

Media Release

Infibeam Avenues Limited Announces Financial Results for Q3 and 9m FY23

PAT at INR 35 crore up 46% and EBITDA at INR 48 crore up 26%, YoY.

Added a record 1.1 million merchants; No. of merchants 8.4 million, up 72 % YoY.

Quarterly Gross Transaction Processing Value (TPV) of INR 1 lac crore¹, up 27% YoY.

Company becomes first payment gateway to process Digital Rupee transaction for online retail payments.

Go Payments subsidiary turns EBITDA breakeven; Company increases stake further.

Received in-principle approval to operate as Payment Aggregator and perpetual Bill Payments license from RBI.

Gandhinagar, February 06, 2023 – India’s first listed software platforms and payments infrastructure company, Infibeam Avenues Limited (“Infibeam” or “The Company” or “IAL”), (BSE: 539807; NSE: INFIBEAM), has today announced its financial results for quarter and nine months ended December 31, 2022.

Standalone Financial Highlights (INR crore)

Standalone comprises: India Payments + Platforms incl. Govt. e Marketplace (GeM)

Particulars	Q3 FY23	Q3 FY22	Y-o-Y	9m FY23	9m FY22	Y-o-Y
Net TPV ²	87,398	70,516	24%	2,52,640	1,77,820	42%
India Payments NTR ³ (bps)	8.3	4.9	69%	7.5	5.0	50%
Gross Revenue (GR)	366	360	2%	1,179	837	41%
Net Revenue (NR) ⁵	73	59	24%	207	161	28%
EBITDA	45	35	28%	127	98	31%
EBITDA as % of NR	62%	60%	-	62%	61%	-
Profit After Tax (PAT) ⁴	28	19	51%	98	43	126%
PAT as % of NR	39%	32%	-	48%	27%	-

Consolidated Financial Highlights (INR crore)

Consolidated comprises: Standalone + Intl. Payments + Majority owned subsidiaries + share of associates

Particulars	Q3 FY23	Q3 FY22	Y-o-Y	9m FY23	9m FY22	Y-o-Y
Net TPV ²	95,604	75,428	27%	2,75,434	1,90,392	45%
Total Payments NTR ³ (bps)	8.9	5.5	62%	7.9	5.6	41%
Gross Revenue (GR)	415	397	4%	1,310	924	42%
Net Revenue (NR) ⁵	85	70	21%	237	183	29%
EBITDA	48	38	26%	130	100	29%
EBITDA as % of NR	56%	54%	-	55%	55%	-
Profit After Tax (PAT) ⁴	35	24	46%	98	55	77%
PAT as % of NR	42%	35%	-	41%	30%	-

1 Gross TPV includes TPV from Payments incl. TPV of non-MDR (non-chargeable) payment options + TPV from GeM platform.

2 Net TPV only includes Payments TPV from MDR based (chargeable) payment options + GeM TPV

3 Net Take Rate (per transaction net earnings from payment business after paying payment processing charges)

4 PAT includes gain on divestment of stake in DRC Systems in the quarter.

5 Net Revenue = Gross Revenue – Direct Operating Expenses

“The Company had a solid quarterly performance attributable to all-round business development. Our focus on generating higher profitability per transaction in our payments business is starting to show results. We are constantly innovating on our offerings and building comprehensive vertical specific technology that helps merchants in each industry to overcome their operational challenges. This has given us a lead to be their preferred payments partner giving us a sustainable business that will generate greater long-term value for our business and for our shareholders,” **said Mr. Vishal Mehta, Managing Director, Infibeam Avenues Ltd.**

The company's focus on generating higher profitability per transaction to improve unit economics is starting to produce results. Payments net take rate increased to 8.9 basis points (bps), up 63% YoY. The company is experiencing quarter on quarter increasing trend in NTR as sectors impacted in the pandemic and overall discretionary spends are now increasing. Also, change in payment mix from credit options like credit cards and EMIs to debit options like net banking and debit cards led to favourable net take rate. Payments through debit options are more profitable for the company and the company is a pioneer in offering a large portfolio of debit options to the merchants.

GeM portal recorded the highest quarterly GMV. As per GeM, order value on GeM procurement portal (www.gem.gov.in) crossed INR 1.5 lac crore in 10 months ending 31st January 2023. Order value on GeM crossed the INR 1 lac crore milestone in eight months of FY23 while it took just two months to achieve additional INR 50,000 crore. As per GeM, the order value in FY23 is projected to touch INR 2 lac crore, 2x of FY22. Incremental GeM order values accrue more revenues to the company.

In UAE, Payments TPV and Net Revenue doubled YoY in Q3 FY23. Company's international expansion is on track. Infibeam has commercially started operations in Saudi Arabia and will scale it from next financial year.

Infibeam increased its investment by further investing INR 16 crore in Instant Global Paytech Pvt Ltd ("Go Payments" or "Go") thereby increasing its stake to 54.80% from 52.38% earlier.

Strong volumes and improvement in per unit pricing, consequently led to an overall improvement in operating (EBITDA) and net profitability (profit after tax) and resultant margins.

Third quarter (Q3), being seasonally strong quarter also led to record 1.1 million merchant additions. Total merchants reached 8.4 million, up 72% YoY. CCAvenue's India Payments alone recorded 385% YoY growth in total number of merchants. Retail sector was the largest merchant contributor followed by Grocery, Travel and Ticketing, Education, IT, etc. Also, very few payment companies are currently able to onboard new merchants, Infibeam Avenues being one of them. The short supply of payment gateway providers in the market, from second half of December, versus continuing merchant demand for digital payments, also led to strong merchant (onboarding) growth, which continued in the month of January as well. This will benefit the company as it builds a long-term sustainable business centered around providing comprehensive vertical technology solutions for merchants of each industry.

Like many industry firsts by the company over the last 20+ years, Company's payments brand CCAvenue, was the **first to process Digital Rupee (eRupee)** transaction for online retail payments. As government and RBI looks to curtail cash of INR 32 lac crore (~USD 400 billion) they are promoting the use of Digital Rupee/eRupee. The company is live with IDFC First Bank, one of the first four banks authorised by RBI to provide Digital Rupee services in phase one. The company is ready to work with multiple banks to quickly roll-out digital rupee to fulfil India's vision to become a less-cash economy. The Company is in discussion with few banks and is also getting inbound requests from other banks to become their partner for Digital Rupee.

"Just like UPI created a revolution in Digital Payments, in the same way eRupee will create the next revolution in India. Our comprehensive portfolio of 200+ payment options, highest in India, offers most of the payment options to the merchant in a single integration. We have recently launched CCAvenue TapPay, a machine-less, software-based low-cost omnichannel payment solution, that will allow offline merchants to accept payments on android-based mobile phones with great ease, with highest number of payment options available today for offline payments in India. We have simplified processes and strong compliances in place to onboard new merchants and activate them instantly. High merchant acquisition will build a strong pipeline to up-sell and cross-sell while also giving us a lead in processing eRupee transactions," **said Mr Vishwas Patel, Executive Director, Infibeam Avenues Ltd.**

Apart from receiving the in-principle approval in October from RBI to operate as a payment aggregator the company also received perpetual license in December from RBI for its bill payments business under the Bharat BillPay infrastructure. The company now holds two of the three payment licenses. Infibeam, through its subsidiary, is also part of a consortium awaiting the third and most coveted payment license, the New Umbrella Entity (NUE) license, to offer retail payment network in India and globally.

About Infibeam Avenues Ltd.

Infibeam Avenues Ltd. is one of the leading global financial technology (fintech) company offering comprehensive digital payment solutions and enterprise software platforms to businesses and governments across industry verticals. The company's payment infrastructure solution includes acquiring and issuing solutions and offering infrastructure for banks. The core Payment Gateway (PG) business provides over 200 plus payment options to the merchants allowing them to accept payments through website and mobile devices in 27 international currencies. Infibeam Avenues' enterprise software platform hosts India's largest online marketplace for government procurement. The company processed transaction worth INR 2.8 trillion (US\$ 37 billion) in FY22. Company currently has over 8 million plus clients across digital payments and enterprise software platforms. The company's vast clientele includes merchants, enterprises, corporations, governments and financial institutions in both domestic (India) as well as international markets. Infibeam Avenues' international operations are based in the United Arab Emirates, Kingdom of Saudi Arabia, Australia and the United States of America. We also have business presence in Oman working with two of the largest banks in the country.

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