



AIL/2020-21/05

August 13, 2020

To

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Scrip Code: 542752	Symbol: AFFLE

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Dear Sir/ Madam,

This is to inform you that the Company has entered into a definitive Share Subscription Agreement and Shareholders' Agreement to acquire 8.0% ownership in Talent Unlimited Online Services Private Limited ("Bobble AI") incorporated in India. The Company has also secured an option(s) to own and acquire incremental ownership on attainment of certain key performance targets within the next 3 years.

Prior to our investment in Bobble AI, major investors were Xiaomi and SAIF Partners. Post our investment, the shareholding of major investors in Bobble AI, i.e. Xiaomi would be 27.60% and that of SAIF Partners would be 19.42%.

The details of the transaction are given as under:

S. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Talent Unlimited Online Services Private Limited ("Bobble AI") 202, S/F 94 Meghdoot Nehru Place Delhi South, Delhi-DL 110019, India. Total Unaudited Revenue from Operations (Financial year ended March 31, 2020) was INR 10.8 million.

Affle (India) Limited

Regd. Office | 312, B-Wing, Kanakia Wallstreet, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra 400093
Communication Office | P 601-612, 6th floor, Tower C, JMD Megapolis, Sohna Road, Sector – 48, Gurgaon:122018
(P) 0124-4992914 (W) www.affle.com CIN: L65990MH1994PLC080451

2.	<p>Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired?</p> <p>If yes, nature of interest and details thereof and whether the same is done at “arm’s length”</p>	<p>It is not a related party as on the date of entering into the agreement.</p> <p>Promoters of the Company have no interest in the said acquisition.</p> <p>The transaction has been done at Arms' Length Basis.</p>
3.	Industry to which the entity being acquired belongs	IT / ITES
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity).	<p>Bobble AI is a strategic investment for Affle as it owns and operates “Bobble Indic Keyboard”, an indigenous social keyboard with investments from Xiaomi and SAIF Partners.</p> <p>Bobble Indic Keyboard includes speech-to-text capabilities and is accessible in multiple Indian languages. It is also a pre-loaded default keyboard for Xiaomi across multiple devices in India, enhancing Affle’s vernacular strategy and OEM partnerships.</p> <p>The Company has secured exclusive global ad monetization rights of tech assets of Bobble AI for 5 years.</p>
5.	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable
6.	Indicative time period for completion of acquisition	30 days
7.	Nature of Consideration- whether cash consideration or share swap and details of the same.	Cash Consideration
8.	Cost of acquisition or the price at which the shares are acquired.	A total consideration of INR 198.0 million for 8.0% of ownership, to be paid on or before the date of closing of the agreement.

Affle (India) Limited

9.	Percentage of shareholding/control acquired and/ or number of shares acquired.	8.0% of ownership in Bobble AI through Compulsory Convertible Preference Shares.						
10.	Brief background about the entity acquired in terms of products / line of business acquired. Date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	<p>Bobble AI was incorporated on April 13, 2012.</p> <p>Bobble AI is the Conversation Media Platform offering indigenous social keyboard with investments from Xiaomi and SAIF Partners. Bobble AI's flagship product – “Bobble Indic Keyboard” allows real-time content creation and personalization through its AI technology. It includes speech-to-text capabilities and is accessible in multiple Indian languages. Bobble AI partners with many OEMs and has created a custom “Mint” keyboard which Xiaomi has begun to pre-embed as a default keyboard across its multiple devices in India. Bobble AI has leveraged its strengths in both Indian and International languages and is partnering with multiple Original Equipment Manufacturers (OEMs) as distribution partners.</p> <p>Last 3 years Revenue from Operations of Bobble AI</p> <p><i>(Financial year of Bobble AI is April 1 to March 31)</i></p> <table border="1" data-bbox="858 1368 1420 1507"> <thead> <tr> <th data-bbox="858 1368 1050 1451">FY2020 (unaudited)</th> <th data-bbox="1050 1368 1235 1451">FY2019 (audited)</th> <th data-bbox="1235 1368 1420 1451">FY2018 (audited)</th> </tr> </thead> <tbody> <tr> <td data-bbox="858 1451 1050 1507">INR 10.8 mn</td> <td data-bbox="1050 1451 1235 1507">INR 25.3 mn</td> <td data-bbox="1235 1451 1420 1507">INR 11.5 mn</td> </tr> </tbody> </table>	FY2020 (unaudited)	FY2019 (audited)	FY2018 (audited)	INR 10.8 mn	INR 25.3 mn	INR 11.5 mn
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INR 10.8 mn	INR 25.3 mn	INR 11.5 mn						

Submitted for your information and records.

Thanking you,

Yours Faithfully,
For Affle (India) Limited

 

Parmita Choudhury
Company Secretary & Compliance Officer

Affle (India) Limited

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