innovation | impact | intelligence

Affle 3i Limited

Consumer Intelligence Driven Global Technology Company

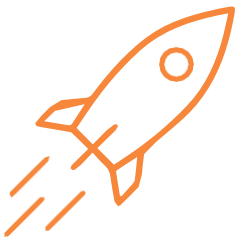
Shareholders' Letter

Q2 & H1 FY2027

October 31, 2026

Our Mission Statement

Driven by passion, innovation and entrepreneurial commitment, Afflers create sustainable value for stakeholders globally, through our consumer intelligence marketing platform for consumer acceptable ads, recommendations and conversions on connected devices.



INTEGRATED CONSUMER INTELLIGENCE SOLUTIONS

H1 FY2027 Highlights

REVENUE	EBITDA	PAT
₹ 15.31 BN	₹ 3.49 BN	₹ 2.58 BN
↑ 20.8% Y-O-Y	↑ 22.1% Y-O-Y	↑ 19.5% Y-O-Y
CPCU CONVERSIONS	**EBITDA MARGIN**	**PAT MARGIN**
252.85 MN	22.8%	16.4%

Q2 FY2027 Highlights

REVENUE	EBITDA	PAT
₹ 7.84 BN	₹ 1.81 BN	₹. 1.30 BN
↑ 21.2% Y-O-Y | 4.9% Q-O-Q	↑ 24.2% Y-O-Y | 8.2% Q-O-Q	↑ 17.4% Y-O-Y | 1.1% Q-O-Q
CPCU CONVERSIONS	**EBITDA MARGIN**	**PAT MARGIN**
128.93 MN	23.2%	16.2%

Dear Shareholders,

"Affle continued its established growth trajectory in H1 FY2027. We achieved our 15th consecutive quarter of sequential topline growth, while registering our highest-ever quarterly revenue run-rate, EBITDA, PAT and consumer conversions. This performance reflects the strength of our differentiated CPCU business Model in sustaining ROI for advertisers globally, despite prevailing geopolitical tensions, and regulatory and macroeconomic headwinds.

As we progress towards our vision of 10X, we continue to advance on our ambition of building a globally scaled, AI-powered full funnel Consumer Platform Stack that delivers measurable value for advertisers through premium consumer conversions. Our focus remains on strengthening our competitive differentiation, deepening our presence across Developed and Emerging Markets, and expanding the capabilities of our platform across mobile, Connected TV and other Agentic/Autonomous Intelligent Connected Devices."

Anuj Khanna Sohum,

Chairperson, MD and CEO

In the letter below, we address the key questions that we think investors might have.

Q1. How did Affle perform during Q2 and H1 FY2027?

Our performance in H1 FY2027 underscores the continued strength and scalability of Affle's business model, with performance for the first half surpassing H1 of the previous financial year. Q2 FY2027 marked our 15th consecutive quarter of sequential topline growth, with the business delivering its highest-ever quarterly revenue, EBITDA, profit after tax (PAT) and consumer conversions.

During Q2 FY2027, on a consolidated basis, revenue stood at INR 7.84 billion, growing by 21.2% year-on-year and 4.9% sequentially; EBITDA grew by 24.2% year-on-year to INR 1.81 billion, with EBITDA margin expanding by 56 basis points year-on-year to 23.2%. Profit before tax from operations, excluding other income, stood at INR 1.40 billion, representing growth of 23.3% year-on-year, while PAT stood at INR 1.30 billion, growing by 17.4% year-on-year with 16.2% PAT Margin.

For H1 FY2027, on a consolidated basis, revenue stood at INR 15.31 billion, representing growth of 20.8% year-on-year; EBITDA stood at INR 3.49 billion, registering a growth of 22.1% year-on-year, while PAT stood at INR 2.58 billion, growing by 19.5% year-on-year. This performance reflects the continued scale-up of our organic business across markets and our consistent execution against the growth opportunities ahead.

Q2. What drove growth in our CPCU business?

Affle's differentiated Cost Per Converted User ("CPCU") business model continued to deliver healthy growth during Q2 FY2027, with consumer conversions, on a consolidated basis, increasing by approximately 18.2% year-on-year to 128.93 million, while CPCU revenue grew by approximately 23.7% to INR 7.82 billion.

CPCU rate improved to INR 60.6 during the quarter, supported by our continued focus on higher-lifetime-value (LTV) user conversions and higher CPCU contributing verticals. Increasing penetration across Developed Markets also contributed to improved CPCU rate.

For H1, FY2027, on a consolidated basis, we delivered 252.85 million conversions at a CPCU rate of INR 60.4. CPCU revenue stood at INR 15.27 billion, growing by 22.0% year-on-year.

Q3. Reasons for improved profitability and operating efficiency?

Affle continued to strengthen its profitability during Q2 FY2027, supported by an improvement in data and inventory costs as well as overall disciplined cost management. On a consolidated basis, EBITDA grew by 24.2% year-on-year to INR 1.81 billion during Q2 FY2027, with EBITDA margins expanding by 56 basis points year-on-year and 72 basis points sequentially to 23.2%.

This improvement was largely driven by favourable movement in inventory and data costs, supported by better AI-powered optimisation and the scalability of our cloud platform. Employee costs also increased at a more measured pace on both a year-on-year and sequential basis, as AI-led productivity gains continue to drive efficiencies across the organisation, which enables us to scale our business while keeping incremental workforce requirements relatively low. These benefits were partially offset by an 11.0% sequential increase in other expenses, largely on account of higher business promotion activities.

Depreciation and amortisation expenses increased in line with Affle's historical Q2 trend, reflecting the periodic capitalisation of technology development costs as projects move from work-in-progress to assets put to use. Affle follows a consistent four-year amortisation policy for capitalised technology, with research-phase and technical-feasibility costs excluded from capitalisation.

On a consolidated basis, Profit before tax from operations, excluding other income, stood at INR 1.40 billion, representing year-on-year growth of 23.3% and sequential growth of 5.0%. On a year-on-year basis, this growth was broadly in line with revenue and EBITDA growth. Other income was impacted by foreign exchange volatility, which also influenced the overall profit after tax performance. PAT stood at INR 1.30 billion, growing by 17.4% year-on-year, with a PAT margin of 16.2%.

For H1 FY2027, on a consolidated basis, EBITDA reached INR 3.49 billion, with EBITDA margins at 22.8%. PAT stood at INR 2.58 billion, representing a PAT margin of 16.4%. These results reflect the cumulative impact of revenue growth, gross margin improvement and disciplined cost management during the first half of the financial year.

Q4. What does H1 FY2027 performance indicate about Affle's full-year and medium-term growth outlook?

H1 FY2027 performance reflects Affle's ability to sustain its growth trajectory despite prevailing geopolitical tensions, and regulatory and macroeconomic headwinds affecting certain customer segments, including RMG, FinTech and other categories.

Despite these external challenges, Affle has continued to demonstrate strong underlying business momentum and deliver performance consistent with its medium-term growth guidance. This reinforces our confidence in the resilience of our differentiated business model, the breadth of our platform across customer segments and geographies, and our ability to execute through a dynamic operating environment. We maintain our 20%+

medium-term growth guidance.

As we progress through FY2027, our focus remains on sustaining growth momentum, deepening our competitive differentiation and scaling our CPCU business across Developed and Emerging Markets. These priorities continue to underpin our previously stated 10X growth vision, supported by disciplined execution and a focus on long-term shareholder value creation.

Q5. What were the key trends across our geographic markets?

Affle continued to deliver broad-based growth across its geographic markets and industry verticals during Q2 FY2027. India and Global Emerging Markets continued to anchor the overall business, while performance across Developed Markets gained momentum.

Developed Markets recorded year-on-year revenue growth of approximately 22.3%, contributing 26.3% of total revenues. Our disciplined sales efforts and campaign delivery across international markets continued to drive new logo additions and deeper penetration of wallet share among global advertisers, strengthening Affle's presence in these markets.

India and Global Emerging Markets collectively grew by approximately 20.8% year-on-year, contributing 73.7% of revenues. Within India, adjusted revenue growth stood at approximately 18.1%. This was partly influenced by a stronger comparative base, as Diwali fell in early October last year, bringing pre-Diwali festivities, e-commerce sales events and associated advertising spends into the previous year's Q2.

Overall, growth across both geographic segments reflects the breadth of Affle's business, with the continued contribution of India and Global Emerging Markets complemented by increasing momentum across Developed Markets.

Q6. How did collections and cash conversion trend during H1 FY2027?

Affle continued to prioritise efficient working capital management during Q2 and H1 FY2027, with no material changes in collection risk.

Collections improved in Q2, leading to an OCF-to-PAT ratio of 75.6% in Q2 FY2027, improving the overall OCF-to-PAT ratio to 64.9% for H1 FY2027.

As cash conversion normalises through the year, our endeavour remains to maintain an OCF-to-PAT ratio of approximately 80% for the full year, supported by efficient working capital management and a continued focus on cash flow generation.

Q7. What were the key highlights from our customer engagements during Q2 FY2027?

We continue to engage with thousands of advertisers globally, delivering approximately 1,000 consumer conversions every minute through our performance-led, AI-powered Consumer Platform, with 252.85 million consumer conversions delivered during H1 FY2027 at an average CPCU rate of INR 60.4.

This quarter, we have featured three customer-approved case studies in our Earnings Presentation, showcasing our capabilities across our diversified markets, spanning healthcare, consumer electronics and gaming verticals.

- Healthcare – India: For Orange Health Labs, Affle leveraged GenAI-based keyword recommendations, AI-powered scorecards and agentic AI to improve iOS app discovery and reach high-intent patients. The campaign delivered a 53% sequential uplift in purchases and 39% revenue growth, while Share of Voice more than doubled.
- Consumer Electronics – India: For JBL, Affle combined intent-driven audience discovery, premium Connected TV (CTV) storytelling and proprietary Household Sync capabilities to connect big-screen advertising with mobile engagement, reaching high-intent audio and consumer electronics shoppers. The campaign achieved a 95% video completion rate, a 40% click-to-visit rate and 3.5x higher mobile click-through rates following the first week of CTV exposure.
- Gaming – United States: For CrazyGames' Space Waves title, Affle leveraged data science-led lifetime value prediction, interactive ad formats and intelligent campaign optimisation across iOS and Android to engage high-potential gamers and drive repeat conversions. The campaign delivered a 2x increase in total revenue and a greater than 200% uplift in repeat ad revenue event conversions, alongside a 1.8x increase in conversion rate.

These engagements demonstrate the breadth of Affle's Consumer Platform across industry verticals and geographies, combining AI-powered audience intelligence, agentic capabilities and cross-screen advertising to drive measurable consumer conversions and advertiser growth.

Q8. Which industry awards and recognitions did we receive during Q2 FY2027?

Affle's capabilities and campaign outcomes continued to receive recognition across leading industry forums during Q2 FY2027, with 22+ award wins and recognitions across 10+ industry events. These recognitions span campaign effectiveness, performance marketing, cross-channel advertising, contextual targeting, marketing automation and international growth, reflecting the breadth of our Consumer Platform capabilities and the outcomes delivered for our advertisers.

Key awards and recognitions during the quarter included:

- e4m REALTIME Programmatic Awards 2026: Six awards recognising campaign excellence across omnichannel marketing, innovative campaign execution, cross-device advertising and measurable campaign effectiveness.
- Programmatic Asia Symposium & Awards, Mumbai 2026: Gold for Best Effective Cross Device Campaign and Silver for Best Effective / Measurable Campaign, alongside Silver recognition for Best Contextual Targeting Execution. Omni-Channel Campaign Management & Marketing Automation, Best Use of AR or VR Marketing and Best Campaign – Use of Mobile and Mobile Monetisation
- Marketing-Interactive Marketing Excellence Awards Indonesia 2026: Recognition in the Excellence in Location-Based Marketing category.
- Marketing-Interactive Marketing Excellence Awards 2026: Recognition in the Excellence in Performance Marketing category.
- DigiPlus Awards 2026: Gold for Excellence in International Marketing and Silver for Excellence in Hospitality, Travel & Tourism.

- Partner Recognition: Recognition as Global Consistent Partner by a leading global smartphone brand.

Collectively, these recognitions reinforce Affle's continued focus on innovation, campaign effectiveness and measurable outcomes, demonstrating the breadth of our capabilities across diverse advertising objectives, industry verticals and markets.

Q9. How are we strengthening our intellectual property and technology differentiation?

Affle's technology-led approach remains central to our competitive differentiation, enabling us to continually enhance our platform capabilities and address the evolving needs of the digital advertising ecosystem.

We continue to strengthen our technology IP portfolio through sustained innovation. We are expanding our IP coverage into emerging advertising environments across Autonomous Intelligent Connected Devices (AICDs), with a newly filed patent application focused on mobility-led out of home advertising across autonomous and connected vehicles. This system enables context-aware advertising and personalised consumer engagements across in-vehicle and external displays, connected personal devices and interactive interfaces, incorporating location intelligence, audience-level personalisation and safety-based controls, while extending our CPCU capabilities to connected vehicle fleets through measurable consumer interactions and conversion-led campaign execution.

Our robust IP portfolio, representing 40 filed patents and 300+ unique enforceable patent claims, spans across fraud intelligence, human-versus-non-human data distillation, precision targeting, contextual and gesture-based advertising, and next-generation AI-native ads and engagements across omnichannel consumer journeys on intelligent connected devices, serving diverse industry verticals. This reinforces our differentiated and defensible position as the digital advertising ecosystem continues to evolve rapidly.

These capabilities strengthen the technological foundations of our AI-powered Consumer Platform Stack, supporting continued innovation across intelligent consumer identification, precision targeting and campaign optimisation. As advertising evolves towards more AI-native and automated engagements, our sustained focus on proprietary technology and IP development enables us to build differentiated capabilities and reinforce our competitive positioning over the long term.

As we look ahead, we remain focused on sustaining our growth momentum, deepening our competitive differentiation and expanding our presence across diversified markets. With our AI-powered Consumer Platform Stack continuing to evolve, we will pursue emerging opportunities through sustained innovation, disciplined execution and strategic investments, while remaining focused on profitable growth. As we advance our 10X growth vision, our commitment remains to building a resilient, globally scaled business that creates enduring value for our shareholders and all stakeholders.

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About Affle

Affle 3i Limited is a global technology company enabling verticalized AI-led consumer conversions for advertisers globally, powered by the differentiated CPCU business model across Mobile, CTV and other agentic/autonomous intelligent connected devices (AICDs).

Affle 3i Consumer Platform enables advertisers to optimize targeting, personalize user engagement and maximize ROI by combining proprietary data, deep audience intelligence and advanced agentic AI capabilities. With innovative technology integrations, Affle maximizes user engagement at every stage of the consumer journey across connected devices with algorithms that go beyond automation and efficiency to deliver next-gen experiences through deep human-vs-non-human data distillation. Affle 3i Limited is listed on the NSE (AFFLE) and BSE (542752).

For more information, visit - www.affle.com I contact – investor.relations@affle.com

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