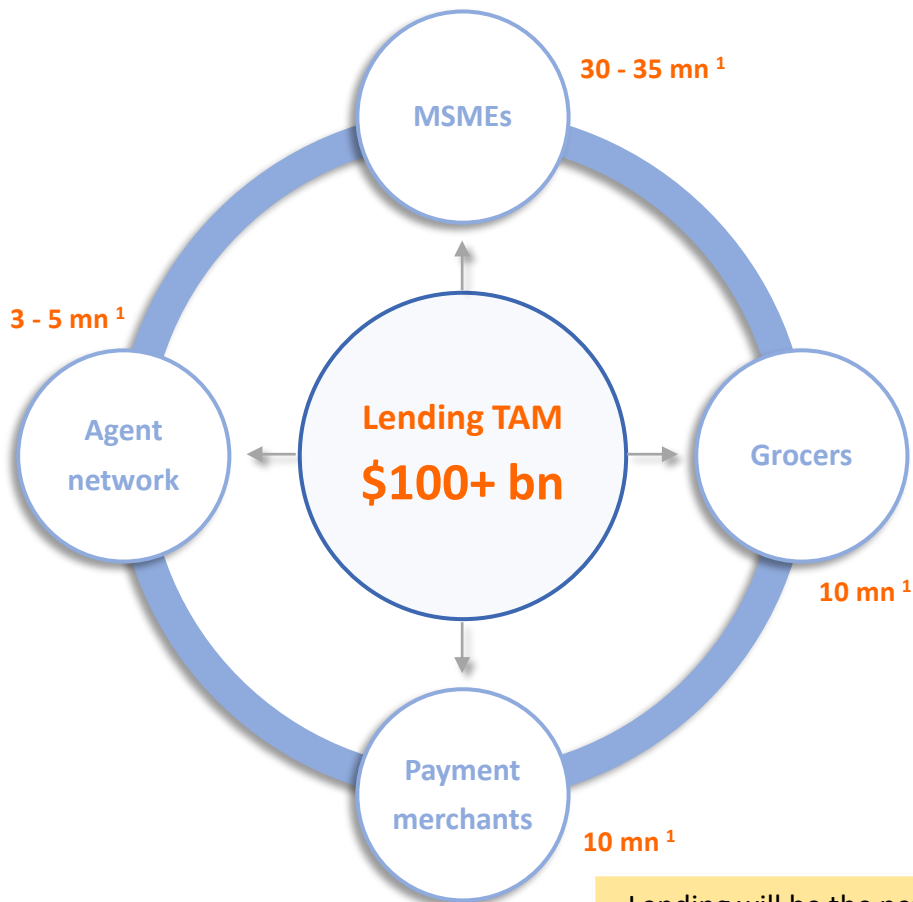
Targeting annual  
lending of \$5bn



### IRR Potential p.a.

12% - 48%

- Zero risk lending
- Upfront earning
- No NPA or collection worry
- Profit driver



**5+ mn merchants** across portfolio, avg. 8000+ merchants registered daily in Q3'22



Potentially **addressable merchants >50 mn** across fintech portfolio with TAM of >\$100 bn



**Secured Lending** \$175 mn in Q3; potential Secured Lending TAM: 100% of Payments TPV



**Lending contribution to revenue will increase** in next 3-5 years



Launching today, **TrustAvenue**, to enable **credit/lending** thru NBFCs

**Lending will be the next frontier of revenue and margin growth**

## Empowering unbanked to access digital financial services

- Operates through the brand 'Go Payments' to provide **assisted commerce** services such as domestic money transfer (DMT), mobile recharges, bill payments, cash collection, pre-paid cards, travel booking, insurance, and more
- Target customers: B2B- Corporates, MSMEs and Govt. organizations
- IAL aims to strengthen offline payments business and cater to the underserved, unbanked and underbanked billion population across India
- **30,000+: Active agent network Pan India**

**US\$ 1+ billion**  
Annual TPV run-rate



**MONEY TRANSFER**



**RECHARGE**



**TRAVEL**



**INSURANCE**



**CASH COLLECTIONS**



**PREPAID CARDS  
(OPEN LOOP  
& CUG)**



**AADHAR ENABLED  
PAYMENT SYSTEM  
(AEPS)**



**BHARAT BILL  
PAYMENT SYSTEM  
(BBPS)**

### Partners



### Select customers



\* TPV – Transaction Processing Value (March '21 run-rate)

Investment in Go Payments to capture offline opportunity; converting cash to digital at merchant outlets thru various offerings

## One stop platform for banks and businesses to launch remittance service

- End-to-end plug and play bank grade RemTech platform (B2C & B2B) for cross-border remittances and payments
- Can be white labelled for banks with blockchain technology to launch cross-border payments, both inward and outward (Kotak Bank, Axis Bank, Yes Bank, Muthoot Fincorp, and many more)
- Plug & play end-to-end solution, multi-country multi-currency, real time, low cost asset lite model, Ripple (blockchain) integration
- We have invested since its launch and are confident of driving robust growth in the future. This business will enable us to gain and expand a strong foothold in the remittances segment globally
- **100% customers (>6mths) have given repeat business**
- Market Size : P2P - \$625 bn | B2B - \$125 tn



 **30+**  
SEND COUNTRIES

 **65+**  
RECEIVE COUNTRIES

 **150+**  
CORRIDORS SERVICED



### DigiRemit

Integrated Tech Platform to enable end-to-end Inward and Outward Remittances



### Last Mile

Integrated Tech Platform to enable Disbursements of inward remittances in the Receive Country



### DigiForex

Integrated Tech Platform to connect AD-II and Banks for automated Outward Remittances



### BizPay Payments

Integrated Tech Platform to facilitate Cross-Border Business Payments



### E-Com

Integrated Tech Platform to facilitate Cross- Border ECOM



### ExCore

Integrated Tech Core to automate remittance for Exchange House

Select customers



Investment in RemitOnline to capture huge remittance market globally; multiple RemTech solutions across value chain

## Applied for RBI governed pan-India new umbrella entity (NUE) license; Payment Network License

### ➤ RBI intends to create NPCI-like entity(ies); a for-profit org.

- to broaden digital payments reach and make India a less-cash economy
- will encourage innovation & competition in the payments landscape and minimise concentration risk in retail payment systems
- a Company authorised by Reserve Bank of India (RBI)
- [Draft Framework](#)

### ➤ IAL along with consortium partners applied for RBI license to set-up a pan-India NUE focusing on retail payment systems

- So Hum Bharat Digital Payments (So Hum) has been set up by PCI's Chairman Emeritus, Naveen Surya to pursue the license
- IAL owns majority stake (50.5%) in So Hum

### ➤ Scope

- Develop, own and operate a new (apart from RuPay) cross-border retail payment network
- Set up new payment systems in retail space comprising new generation ATMs, white Label PoS, Aadhaar based payments and remittance services, develop new payment methods, standards and technologies and more

### ➤ Opportunity

- **Large (more than 70%) unbanked, underbanked and underserved population in India** despite significant growth in digital payments; less than 200 mn unique digital payment users in India (RedSeer Consulting)
- **1+ bn mobile connections**; 450mn smartphone while 550 mn featurephone users; opportunity to target both, and reaching bottom-of-the-pyramid
- Relatively **low digital transactions per capita per annum at 33 in India** in FY21 compared to 2017 values of Singapore (782), USA (474), Brazil (149), China (97), South Africa (79) & Indonesia (34).
- Moody's Analytics analysed 56 countries that accounted for 93% of the world's GDP between 2008 and 2012. The study showed that **use of electronic payments added \$983 bn to the GDP of various countries** and raised consumption by an average of 0.7% across the 56 nations
- Govt. ([MEITY](#)) is working to **increase digital economy's contribution to 20% by 2025** from 7-8% currently



Domain infrastructure  
services to begin  
merchants digital  
onboarding journey



Full-service digital  
marketing agency to  
serve small and large  
enterprises in India



Tier III storage and  
compute data center  
with blockchain  
capability at GIFT City

Fintech offering	Infibeam Avenues	Peer 1	Peer 2	Peer 3
Payment Gateway	✓	✓	✓	✓
Bulk Payments	✓	✗	✗	✓
White label solution	✓	✗	✗	✗
Acquiror Processor (MPI, Switch, etc.)	✓	✗	✗	✗
Lending	✓	✗	✓	✓
Bill Payments thru Bharat BillPay	✓	✓	✓	✗
Hospitality Payments	✓	✗	✗	✗
Domestic Remittances	✓	✗	✗	✗
International Remittances	✓	✗	✗	✗
Corporate Credit Card	✓	✗	✓	✓
Corporate Prepaid Card	✓	✗	✗	✗
Software Platforms	✓	✗	✗	✗
International presence	✓	✗	✓	✗
Profitable	✓	✓	✗	✗

One stop for Fintech offerings





**Mr. Vishal Mehta – Managing Director**

Engineering, Cornell Management, MIT Sloan.  
Dell; Amazon USA



**Mr. Vishwas Patel – Executive Director**

Chairman – Payments Council of India  
LLB, Government Law College



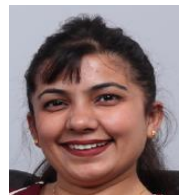
**Mr. Srikanth Rajagopalan – President**

FCA, FCMA.  
Reliance Jio, Polaris Financial Technology



**Mr. Vijaykumar Subramanian – CIO**

Engineering, University of Illinois, USA.  
Amazon USA



**Mrs. Neeru Sharma – Director, Platforms**

MBA, Carnegie Mellon University, USA.  
Amazon, Alcatel, EDS, TCS



**Mr. Vivek Nayak – COO, Payments**

Economics graduate from Mumbai University,  
PGD in Advertising & Marketing, Xavier's, Mumbai.  
WPP Group, Draft FCB and Grey Worldwide



**Mr. Hiren Padhya – CFO**

Chartered Accountant.  
Duravit; Adani Exports; Jubilant Infrastructure



**Mr. Purvesh Parekh – Investor Relations**

MBA, IBS.  
JPM, Capgemini, Reliance

# The IAL ecosystem advantage

## Human Capital



**650+**

IAL employees

**400+**

Domain experts

**7-8 people**

in each international  
location (lean team)

**<25 people**

India sales team  
(low customer acquisition cost)



## Customer Capital



**5 mn**

Merchants integrated on  
IAL fintech platforms

**100+ mn**

Consumers accessed  
through various solutions

**8000+**

Avg daily merchants  
enabled across fintech  
platforms



**Bootstrapped** since inception



All fintech solutions **developed in-house**



**IP** of all fintech solutions **belongs to the Company**



Local and International standards' **certifications and compliances**



## INVESTMENT THESIS

Long term value creation

First Listed Fintech in India

**Expand revenue streams through-**

Deep penetration in existing markets

New businesses

International expansion

**Build-** a powerful international brand

**Offer-** leading technology

**Nurture-** talent

**ESG** compliance

## Significant embedded business growth drivers

### India growth

- Retail payments + bill payments
- GeM + Jio Platforms
- Lending
- Payment Network (awaiting RBI nod)
- domestic remittance + assisted financial commerce

### International expansion

- GCC (UAE, KSA, Oman, Bahrain, Kuwait, Qatar)
- USA
- Operations in 10+ countries in the next 2-3 years

### New businesses

- Offline Payments
- CGPS – Processing online card payments for banks
- Working capital loans, express settlement, credit and pre-paid cards
- Neo banking for SMEs & Corporates

### Additional growth drivers

- Consistently converting EBITDA into free cash
- Debt free company
- Major capex cycle behind us
- Experienced management and business heads; unchanged since inception

IAL has a focused growth strategy over the next 3-5 years



## INDUSTRY & OPPORTUNITY

First Listed Fintech in India

## Low digital transactions per capita per annum in India presents massive opportunity

Digital transactions per capita per annum (Global)

Country	2015	2016	2017
Singapore	727.9	759	782.4
Sweden	428.8	481.4	497.9
USA	420.9	442.6	473.6
Euro Area	156.9	172.6	186.8
Russia	99.5	132.8	178.5
Brazil	137.6	139.4	148.5
China	48.9	70.4	96.7
South Africa	68.7	78	79.2
Indonesia	23.4	28.4	34.0

**17.5 \***

Per capita  
transactions in India,  
March 2019

**~45 \***

CY 2021

Massive room for India to  
grow with strong industry  
and regulatory tailwinds

**Source:** High Level Committee on Deepening of Digital Payments in India, appointed by RBI, headed by Nandan Nilekani (May 2019)

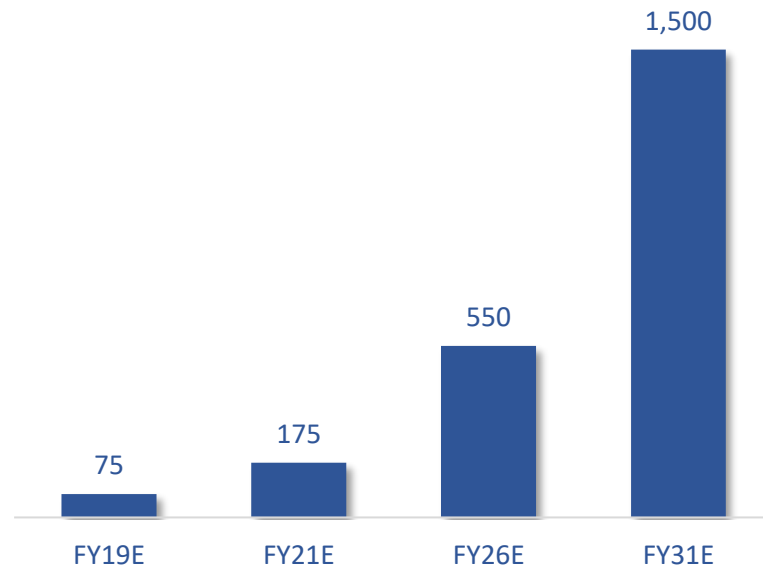
\* As per RBI's Payment System Indicators



## Opportunity and Outlook – India Digital Payments

Digital Payments Industry – India <sup>1</sup>	Units	20-21A (Mar 2021)	25-26E (Mar 2026)	30-31E (Mar 2031)
Avg <b>monthly</b> Digital Payments <sup>2</sup>	US\$ bn	2,350	5,600	10,100
<i>5 year CAGR</i>	%	<i>19%</i> <i>(2016-2021)</i>	<i>20%</i> <i>(2021-2026)</i>	<i>12%</i> <i>(2026-2031)</i>
Exit month (Mar'20xx) Digital Payments Vol.	Nos. mn	4,927	18,158	30,364
<i>5 year CAGR</i>	%	<i>58%</i>	<i>30%</i>	<i>13%</i>
Avg <b>monthly</b> Digital Payments Vol.	Nos. mn	3,653	16,645	28,984
DP transactions per capita <b>per annum</b>	Nos.	34	154	268
Digital Payments users	Nos. mn	175	400	650
Digital Merchants	Nos. mn	15-20	30-35	50-55

Projected Industry Online PG TPV (US\$ bn) <sup>3</sup>



<sup>1</sup> Reserve Bank of India (RBI) Annual Report 2016 to 2021, RBI's Payment System Indicators, Infibeam Avenues research

<sup>2</sup> Digital Payments includes all categories classified by RBI – Credit transfers (RTGS, UPI, AePS, IMPS, NEFT, etc), Debit transfers, Card payments and PPIs

<sup>3</sup> IAL research of TPV of payment companies in India

**Payment Gateways to be one of the most lucrative markets** as current low penetration & sticky base will aid growth - BofA



## ANNEXURE

First Listed Fintech in India

## Out of the box capabilities

1. Top notch PG and B2B payments and collections automation with white label solution
2. Onboarding banks globally to process card schemes; backward integration in payments acquiring
3. Neo-banking, digital lending and card issuance through secured or low-risk business model
4. 200+ payment options including multi-currency capability
5. Merchant onboarding in less than 24 hours
6. Transaction management capabilities to view analytical reports, authorize & refund transactions and manage disputes
7. Extensive and customizable payment collection through Payment Link via email, SMS, WhatsApp etc. which can offer a complete end to end automation for collection through payment links
8. India's largest online EMI engine with 15+ banks' EMI options
9. Robust risk management capabilities to track merchant & customer fraud, with negative database of 18 years and DIY tools for velocity checks and blacklist controls
10. Fast and automated settlement process with option for single settlement & split settlements
11. APIs available across platform to automate end-to-end PG implementation; transaction processing to settlement recon
12. Simple and ready integration with multiple platforms which can enable merchants to accept payments in a few hours
13. MID Management

## Out of the box capabilities

1. Online registration & verification system for seller on boarding; online verification of KYC proofs
2. Ability to create and manage multiple user per seller profile; supports role based access
3. OEM management
4. Ability to customize risk profile score algorithm to identify sellers that need to go through manual validation/ authentication
5. APIs to support catalog upload & product rendering on the market
6. Intelligent classification system to help sellers identify correct category for product uploads (based on search)
7. Sellers can have the ability to define their shipping capabilities
8. Sellers can restrict COD as a payment method
9. Allowing multiple MRPs for the same product simultaneously
10. Integration with third party systems to upload catalog
11. Batch based work allocation to approvers to handle scale
12. Text 'Search Engine' based on Solr enterprise search; 'Faceted Search' to narrow down search results by applying multiple filters
13. Rule based coupon system, ability to customize promotions, algorithm based bulk promotion codes generation
14. Order management system: split items into multiple shipments, track package delivery, manage returns, deep integration with POS
15. Loyalty program integration
16. Value added services: domain registrations, online digital marketing, data storage and compute, other ancillary web services



PAYMENTS | PLATFORMS

# Thank You

**Investor Relations**

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