



Realize Your Ideas

California Software Company Limited

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Date: 19th Jan 2018

National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex, Bandra East, Mumbai – 400 051.	BSE Ltd P J Tower, Dalal Street, Mumbai – 400 001
Scrip Code: CALSOFT Series: EQ	Security ID- CALSOFT Security Code- 532386

Subject: Acquisition of Infinia Solutions- Reg.

In consideration of the direction of long-term development, and to consolidate resources, increase economies of scale and improve the Company's competitiveness, the Company, has executed a MOU and necessary agreements with **Infinia Solutions and Services PTE Limited**, Singapore (Previously known as Cordite PTE Limited Singapore) for the acquisition of 60% of the all of the issued and outstanding common shares on fully diluted bases, whereby the Infinia Solutions and Services PTE Limited shall become a subsidiary of Calsoft.

Based on that, California Software Company Limited called for the EGM on 23rd December 2017 to consider and if thought fit, to pass with or without modification(s), for the acquisition of Cordite Pte Limited. The shareholders of the Company had approved at the EGM the proposal and the results of EGM has been uploaded to BSE and NSE platforms.

Pursuant to relevant laws and regulations, after the Company filed necessary documents to all the competent authorities, including the stock exchanges BSE and NSE.

This acquisition is expected to close in the first quarter of 2018.

For: **CALIFORNIA SOFTWARE COMPANY LIMITED**

JITENDRA KUMAR PAL
COMPANY SECRETARY



Infinia Services & Solutions

Information Memorandum



January 2018



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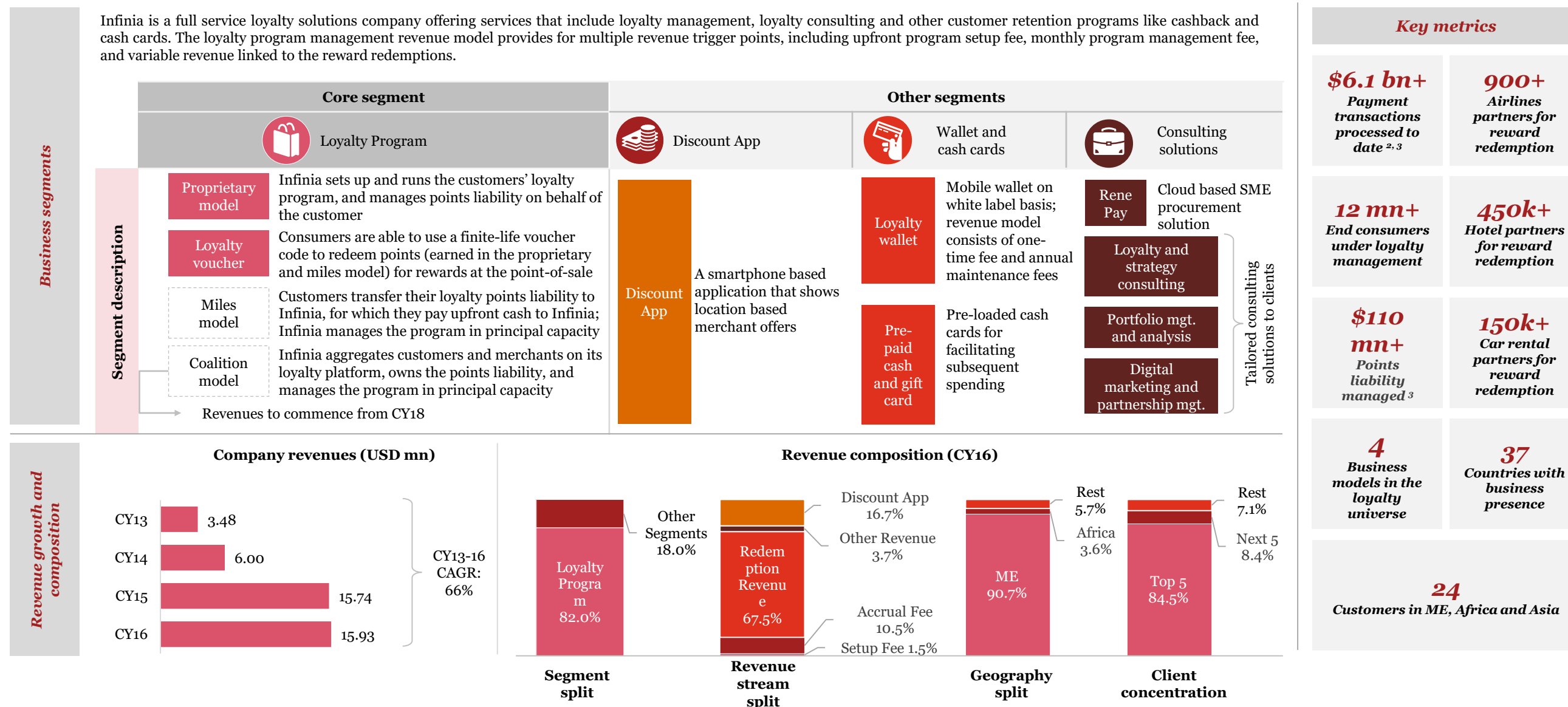
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Global Footprint across Key Markets



Infinia business overview – revenue streams and key operating metrics

Infinia is a full scale loyalty program management company and amongst the leaders in the Middle East and Africa regions





SERVICES & SOLUTIONS

CREATING VALUE THAT REWARDS

Opportunity overview

Serving an addressable market of ~ USD 2.8 bn, Infinia presents an opportunity to capitalize on the underserved loyalty program demand in key targeted markets

Market overview

- A loyalty program involves designing and applying marketing strategies to encourage consumers to purchase more goods and services offered by a company.
- Globally, there are in excess of **10,000** loyalty programs running on “in-house model” (a company self-managing its loyalty program), “third party managed models” (a company outsourcing its loyalty program management to a specialist vendor, a.k.a. “proprietary model”), and “coalition model” (a company joining the loyalty platform ecosystem of a loyalty manager).
- Growing at a CAGR of ~ **12% YoY**, there are an estimated **7.6 bn** loyalty program members in the world across all models
- More than **2 bn** consumers were estimated to be members of at least one coalition model loyalty program, representing ~ 28.4% of the world’s population.
- Each year, loyalty reward points with a monetary value of ~ **USD 117.6 bn** are issued worldwide, representing a large annual global addressable market opportunity.
- Proprietary analysis made by Infinia indicates an annual addressable opportunity of ~ **USD 2.8 bn** in Middle East, Africa and SE Asia, which are the geographies targeted by the company.

About Infinia

- Founded in 2011 in Dubai, UAE, Infinia has established itself as one of the largest loyalty program companies in the Middle East.
- The company has developed an in-house **Loyalty Business Management System** (“LBMS”), a suite which facilitates (1) onboarding of clients on to the loyalty platform, (2) seamless integration of transactions between merchants, consumers and banking gateways, (3) tabulation of point accruals and redemptions, (4) analytics of consumer spending behavior, and (5) and payment interface to conclude transactions.
- The Middle East and Africa (“MEA”) markets with an annual non-cash retail spending of ~ **USD 1.8 tn** identified as the key market.
- Infinia presently offers services to **24** customers, covers more than **12 mn** loyalty program members and is currently managing loyalty points with a redemption value of ~ **USD 110 mn**.
- It offers reward redemption options to consumers from among **900+** airline partners, **450k+** hotel partners and **150k+** car rental partners.
- Strategically identified SE Asia as a key growth market and acquired five clients to manage their loyalty programs
- To facilitate next phase of expansion, Infinia is looking to associate with a strategic partner which shares a similar vision for growth and raise funds for business expansion. The funding would be deployed to set up a coalition model, expand in the SEA and Africa regions and upgrade the company’s technology.

Key investment considerations

(1/2)

1. Global market opportunity

- 7.6 bn loyalty program members worldwide, growing at ~ 12% YoY.
- 2 bn loyalty program members estimated to be participating in more than one coalition model program, representing more than a quarter of the world's population
- Loyalty points with monetary value of ~ USD 117.6 bn are issued annually, adding to the global potential redemption pool.
- BFSI, retail and consumer goods and travel and hospitality are the top three verticals for generation of points in the loyalty management market.

Loyalty market growth has been driven by:

- Rising incomes of the middle class consumer segment and growing urbanization
- Rise in technology and growth in market penetration of internet and mobile
- Increasing number of card holders
- Increased focus by companies on customer segmentation for effective loyalty management programs

2. Niche focus in attractive under-penetrated markets

- ME market has witnessed considerable penetration of the outsourced loyalty management industry
- Africa and APAC regions continue to be underserved
- Total loyalty points liability managed in ME, Africa and South East Asia is estimated to be ~ USD 2.8 bn, across in-house and outsourced loyalty programs
- Infinia has established itself as leader in the loyalty management market in the Middle East and Africa with more 24 banking and other partners.
- Rapidly growing in SE Asia and is preparing to launch a coalition model in the next one year in Indonesia and Sri Lanka.

3. Long-term marquee customers, large partner network

Infinia has been successful in entering and sustaining relationships with large, notable customers in the Middle East and Africa for accrual of loyalty points. Some of the key relationships entered into include:

- Commercial Bank of Qatar (since 2013)
- United Arab Bank (since 2012)
- Qatar International Islamic Bank (since 2014)
- Qatar National Bank (since 2013)
- National Bank of Oman (since 2014)
- Commercial Bank International (since 2013)

Infinia has tie ups with several hundred partners for the redemption of loyalty points, including airlines, hotels, car rental companies, lounges, cinemas, et cetera.

Key investment considerations

(2/2)

4. Scale and growth in a short span of time

- Infinia has processed payment transactions worth a total USD 6.1 bn through its system.
- Currently managing loyalty programs for its customers with aggregate points liability of ~ USD 110 mn and covering 12 mn loyalty members ¹
- Infinia's consolidated revenues have grown 4.5x from USD 3.5 mn in CY13 to USD 15.9 in CY16 at a CAGR of ~ 66%
- In CY16, the proprietary loyalty model segment is expected to contribute ~ 83% of the consolidated revenues, i.e. USD ~ 13 mn

5. Robust and diversified revenue model

Loyalty business

Infinia's loyalty program management business comprises of multiple revenue streams:

- Program setup fee – received upfront
- Program management fee – monthly accrual fee on points accrued, subject to a minimum guaranteed amount
- Transaction fee – redemption fee and commission earned on every transaction made by an end customer

Other diverse business lines

- Successfully launched other business lines including cashback, mobile wallet and corporate solutions, using the same technical and business capabilities as the loyalty business.

6. Launching coalition model in high-spend underpenetrated markets

Addition of the coalition model would have the following impacts on Infinia's business:

- Ability to offer strategic positioning and enhancement in brand value to the participating accrual and redemption customers
- Own and operate the coalition program and have brand visibility with the end consumers
- Offers significantly higher revenue and margins on account of “breakage” revenue and interest income as well as a favourable working capital position ²

7. Growing profitability at gross and EBITDA levels

- Gross profit margins upward of 30% since inception
- Gross profits growing 4.2x from USD 1.3 mn in CY13 to USD 5.4 mn in CY16 at a CAGR of ~66%

8. Technology as a core strength, offering total loyalty management

- Developed its own LBMS platform that enables Infinia to offer customizable solutions to customers.
- Capability to deploy and launch a complete loyalty program suite within 90 days from initiation, as against ~ 6 months taken by competitors.
- Strong technology platform has helped the company to build additional revenue streams in the form of mobile wallets and payments, cashback, etc.

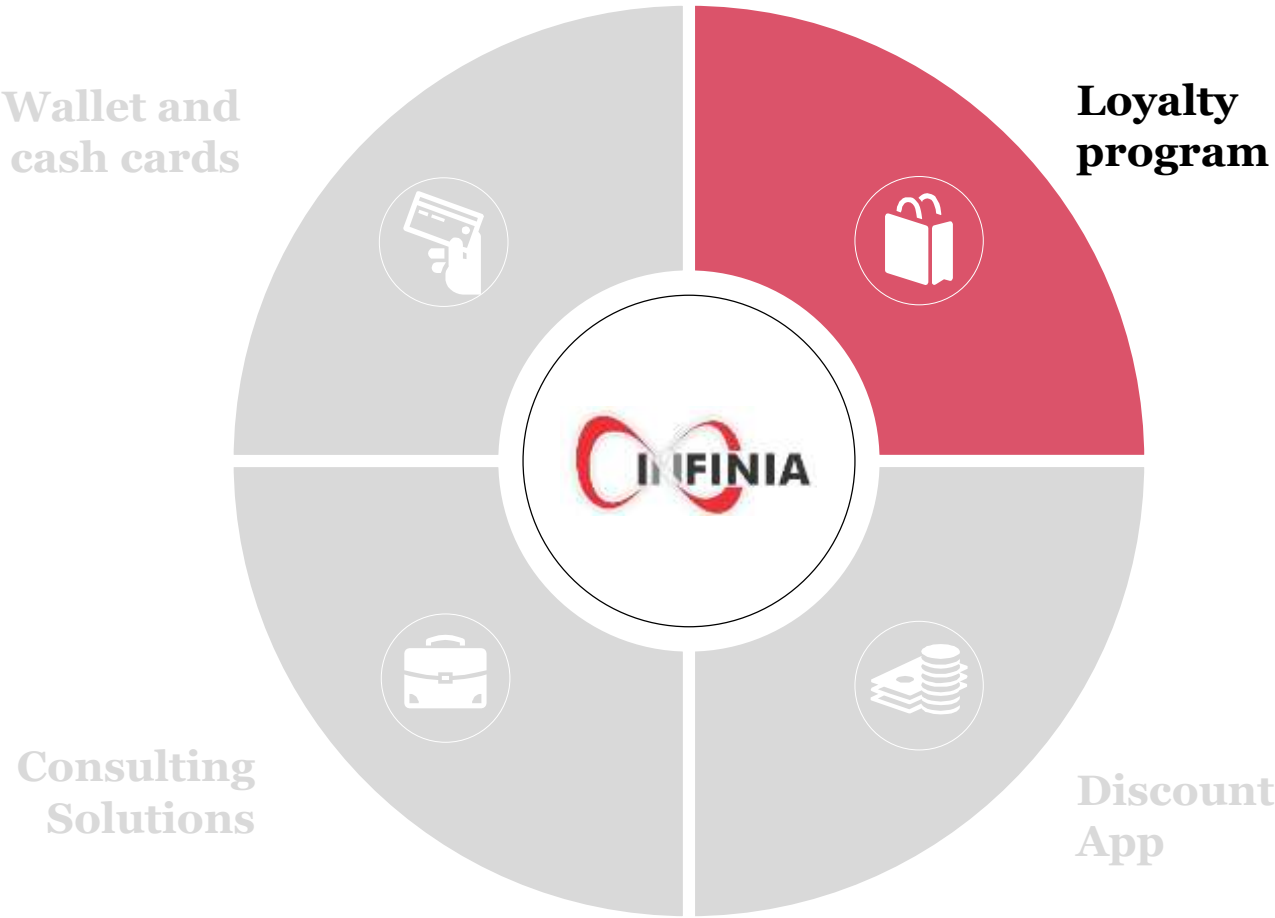
9. Experienced management

- Founding members along with senior management have a combined experience of over 100 man-years in the areas of loyalty, cards, core banking, e-commerce and m-commerce



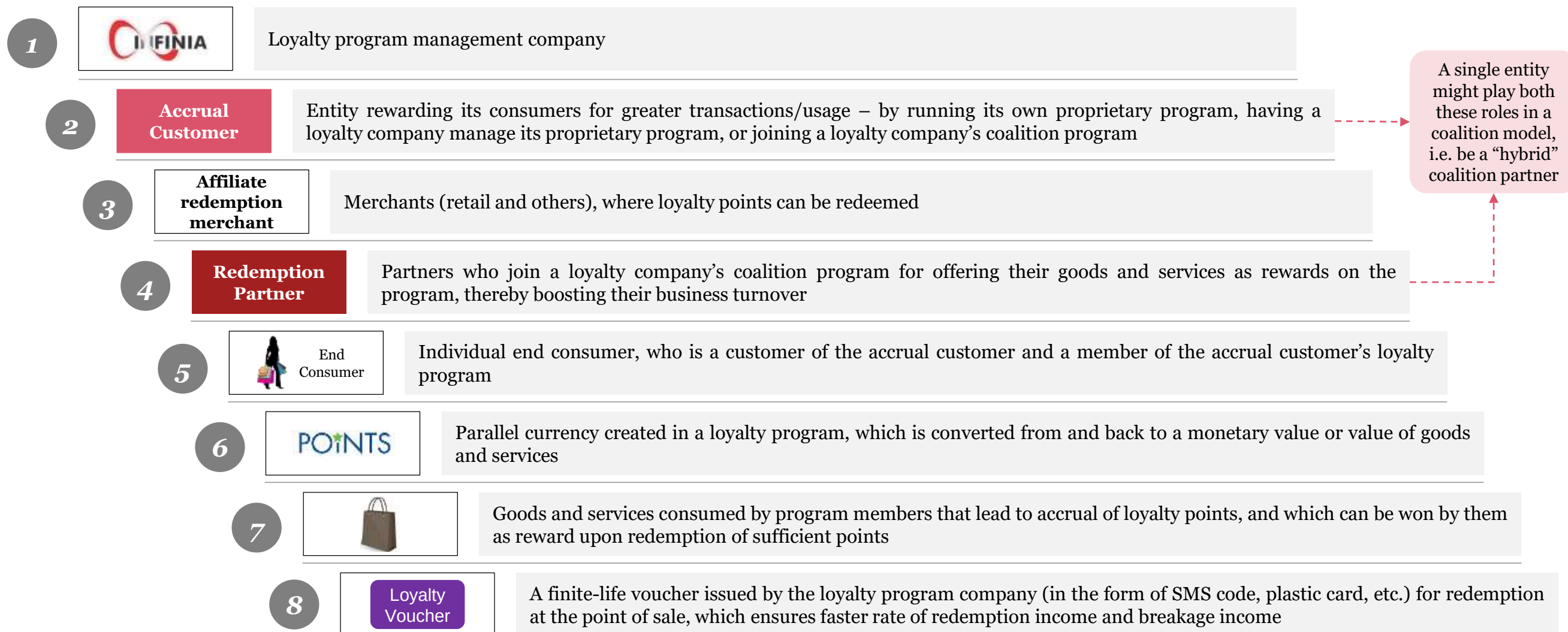
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Ecosystem of a loyalty program

Participating entities and components of a loyalty ecosystem



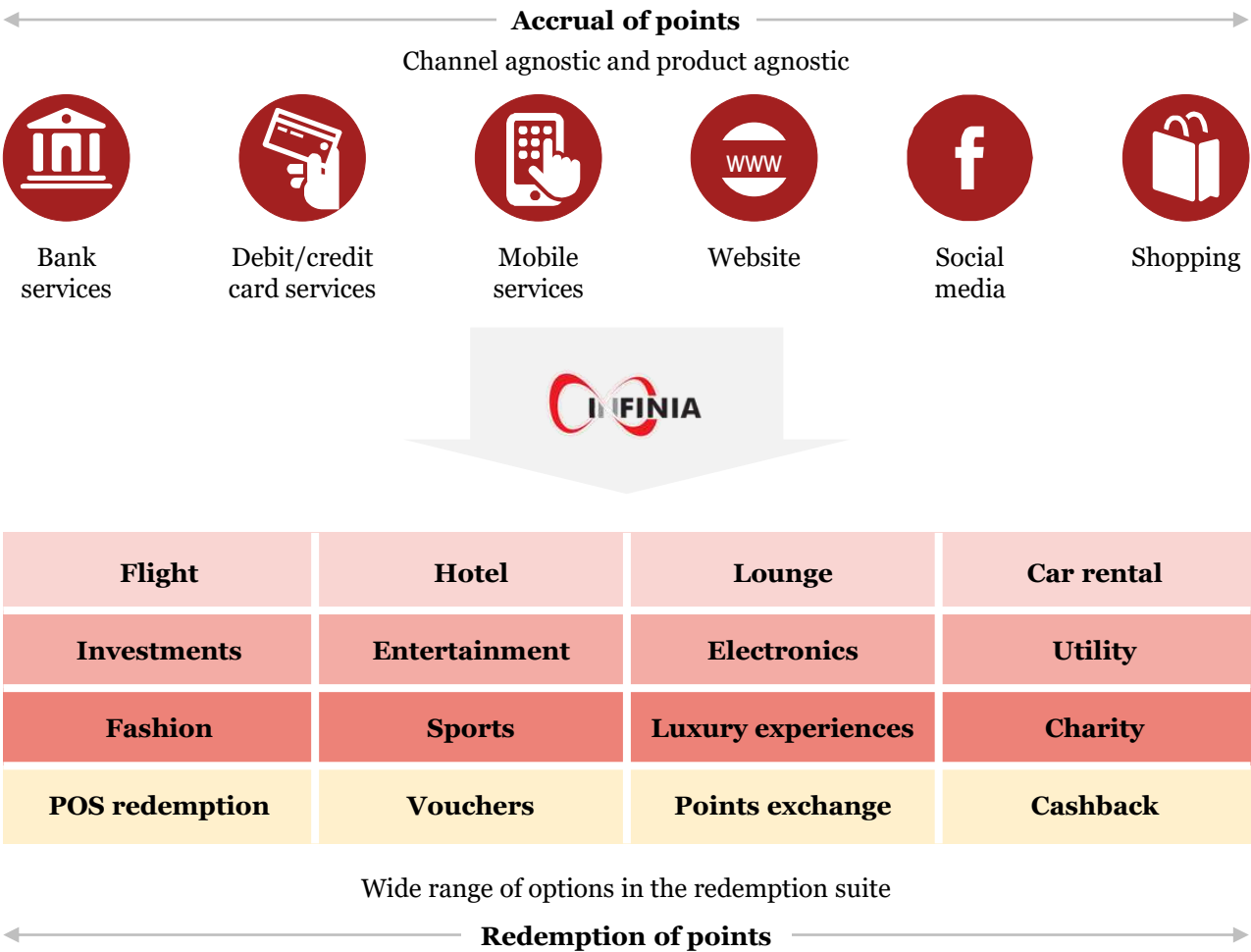
Infinia’s solutions span across the entire loyalty lifecycle

Total loyalty programs management for customers | Exhaustive range of redemption choices and modes for end consumers

Modular solutions are provided from the company’s services basket



A wide range of options for accruing and redeeming loyalty points



Infinia – revenue model constituents in the loyalty program business

How Infinia makes money?

		Description of revenue stream
Setup and accrual based	Setup Fee	- Fee charged for setting up and integrating the loyalty management technology, including the core loyalty module, accrual engine, redemption module and the standalone travel and e-market place modules - Charged on milestone basis, usually at time of signup and on the launch of the loyalty program; on average, Infinia earns USD 50-200k as setup fee
	Accrual and mgt. fee	- Fee charged for the day-to-day operating and maintenance of the loyalty program management - Revenue is linked to the volume of transactions and/or activity in the loyalty program, i.e. to the accrual of points on the program - Generally charged at USD 0.001 per point accrued, subject to a minimum guaranteed amount payable each month; few large customers with mature loyalty programs put a cap on the monthly accrual fee
Redemption based	Redemption fee	- Fee charged for facilitating redemption of program points, linked to the points redeemed - Generally charged at USD 0.001 per point redeemed, without any cap
	Value of goods and markup	- Value of the goods or services redeemed as reward by the end consumer is recognized as revenue by the loyalty program manager, which it settles later with the merchant and the accrual partner - A commercial markup is done on the value of the goods for the online redemption facilitation and convenience; this is built into the points value of the reward
	Margin/ spread on reward goods	- At the time of redemption, Infinia arranges from the merchant the reward which is redeemed by the end consumer - Infinia commands a discounted price from the merchant vis-à-vis the monetary value of the points used to redeem the reward, resulting in a margin/spread for Infinia; margin is compensation to Infinia for increasing the turnover of the merchant and facilitating retention of the end consumer - Infinia does not carry the inventory of the reward goods and has no responsibility of logistics fulfilment
	Breakage income	- Breakage is the revenue from expired points in a loyalty program, wherein points liability previously recognized is reversed on the expiry of points; it is a critical revenue stream as it yields a 100% gross profit margin - Although a loyalty program has a life of several years, a portion of a program's breakage income is recognized in each financial year; this is based on an actuarial estimation of the points liability which will be unredeemed at expiry of the life of the loyalty program - While breakage is highly attractive from profitability point of view, a high breakage percentage invariably signifies lack of success of the program amongst the consumers – a breakage amount in excess of 30% of the total points liability amount of a program is conventionally considered too high in the industry
Working capital based	Interest income on float	- When a large pool of points is purchased by an accrual customer upfront, the loyalty company receives a substantial sum of cash at the start of the life of the loyalty program - This cash is then used to purchase reward linked products from merchants upon redemptions; additionally, this arrangement (1) serves as a negative working capital in the business, and (2) generates interest income till the time cash is used at the time of redemption

Largest revenue components in the loyalty program business

Infinia has customers and partners from diverse geographies and sectors

In a short time frame, Infinia has acquired marquee customers in its targeted geographies and has developed a deeply entrenched network of retail merchant partners



Infinia is focusing on geographies with substantial addressable market size

MEA and SE Asia combined present a loyalty market opportunity of ~ USD 2.8 bn

Estimation of the addressable market size where Infinia operates ¹

Figures in USD bn

<i>Estimation of the addressable market size where Infinia operates ¹</i>												
	Middle East			Africa			South East Asia			Total		
<i>Figures in USD bn</i>												
Number of cards (debit, credit, prepaid, cash cards, etc., in mn in 2014)	252.0			199.7 ²			288.1			739.8		
Annual retail non-cash payments (2014) (A)	1,200.0			600.0			1,000.0			2,800.0		
%age of spends penetrable by loyalty programs (B)	10.0%			10.0%			10.0%			10.0%		
Retail non-cash payments penetrable by loyalty programs (C) (AxB)	120.0			60.0			100.0			280.0		
Loyalty giveback ratio on the spends (D) ³	Conservative	Base	Optimistic	Conservative	Base	Optimistic	Conservative	Base	Optimistic	Conservative	Base	Optimistic
	1.0%	2.0%	3.0%	1.0%	2.0%	3.0%	1.0%	2.0%	3.0%	1.0%	2.0%	3.0%
	1.2	2.4	3.6	0.6	1.2	1.8	1.0	2.0	3.0	2.8	5.6	8.4
Value of rewards in loyalty programs, i.e. annual addition in loyalty points liability (CxD)												

- Estimation of the addressable market size is:
 - Based on a top-down methodology using retail non-cash spends each year, and the **conventional 1% loyalty giveback ratio** of the retail markets ³
 - Driven by favourable macro-economic factors, digital banking, technology penetration, retail market growth and e-commerce proliferation in the targeted geographies
 - Infinia is managing an aggregate points liability of **USD 110 mn across** MEA and SEA; this translates to **~3.9% of the annual market opportunity** in these regions
-

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Source: ¹ Trimetric, Management estimates Note: ² Number of cards presented for Africa includes only 6 countries, i.e. Morocco, Kenya, South Africa, Ghana, Nigeria and Mauritius; ³ Giveback Ratio refers to the amount of annual expenditure budgeted on loyalty marketing by companies offering loyalty programs, and is expressed as a % of the total annual spend of the consumers of these companies

Infinia is focusing on identified high growth markets

Having established itself in the Middle East and Africa, Infinia is growing fast in SE Asia and the Sub-continent

Key market indicators of focus geographies of Infinia

	Country by region	GDP per capita (USD)	No of banks	Cards spend (USD mn)	Card spend (Growth YoY)	E-comm sales (USD bn)	Internet penetration	Mobile penetration	Infinia's bank clients	Infinia's non-bank clients	Infinia's key customers	
Loyalty program management industry across MEA and SE Asia is estimated to be ~ USD 2.8 bn - Infinia is strategically targeting the MEA and SE Asia geographies, where the retail non-cash spend is estimated to be ~ 2.8 USD tn - The company has processed card spend of ~ USD 6.1 bn to date as an end to end loyalty provider/ redemption partner, and is currently managing loyalty points liability worth USD 110 mn - Infinia has maintained relationship with most of the leading banks in the ME - The company has established a large merchant network across MEA offering extensive range of redemption options to consumers - Infinia has strong first mover advantage in SEA; like ME, SEA is fast becoming a high non-cash spend region, but with a relatively lower loyalty penetration	Middle East					USD 14.7 bn collectively in Middle East and Africa						
	Bahrain	43,963	20	5,400	6%			88%	166%	1		BMI
	Iran	15,573	26	297,263	98%			26%	73%			
	Kuwait	69,878	13	61,400	11%			79%	190%	1		Gulf Bank
	Oman	36,855	7	9,400	14%			60%	167%	3		NBO, OAB
	Qatar	133,563	17	19,182	5%			88%	127%	3		CBQ, QNB, QIIB
	Saudi Arabia	52,096	15	230,400	15%			54%	197%	1		Riyadh Bank
	Jordan	11,496	16	591	12%			41%	139%	1		JKB
	UAE	60,578	22	118,980	7%			85%	252%	4	1	UAB, UAE Exchange, Al Hilal
	Total		136	742,616						14	1	
	Africa											
	Nigeria	5,607	23	9,821	10%		33%	65%	1	1	Eco Bank, Airtel	
	South Africa	12,446	33	71,744	21%		41%	141%				
	Kenya	2,776	37	40,724	9%		32%	70%	1	1	KCB, Airtel	
	Ghana	3,953	29	9,651	26%		17%	102%		1	InterPay	
	Mauritius	17,731	22	4,257	(3.4%)				1		AfrAsia	
	Total		144	136,197					3	3		
	South-east Asia											
	Malaysia	23,578	8	122,766	7%	1.2	66%	140%				
	Thailand	13,987	14	417,273	15%	3.0	27%	126%				
	Indonesia	10,099	38	329,370	23%	3.2	15%	113%	1	1	Indosat, Danamon	
	Vietnam	5,370	5	59,349	30%	2.2	40%	145%	1		VIB	
	Total		65	928,758					2	1		
	Sub-continent											
	India	5,565	54	39,937	24%	14.0	13%	71%	1		Axis Bank	
	Sri Lanka	10,044	17	1,500	18	3.0	18%	89%	2		Sampath Bank, Comm. Bank	
	Bangladesh	2,991	44	14,249	50	1.2	6%	59%	1		EBL	
	Total		115	55,686					4	0		
Geographies where Infinia has created a strong presence												
Geographies that Infinia is penetrating												

Infinia’s next growth frontier – building and scaling up the coalition model

Infinia has built a strong brand value and deep partner network to progress towards the coalition model

Coalition model brings superior returns vis-à-vis its marginal cost

In a coalition model of loyalty program management, companies join the loyalty platform ecosystem which is owned, assembled and managed by a loyalty program manager. Companies can join as accrual customers, redemption customers or as both (hybrid). The loyalty program manager runs the coalition program under its own name and has the responsibility of marketing and running the coalition as a whole. Coalition model presents the following advantages over a third party managed model:

- **Ownership and operation of the program:** In the coalition model, the loyalty program company owns the program and aggregates all program participants, i.e. accrual partners, redemption partners, hybrid coalition partners (both accrual and redemption) and end consumers
- **De-facto currency:** The coalition program manager is able to market its own loyalty points as the de-facto currency of the loyalty program, where the customers use the loyalty points earned to make any transaction for purchase of goods and services – for example: the coalition loyalty programs operated by Multiplus in the South American market
- **Scale and associated economies:** The coalition of partners on a single platform allows the loyalty program company to achieve economies of scale in technology costs, administrative costs, manpower costs and fixed overheads; this allows the coalition manager to streamline its cost structure and gain managerial and operational efficiencies
- **Favourable capex and working capital:** Since Infinia has already built a robust technology platform, the capex requirement is very low; working capital in the business is negative as cash is collected for points from the accrual customers much before redemptions take place at the redemption partners
- **Upfront sales and marketing costs:** Entails significant upfront sales and marketing costs towards establishing a consumer base and merchant network

Coalition model expected to add to Infinia’s continuing growth

- In its 4 years of existence, Infinia has established itself as one of the largest loyalty program managers in the ME market and has an early mover advantage in the emerging markets in the Sub-continent and SE Asia regions
- Infinia has rapidly scaled up its business on the back of its industry vision, business acumen, delivery of tailored technology and comprehensive management of loyalty operations – these factors have translated in Infinia reaching a scale of processing transactions cumulatively worth USD 6.1 bn, reaching 12 mn end consumers, serving 24 enterprise customers and being present across 37 countries
- This scale and set of partner relationships provides the necessary strength for Infinia to deploy a coalition model – this scale and the associate revenues would be able to absorb the impact of the upfront sales and marketing cost



Competitive landscape in the loyalty space, across all models and geographies

Leading loyalty programs in the world are operating with varying revenue and partnership models and geography focus

	Infinia	Europe and North America						Asia and Oceania					South America			
		Nectar	Air Miles	Aeroplan	Flying Blue	AA Advantage	Miles & More	SA KrisFlyer	Air China	Qantas	Velocity	FlyBuys	Smiles	Multiplus	Lan Pass	Dotz
Company	Infinia	AIMIA	Loyalty One (part of Alliance Data Systems)	AIMIA	Air France	American Airlines	Lufthansa	Singapore Airlines	Air China	Qantas	Virgin Australia	FlyBuys	Smiles	Multiplus	LATAM Airlines	Loyalty One (part of Alliance Data Systems)
Loyalty model	Stand alone and coalition	Coalition	Coalition	Coalition	Coalition	Coalition	Coalition	Stand alone	Stand alone	Coalition	Coalition	Coalition	Coalition	Coalition	Stand alone	Coalition
Program type	Out-sourced	Out-sourced	Out-sourced	Out-sourced	In-house	In-house	In-house	In-house	In-house	In-house	In-house	Out-sourced	Out-sourced	Out-sourced	In-house	Out-sourced
Region	ME, Africa, SE Asia	Europe	North America	North America	Europe	North America	Europe	Asia and Oceania	Asia and Oceania	Asia and Oceania	Asia and Oceania	Asia and Oceania	South America	South America	South America	South America
Main partners	Banks, airlines, retailers, online retailers	Online retailers, airlines	Partner airlines, credit cards, FIs, car rentals	Partner airlines, credit cards, FIs, car rentals	KLM, Air France, SkyTeam, FIs, retailers, car rentals, hotels	Airlines, credit card issuers, hotels, car rentals, retailers	Airlines, hotels, car rentals	Airlines, FIs, credit cards	Partner airlines, credit cards, FIs, car rentals	Qantas, Jetstar, credit cards, retailers	Partner airlines, credit cards, FIs, car rentals	Retailers, hotels, FIs	Airlines, FIs, retailers	Airlines, FIs, retailers	One World Alliance, hotels, credit cards, car rentals, retailers	Banco do Brasil, Pague Menos, hotels, e-commerce, gas stations
Members (mn, 2012)	–	18.5	10.0	34.0	NA	69.0	NA	NA	17.4	7.9	2.5	2.3	9.0	10.5	5.8	3.8
Partners (2012)	–	500	220	300	130	1,000	NA	149	NA	400	380	NA	153	230	NA	150

Infinia has market leading competencies in its geographies of operations

Vis-à-vis competition, Infinia has regional dominance through its multi-feature platform and higher number of redemption options and channels

Competence mapping of Infinia vs. competitors in the addressed markets ¹

									
Loyalty features	Loyalty platform	Present	Not present	Not present	Present	Present	Present	Present	Present
	Accrual engine	Present	Not present	Not present	Present	Present	Present	Present	Present
	Ownership and IP	Present	Not present	Not present	Present	Present	Present	Present	Present
	Configurable and parameterized	Present	Not present	Not present	Present	Present	Present	Present	Present
	Multi-currency	Present	Not present	Not present	Present	Present	Present	Present	Present
Redemption Verticals	Travel (air – full fare & LCC, hotel, car rental)	Present	Not present	Not present	Present	Present	Present	Present	Present
	Lounge access	Present	Not present	Not present	Present	Present	Present	Present	Present
	Online shop	Present	Not present	Not present	Present	Present	Present	Present	Present
	Bill payment	Present	Not present	Not present	Present	Present	Present	Present	Present
	Vouchers	Present	Not present	Not present	Present	Present	Present	Present	Present
	Experiences	Present	Not present	Not present	Present	Present	Present	Present	Present
	Events and sports	Present	Not present	Not present	Present	Present	Present	Present	Present
	Luxury and curated	Present	Not present	Not present	Present	Present	Present	Present	Present
	Celebrities	Present	Not present	Not present	Present	Present	Present	Present	Present
	Points exchange	Present	Not present	Not present	Present	Present	Present	Present	Present
Redemption channel	Online	Present	Not present	Not present	Present	Present	Present	Present	Present
	Redemption at POS	Present	Not present	Not present	Present	Present	Present	Present	Present
	Mobile	Present	Not present	Not present	Present	Present	Present	Present	Present
Reach ¹	Global headquarters	UAE	Canada	UK	Switzerland	Canada	Canada	US	Canada
	Regions of presence	MEA, SE Asia	Global	Global	EU, US, ME, India	Global	NA, ME	Global	NA, EU, ME, APAC
	Merchant network	Present	Not present	Not present	Not present	Not present	Not present	Not present	Not present
	Enterprise customers	26	13	10	2	2	1	1	2
	End consumers under management (mn)	10	25	NA	33	18	NA	NA	NA
	Regions of operations	37	6	4	7	2	1	2	1

Key strength areas where competition is not present

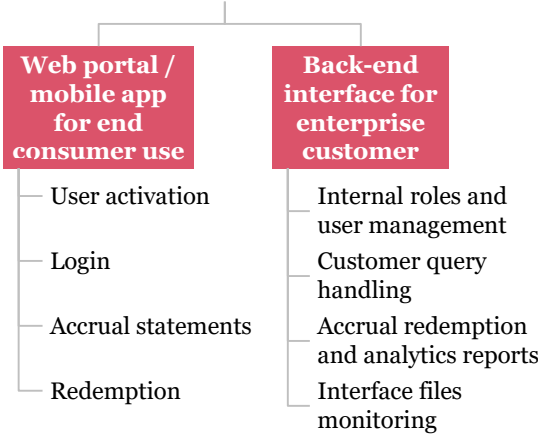
Present (Dark Red)
Not present (Light Pink)

Technology engine – Loyalty Business Management System (LBMS)

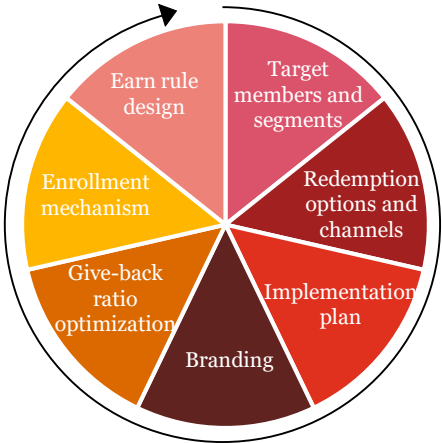
IP developed in loyalty management technology by Infinia is at the heart of the back-end and consumer-facing operations

Running on various engines and custom made rules, LBMS is the technology backbone that ensures a comprehensive and reliable loyalty program management to the customers and a smooth experience to the end consumers

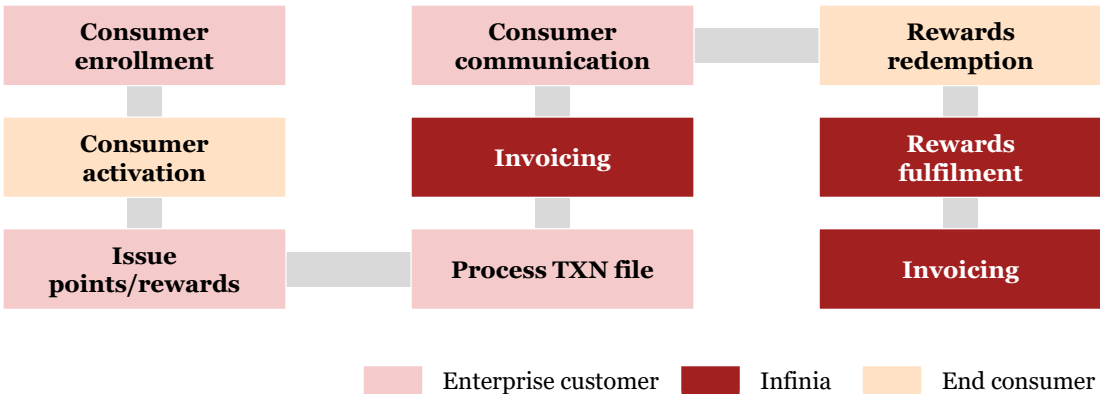
Two interfaces of LBMS and key attributes



Loyalty design mechanics controlled



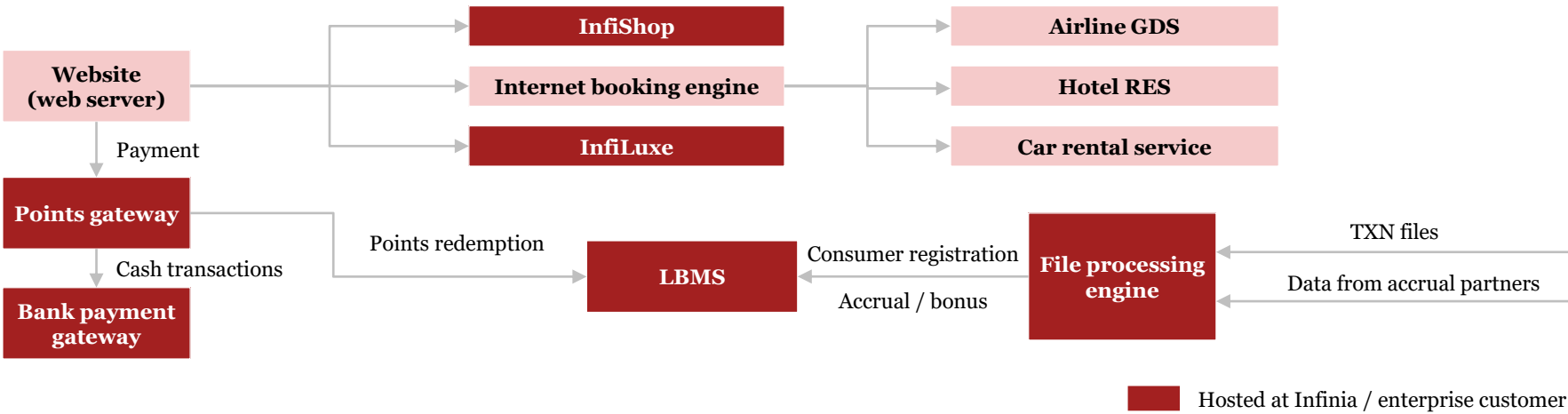
Ownership of loyalty management processes

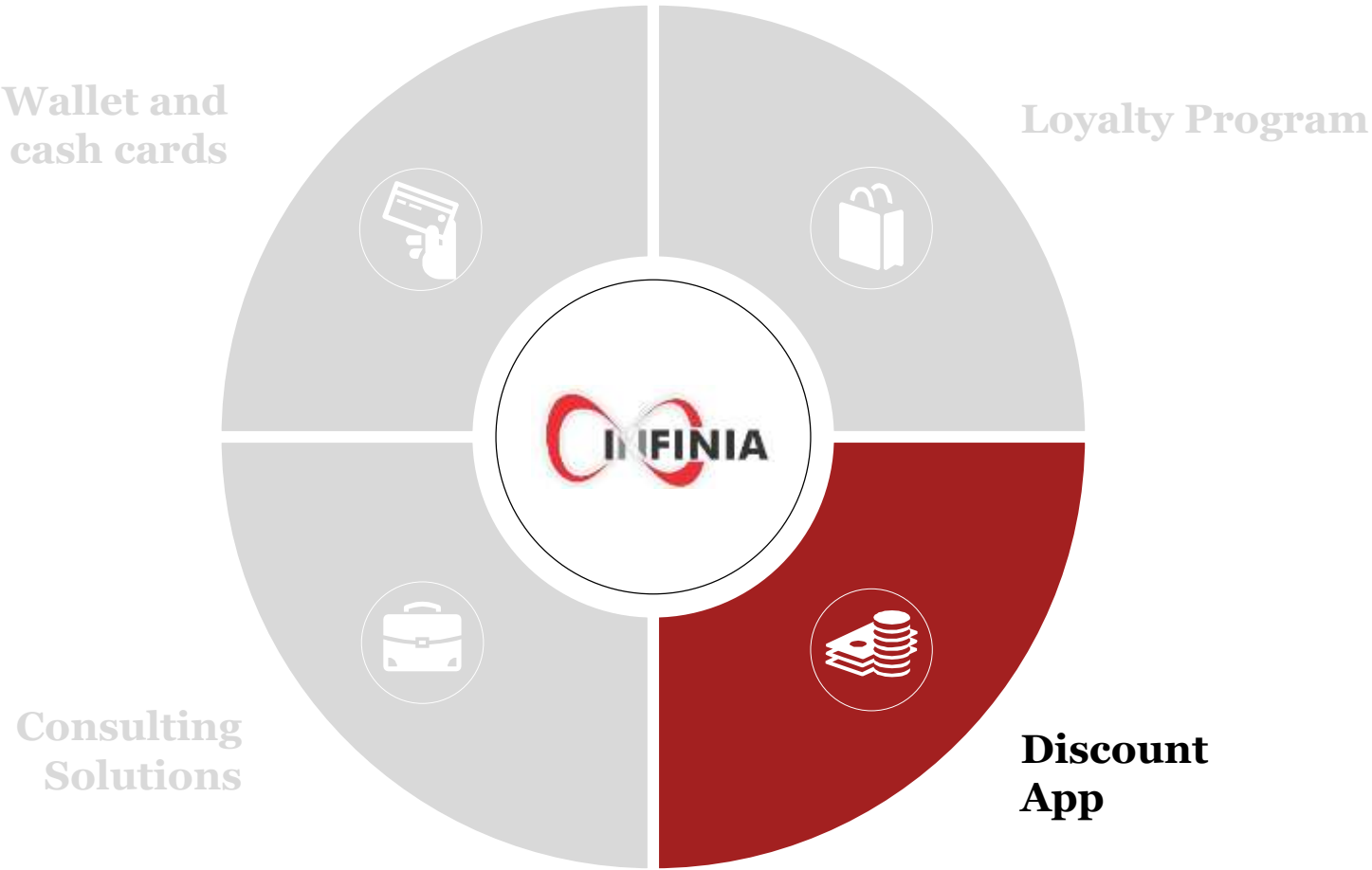


Key technology features

Program management	Communication engine
Accrual engine	Campaign engine
Redemption engine	Voucher/gift card mgt.
Membership tier mgt.	Merchant acq. platform
Customer service	Points payment gateway
Analytics suite	White label partner website
Reporting suite	Redemption POS network
Accounting suite	E-marketplace development

System architecture





Overview of the Discount App (Dubuy)

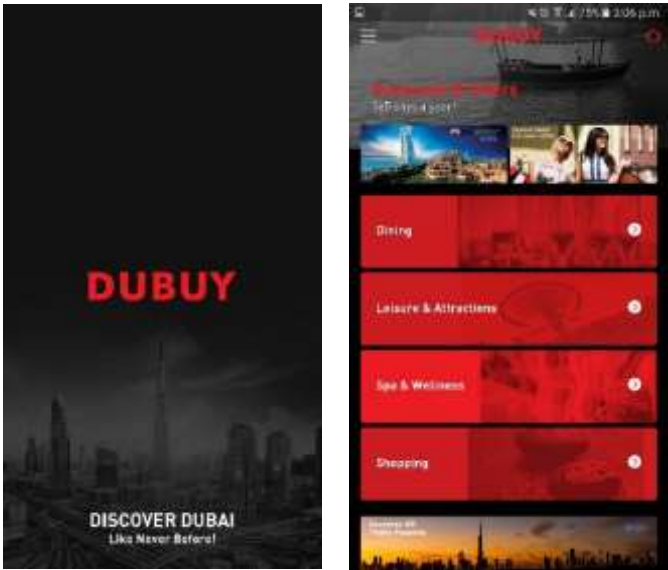
Dubuy – a compelling consumer value proposition to drive spend

Overview of the business

- Dubuy is the first-of-its-kind mobile application in the Middle East. Dubuy offers finest discounts, offers and deals exclusively for tourists to Dubai at any time of the year.
- Aailed through hotels, DMCs or registered travel agents of Dubuy. A tourist visiting Dubai will be provided with a downloadable application link by the travel agent. Once the link is downloaded, entering an authentication code makes the application ready for use. The tourist can then view multiple options of discounts, offers and deals across various categories to explore in Dubai.
- Redemption at physical merchants using a simple PIN-based authentication or a promo code for web transactions.
- What sets Dubuy apart is its extensive offerings. Dubuy enfolds a number of options to discover Dubai like never before, with valuable discounts, offers and deals across shopping, dining, leisure & attractions, spa & wellness and many more.

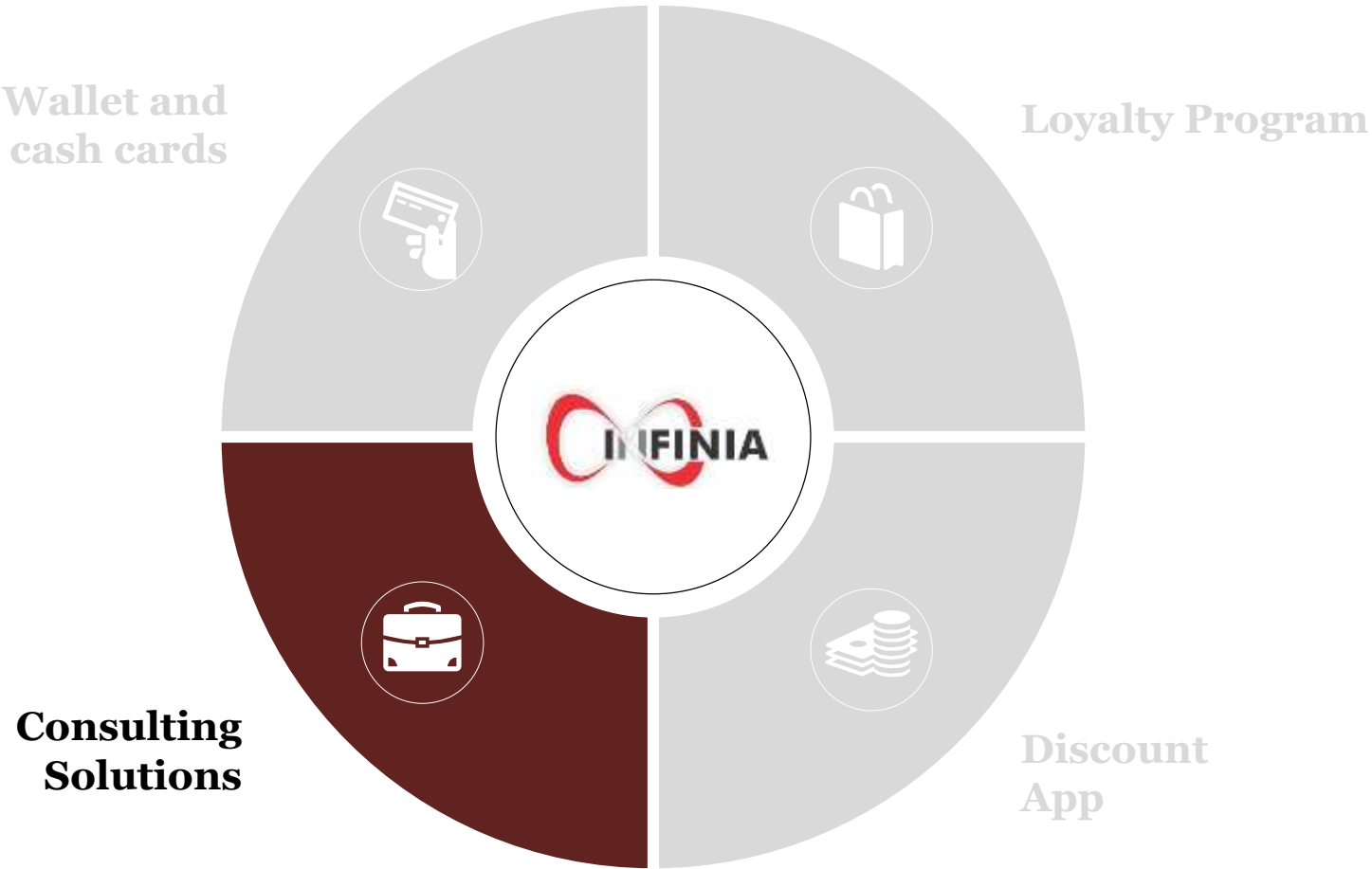
Benefits to Distribution Partners

- New revenue earning vertical
- Defines business preferential edge
- Value added service to customers
- Encourages higher footfall and traffic
- Enhances revenue, encourages ROI



Benefits to Tourists

- Valuable savings on Dubai spend
- On-the-go access in Dubai
- Instant and real-time notifications
- Skip long queues at popular attractions
- Offers across various categories



RenePay – cloud platform for supplier procurement targeted towards SME

Platform overview

- RenePay is a cloud-based supplier procurement platform designed to assist SME businesses to search, procure from, negotiate with and transact with suppliers
- Platform has been designed as a one-point portal that connects a network of suppliers and SME businesses and enables transactions between them
- Strategically targeted to meet the needs of the growing, global SME business community, which unlike large enterprises, faces challenges in:
 - Obtaining competitive supplier rates
 - Identifying reliable suppliers to buy their goods and services
 - Streamlining, automating and optimizing their purchasing processes

Benefit to SME businesses

- Competitive pricing intelligence in sourcing, with support at each step of the procurement process
- Access to a combination of SME businesses’ preferred suppliers and Infinia’s own sourced suppliers
- Coverage of wide categories of products as well as services, on both complex and simple bulk requirements
- Subscribing to cloud based applications, without any upfront capex or opex investment

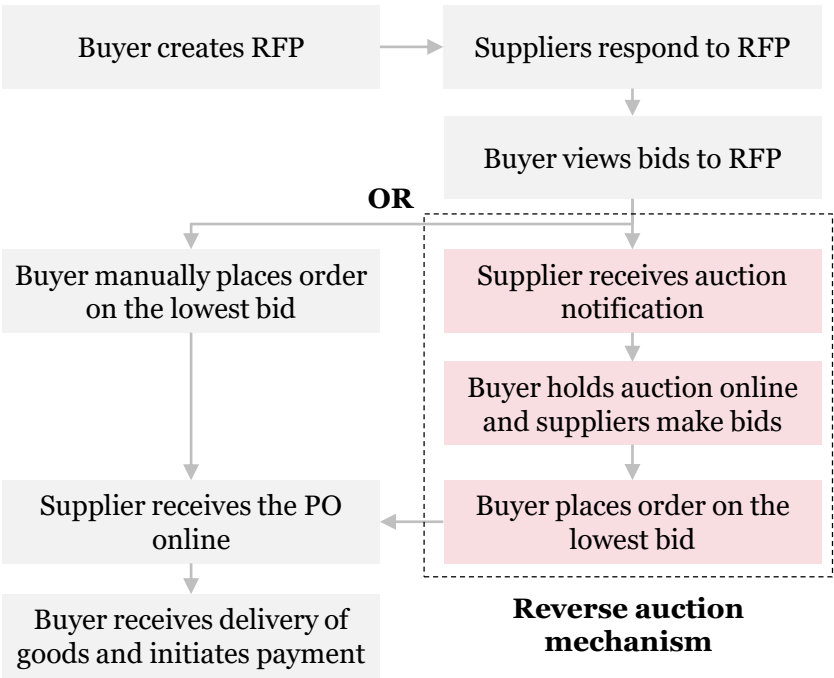
Benefit to suppliers

- Platform to drive value to suppliers by sourcing new customers for them
- Providing valuable insights into SME buying patterns

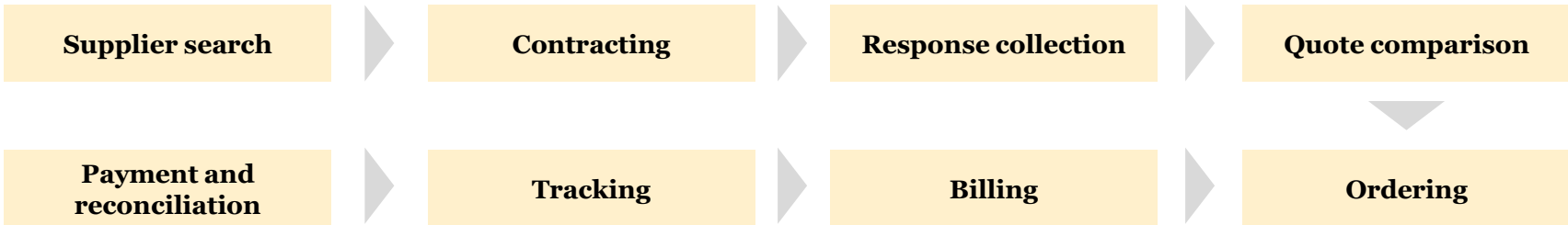
Covering the entire supplier ordering process chain for an SME

1	2	3
Request	Negotiate	Pay
Browse 17 supplier categories	Invite suppliers	Send a purchase order (PO)
Select supplier	Set up negotiation online	Received goods
Receive supplier quote online	Automated negotiations	Receive invoice online
Best quote recorded and other quotes stored	Select supplier and end the negotiations	Pay via card or bank transfer

Purchase via manual order or automated reverse auction mechanism



Key features of the supplier procurement platform



Snapshot of Infinia's consulting solutions

Addressing customers' drivers of profitable growth – sales effectiveness, operational efficiency, consumer experience and cost management

1



Loyalty consulting

- Leads customers through clearly articulated steps needed for conceptualizing, implementing, managing and measuring loyalty programs to increase customer's visibility, build communities of loyal brand enthusiasts, and increase customer profits
- Object is to create consumer brand experiences that will engage them with the customer's business for years

2



Strategy

- Infinia uses data insights to plan and launch a customer relationship strategy, or review and calibrate its existing strategy to engage consumers towards brand loyalty and advocacy
- Provides end-to-end solutions from conception of the program to launch, providing the required technology platforms and data analytics
- Plans and measures the success of marketing/ loyalty initiatives to assess RoI

3



Portfolio mgt. and Analytics

- Infinia offers analytics dashboard suite to customers which uses dedicated data warehouses to understand consumer behavior and enables predictive analytics for targeted segments
- Using its comprehensive Lead Management System, Infinia enables businesses to optimize, classify, route and track business leads, thus making customers' lead management system efficient

4



Digital marketing

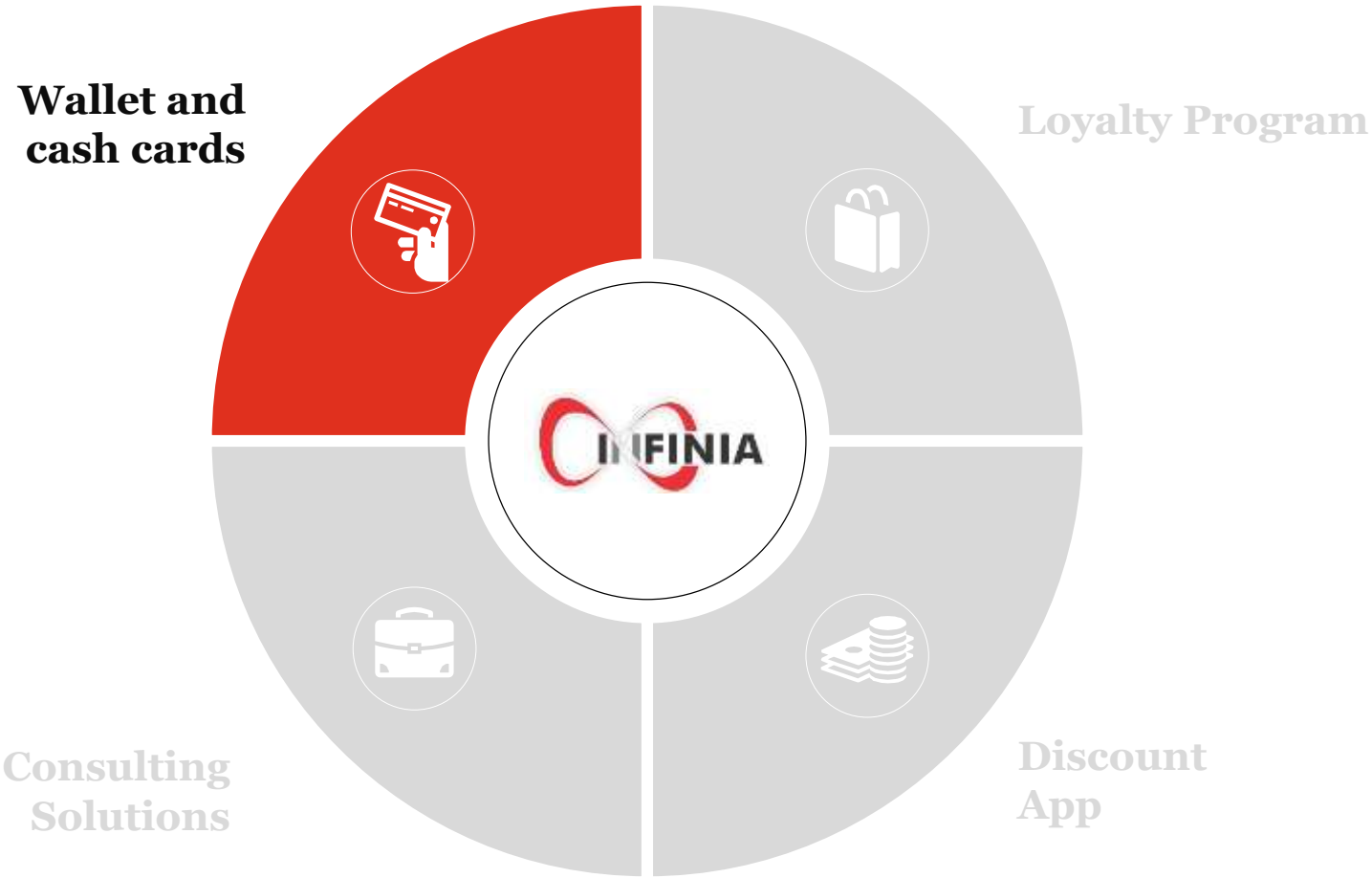
- Helps customers build an interactive social media community within an e-commerce platform or integrated marketing plan
- Customers are aided in integrating social media elements, such as social networking features and user generated content platforms, directly into their commerce environments
- Enables customers to connect with and cater to the needs of consumers at an individual level and foster consumer relationship and loyalty

5



Partnership management

- As part of loyalty strategy and customer relations program, Infinia links customers with a well defined network of merchants and channel partners, allowing for a broader consumer base
- Infinia collaborates with its experienced partnership team which develops the partnership plan customer's clientele base



Infinia offers white-label wallets with multi-pay and social payment capabilities

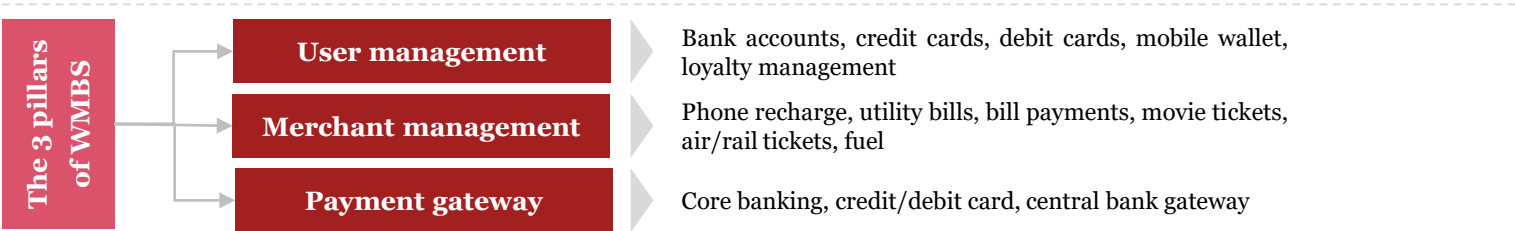
Successful mobile and social wallet technology partner with one of the top banks in India | Attractive business at no additional cost

Overview of the business

- Infinia deploys, implements and manages mobile wallet programs for its banking customers
- Business is run in the form of an IT project wherein Infinia manages end-to-end system integration and maintenance
- Revenue model includes upfront license fee and an ongoing AMC
- Infinia has successfully built two mobile wallet apps for its customer Axis Bank in India – a socially integrated mobile wallet app and a multi-purpose shopping, bill pay and recharge mobile wallet app; expected to add more customers in the future
- Wallet technology has been also leveraged to deploy a Voucher Management System for Commercial Bank of Qatar
- Technological development and maintenance have commonalities with the loyalty program management business, making it easier to deploy the mobile wallet for more customers

Wallet Business Management System (WBMS) – built on and using the same technology as the loyalty business

- The WBMS platform is a single platform empowered to deliver multiple payment conveniences in terms of channels and type of payments
- Hosts various wallet programs and payment options and works as white label product for customers with omni-channel support
- To ensure pervasiveness, the mobile wallet app has multiple functionalities such as bill payments, recharging mobile and other data cards, loading and transferring money, as well as integrating social and messaging channels



Key functionalities

Wallet type

- Stored value – open/closed loop wallet
- Multi-currency

Wallet funding

- Load money using any payment gateway
- Bank Cash Deposit Machines (CDMs)
- Core banking system

Wallet features

- Common wallet – shared wallet
- Trust pay – pull money
- Split bill
- Cash out from bank ATM
- Integration with bank's switch for POS payments

Money transfer

- Wallet 2 wallet
- Wallet 2 bank account
- Wallet 2 credit card (through bank's API)

Social connect

- WhatsApp
- Facebook
- Twitter
- SMS, Email, phone contact list

Application development

- Hybrid or native application
- OS – iOS, Android, Windows, Blackberry

P2P / P2 Merchant payments

- Paying using: QR code, Bluetooth low energy (BLE), sound, geo-tagging modes, chatting

Bill payments

- Integration with aggregators/billers
- Payment options – wallet or debit/credit card

Marketing notifications

- To customers or merchants
- Communicate merchant offers
- Run marketing campaigns

Loyalty incentives

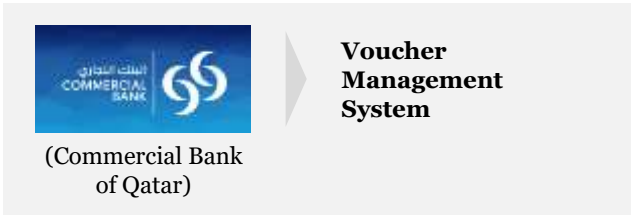
- Earn transaction-based points
- Redeem for services or products

Shop

- E-marketplace
- Shop for products and services



Sep, 2015	Launch date
1.3 mn	Number of wallets created till June, 2016
USD 33 mn	Cumulative amount of transactions processed till Jun, 2016
USD 3.2 mn	Average monthly amount of transactions processed



Mar, 2015	Launch date
85 k	Number of wallets created till June, 2016
USD 16 mn	Cumulative amount of transactions processed till Jun, 2016
USD 1.2 mn	Average monthly amount of transactions processed since Jan, 2016

Prepaid and gift cards – attractive business model to attract more consumers and increased revenue at the same store or external POS

Business rationale and economics of the model

- Infinia offers prepaid and gift cards to its corporate customers (bank or other industry), which the latter use to offer as cashback rewards or at face value to their end consumers
- End consumers have the option of redeeming the cards at the corporate customer or at a multitude of tied-up third-party merchants, incentivizing them to spend more with Infinia’s customer
- This creates end consumer’s brand association and loyalty towards the corporate customer and merchants
- Infinia’s customers and tied-up merchants are able to acquire, develop, convert and retain more customers and generate increased revenues
- Infinia provides complete back-end, technological and operational solutions of the entire transaction flow
- Merchants share a margin (on the value of goods purchased) to Infinia as compensation for an additional sales channel and managing the technology and operations

Key model features

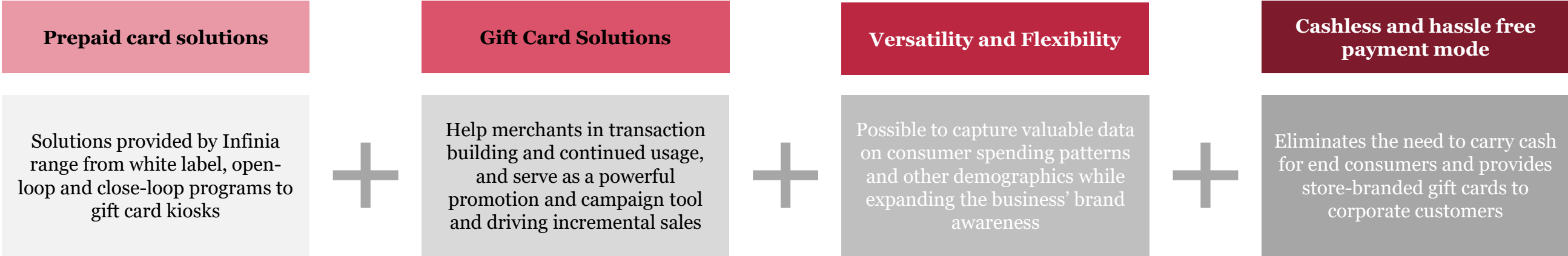




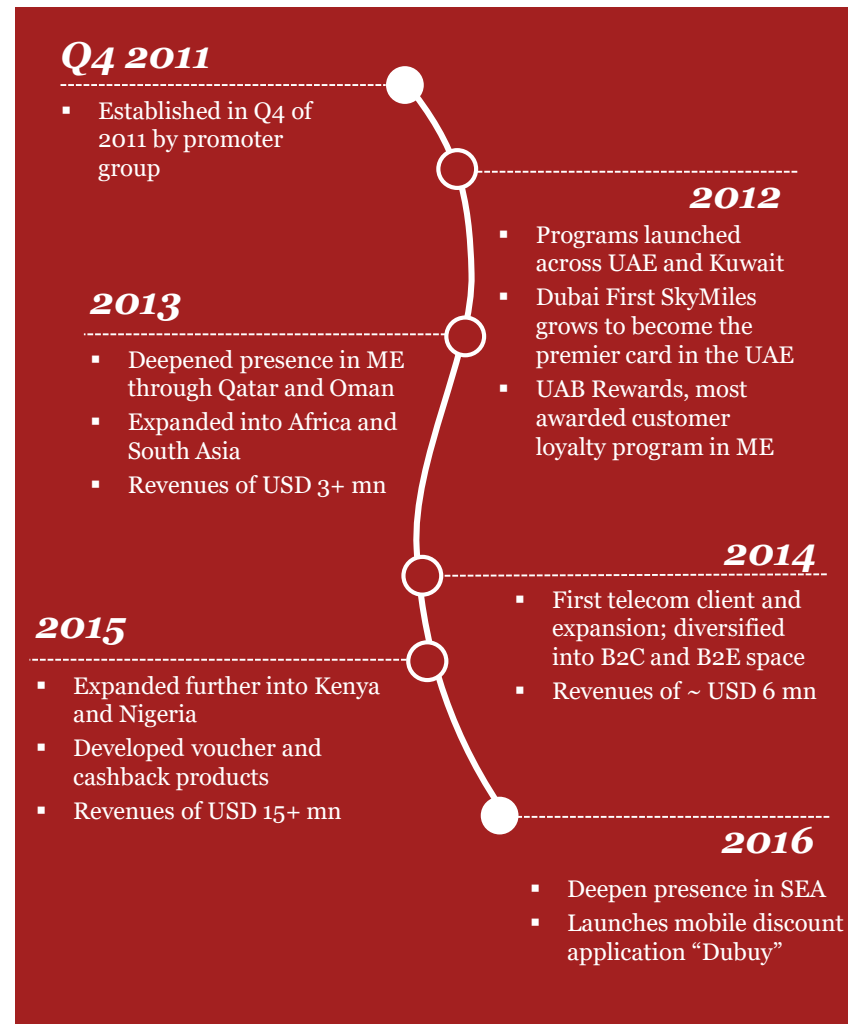
Table of contents

- 1 **Investment case**
- 2 **Business segments**
- 3 **Organization overview**
- 4 **Financial information**

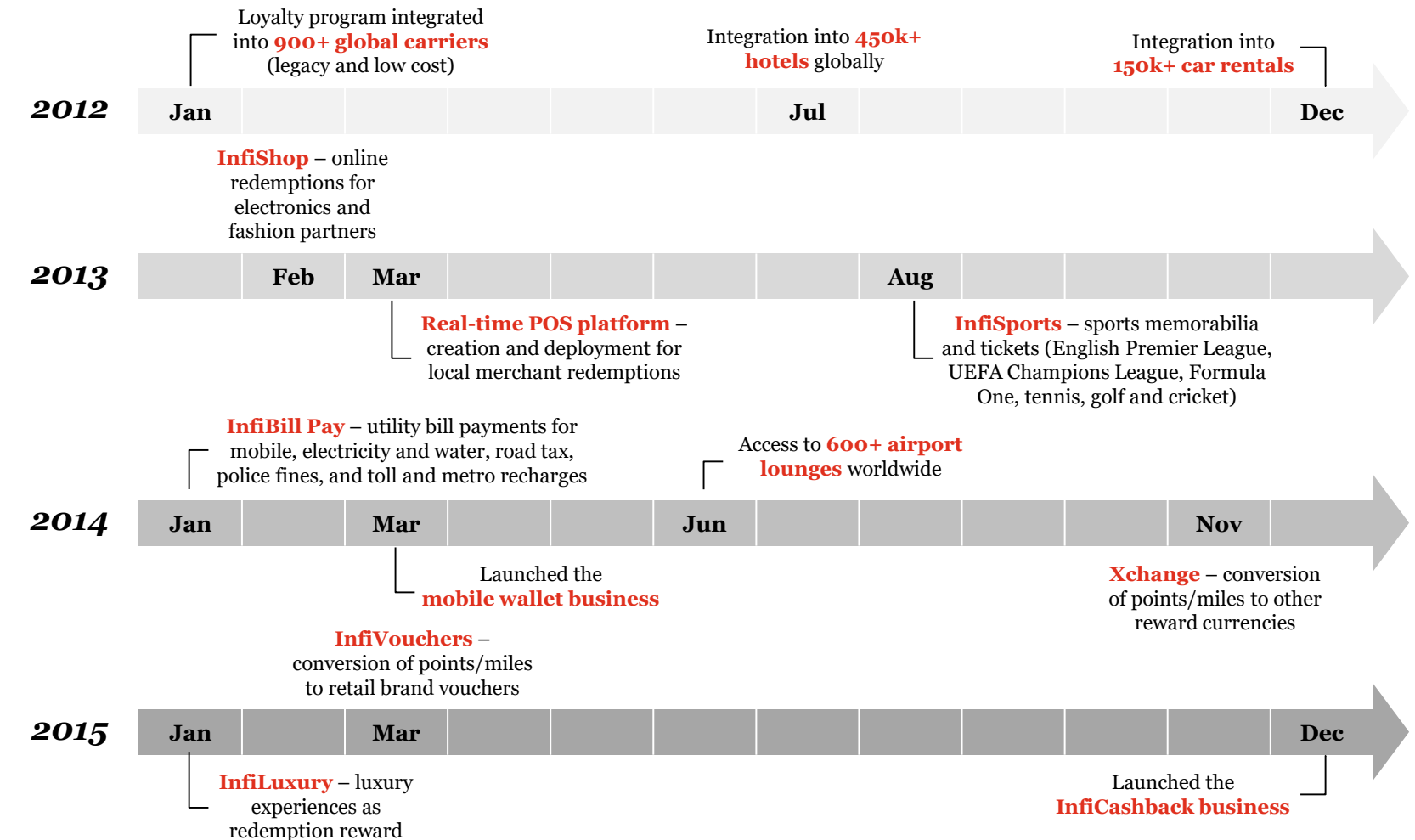
Key milestones in Infinia's history

Journey towards building a business of USD 16 mn, serving 23 customers in 37 countries...

Path traversed by the company during its short life thus far

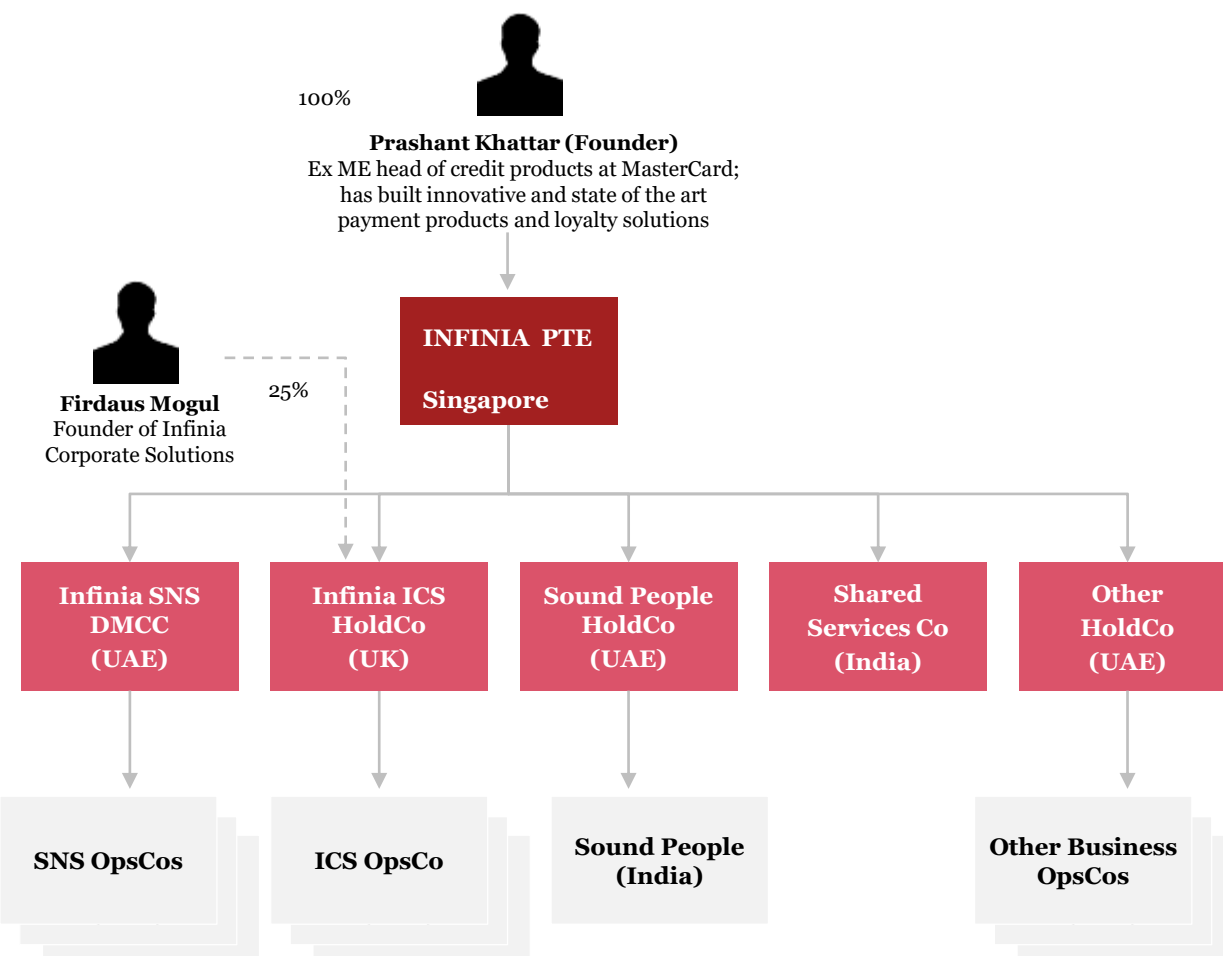


History of the company's loyalty programs and the continuous addition of key features



Organization setup – legal and reporting structure

Multinational corporate structure with ownership spread amongst promoters ¹



Organization chart – hierarchy and setup of business functions

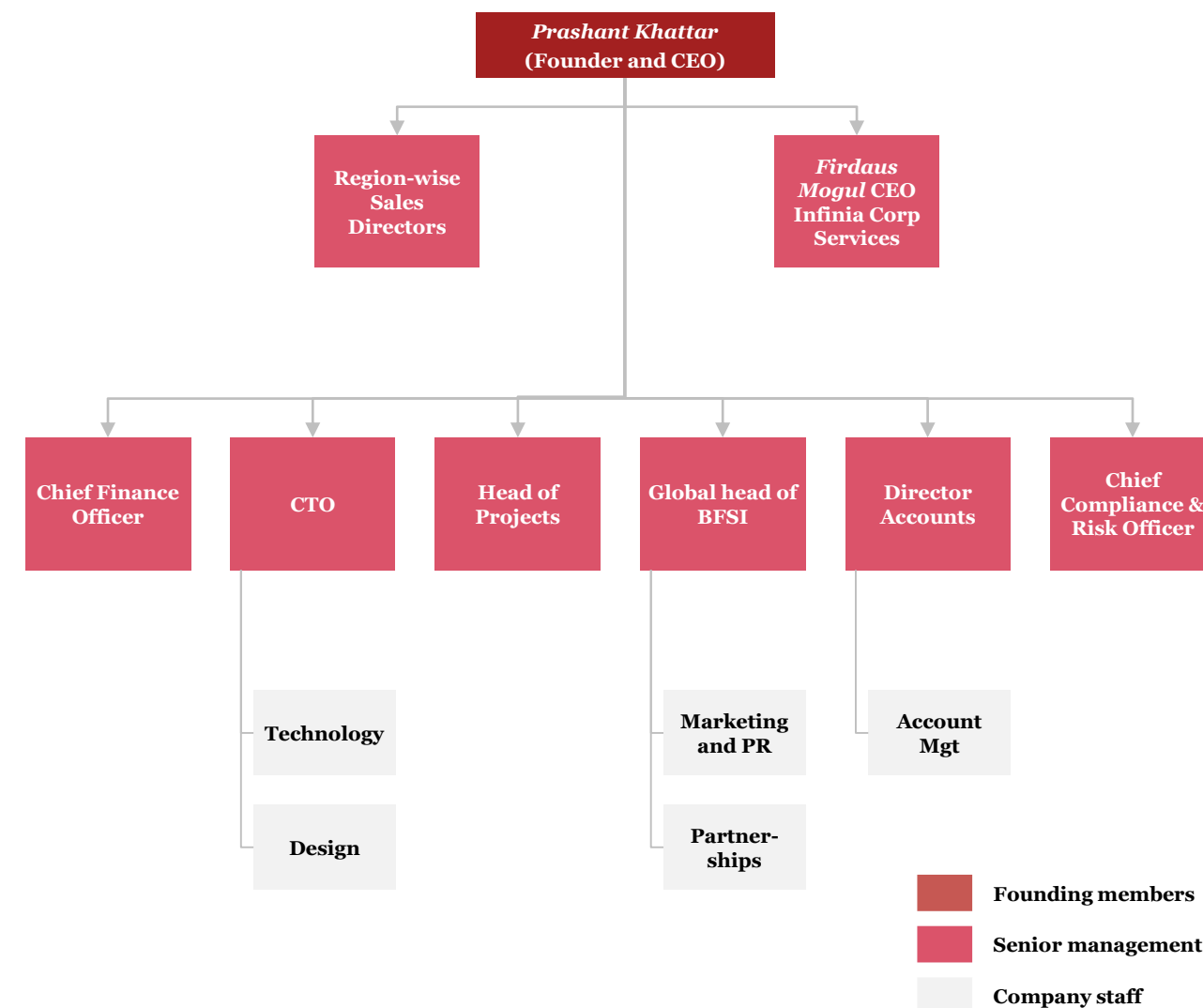


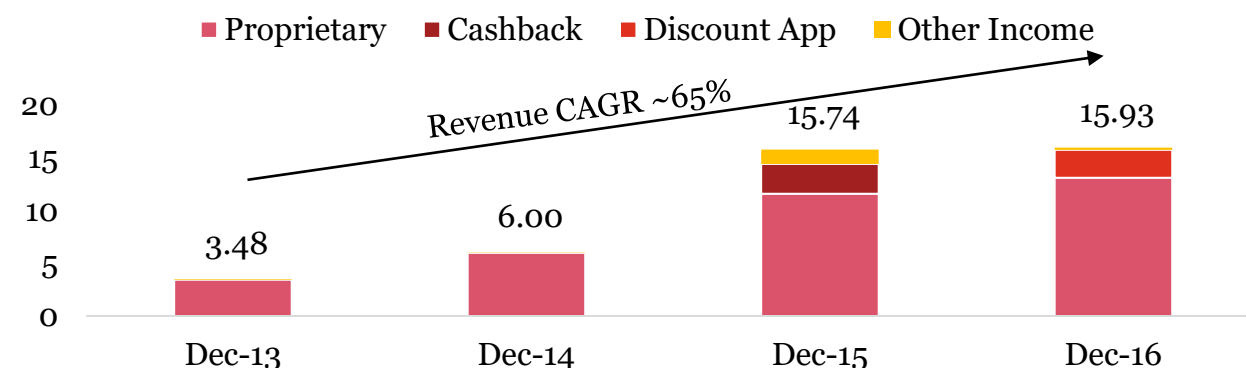


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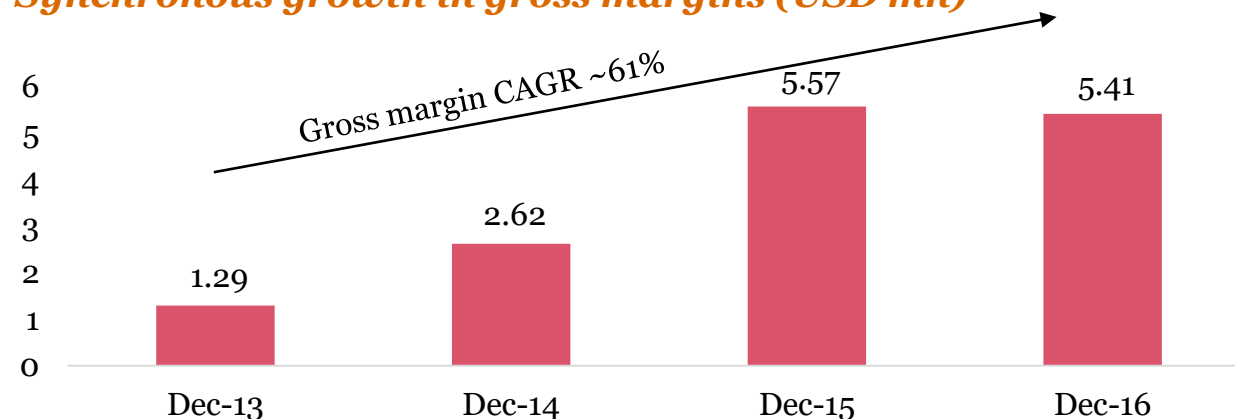
- 1 Investment case**
- 2 Business segments**
- 3 Organization overview**
- 4 *Financial information***

Historical financial overview

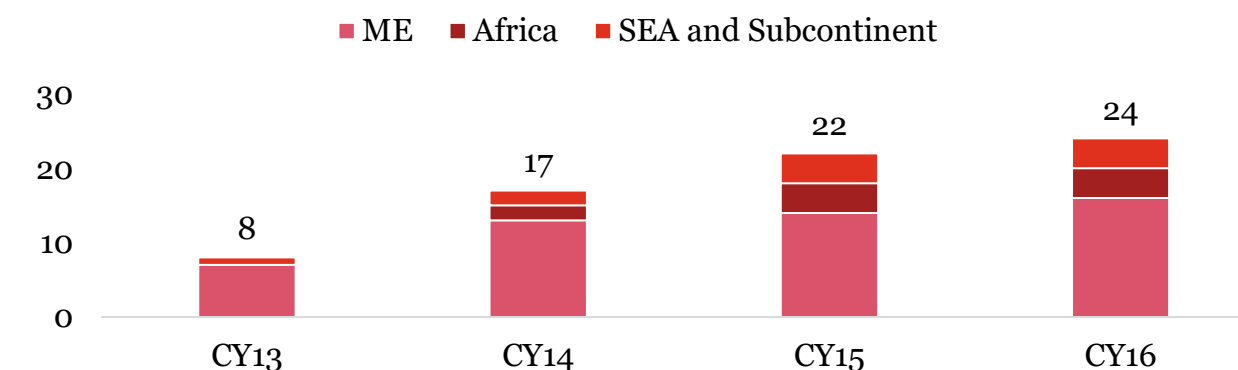
4x+ revenue (USD mn) growth in 4 years – proprietary/mile model major;



Synchronous growth in gross margins (USD mn)



Customers growth – ME strongest; Africa & SEA emerging



Strong growth over last three years

- Strong program management capability, addition of new clients and expansion into new countries has enabled Infinia growing 4x growth in the last four years
- Proprietary model is expected to continue as majority contribution to Infinia's revenue; however coalition and miles models are expected to see higher growth in future
- Having strengthened its customer base in the ME market, Infinia is now expanding into the attractive Africa and SEA markets
- Synchronous growth in profit margins reflects Infinia's ability to maintain customers' faith in its quality of work and value addition

Infinia has demonstrated strong loyalty program management capability as reflected by consistent new client addition and geography expansion

Financial overview

Consolidated financials – with funding

USD mn	CY13	CY14	CY15	CY16	CY17E
Revenue	3.5	6.0	15.7	15.9	17.4
Growth		72.2%	162.6%	1.2%	8.9%
GM	1.3	2.6	5.6	5.4	6.1
GM%	37.1%	43.7%	35.4%	34.0%	35.4%
EBITDA	0.5	0.1	0.8	2.3	2.5
EBITDA%	14.1%	1.7%	5.3%	14.6%	14.6%
PAT	0.5	0.1	0.6	1.2	1.5

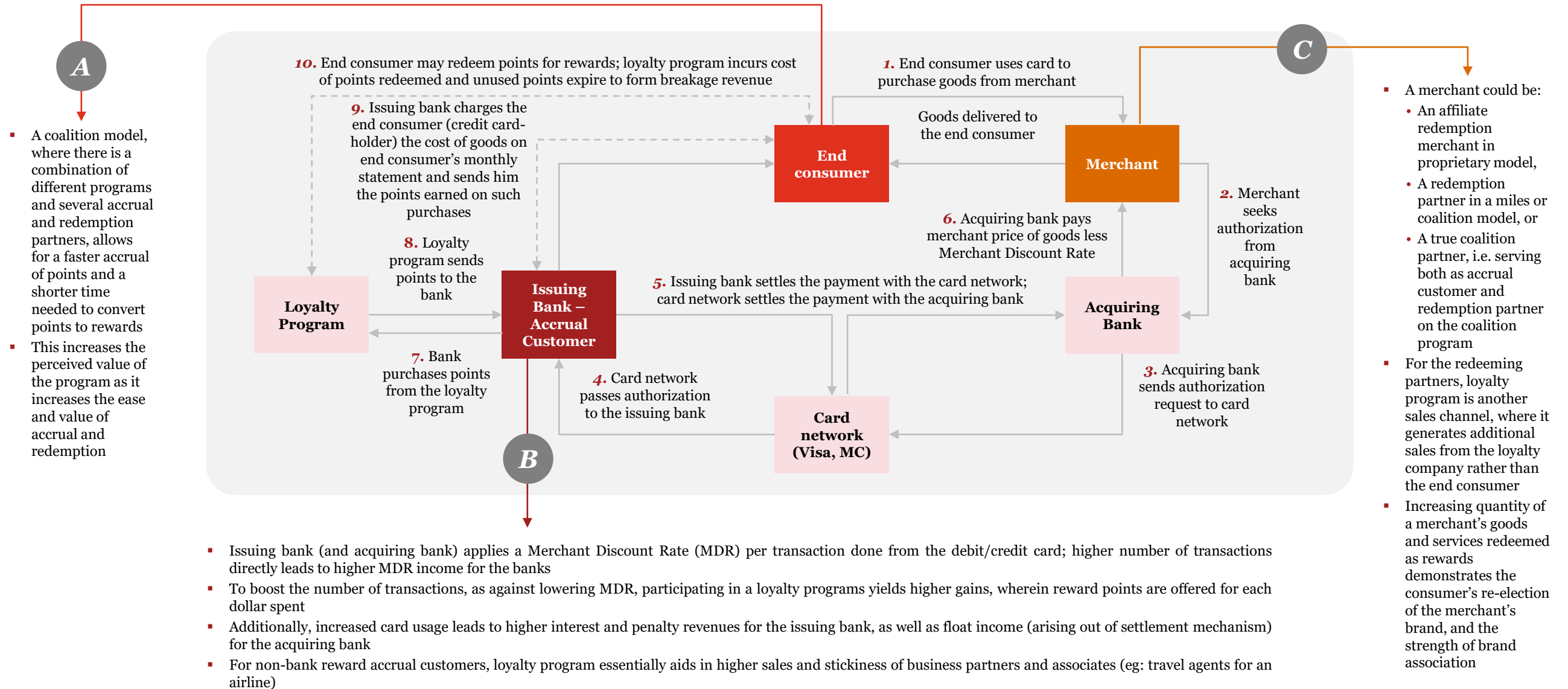
- Infinia’s business witnessed strong growth momentum over the period of CY13 to CY16 with net addition of 16 customers, increasing the customer base nearly threefold from 8 to 24; during this period, company’s revenue grew more than ~ 4x
- In CY15, the Middle Eastern region, hosting majority of Infinia’s customers, faced maximum impact of the oil price crash; banks and financial institutions, which form Infinia’s primary customer segment, reduced spending in loyalty programs leading to slower than expected growth in CY16
- Infinia has made significant efforts in diversifying into new geographies over the last 2 years, with 11 of the new customers hailing from Africa and APAC regions; geographical diversification will act as natural hedge from dependency on any single region



Appendix

Loyalty programs – a win-win proposition for all ecosystem participants

Economics and rationale of loyalty program for banks and other participants ¹



Revenue model of Infinia in the loyalty business – proprietary model (1/2)

Infinia manages the accrual customer's proprietary program and bills the latter on an ongoing basis | Points redemption liability resides with the accrual customer

What is the model?

- Infinia manages the loyalty program for its accrual customer as a third-party specialist vendor. The accrual customer is the owner of the program and the points redemption liability resides with it

Upfront revenue, at time of program launch

- Setup fee for technology deployment and integration is collected when the loyalty program is launched, usually payable on milestone basis

Ongoing revenue, on credit basis

- Management/accrual fees are earned as and when end users shop to accrue points
- Redemption fees, value of goods and margin are earned as and when end users redeem points to earn rewards
- These revenues are billed to the accrual customers on periodic basis (weekly, monthly, etc.), are subject to minimum monthly fixed sum, and are collected per the agreed trade terms

Monthly illustration of flow of revenues, goods, and cash in the proprietary model

1. Develops loyalty platform and receives setup fee over 2 equally split milestones

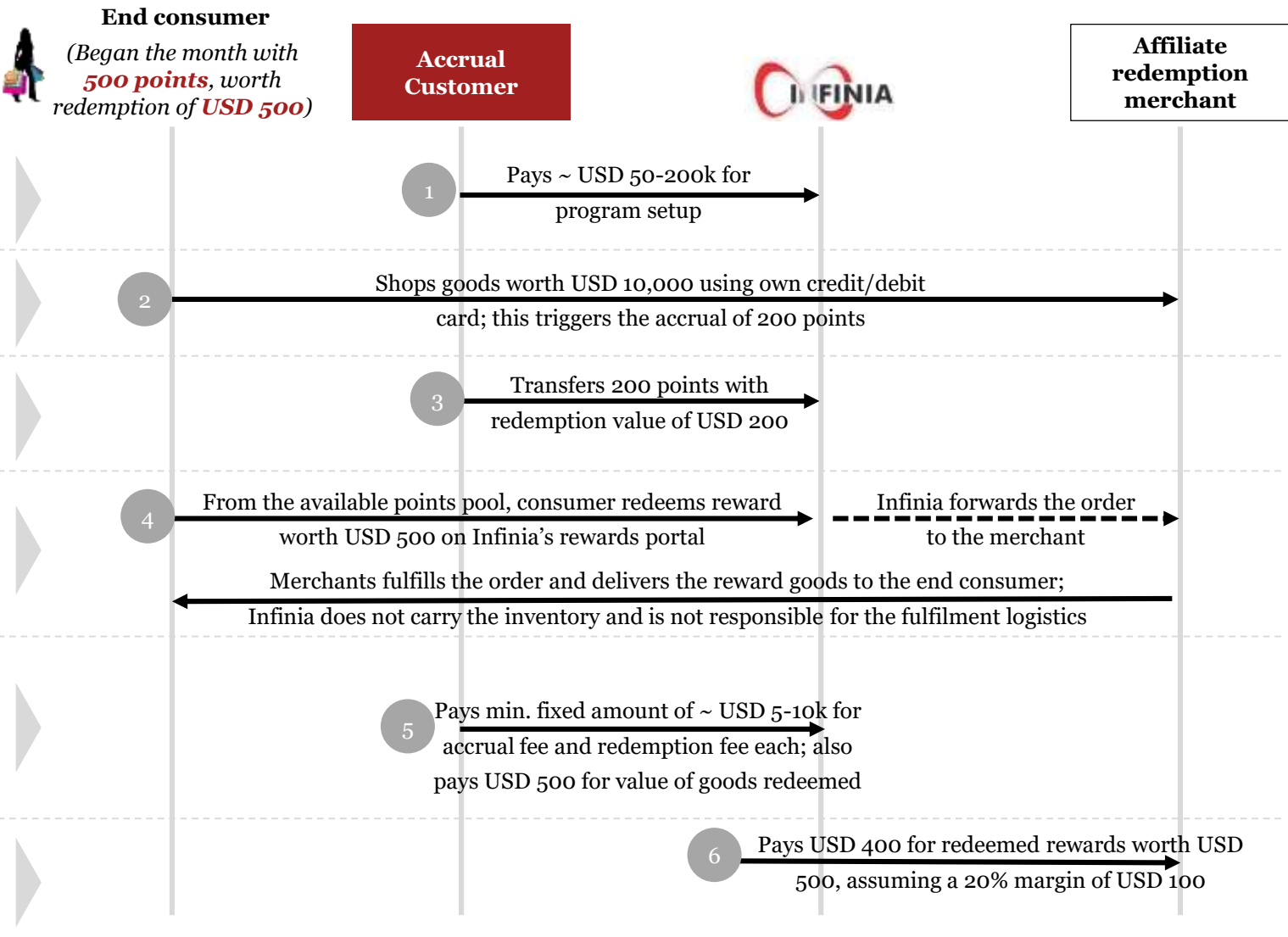
2. End consumer shops at merchants and accrues loyalty points during the month

3. Each day, accrual customer transfers the daily transaction record to Infinia, who processes and credits the consumer account with points

4. Redeems pre-existing pool of 500 points (at beginning of the month) for rewards from merchants

5. At month end, Infinia bills accrual customer accrual fee (USD 0.001 per point accrued) subject to minimum fixed fee of ~ USD 5-10k and redemption fee (USD 0.001 per point redeemed); then collects from accrual customer per negotiated trade terms

6. At month end, merchant bills Infinia value of rewards redeemed USD 400 (assuming a 20% margin of USD 100 on USD 500); Infinia then pays to merchant per negotiated trade terms



Revenue model of Infinia in the loyalty business – miles model

(2/2)

Advance-based revenue model where redemption liability resides with Infinia

What is the model?

- Infinia takes over the loyalty program redemption liability of its accrual customer and continues to manage the program from its own balance sheet; Infinia receives upfront cash for taking over the liability and consequently enjoys additional revenue streams of breakage and float/interest

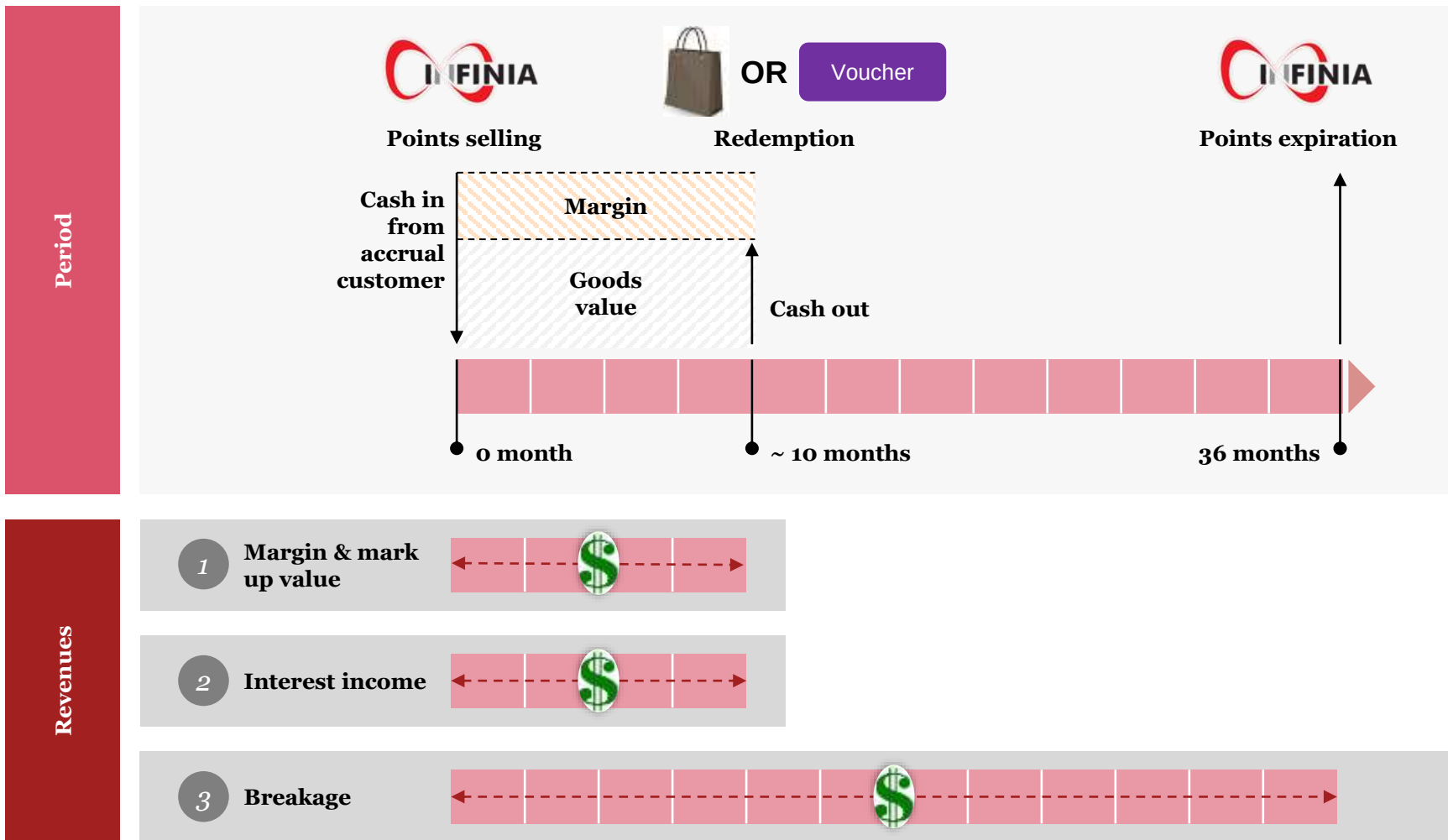
Upfront revenue, at time of program launch

- This is similar to the proprietary model

Ongoing revenue, on advance basis

- Accrual customer transfers its loyalty points liability to Infinia at the program inception; in lieu of this, Infinia receives cash from the accrual customer; on an average, loyalty points remain valid for a three years time period, after which they expire
- Depending on the spending pattern, it takes around 8-12 months for the customer to accrue sufficient loyalty points to make his first redemption
- This leads to a beneficial time gap between money received by the loyalty company at program inception and money given to merchants at time of redemption
- As a result, Infinia receives the redemption value of the goods in advance, benefits from the cash balance available during the time gap in the form of negative working capital and interest income
- Given that the entire points pool is sold at program inception, breakage income (which will eventually arise due to points expiry) is also received in advance

Advance nature of cash inflows in miles (and coalition model)

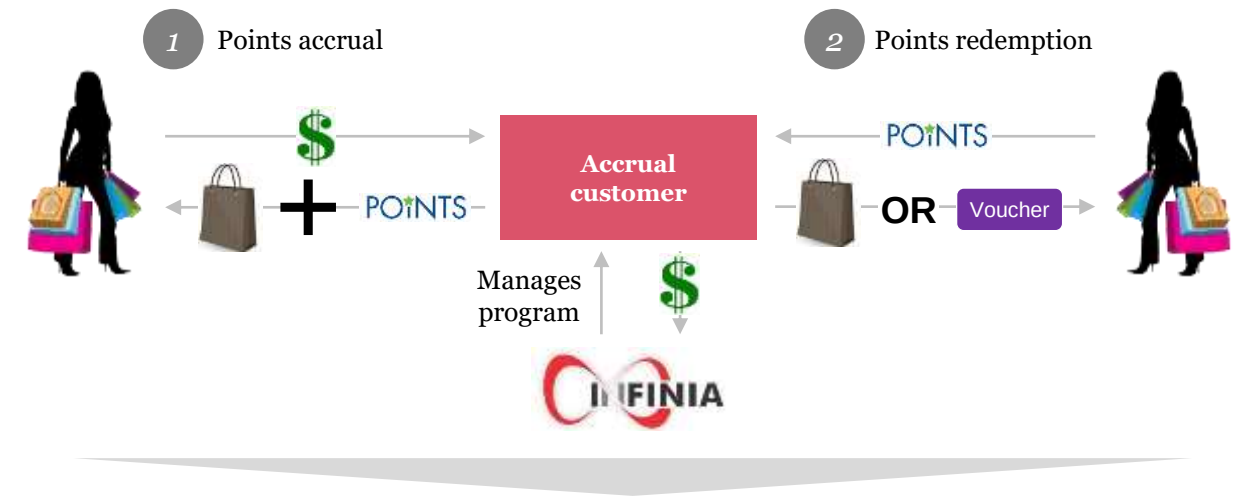


Economics and cash flows of various loyalty programs

(1/3)

Proprietary (aka standalone) model

Flow of money and points in the loyalty ecosystem ¹



Role of accrual customer	Accrual customer providing accrual of points to its program consumers and redemption of points through its affiliated merchants
Role of Infinia	Provides end-to-end management for its enterprise customer's program
Points currency	Belongs to the customer
Financial liability for unexpired points	Customer (exception: Infinia has liability when redemption is done via Infinia's voucher)
Float and breakage enjoyed by	Customer (exception: enjoyed by Infinia when redemption is done via Infinia's voucher)

Revenue streams from the business model for Infinia ²

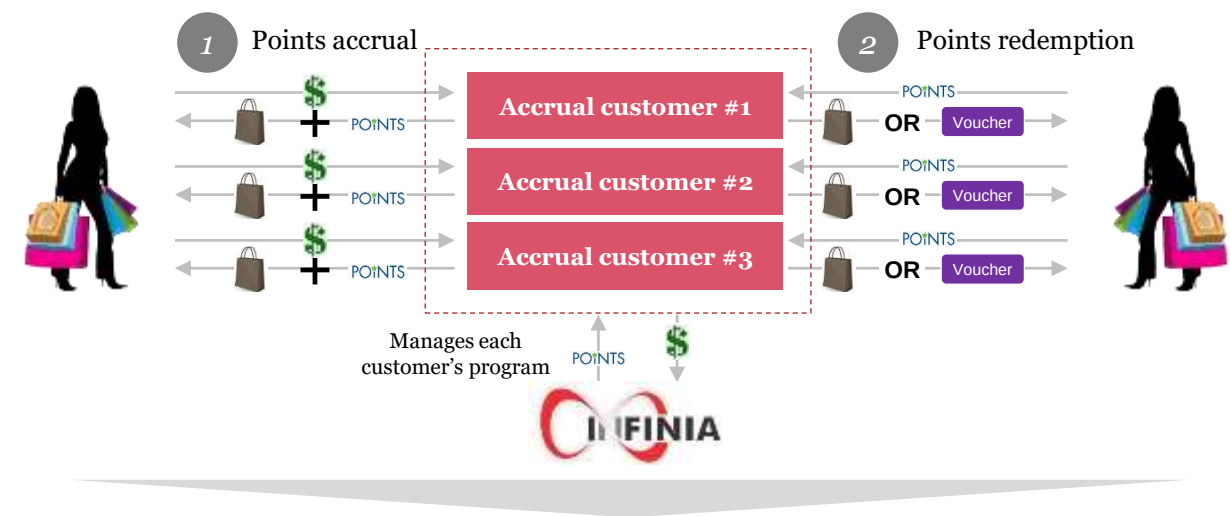
	Whether revenue line present?	Party generating revenue	Revenue recognition timing	Cash inflow timing
Setup Fee	Yes (USD 50-75k)	Customer	Milestone basis (at signup and launch)	Post-paid basis
Accrual and mgt. fee	Yes (USD 0.001 per point accrued)	Customer	Periodic billing to customer upon accrual	Post-paid basis
Redemption fee	Yes (USD 0.001 per point redeemed)	Customer	Periodic billing to customer upon redemp.	Post-paid basis
Value of goods and markup	Yes (No markup, if voucher redemp.)	Customer	Periodic billing to customer upon redemp.	Post-paid basis
Margin/spread on reward goods	Yes	Merchant and/or customer	Periodic billing to customer upon redemp.	Post-paid basis
Breakage income	No (Yes, if voucher redemp.)	NA (Customer, if voucher redemp.)	NA (Estimation basis, if voucher redemp.)	NA (Pre-paid basis, if voucher redemp.)
Interest income on float	No (Yes, if voucher redemp.)	NA (Bank, if voucher redemp.)	NA (periodic interest, if voucher redemp.)	NA (s.t. settlement timing with bank, if voucher redemp.)

Economics and cash flows of various loyalty programs

(2/3)

Miles (aka partnership) model

Flow of money and points in the loyalty ecosystem ¹



Role of accrual customer	Accrual customer providing accrual of points to its program consumers and redemption of points through its affiliated merchants
Role of Infinia	Provides end-to-end management for its client’s program
Points currency	Each program’s points currency belongs to the respective customer
Financial liability for unexpired points	Any existing points liability is transferred by the accrual customer to Infinia at program initiation and Infinia receives upfront cash (lump sum transferred could be at discount to book value of the points liability); thereafter, points liability is transferred periodically (usually monthly) to Infinia based on issuance of new points during the period
Float and breakage enjoyed by	Infinia

Differences vis-à-vis the proprietary model

Revenue streams from the business model for Infinia ^{2, 3}

	Whether revenue line present?	Party generating revenue	Revenue recognition timing	Cash inflow timing
Setup Fee	Yes (USD 50-75k)	Customer	Milestone basis (at signup and launch)	Post-paid basis
Accrual and mgt. fee	No (embedded inside points value)	NA	NA	NA
Redemption fee	No (embedded inside points value)	NA	NA	NA
Value of goods and markup	Yes	Customer	Periodic billing to customer upon redemp.	Post-paid basis
Margin/spread on reward goods	Yes	Merchant and/or customer	Periodic billing to customer upon redemp.	Post-paid basis
Breakage income	Yes	Customer	Based on estimate of expired points at end of program	Pre-paid basis
Interest income on float	Yes	Bank	Periodic interest recognition, on accrual basis	Subject to settlement timing with bank

Differences vis-à-vis the proprietary model

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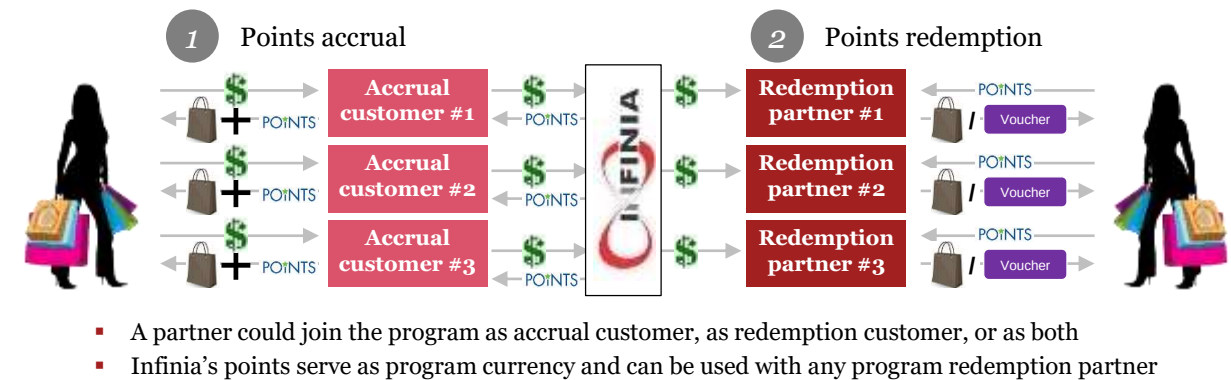
Note: ¹ Accrual customer could be banks, telcos or hotels, which are affiliated with multiple retail and other merchants for points redemption; ² Post-paid basis of cash flow timing is subject to the receivable days from the debtors; ³ Pre-paid basis means points value being received from the accrual customer at program initiation and accounting revenue recognized later at time of redemption of points into goods or voucher

Economics and cash flows of various loyalty programs

(3/3)

Coalition model

Flow of money and points in the loyalty ecosystem ¹



Role of accrual customer	Can participate as accrual customers, redemption customers, or as both (i.e. true coalition partner)
Role of Infinia	Owner and operator of the loyalty program platform
Points currency	Belongs to Infinia
Financial liability for unexpired points	Any existing points liability is transferred by the accrual customer to Infinia at program initiation and Infinia receives upfront cash (lump sum transferred could be at discount to book value of the points liability); thereafter, points liability is transferred periodically (usually monthly) to Infinia based on issuance of new points during the period
Float and breakage enjoyed by	Infinia

Differences vis-à-vis the proprietary model

Revenue streams from the business model for Infinia ^{2,3}

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Setup Fee	Yes (USD 50-75k)	Customer	Milestone basis (at signup and launch)	Post-paid basis
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Redemption fee	No (embedded inside points value)	NA	NA	NA
Value of goods and markup	Yes	Customer	Periodic billing to customer upon redemp.	Pre-paid basis
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Differences vis-à-vis the proprietary model

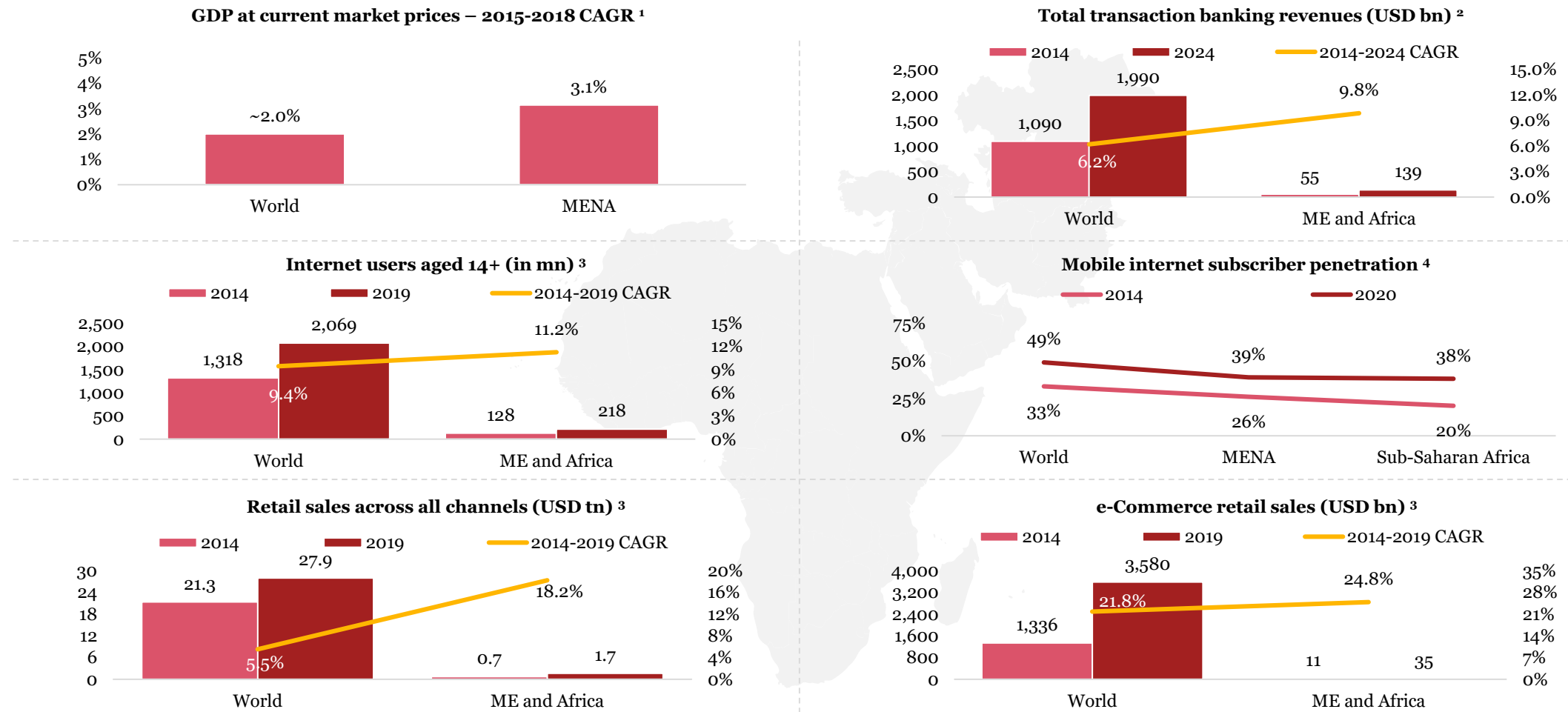
ME, Africa and SE Asia to witness favourable loyalty market tailwinds (1/2)

Rising consumerism and technology proliferation in the identified markets is expected to drive the loyalty management industry growth

- As indicated in the following charts, over the coming years, Middle East (ME), Africa, and SE Asia are expected to have higher growth rates in key macro-economic and consumer expenditure indicators vis-à-vis the global average
- Rate of growth of consumerism (GDP and consumption growth), banking infrastructure (total transactions and card penetration) and technology penetration (mobile, internet and e-commerce penetration) in these regions is expected to outpace the rest of the world
- A larger retail transaction and card usage base would incentivize all entities in the loyalty ecosystem to participate in and drive loyalty programs, from the perspective of achieving consumer marketing efficiency and earning financial return on investment
- As a result, the loyalty market is expected to further grow in the ME region and increase its penetration in the Africa and SE Asia regions

Current and forecasted economic and market indicators of the markets targeted by Infinia

Middle East and Africa in context of the world



ME, Africa and SE Asia to witness favourable loyalty market tailwinds (2/2)

Rising consumerism and technology proliferation in the identified markets is expected to drive the loyalty management industry growth

Current and forecasted economic and market indicators of the markets targeted by Infinia

Top 6 economies of the South East Asia region ¹

Country ²	Population (2015, mn)	Urbanization (2015) ³	Internet penetration (2015)	Internet users CAGR (2015-2020)	Mobile data penetration (2013)	Digital banking penetration (2013)	E-comm market (2015, USD bn)	E-comm market CAGR (2015-2025)	Online hotel + airline market (2015, USD bn)	Online hotel + airline CAGR (2015-2025)
SG 	6	100%	82%	3%	115%	94%	1.0	18%	4.0	10%
MY 	31	73%	68%	5%	82%	41%	1.0	23%	3.0	11%
TH 	65	54%	56%	9%	56%	19%	0.9	29%	3.9	18%
PH 	103	49%	46%	11%	38%	13%	0.5	35%	1.1	15%
ID 	259	51%	34%	19%	38%	36%	1.7	39%	5.0	17%
VN 	92	31%	50%	13%	52%	44%	0.4	34%	2.2	15%
Total	555	49%	44%	14%	46%	32%	5.5	32%	19.2	15%

Infinia Services & Solutions • Information Memorandum

Source: ¹ UBS research, Jefferies research, Google/Temasek

Note: ² SG, MY, TH, PH, ID and VN refer to Singapore, Malaysia, Thailand, Philippines, Indonesia and Vietnam, respectively; ³ Urbanization represents the percentage of the total population of the country residing in urban areas

Thank you