

Zaggle Prepaid Ocean Services Limited

Highest ever quarterly performance
64% YoY growth in Quarterly revenues;
145% increase in PAT on a YoY Basis

Wednesday, November 13, 2024, Hyderabad – Zaggle Prepaid Ocean Services Limited, a SaaS fintech player which provides spend management products and solutions, has announced its unaudited Financial Results for the quarter & half year ended September 30, 2024.

(₹ Million, unless stated otherwise)	Q2FY25	Q2FY24	YoY	Q1FY25	QoQ	H1FY25	H1FY24	YoY
Revenue from operations	3,025.6	1,842.4	64.2%	2,522.1	20.0%	5,547.6	3,027.2	83.3%
Adjusted EBITDA	295.2	217.5	35.8%	255.8	15.3%	551.0	355.5	55.0%
Adjusted EBITDA Margin	9.8%	11.8%		10.1%		9.9%	11.7%	
ESOP Cost	28.2	67.2		31.4		59.6	125.6	
Reported EBITDA	267.1	150.3	77.7%	224.3	18.9%	491.4	229.8	113.8%
Reported EBITDA Margin	8.8%	8.2%		8.9%		8.9%	7.6%	
Profit After Tax	185.6	75.9	144.7%	167.2	11.0%	352.8	96.4	266.0%
PAT Margin	6.1%	4.1%		6.6%		6.4%	3.2%	
Cash PAT	238.2	167.1	42.6%	220.0	8.3%	458.2	266.1	72.2%

Key Highlights

Q2 & H1FY25 – Key Highlights:

- The YoY growth in the topline is driven by:
 - Increase in the volume of the prepaid cards and credit cards as well as the propel revenue platform on the back of higher redemption
 - Client addition with large user base
- Improvement in Gross Profit is largely due to change in product mix
- Increase in Employee Costs & Opex costs are in line with Business growth on account of higher incentives and cashback provided
- The decrease in finance cost is mainly due to the reduction in debt
- The total ESOP expenses in FY25 is expected to be approx. INR 70 Mn to 90 Mn

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

"I am delighted to share that we continue to deliver exceptional results, achieving another remarkable quarter with a topline of Rs. ₹ 3,025.6 Mn, an Adjusted EBITDA of Rs. 295.2 Mn, and a PAT of Rs. 185.6 Mn. This outstanding performance highlights the strength of our scale and ongoing reinvention, underpinned by the resilience and agility of our business model.

In the rapidly expanding Indian spend management industry, we have unlocked significant growth and successfully expanded both our customer and user base. Our noteworthy recent client additions include Baroda BNP Paribas Asset Management, Blue Star, HDFC Ergo General Insurance, amongst others. Our focus remains on developing innovative, future-ready solutions and diversifying our revenue streams to drive sustained growth.

As part of our growth strategy, we are actively seeking strategic alliances and inorganic growth opportunities. We are strongly focusing on M&A's with a combined strategy of small tuck-ins and larger investment opportunities, in the SaaS Fintech sector, including areas like NBFC, Payments etc.

In line with our growth plans, we have taken approval from the board of directors for a fund raise of up to Rs. 9,500 Mn. subject to shareholders approval.

Looking ahead, we are upping our guidance to 50-55% growth in our topline for FY 25. We are very confident of doubling our FY24 revenues in the next two years."

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 3.03 million users served as of September 30, 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.

For more information please contact:

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