

Zaggle Prepaid Ocean Services Limited

Robust quarterly & annual performance

46% YoY growth in Quarterly revenues; 2 fold increase in PAT

40% growth in Annual Revenues; 92% increase in PAT

Thursday, May 23, 2024, Hyderabad – Zaggle Prepaid Ocean Services Limited, a SaaS fintech player which provides spend management products and solutions, has announced its audited Financial Results for the quarter and year ended March 31, 2024.

(₹ Million, unless stated otherwise)	Q4FY24	Q4FY23	YoY	Q3FY24	QoQ	FY24	FY23	YoY
Revenue from operations	2,733.7	1,868.5	46.3%	1,995.1	37.0%	7,756.0	5,534.6	40.1%
Adjusted EBITDA	271.6	248.9	9.1%	228.6	18.8%	855.7	625.1	36.9%
Adjusted EBITDA Margin	9.9%	13.3%		11.5%		11.0%	11.3%	
ESOP Cost	-0.6	72.1		24.7		149.8	144.1	
Reported EBITDA	272.2	176.9	53.9%	203.8	33.5%	705.9	481.0	46.8%
Reported EBITDA Margin	10.0%	5.4%		10.2%		9.1%	8.7%	
Profit After Tax	191.6	75.6	153.4%	152.2	25.9%	440.2	229.0	92.2%
PAT Margin	7.0%	4.1%		7.6%		5.7%	4.1%	
Cash PAT	212.5	176.6	20.3%	195.0	9.0%	673.6	435.1	54.8%

Key Highlights

Q4FY24 – Key Highlights:

- Highest-ever quarterly revenue, marking the highest quarterly revenue from SaaS, Program Fees and Propel Revenue
- Highest ever quarterly EBITDA and PAT
- The increase in Incentive and cash back is attributed to the increase in revenue and market push for Zoyer
- The revenue contribution from Zoyer has experienced significant growth
- During the year the debt reduced from Rs. 1210 Mn to Rs. 736 Mn. This led to a reduction in Finance costs on YoY basis. However, on a sequential basis the increase is due to fees paid on the prepayment of debt
- The increase in other income stems from higher interest income on increased cash/ bank balances post IPO

FY24 – Key Highlights:

- Highest ever annual performance in terms of revenue and profitability metrics
- Customer base expansion with ~620+ new corporates including marquee names such as Wipro, Bennett Coleman, Emcure Pharmaceuticals etc.
- Onboarded high quality bank partners – SBI, ICICI Bank, Kotak Mahindra bank, Axis Bank, etc. This assists in enhancing the reach and maximise opportunities for growth.

Commenting on the performance Raj P Narayanam, Founder and Executive Chairman, Zagggle Prepaid Ocean Services Limited said,

"In FY24 and Q4FY24 we set new record in terms of revenue from SaaS fees, Program Fees and Propel Points. This led to our highest ever performance across key profitability metrics during these periods.

In FY24, our revenue growth was 40.1% with an Adjusted EBITDA Margin (before ESOP expense) of 36.9%, successfully fulfilling our guidance.

During the quarter, we had a 46.0% YoY growth in revenues and a 12.7% YoY growth in Adjusted EBITDA (before ESOP expenses). Our track record of consistent financial performance over the years continues to be strong.

At Zagggle, we are pleased about our recent strategic alliance with Span Across IT Solutions as now we will be able to offer Taxation and Financial wellness solutions to our customers. Further, some of our recent noteworthy developments include onboarding Axis Bank to our bouquet of bank partners and our contract with EaseMyTrip & Riya Travels to offer bundled Expense and travel solutions to our customers.

We doubled our revenue over the last 3 years and are poised to double our revenue over the next 2 years through organic growth. Our expectation of revenue growth for this fiscal year is to the tune of 45%-55%. We are focused on garnering more market share and making significant investments in technology, specifically building deeper AI capabilities to cater to the massive demand for Spend management solutions.

We intend to pursue inorganic growth opportunities through mergers and acquisitions. Additionally, we plan to expand geographically into the US markets as part of our growth strategy.

The opportunity for Zagggle to shape the future of spend management in India is enormous. With a broad array of solutions, we are well-positioned to truly digitize Corporate India's spends. We see abundant opportunities ahead and remain optimistic about the upcoming quarters."

About Zaggle Prepaid Ocean Services Limited (Zaggle)

Incorporated in 2011, Zaggle (BSE: ZAGGLE | NSE:543985) is a leading player in spend management, with a differentiated value proposition and diversified user base. The company operates in the business-to-business-to-customer segment and is amongst a small number of uniquely positioned players with a diversified offering of financial technology products and services. Zaggle is one of the largest number of issued prepaid cards in India in partnership with its banking partners. Additionally, Zaggle has a diversified portfolio of SaaS products, including tax and payroll software, and a wide touchpoint reach. It is a leading player in spend management, with more than 50 million prepaid cards issued in partnership with banking partners and more than 2.73 million users served as of March 31, 2024, offering a differentiated value proposition and diversified user base. Zaggle's network of corporate customers covers the banking and finance, technology, healthcare, manufacturing, FMCG, infrastructure and automobile industries.

For more information, please visit company website <https://www.zaggle.in/>

Safe Harbour Statement:

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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