

CCAvenue Omnichannel Mobile Payment App



Earnings & Investor Presentation

2Q FY23 (Jul'22 – Sep'22)

4th November 2022
Friday

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FINANCIAL & OPERATIONAL PERFORMANCE – Q2'23

First Listed Fintech in India

Key Business Developments

Significant Strategic Developments



TPV crossed INR 1 lac crore in a quarter for the first time
Consolidated PAT up 123% in the quarter



TaPPay: 15,000+ terminals deployed



Bought 50% stake in Vishko22, backed by promoters of Yepme.com, to offer omnichannel enterprise software solutions to B2B eCommerce players in India and globally



In-principle approval received from RBI to operate as Payment Aggregator



Company to raise INR 162 crore through preferential allotment to VYBE Ventures, owned by Executive Director, Mr. Vishwas Patel and his relative(s), at an issue price of INR 17



Launched Payments business in Australia

Superior Growth on Operational Front

Growth acceleration across all business segments

Particulars	Q2 FY 23	Q2 FY 22	% change YoY
No. of Merchants	7.3	4.1	77%
India Payments TPV ¹ (INR crore)	45,364	38,370	18%
India Payments Net Take Rate (bps)	7.2	4.8	51%
Total Payments Net Take Rate (bps)	7.5	5.3	41%
GeM GMV (INR crore)	39,840	21,755	83%

¹ MDR based

² Express/Instant Settlement of merchant funds

Bill Payments Volume and Value Growth

TPV: INR 3,342 cr
up 17% YoY

Vol: 27 mn
up 26% YoY

929,000
Agents

91%
Biller Mkt Share

> 40%
Gross margin

Hospitality Payments

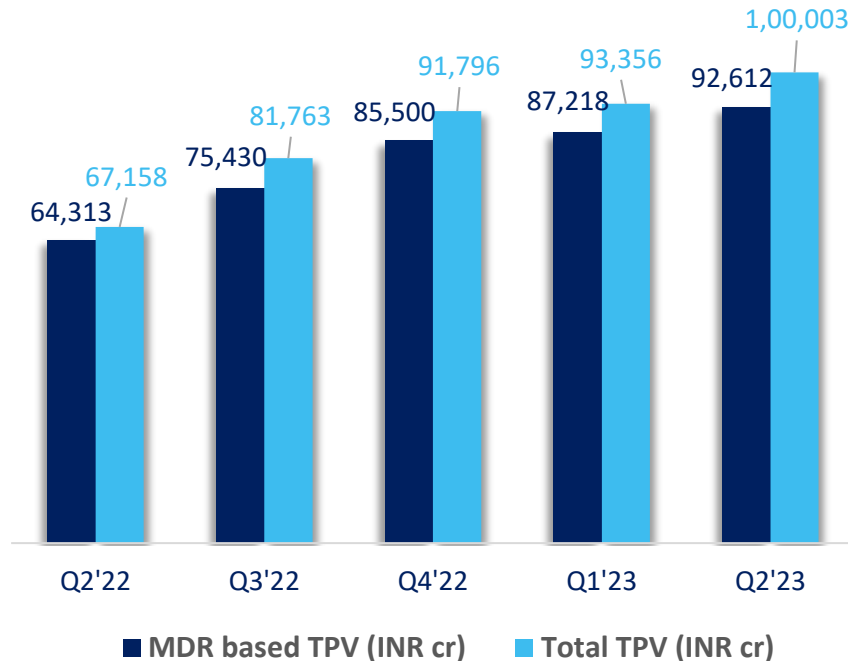
3,100
Avg. daily room nights sold
(highest ever)

Consistent growth in unit economics (NTR) in payments processing

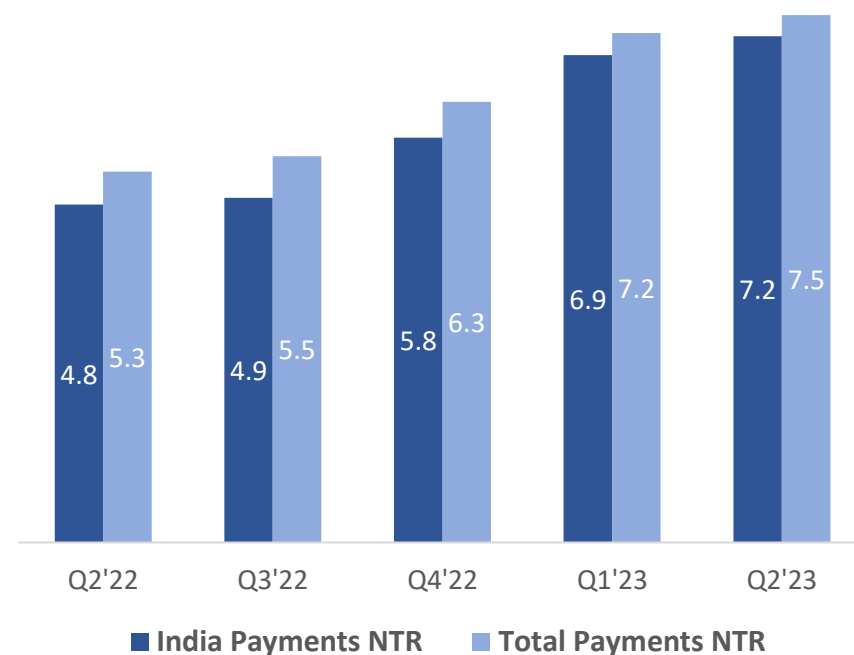
Superior Growth on Operational Front

Growth acceleration across all business segments

Transaction Processing Value (INR crore)



Payments Net Take Rate (bps)



Consistent growth in TPV and NTR for the last 5 quarters

Earnings' Performance snapshot – Q2 FY23

Growth across all key parameters

Q2 FY23 Standalone

India Payments + Platforms incl. GeM, Jio, STC, etc.

Total TPV

INR 85,207 cr *

42 % YoY

Gross Revenue

INR 435 cr

53 % YoY

Net Revenue (NR)

INR 70 cr

25 % YoY

India Payments NTR

7.2 bps

51 % YoY

EBITDA

INR 41 cr

0 % YoY

59% margin on NR

PAT

INR 47 cr

217 % YoY

67% margin on NR

Q2 FY23 Consolidated

Standalone + Intl. Payments + Go Payments + Other subsidiaries/assoc.

Total TPV

INR 92,612 cr *

44 % YoY

Gross Revenue

INR 477 cr

53 % YoY

Net Revenue (NR)

INR 79 cr

29 % YoY

Total Payments NTR

7.5 bps

41 % YoY

EBITDA

INR 40 cr

16 % YoY

51% margin on NR

PAT

INR 41 cr

129 % YoY

52% margin on NR

* TPV from MDR based payment options

Consolidated Total TPV = Payments TPV (CCAvenue India + CCAvenue International + Go Payments) + GeM GMV; Standalone TPV excludes CCAvenue International & Go Payments

PAT includes divestment of stake in DRC Systems in the quarter

Profitable revenue growth with rising core (standalone) business margins

Earnings' Performance snapshot – H1 FY23

Growth across all key parameters

H1 FY23 Standalone

India Payments + Platforms incl. GeM, Jio, STC, etc.

Total TPV

INR 165,243 cr *

54 % YoY

Gross Revenue

INR 813 cr

70 % YoY

Net Revenue (NR)

INR 134 cr

31% % YoY

India Payments NTR

7.1 bps

40 % YoY

EBITDA

INR 82 cr

32 % YoY

61% margin on NR

PAT

INR 70 cr

185 % YoY

53% margin on NR

H1 FY23 Consolidated

Standalone + Intl. Payments + Go Payments + Other subsidiaries/assoc.

Total TPV

INR 179,830 cr *

44 % YoY

Gross Revenue

INR 895 cr

70 % YoY

Net Revenue (NR)

INR 152 cr

34 % YoY

Total Payments NTR

7.3 bps

30 % YoY

EBITDA

INR 82 cr

32 % YoY

54% margin on NR

PAT

INR 62 cr

100 % YoY

42% margin on NR

* Excl. TPV from zero MDR payment options

Consolidated Total TPV = Payments TPV (CCAvenue India + CCAvenue International + Go Payments) + GeM GMV; Standalone TPV excludes CCAvenue International & Go Payments

PAT includes divestment of stake in DRC Systems in the quarter.

Profitable revenue growth with rising core (standalone) business margins

Superior Financial Performance

Growth across all key parameters

Consol. P&L (Sep 30, 2022) in INR crore	Q2 FY23	Q2 FY22	change YoY	H1 FY22	H1 FY23	YoY
Total TPV ¹	92,612	64,300	44%	114,964	179,830	56%
India Payments NTR (<i>bps</i>)	7.2	4.8	51%	5.1	7.1	40%
Gross Revenue	477	311	53%	527	895	70%
Net Revenue (<i>NR</i>)	79	61	29%	113	152	34%
Operating Expenses	436	277	58%	465	812	75%
EBITDA	40	34	16%	63	82	32%
EBITDA % of NR	51%	56%	-	55%	54%	-
Dep. & Amtz.	15	16	-9%	33	30	-11%
PBT before share of assoc.	57	20	193%	33	89	170%
Tax expense	16	5	214%	8	24	183%
Profit After Tax ^{1 2}	40	18	123%	31	62	100%
PAT % of NR	51%	29%	-	28%	41%	-

¹ excludes MDR based payment options

² PAT from continuing operations

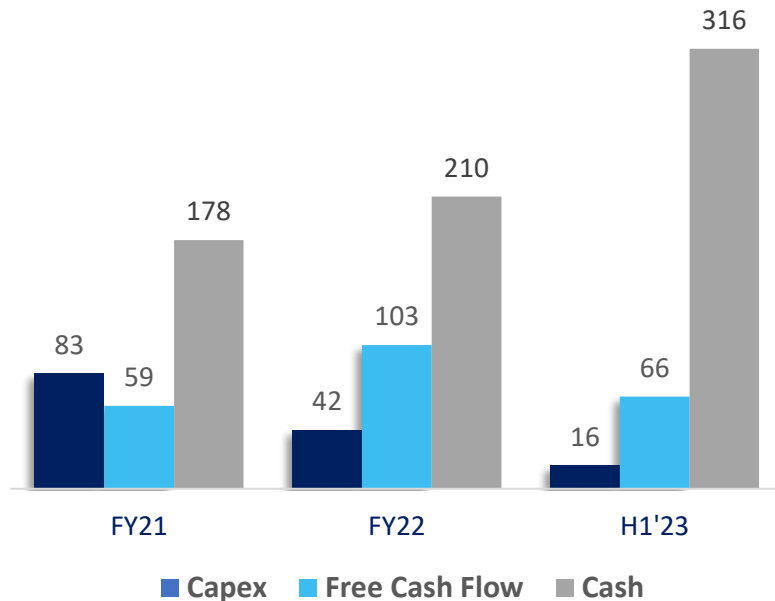
³ excluding any one time exceptional gain/loss

Note: PAT includes divestment of stake in DRC Systems in the quarter.

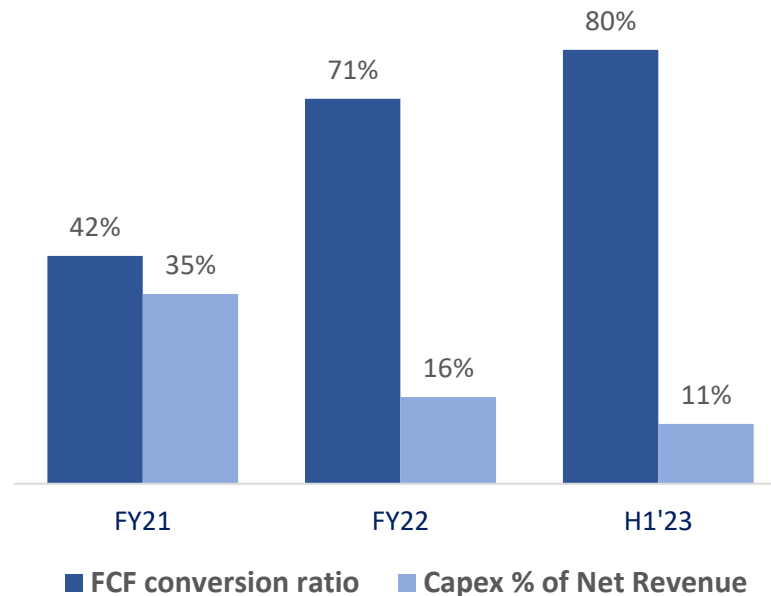
Cash Flows

Consistent cash flow generation

Cash Flows (INR crore)



FCF conversion and Capex



Cash: Cash and Bank balance + ST investments

Free Cash Flow: EBITDA - Capex

FCF conversion ratio = FCF / EBITDA

Major capex cycle now behind; significant growth ahead

Revenue and Cost Drivers

Building a scalable business model



Payment Gateway



Bill Payments



GeM platform



eComm. platform



Lending

Businesses	<ul style="list-style-type: none"> • CCAvenue (Ind + Intl) • CCAvenue Soft POS • ResAvenue • B2Biz • CPGS (Entp. Payments) 	<ul style="list-style-type: none"> • BillAvenue 	<ul style="list-style-type: none"> • Marketplace for Enterprise 	<ul style="list-style-type: none"> • Marketplace for Enterprise 	<ul style="list-style-type: none"> • TrustAvenue • Express Settlement
Revenue model	<ul style="list-style-type: none"> • Transaction based <ul style="list-style-type: none"> ◦ Percentage ◦ Flat-fee 	<ul style="list-style-type: none"> • Transaction based <ul style="list-style-type: none"> ◦ Flat-fee 	<ul style="list-style-type: none"> • Transaction based <ul style="list-style-type: none"> ◦ Percentage 	<ul style="list-style-type: none"> • License fee • Maintenance fee • Development charges 	<ul style="list-style-type: none"> • Transaction based <ul style="list-style-type: none"> ◦ Flat fee and ◦ Percentage
Revenue drivers	<ul style="list-style-type: none"> • TPV growth • Volume growth • Take rates charged to merchants • Intl. growth • Business from partners • Industry mix • Payment mix 	<ul style="list-style-type: none"> • No of billers • Biller categories • Consumer using BBPS channels for bill payment • Agent institution network 	<ul style="list-style-type: none"> • Govt buyers • Integration of various ministries • State govt participation • PWD integration • More products and services selection 	<ul style="list-style-type: none"> • Number of large enterprises • Renewal 	<ul style="list-style-type: none"> • No of merchants • No of lenders • No of loans • Loan size
Direct Cost drivers	<ul style="list-style-type: none"> • Bank TDR • Partner charges 	<ul style="list-style-type: none"> • Commission rates 	<ul style="list-style-type: none"> • na 	<ul style="list-style-type: none"> • Na 	<ul style="list-style-type: none"> • na

Transaction Processing Value ¹
INR 4.0 lac crore

Gross Revenue
INR 1,600-1,700 crore

EBITDA
INR 170-190 crore

PAT
INR 110-125 crore

¹ also includes TPV from non-MDR payment options



COMPANY OVERVIEW

First Listed Fintech in India

Among Pioneers in Fintech Payments and Software Platforms

Twenty plus years of fintech innovation



- India's first eCommerce tech platform for enterprise
- first Indian PG to achieve PCI-DSS compliance
- first to become a MasterCard Member Service Provider.
- first to be certified by AmEx for global currency processing

- first fintech listed on NSE & BSE
- first RBI licensed optg. unit to onboard billers & agents
- Exclusive contract with GeM
- launched B2B payments
- Incubated domestic remittance & assisted financial commerce platform (Go Payments)
- UAE, Saudi Arabia, Oman, USA



Go PAYMENTS

2016-2020

2011-2015

- first online RuPay debit card transaction through CCAvenue
- first to offer Payments for social media platforms
- incubated cross-border payments platform; also used by 9 of India's top 10 private banks (Fable Fintech)



2006-2010

2000-2005

- India's first retail PG, CCAvenue
- first PSP to provide net banking payment option
- First to offer Invoice payments
- First to go live with Verified By Visa & MasterCard SecureCode

2021 till date

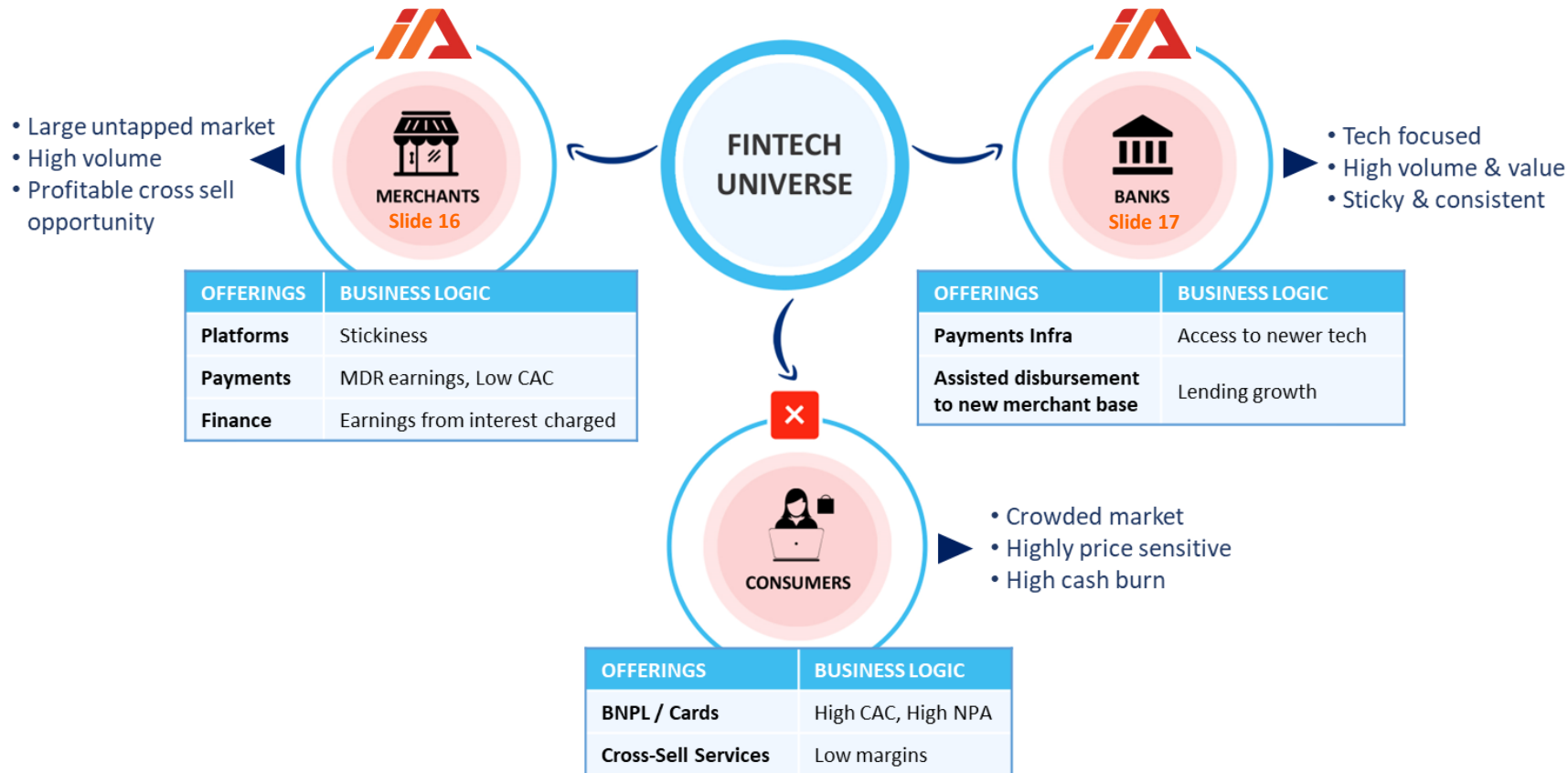
CCAvenue —
TAPpay

- Launched an advanced omnichannel payment app with 'tap to pay' feature
- Went Live with Jio Platforms to offer Platform & Payment
- Applied for NUE in consortium with Jio Platforms, Google & Meta
- Launched payments in Australia
- Among firsts to offer tokenisation

Building India's pioneer fintech company

The Fintech Universe

Fintech revenue models



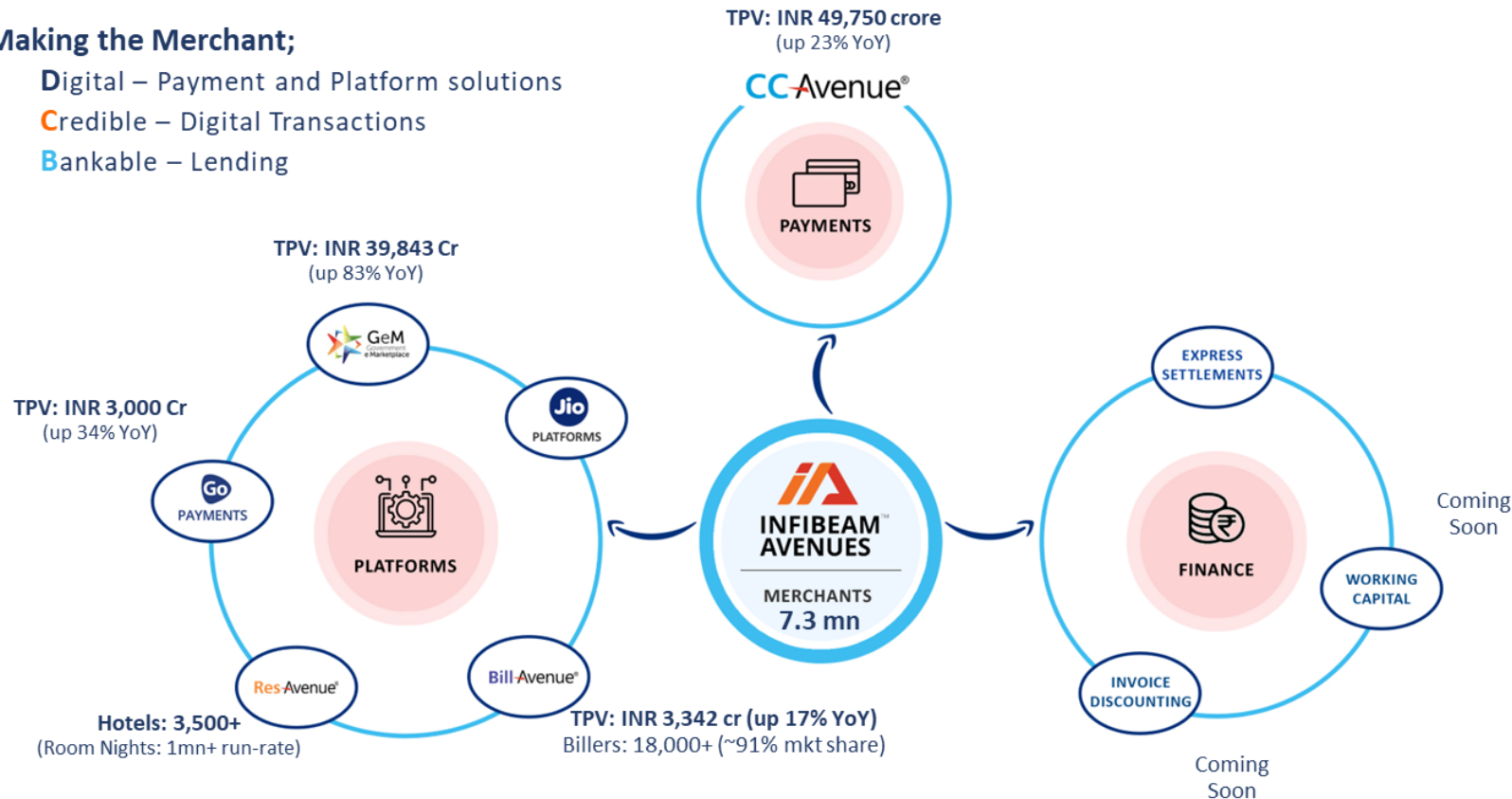
Company is focused on low-cost, stable, scalable and sustainable business from Merchants and Banks 15

Merchant Centric Business Model (DCB)

Well positioned to leverage the Trillion-dollar opportunity

Making the Merchant;

- **D**igital – Payment and Platform solutions
- **C**redible – Digital Transactions
- **B**ankable – Lending

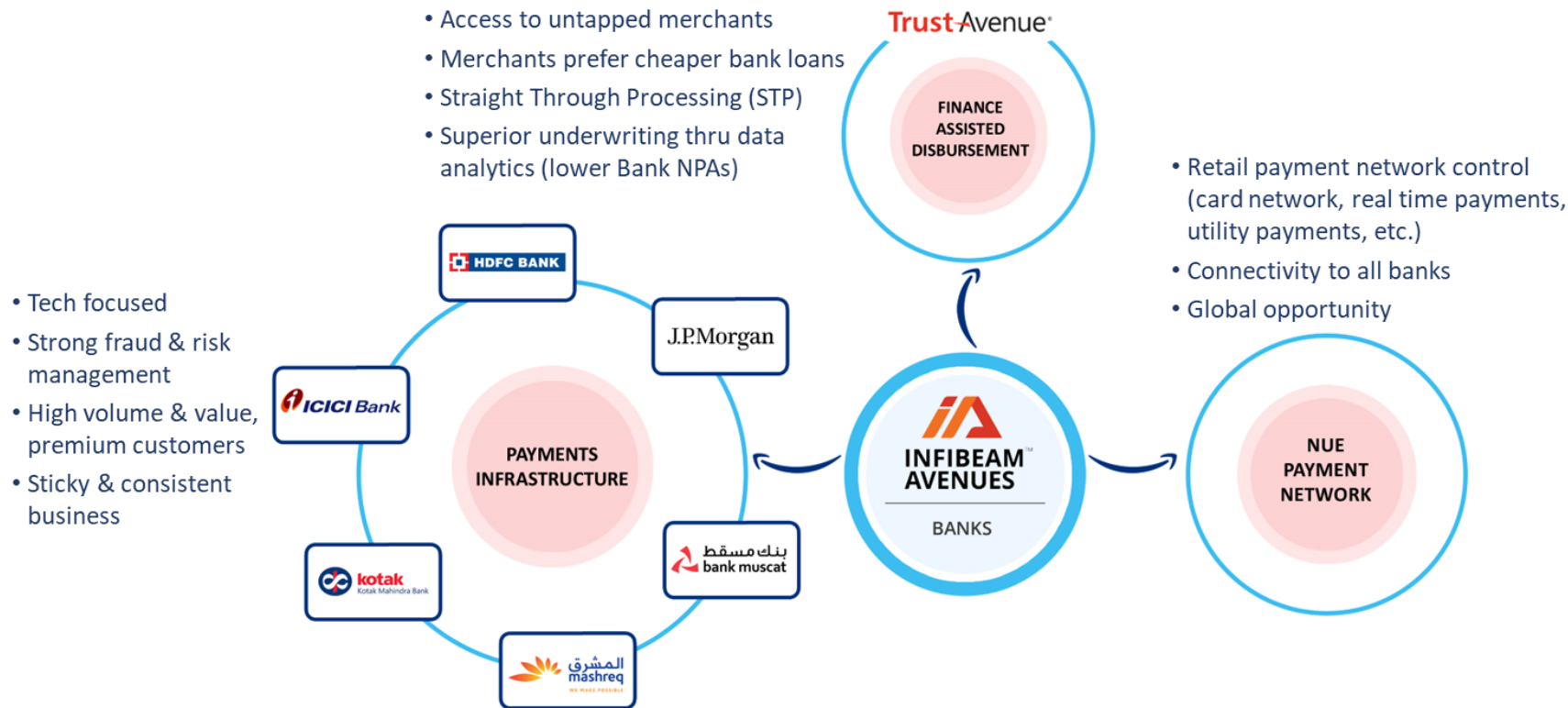


All numbers are for Q2 FY23

Well positioned for the trillion dollar fintech opportunities

Bank Centric Business Model (Building Payments Infrastructure)

De-risked and sustainable business model



Leveraging fintech expertise for global expansion



Opportunity and Guidance

First Listed Fintech in India

Payments – Macro Tailwinds



Large untapped market (online + offline) with various cross sell opportunities



Supportive demographics, wide internet & mobile penetration, affordable smartphones & data pricing



Increasing preference towards digital payments



Favorable Government initiatives and regulations

Infibeam's Business Drivers for Execution Going Forward



Penetrating offline digital payments through newly launched CCAvenue mobile app with Tappay



Growing Payment infrastructure business in India and in international markets



Growing merchant pipeline for cross-sell opportunity



Offering working capital loans, invoice discounting, to merchants and boosting margins



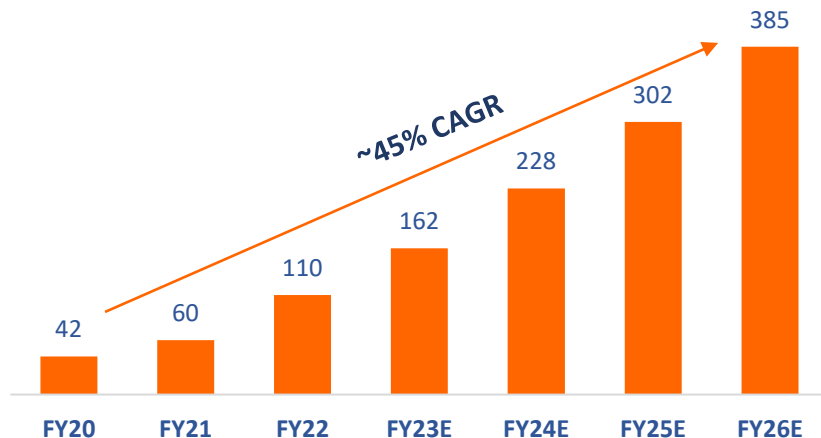
Being one-stop-shop for merchants (Platform for business, Payments to collect money and finance for growth)



Expanding internationally

How Big is the Opportunity?

Digital Payments Market : Transaction Value (INR Trillion)



- 2 out of every 3 payment transactions would be digitized by 2026
- Deep market penetration, around 346 million Indians are engaged in online transactions such as e-commerce and digital payments.
- The number of internet users by 2025 will grow another 200 million to 900 million; growing ~30% in next 3 years.

Ready to Capture the Bigger Pie

Accelerating towards our Guidance of **INR 7.5 lac crore** by the end of 2024 ¹

Transaction Processing Value (TPV) ²

INR **2.9** lac crore
\$ 37 billion
FY22

INR **4.0** lac crore
\$ 50 billion
Q2 FY23 annualised

¹ FY24 annualised exit run-rate

² includes MDR based payment options

USD 1 = INR 80

- Entering offline payments through SoftPoS, CCAvenue mobile app to increase digital payments market share
- GeM platform doubling every year; crossed INR 50,000 crore in 123 days in FY22
- Additionally targeting B2B payments



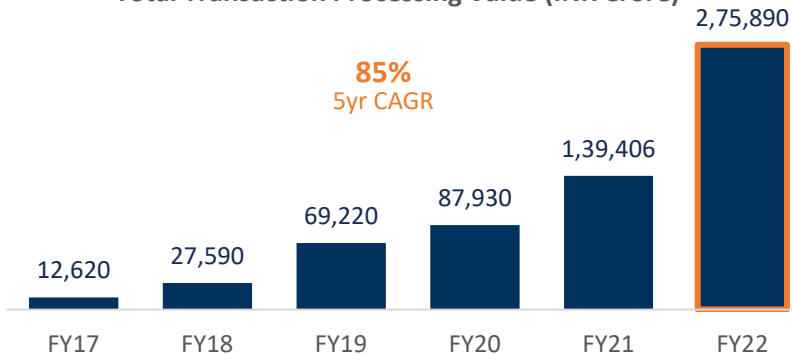
Annexure

First Listed Fintech in India

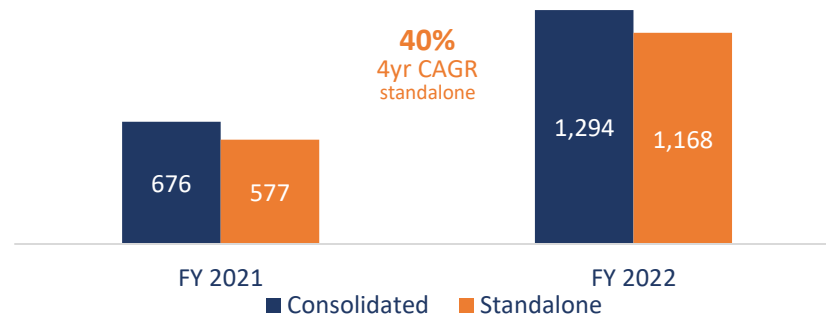
Robust Financial Management

Consistent performance

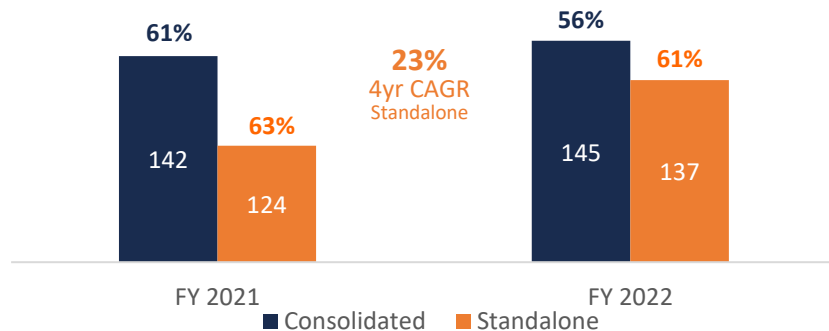
Total Transaction Processing Value (INR Crore) *



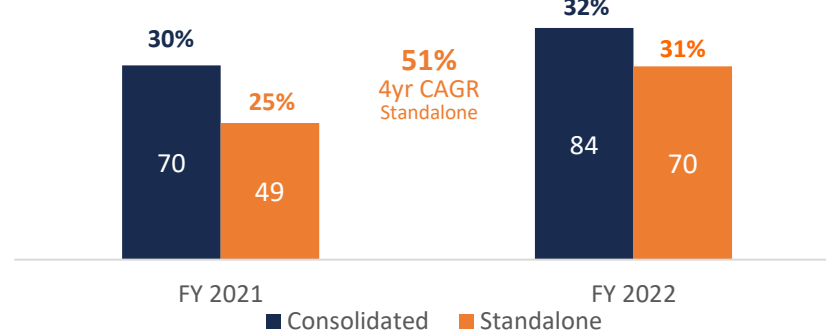
Gross Revenue (INR crore)



EBITDA (INR crore) and EBITDA as % of NR



PAT (INR crore) and PAT as % of NR



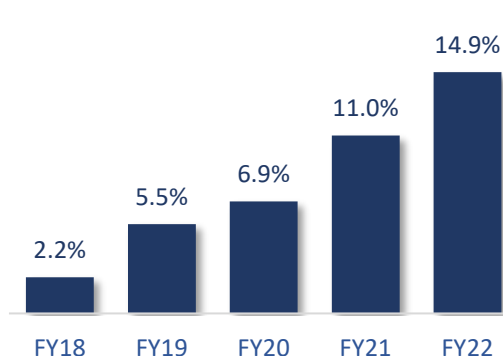
Note: Consolidated financials prior to FY20 are not comparable due to divestments in FY19. Standalone (SL) constituting 90% of FY22 'consol. gross rev' is comparable for 4yrs. Hence, CAGR is calculated on SL. Standalone business includes India Payments and Platforms business including platforms merchants like GeM, Jio, etc.

* Excludes MDR based payment options

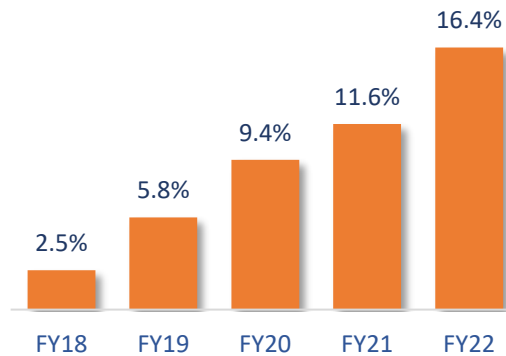
Strong Balance Sheet – FY22

Generating superior returns for the shareholders

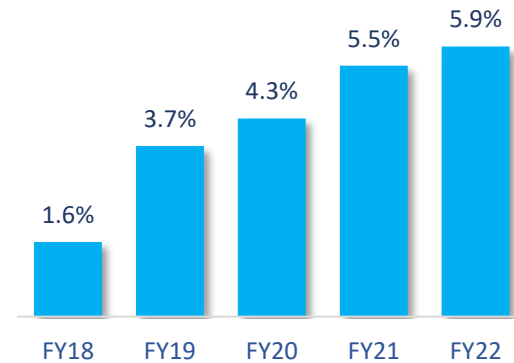
Return on Equity %



Return on Capital Employed %



Return on Assets %



- Strong cash reserves – over INR 200 crore¹
- Zero debt (early payment of all outstanding debt, in Q2'22)
- Positive cash from operations²: INR 117 crore, up 9% YoY
- >100% EBITDA to cash conversion³: consistent in the last five years
- Consistently FCF positive: INR 75 crore, up 3x YoY

Note: Return ratios are calculated on Standalone business' revenue generating assets excl. investments (Standalone contributes 90% of consolidated revenue comprising India Payment business and Marketplace Platform business)

¹ including nodal balance

² Cash from Operations (CFO) excludes merchants' settlement money which is not cash generated by the Company

³ EBITDA / CFO

Company's Corporate Governance And Business Security Standards

Committed for the long-term success of the company

Organisation

- High calibre Independent Board
- Reputed Statutory auditors
- Superior Disclosure policy
- Strong Code of conduct
- A Digital business ensuring Transparency
- ISO/IEC 27001:2013 Certification
- Level I, PCI-DSS Certified (International Payments standard for security of customer data stored)

Business

- Lowest chargeback ratio
- No penalty ever
- Zero dispute with all financial institutions
- No delayed payments
- 20 year negative data collection, Fraud and Risk database (FRISK), for safety and security
- Stringent KYC policies discouraging negative/illegal businesses as notified under regulations



PAYMENTS | PLATFORMS

Thank You

Investor Relations

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