

Media Release

Infibeam Avenues Ltd Announces Financial Results for Q1 FY25

Gross Revenue of INR 7,528 million in Q1FY25, Net Revenue of INR 1,185 million, up 20% YoY
 EBITDA ³ of INR 698 million in Q1FY25, up by 25% YoY.

PAT ³ at INR 504 million in Q1FY25, up 59% YoY.

Phronetic.AI files its first Artificial Intelligence with United States Patent and Trademark Office
 Infibeam Avenues Ltd to acquire 54% majority stake in Rediff.com India Limited

Gandhinagar, August 02, 2024 – India's first listed AI- powered tech and fintech company, Infibeam Avenues Limited ("Infibeam" or "The Company" or "IAL"), (BSE: 539807; NSE: INFIBEAM), has today announced its financial results for the first quarter ending June 30, 2024.

Consolidated Financial Highlights (INR million)

Particulars	Q1 FY25	Q1 FY24	Y-o-Y
TPV ¹	1,97,691	1,18,260	67%
Gross Revenue	7,528 *	7,424	1%
Net Revenue ²	1,185	988	20%
EBITDA ³	698	558	25%
EBITDA margin ^{3 4}	59%	57%	-
Profit After Tax (PAT) ³	504	316	59%
PAT margin ^{3 4}	43%	32%	-

¹ Includes i) Payments TPV [CCAvenue India and International + BillAvenue + Go Payments] + ii) GeM platform TPV.

² Net Revenue = Gross Revenue – Direct Operating Expenses (predominantly payment processing revenue collected on behalf of ecosystem partners)

³ Adjusted or excluding the impact from MTM and or FV gain / (loss) of investments

⁴ as percentage of Net Revenue

* No GeM Platform revenue included during Q1FY25.

Consolidated Financial Performance Review:

Infibeam Avenues Ltd has reported robust consolidated gross revenue of INR 7,528 million, accompanied by a Profit After Tax (PAT) of INR 504 million in the first quarter of FY25. The Q1 FY25 net revenue witnessed an increase of 20% despite GeM related platform revenue not recorded during the quarter primarily due to increase in payment take rate which increased to 11.2 bps (from 8.4 bps same quarter last year) in the quarter, and PAT saw a sizeable growth of 59% compared to the corresponding quarter of the previous financial year. The EBITDA also exhibited noteworthy growth of 25% Year-over-Year (YoY) to INR 698 million.

Growth attributes:

Increased Payment Transaction (TPV) Volume: The TPV rose by 67% YoY, reaching INR 1,977 billion, during the first quarter. The increased TPV is largely due to rising use of digital payments and also surge in company's merchant base due to increase use of digital POS product– CCAvenue TapPay amongst merchants. CCAvenue's deep integrations across thousands of third-party merchant systems, fostered continued growth and success.

Increased Take Rate: In Q1, the company also witnessed increased in take rate from 8.4 bps in Q1FY24 to 11.2 bps in Q1FY25. This increase in take rate is a results of discipline, execution, optimization, and reimagining digital payments from teams across Infibeam.

Increased Merchant Base: The continuous expansion of merchant base has significantly bolstered company's achievements, culminating in an impressive total 10M+ merchant accounts by the end of the fiscal year FY23-24. In Q1FY25, there has been substantial addition in merchants registering at a daily average of 2,550+ merchant accounts to company's total merchant base.

Growth in International Business: Company further strengthen its international play for its payment business, as it realigned its international businesses and received regulatory approval from Kingdom of Saudi Arabia (KSA) and launched mobile-based QR Code payment solutions in the United Arab Emirate (UAE) market.

Platform Business: Company continue to bolster its platform business as revenue continue to pour from its B2B cloud-based Enterprise Software platform that caters diverse set of large corporations, enterprises and government. Government e-Marketplace (GeM), a national public procurement portal, continues to use Infibeam Avenues Ltd's Enterprise Software Platform technology, but the company has not recognized any revenue in this quarter as well. Infibeam Avenues has entered an arbitration with GeM which is expected to conclude it by the end of the second quarter.

Artificial Intelligence (AI) Business growth expected this year: Company has already made forward investment in developing its AI business, by setting up Phronetic.AI, a AI business vertical, MoU signed with Gujarat Government for AI product development for retailer and MSMEs, MoU signed with EDII (Entrepreneurship Development Institute of India -Gandhinagar) for fostering AI adoption among enterprises, startups and MSMEs and indigenously developed World's pioneering AI Facility Manager. Phronetic.AI is already running pilot project with a few clients and expects to get multiple project orders of millions of dollars by the end of second quarter.

Comments on Q1FY25 Results:

"We have worked hard in optimizing every layer of our payment infrastructure stack to ensure increase in our net take rate to double digits and pleased to report that our net take rate has increased to 11.2 bps in Q1FY25. Our international business especially in UAE has also picked up scale processing AED 1.5bn per month with double digit take rates. We are pleased to report that our subsidiary in Saudi has been granted a Payment Technical Service Provider (PTSP) certification from the Saudi Central Bank (formerly Saudi Arabian Monetary Authority, SAMA). This certification allows Infibeam's flagship payment platform, CCAvenue, to operate as a payment processor in the country. This makes Infibeam the first Indian fintech company to achieve such a milestone in Saudi Arabia, positioning CCAvenue as a major player in the digital payments market in Saudi Arabia," said **Mr. Vishwas Patel, Joint Managing Director of Infibeam Avenues Ltd.**

"We have a good beginning for the financial year FY25 as we have registered good growth in the first quarter. We continue to scale high with our payments and platform business vertical. With addition of emerging technologies and investment in innovation, especially in Artificial Intelligence, we expect to further accelerate our company's growth in coming quarters in this fiscal year. Our new business vertical in AI will play a crucial role in recalibrating the growth trajectory of the company and expect to deliver value to all stakeholders," said **Mr Vishal Mehta, Chairman and Managing Director, Infibeam Avenues Ltd.**

Today's Board Meeting outcome:

Acquired majority stake in Rediff.com:

On Friday, the Board of Directors approved the investment to acquire majority stake (54%) in Rediff.com. It will be funded with internal accrual and post-investment, Rediff.com will become a subsidiary of Infibeam Avenues Ltd. It's a strategic decision for the company to venture into the cloud infrastructure and 'Financial Aggregator' space, where it will offer financial services and product to merchants and consumers.

"This transaction harnesses the synergies between Infibeam Avenues' fintech expertise and Rediff.com's esteemed brand legacy. We are poised to cement our position as a leader in the dynamic landscape of digital finance aggregation, cloud storage and content distribution. With this synergy, we are poised to unlock new dimensions of growth, redefining the essence of cloud and fintech engagement," said **Mr Vishal Mehta, Chairman and Managing Director of Infibeam Avenues Ltd.**

It's a significant milestone for Infibeam Avenues, marking the beginning of its consumer-facing digital financial services as an aggregator backed by mainstream news, cloud-based enterprise email storage, and collaboration platform.

Major Business Development:

- Company's UAE's step-down subsidiary has raised majority of USD 25 million through pre-IPO equity placement at a valuation of USD 100 million post money. This fund raise will fuel company's international expansion efforts and propel it towards capturing a significant market share in growing digitalized economy of the Middle-East region.
- Under took major initiative in the Artificial Intelligence space by entering into a collaboration with academic institution to extend and enhance AI adoption and growth in India. Signed MoU with the prestigious Entrepreneurship Development Institute of India (EDII) – Ahmedabad, for fostering AI adoption among enterprises, startups and MSMEs.
- Appointed former SBI Pension Funds MD & CEO Mr Narayanan Sadanandan as Independent Director on Infibeam Avenues Ltd's board.
- Infibeam Avenues Ltd acquire the remaining 26% stake in Infibeam Digital Entertainment Private Limited from its shareholders. This acquisition makes Infibeam Avenues Limited 100% ownership in Infibeam Digital Entertainment and make it a wholly owned subsidiary.
- Phronetic.AI, the company's artificial intelligence business, has been incorporated as a wholly owned subsidiary of Infibeam Avenues Ltd. The subsidiary will then be dedicated to the AI-enabled fraud detection and prevention market as well as video intelligence.
- Phronetic.AI has recently filed its first Artificial Intelligence patent with United States Patent and Trademark Office (USPTO) on 'Systems and Methods to Implement Activity Based Management Using Artificial Intelligence (AI)'. This patent covers a novel, cost effective way of using CCTV data and desktop data in order to improve operational efficiency of industries using video based Artificial Intelligence (AI) models.

About Infibeam Avenues Limited:

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 7 trillion (US\$ 86 billion) in FY24. Company currently has over 10 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, Australia, and the United States of America. We also have business presence in Oman working with three of the largest banks in the country.

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For more information on the company, please go to, www.ia.ooo, www.phronetic.ai and www.ccavenue.com
