



Affle (India) Limited

Corporate Presentation

February 2021

Consumer Intelligence Driven Global Technology Company



★ **15 years**
Track Record

★ **Differentiated**
Business Model

★ **Scalable**
Data Platforms

★ **Deep**
Tech Assets

★ **Accelerated**
Consumer Adoption

★ **Sustainable**
Growth Strategy

★ **High**
Growth Markets

★ **Global**
Reach & Opportunity

★ **Leading**
In India

★ **Credible**
Customer Base

★ **Committed**
Leadership

★ **Robust**
Profitability

★ **Strong**
Cashflows

★ **High**
Return Ratios

Affle | At a Glance



ABOUT

- Global technology company with a leading market position in India and a profitable business model
- Existent partnerships with top global e-commerce companies, brands & agencies



BUSINESS SEGMENTS

- 1) **Consumer Platform:** Delivers acquisitions, engagements & transactions for leading brands and B2C companies. Also, includes retargeting & push notification for e-commerce (**98.3% 9M FY21 revenue**)¹
- 2) **Enterprise Platform:** Enabling offline businesses to go online through App development, O2O² commerce & data analytics (**1.7% 9M FY21 revenue**)¹



GLOBAL REACH

India, South East Asia (SEA), Middle East and Africa (MEA), North America (NA), Europe, LATAM, Japan, Korea and Australia (JKA)

49.3%
India revenue^{1,3}
9M FY2021

50.7%
International revenue^{1,3}
9M FY2021



END TO END MOBILE ADVERTISING PLATFORM

- In-house data management platform with over **2.2 Bn**⁴ connected devices reached, that drives our predictive optimization algorithm
- Fraud Detection platform to help deliver high ROI to our customers



R&D FOCUS WITH A STRONG PATENT PORTFOLIO

3	10	1	4
Patents registered in US for digital advertising	Patents filed in USA & India for digital ad fraud detection	Patent related to retargeting business filed in US	Patents filed in Singapore



FINANCIAL SUMMARY (12M FY2020 Consolidated)

Revenue	Rs. 3,338mn
EBITDA ⁵	Rs. 888mn
PAT	Rs. 655mn

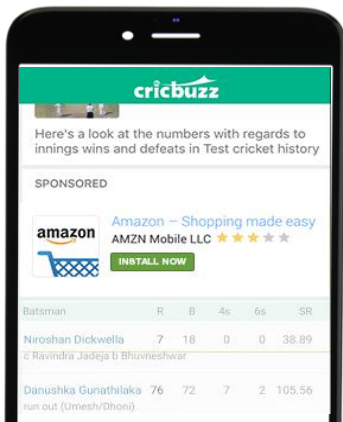
1) For nine months ended Dec 31, 2020 on a consolidated basis; 2) O2O: Online to Offline; 3) Region-wise contribution and is different from the billing entity-wise segmental break-up disclosed in financial results; 4) For the 12 months period of Jan 1, 2020 to Dec 31, 2020 excluding mediasmart; 5) EBITDA adjusted for Rs. 9.37 mn of creditors written back in Q4 & 12M FY2020

Affle | Cost Per Converted User (CPCU) Business

83.6% of Consumer Platform revenue contributed by CPCU model in 9M FY2021 and 16.4% from Non-CPCU



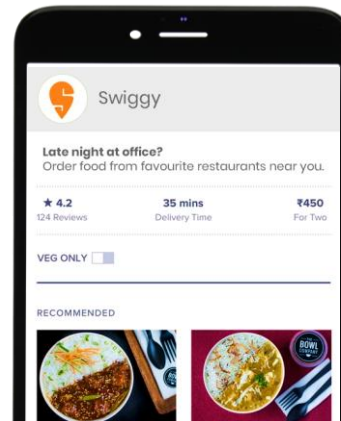
New user conversion
(online)



Use Case - Targeted new user acquisition optimized to in-app transaction/registration/event



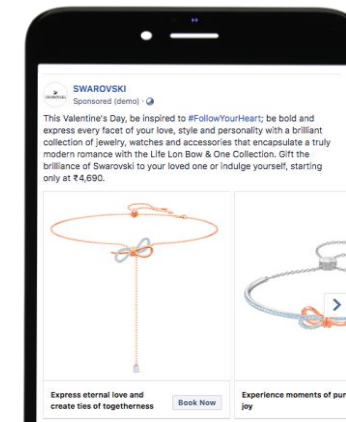
Existing user repeat
conversion (online)



Use Case - Target interested user to complete the transaction



New/existing user
conversion (offline)



Use Case - Online bookings to drive offline walk-ins (O2O)

End to End Technology Platform

Indian Digital Ad Spend
~28.6% CAGR 2017-22

Smartphone segment India
~27.1% CAGR
2017-21

E-commerce shoppers India
~20.7% CAGR 2017-25

Advertisers

mFaaS

- 10 patents filed
- DIGIXX award 2019 Digital Marketing Excellence in Technology
- IAMAI award - Best Big Data Tech Platform
- Human vs non-human traffic

SG:D Accredited

ROI



Consumer Platform Business

Shoppers

mDMP

- >900² bn Data points processed
- >2.2² bn Connected devices reached
- 75.7 mn Converted Users

Consumers

FY2020 CPCU¹ Revenue	=	Avg. CPCU Rate	x	Converted Users
Rs. 2,965 mn	=	Rs. 41.0	x	72.3 mn

E-commerce Market → ~27.6% CAGR 2017-22 India

Brands / Retail

9M FY2021 CPCU Metrics

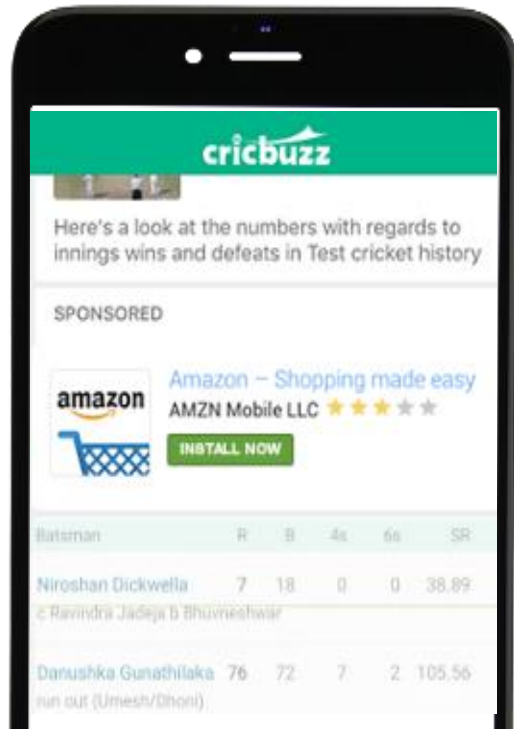
CPCU Revenue Rs. 3,084 mn	=	Avg. CPCU Rate Rs. 40.7	x	Converted Users Rs. 75.7 mn
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1. Cost per converted user (Pricing model for Affle, which is the cost paid by the advertiser); 2. For the last twelve months period of Jan 1, 2020 to December 31, 2020 on a consolidated basis excluding mediasmart platform; Source: Industry data basis Frost & Sullivan Report

Affle | Market Consolidation with Global Launch of Appnext OOB E Technology

- Affle’s Appnext Platform is the leading independent mobile discovery platform powering on-device personalized app recommendations to mobile users globally, further strengthening our vernacular reach

In-App Advertisements -
A high growth business



Strengthens
CPCU model
Significantly



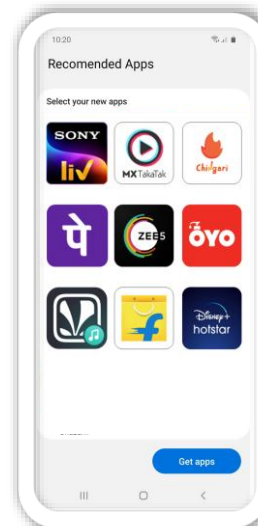
Mobile App Recommendations through Strategic OEM / MNO Partnerships

OOBE: Out of Box Experience

Welcome Wizards / OEM / MNO Banners



Initial Device Personalization: Preinstall Apps



Across user’s daily mobile journey

Over **5B** daily app recommendations via 20+ interactions across Widgets, Folders, -1 Screen, OEM store and more

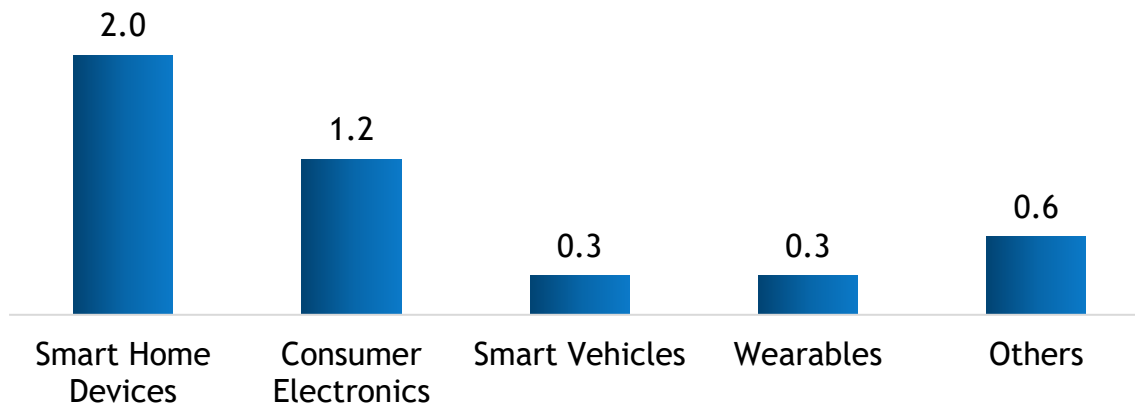


Affle | Powering a Mobile-First Connected Ecosystem

Pivotal Industry Trends

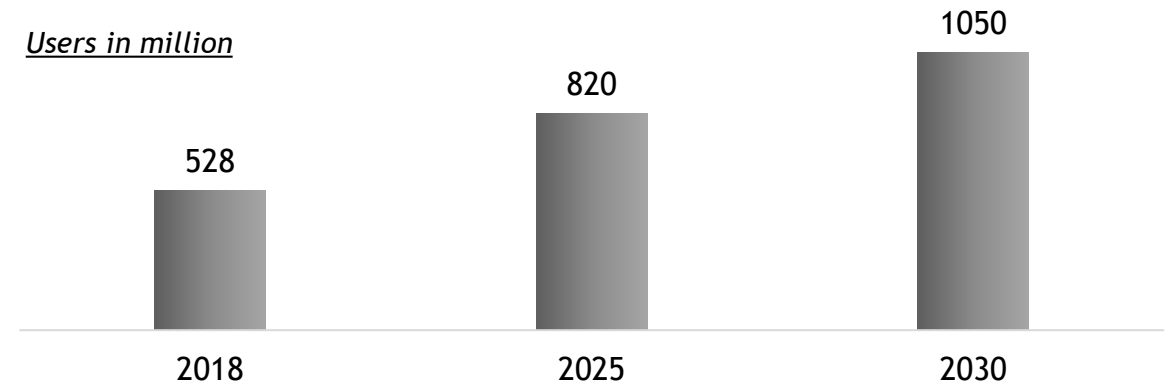
4.4bn new connected consumer devices to be added by 2025 globally

Devices in billion



Strong growth in India's digital userbase with 90% of new users to have vernacular affinity and Tier-2/3/rural shoppers to be over 1.6x of Metro/Tier-1 shoppers by 2023

Users in million



Affle2.0 strategy anchored on **Vernacular | Verticalization | OEM partnership** driving sustainable and innovation-led profitable growth

Key Investment Highlights

1

End to end mobile advertising platform-based solution

2

Technology and Innovation powered growth

3

Profitable, low-cost business model with an asset light, automated and scalable platform

4

Addressing key industry issues related to consumer privacy and ad fraud

5

Deeper penetration across emerging markets with significant growth potential

6

Well defined strategic roadmap for organic and inorganic growth

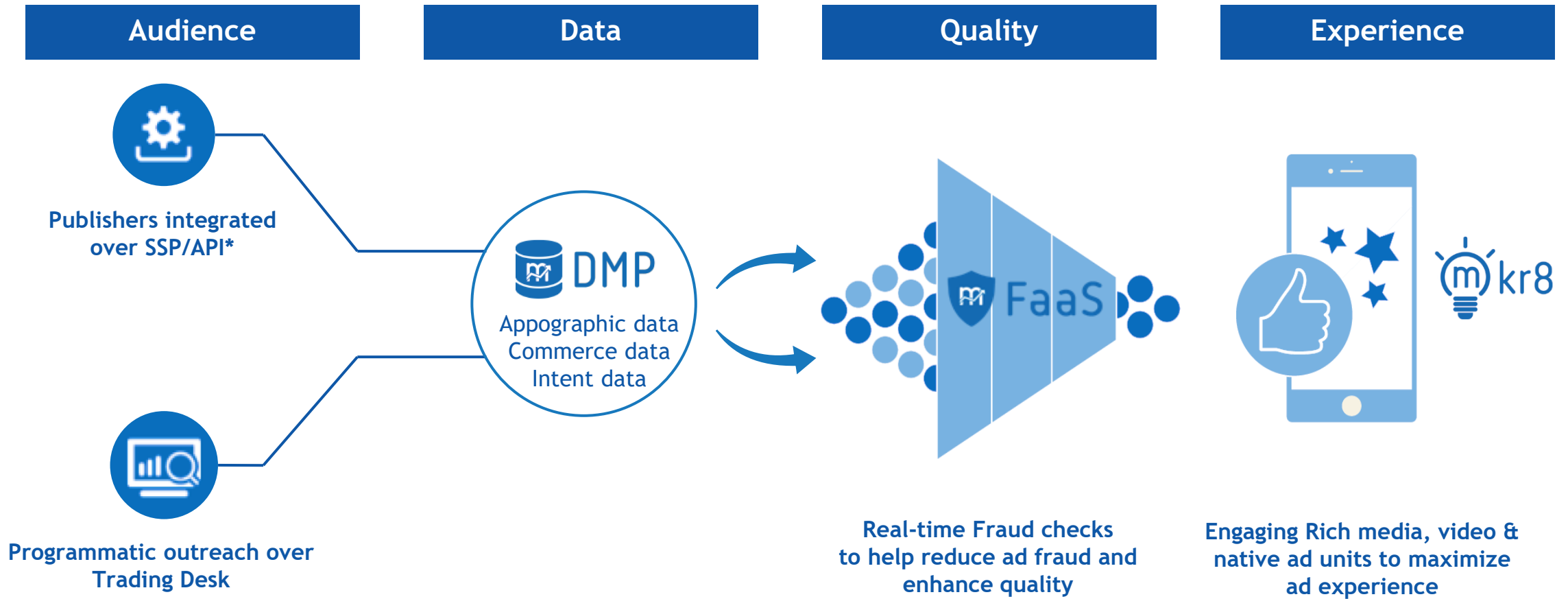
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Leading position in India - A high growth market with substantial barriers to entry

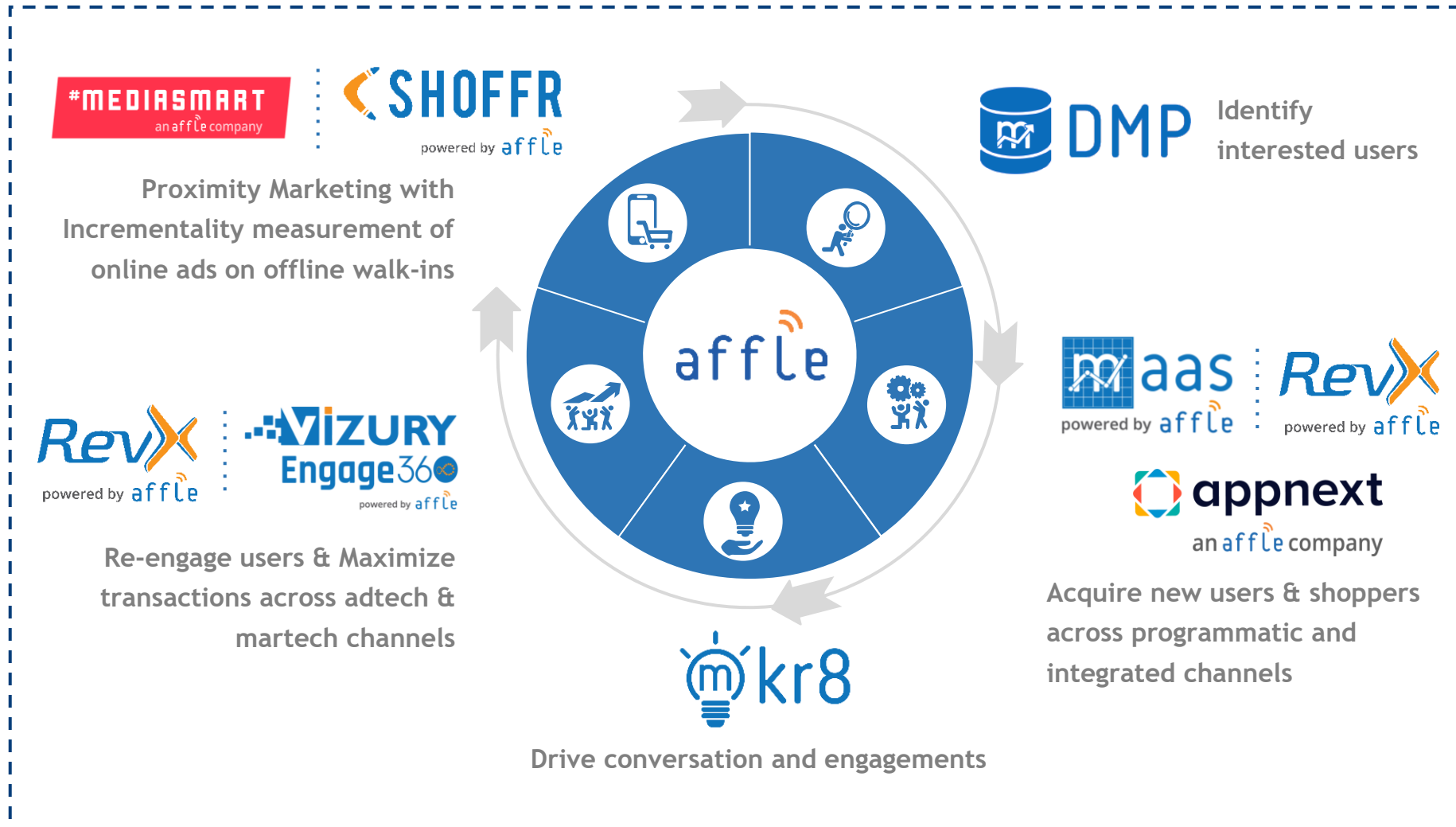
1 End to End mobile advertising platform-based solution

- Affle is uniquely positioned to offer end to end platform-based solutions to deliver higher ROI to its customers

Key Components of Affle's Consumer Platform

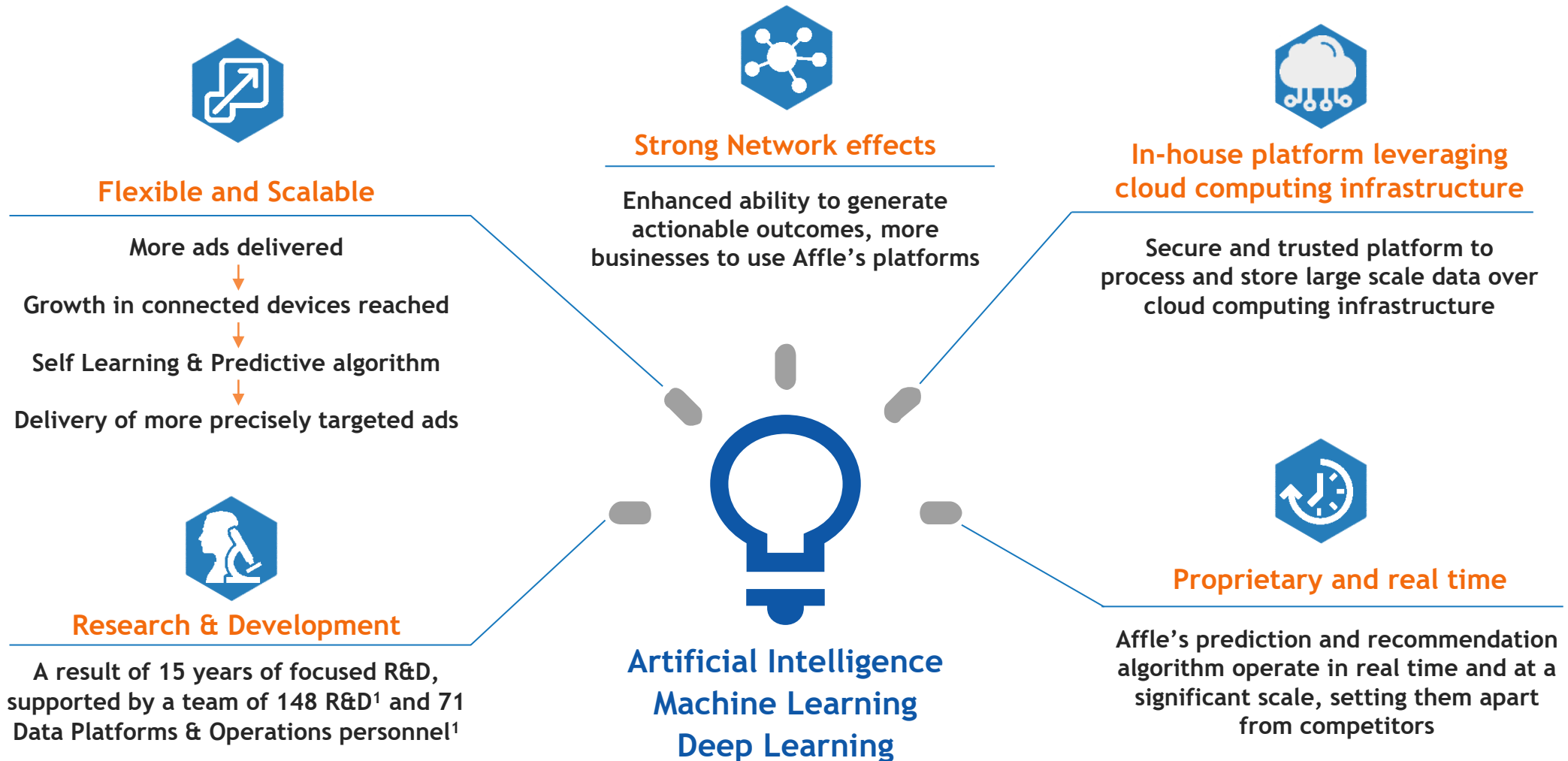


* SSP: Supply Side Platform; API: Application Programming Interface; DMP: Data Management Platform

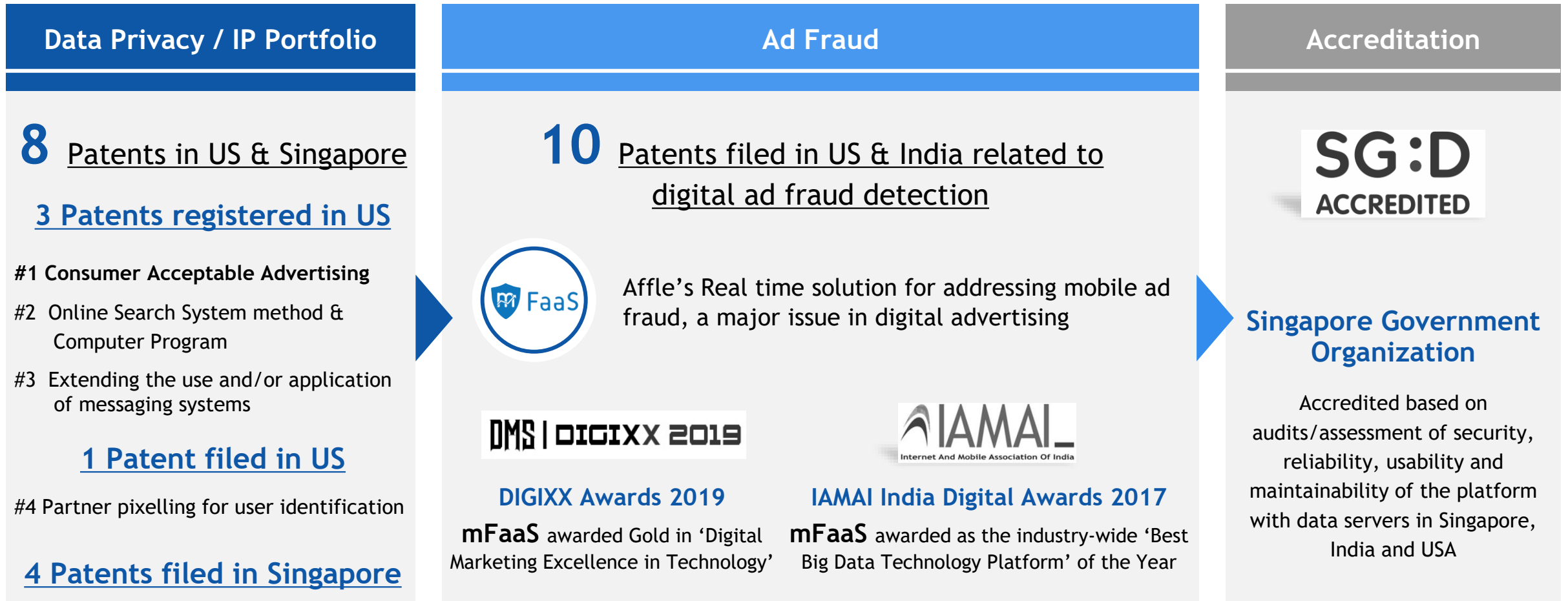


Enabling an omni-channel connected platform ecosystem for building a sustainable market leadership as part of Affle2.0 Growth Strategy

- Scalable and proven technology platform has delivered outcomes profitably despite operating in a low CPCU market

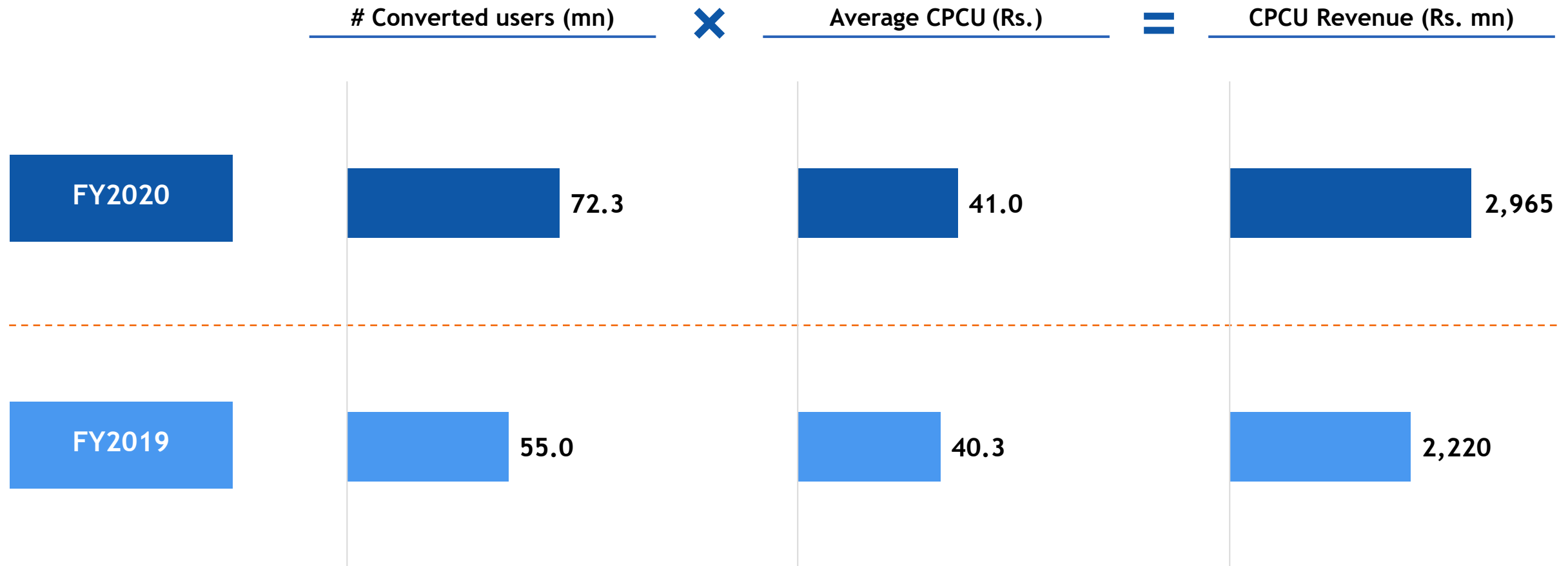


Robust IP Portfolio | Real time fraud detection through mFaaS | Platform accredited by SG:D



Deeper penetration across emerging markets with significant growth potential

Leveraging big data and machine learning capabilities to drive deeper penetration across India & other emerging markets and deliver higher conversions



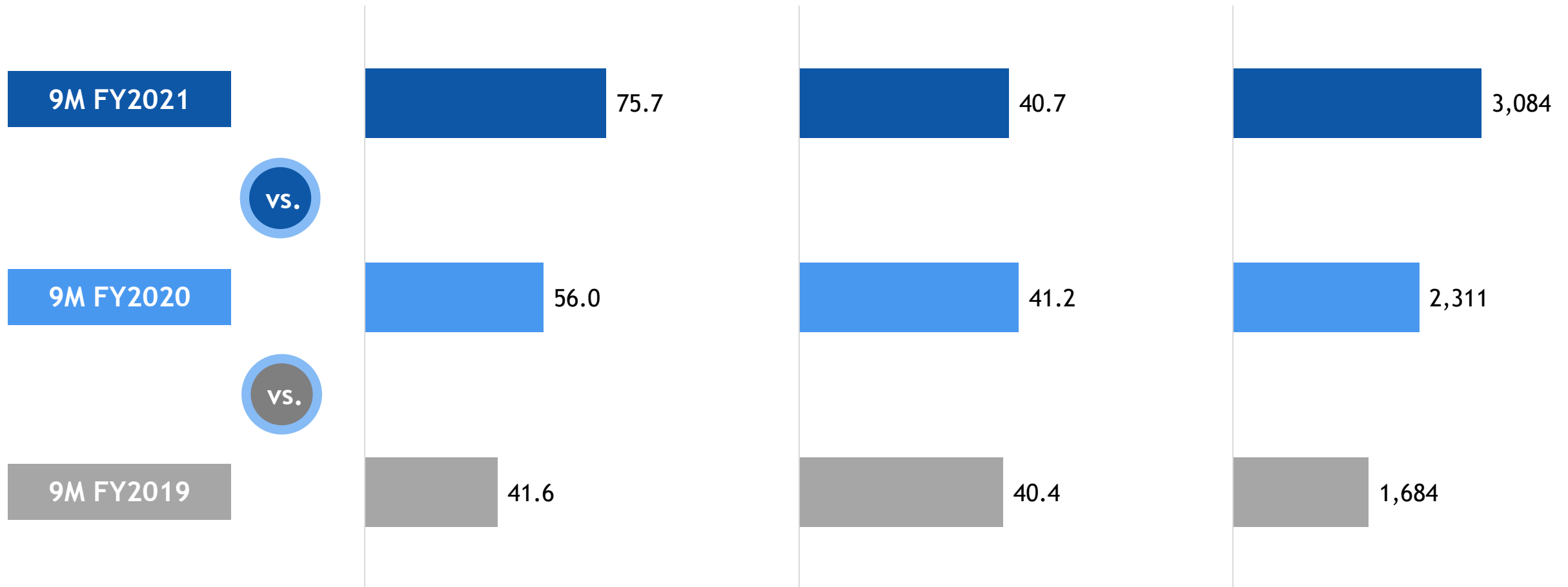
Converted users (mn)

×

Average CPCU (Rs.)

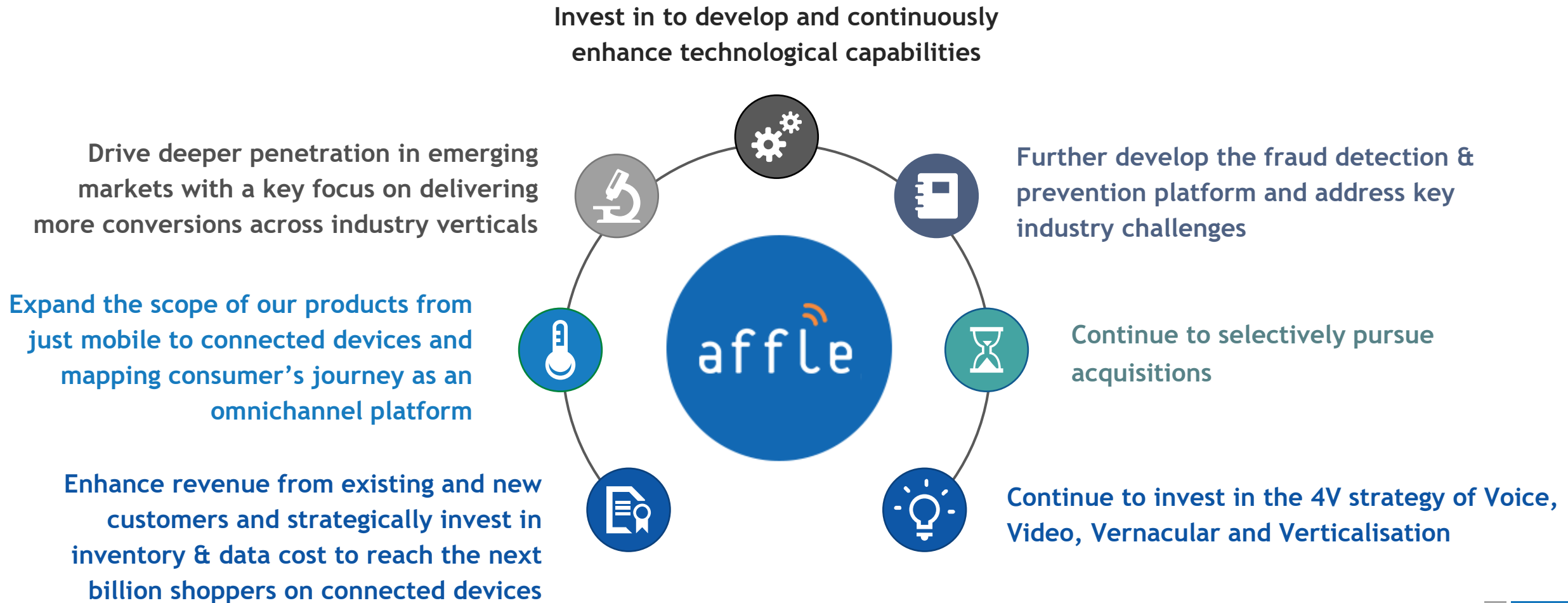
=

CPCU Revenue (Rs. mn)



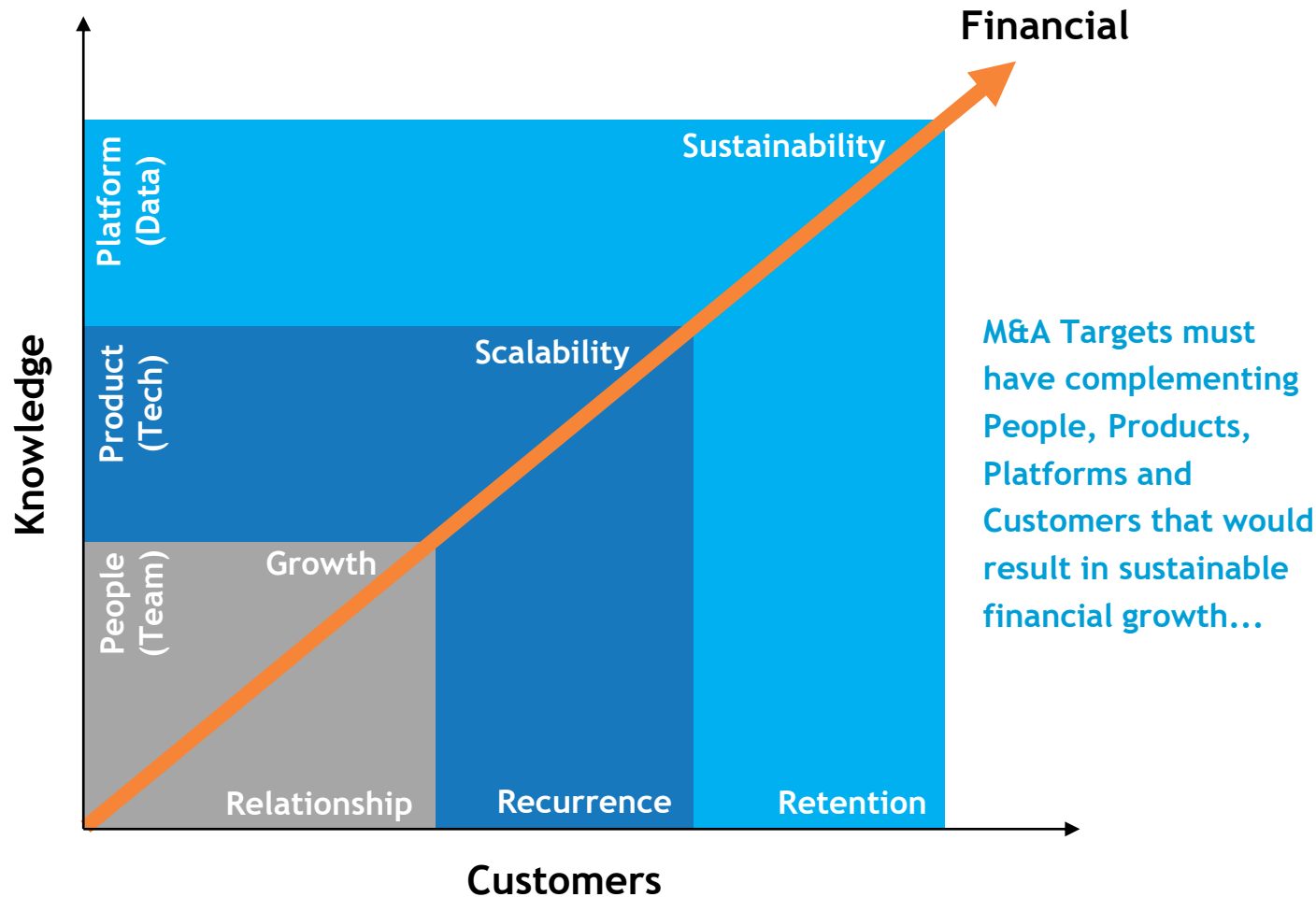
Well defined strategic roadmap for organic and inorganic growth

Enabled by enhancing strengths and leveraging market opportunities in India and International markets



6 Inorganic Growth Plan

Pre Deal Assessment: Key Capability Attributes



Strategic Focus

Knowledge: Complementing teams, tech and data strengthen our strategic focus and enable efficient expansion to other emerging markets

Customers: Complementing customer relationship to enhance growth and build greater recurrence with integrated tech and data

Financials: Enhance value for shareholders by enhancing the profitability of the acquired businesses and the PE multiple



powered by affle



powered by affle



powered by affle



an affle company

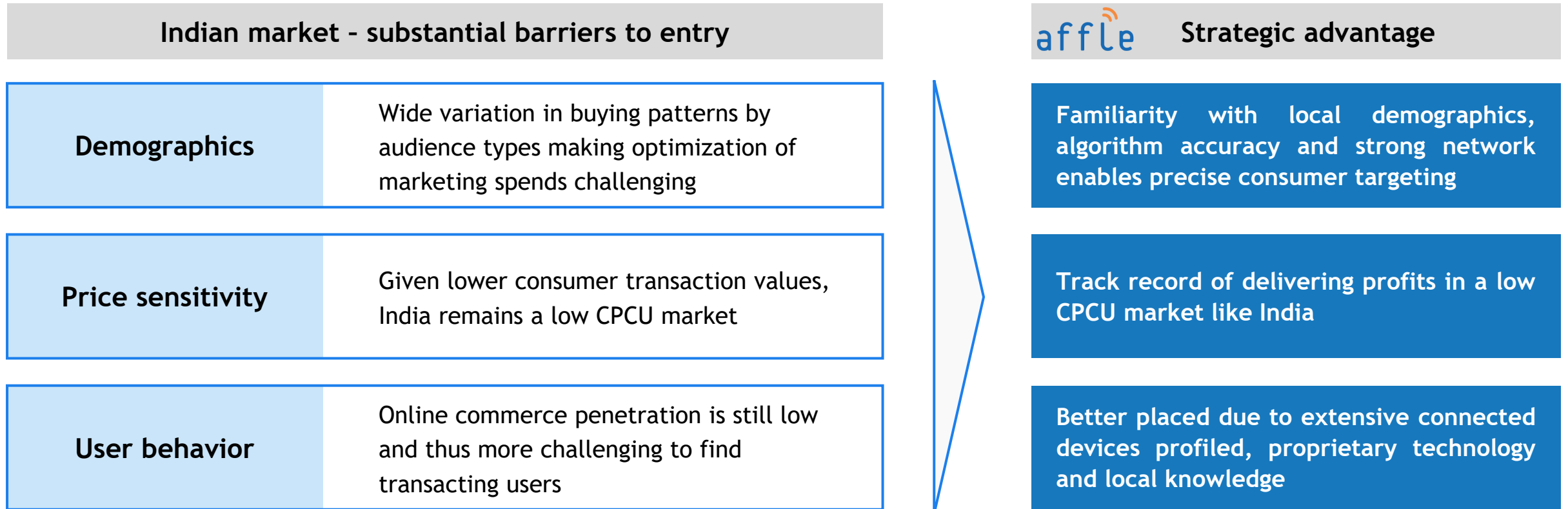


an affle company

7 Leading Position in India

- Affle holds a leading position in the fast-growing Indian market and has demonstrated consistent profitability in a market which has substantial barriers to entry

Indian digital market to post strong growth while it is characterized by low prevailing CPCU's and other unique challenges

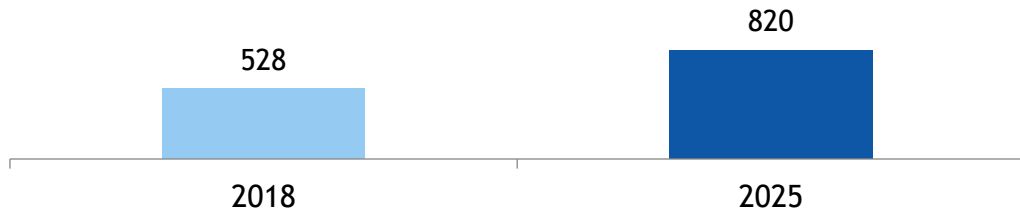


India, a high growth market characterized by rapid growth in internet, e-commerce and digital advertising

- Positive outlook for the advertising industry, backed by a rapid economic growth, technology advancements and internet penetration

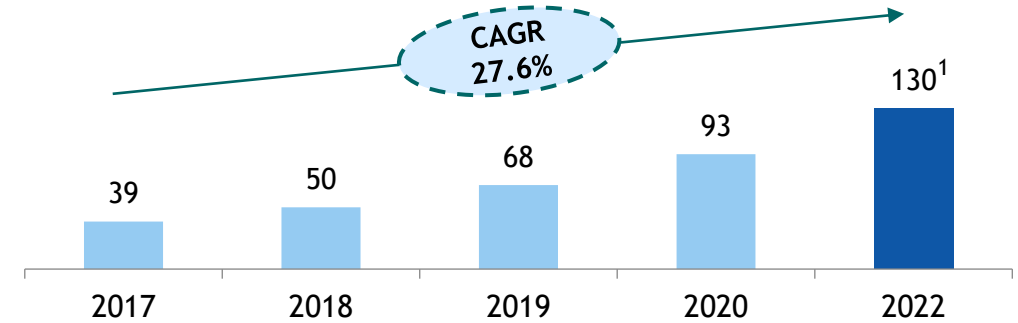
India's internet user base to expand significantly

internet users (mn)



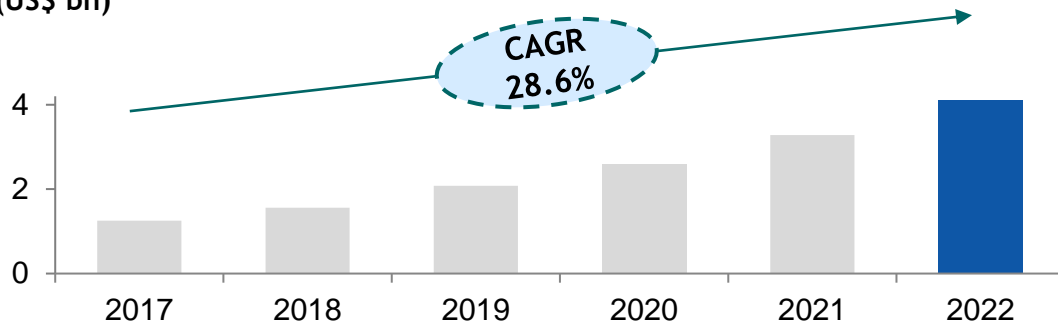
India's e-commerce market is in its early growth stages and has caused an all-encompassing revolution in the retail industry

E-commerce market size (US\$ bn)



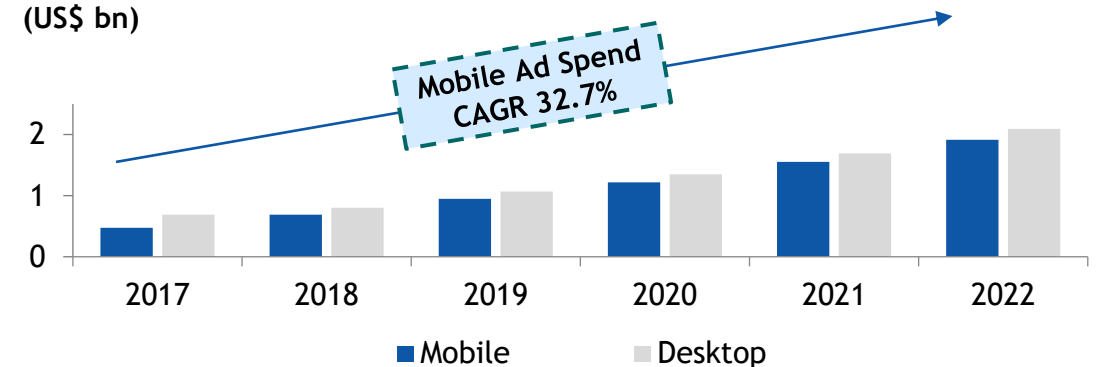
Digital advertising spend in India

(US\$ bn)



Within digital, mobile Ad-spend is expected to grow faster

(US\$ bn)



1. Potential to be achieved basis increase in digital payments, broadband penetration and product options across the country
 Source: KPMG India's Digital Future Report, 2019 | Frost & Sullivan Report titled "Industry Insights on the Advertising and Ad Tech Market" dated July 12, 2018

The background of the slide features a complex network diagram on the left side, composed of numerous grey nodes connected by thin lines, creating a web-like structure. On the right side, there is a dark blue vertical band containing a stylized globe made of small dots.

COVID-19 Updates, Financial Summary and Recent Developments

COVID-19 | Top 10 Resilient Verticals

Category E



E-commerce |
Entertainment | EdTech

Category F



Fintech | Foodtech | FMCG

Category G



Gaming | Groceries | Government

Category H



Healthtech






Categories E | F | G | H




Top 10 verticals
contributed over **90%**
revenue in Q3 FY2021 in
line with Q2/Q1 trend and
vs. **76%** in Q4 FY2020

Favourable momentum across
India & International markets

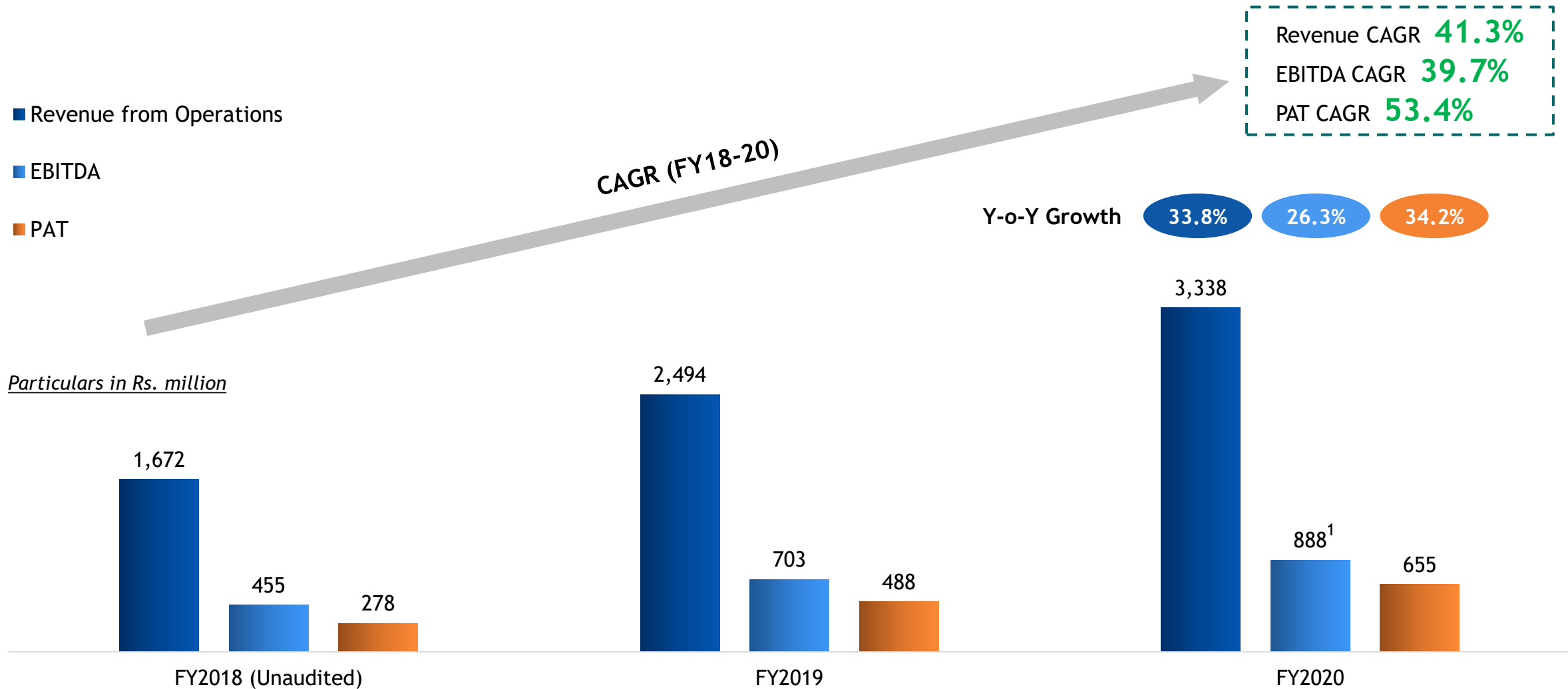
COVID-19 | Affle's Response & Outlook

3Cs Macro Factors	<p>CONSUMERS</p> 	<p>CUSTOMERS / ADVERTISERS</p> 	<p>COMPETITORS</p> 
<p>Immediate Impact</p>	<ul style="list-style-type: none"> ▪ Mobile usage and screen time up multiple folds due to work from home/lockdowns ▪ Volume of internet traffic, impressions and clicks considerably increased ▪ % transactions on mobile significantly up 	<ul style="list-style-type: none"> ▪ Due to lockdown restrictions on e-commerce and online delivery in India, Affle was impacted for 2 months (April & May) ▪ But for other geographies where lockdowns were not so strict, business thrived ▪ Our Top-10 industry verticals are Covid-19 resilient 	<ul style="list-style-type: none"> ▪ Advertisers' demand for ROI driven CPCU up as compared to pure CPC/CPM models ▪ But not all competitors are technologically tuned to deliver deep conversions
<p>Business Outlook</p>	<ul style="list-style-type: none"> ▪ Affle's ability to buy inventory (impressions & clicks) at a lower cost up in this period ▪ Adoption curve of consumers becoming online shoppers to shorten and mobile conversions and transactions would increase 	<ul style="list-style-type: none"> ▪ New opportunity in 2 areas: 1) Customers need to monetize existing digital assets and 2) Customers must invest to be digitally ready ▪ Affle2.0 strategy to focus on 2Vs - Vernacular & Verticalization to enable greater digital readiness and drive higher conversions across global emerging markets 	<ul style="list-style-type: none"> ▪ Affle to gain the market share vs. competitors and further consolidate its market leadership in India

COVID-19 | Affle's Response & Outlook

3Cs Micro Factors	COLLABORATION 	CASH FLOWS 	CONSOLIDATION 
Immediate Response	<ul style="list-style-type: none"> ▪ Our SEA offices started transitioning to work from home in early-Feb 2020 ▪ Our India offices started transitioning to work from home around mid-Feb 2020 ▪ 100% employees remotely working much before any lockdown restrictions by govt. ▪ Business Continuity Plan in place to ensure effectiveness of our systems/people globally 	<ul style="list-style-type: none"> ▪ Our customer base is mostly large enterprises with good credit ratings ▪ Continuing our cash flow positive operations ▪ No cuts in jobs, salaries or pre-agreed bonuses for any employee 	<ul style="list-style-type: none"> ▪ Affle should find some credible opportunities for strategic consolidation
Business Outlook	<ul style="list-style-type: none"> ▪ Going deeper globally leveraging our scalable tech infrastructure ▪ With customer interactions happening on video calls, we are able to sell even in geographies where we do not have on-ground teams 	<ul style="list-style-type: none"> ▪ Naturally hedged in currency terms as around 50% - 50% business is in INR and USD 	<ul style="list-style-type: none"> ▪ Will continue to pursue strategic investments and consolidation activities backed by our strong balance sheet

Last 3 Years Performance Trend (Consolidated)



Note: 1) EBITDA adjusted for Rs. 9.37 mn of creditors written back in Q4 & 12M FY2020

9M FY2021 Performance Trend (Consolidated)

- Revenue from Operations
- EBITDA
- PAT

CAGR (9M FY19 - 9M FY21)

Revenue CAGR **40.9%**
 EBITDA CAGR **37.7%**
 PAT CAGR **49.0%**

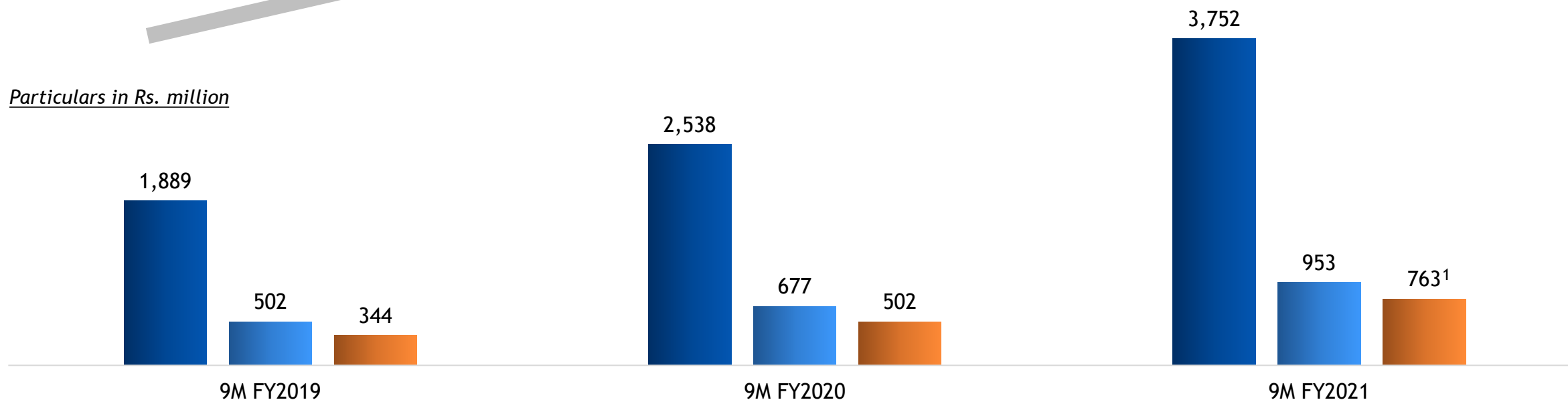
Y-o-Y Growth

47.9%

40.6%

51.9%

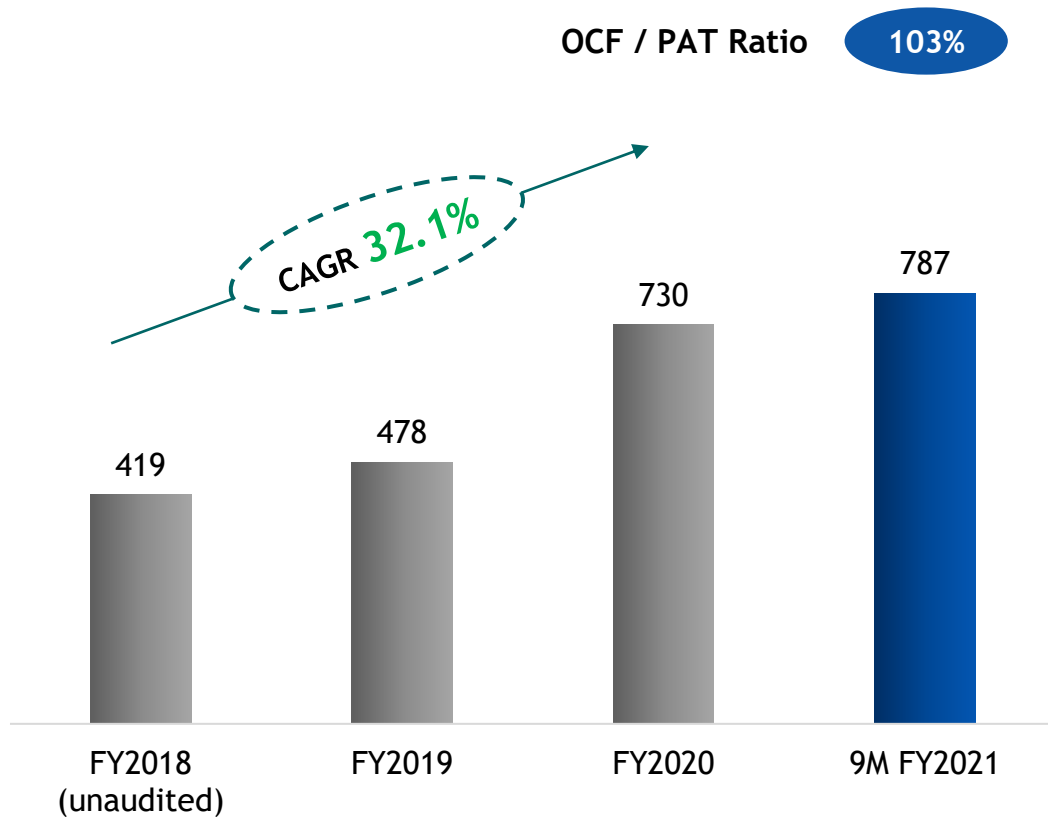
Particulars in Rs. million



Note: 1) PAT attributable to equity holders of the Company after subtracting Non-controlling interest

Cashflows Trend and Return Ratios (Consolidated)

Operating Cash Flows (Rs. mn)



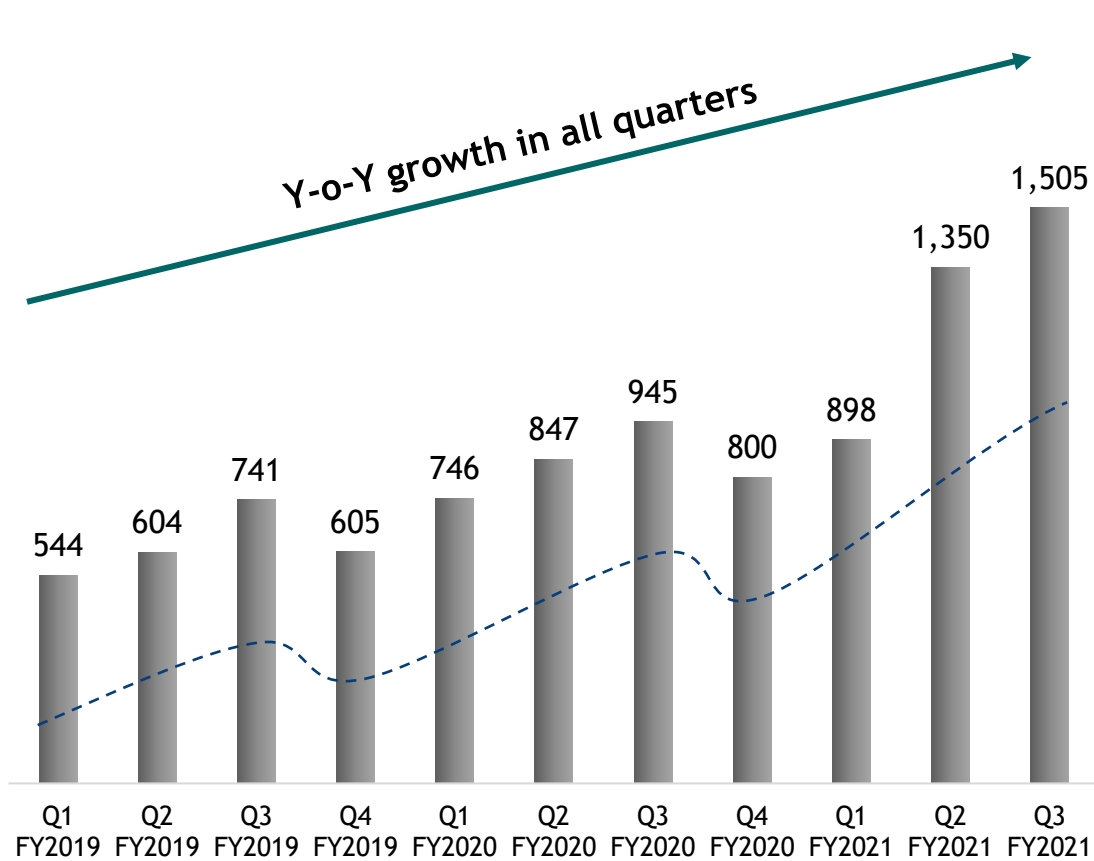
Return Ratios

*Key Ratios	As of December 31, 2020
ROE (%) (Return on Equity)	30.5%
ROCE (%) (Return on Capital Employed)	21.7%
ROA (%) (Return on Assets)	14.3%
Gross Debt/Equity (x)	0.32x

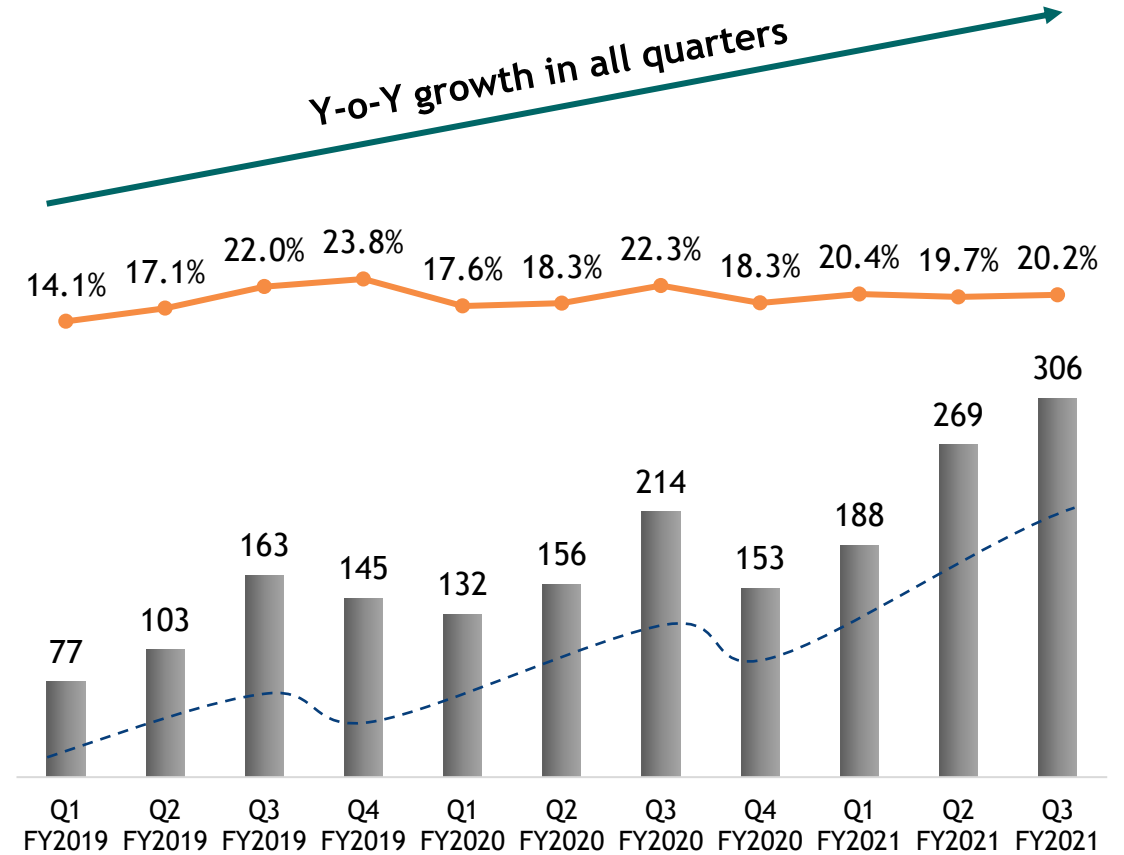
*Key Ratios: Return on Equity = (PAT / Total Shareholder's Equity); Return on Capital Employed = [EBIT / (Total Assets - Current Liabilities)] and Return on Assets = (PAT / Total Assets)

Quarterly Performance Trend (Consolidated)

Revenue from Operations (Rs. mn)



PAT (Rs. mn) & PAT Margin (%)



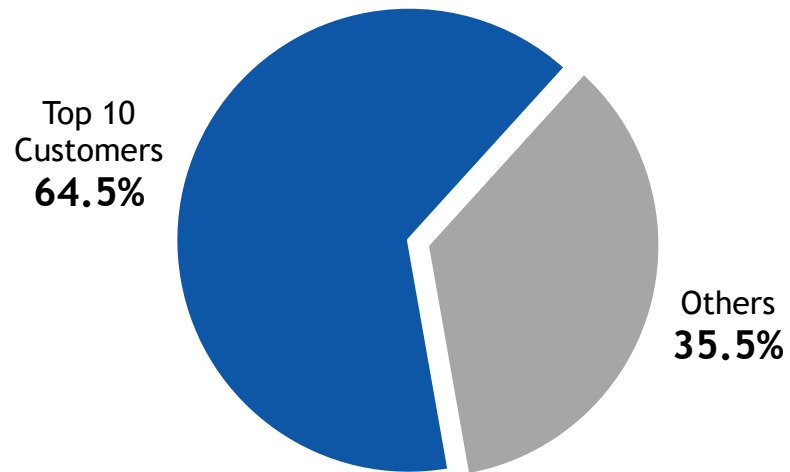
On account of business seasonality, Q3 is typically the highest quarter in an year

Affle | Top 10 Customers Profile

- Top 10 customers concentration reduced in FY2020
- Natural shift in the select industry verticals where more advertisers are engaging directly than through their advertising agencies

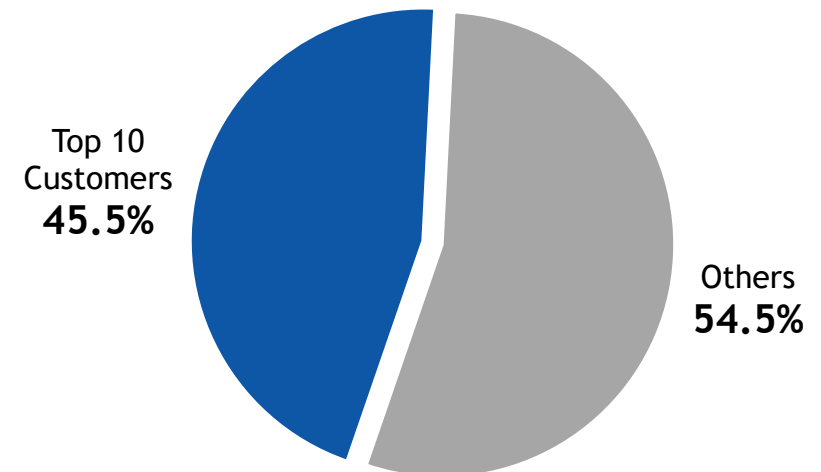
12M FY2019 Customer Contribution

As a % of Consolidated Revenue



12M FY2020 Customer Contribution

As a % of Consolidated Revenue



Affle | Recent Developments and Industry Recognitions

MEDIASMART LAUNCHES AUDIENCE TARGETING AND HOUSEHOLD SYNC TECHNOLOGY ON CONNECTED TV (CTV)

Large format storytelling on CTV with the targeting and engagement of Mobile Programmatic

#MEDIASMART
an affle company

affle

22 Recognitions for Affle's Platforms across Categories & Geographies by AppsFlyers Performance Index XI

- Recognised #1 independent platform for Remarketing in APAC (non-gaming) with an overall category rank of #4
- Leading Independent App Discovery Platform in India & SE Asia
- The Remarketing Index
- The Retention Index
- The API Index

RevX powered by affle | appnext an affle company

Affle Celebrates Milestone Wins

- Platform Accreditation @SGD (IMDA Singapore)
- Technology Company of the Year
- 21 other Industry Recognitions

Affle's Platforms Win Significant Recognitions At 11th India Digital Awards 2021

- AWARD WINNER
- AWARD WINNER
- AWARD WINNER

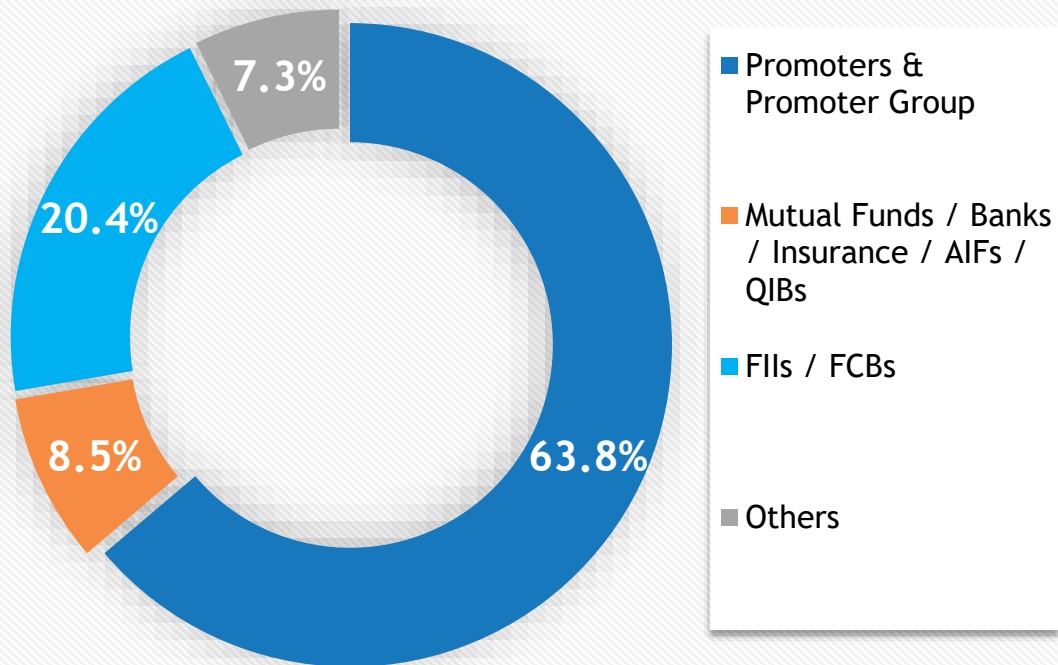
MAAS powered by affle | RevX powered by affle

GAMES 24 | zivame

Affle | Investors Information

Shareholding Pattern

Total Shares Outstanding as on December 31, 2020 - 25,496,367



*Brokerages Covering Affle (As on date)

Institutional Research Desk

Nomura

Dolat Capital

Dalal & Broacha

HNI / Retail Desk

Sharekhan

Axis Securities

ICICI Direct

**In order of coverage initiated*

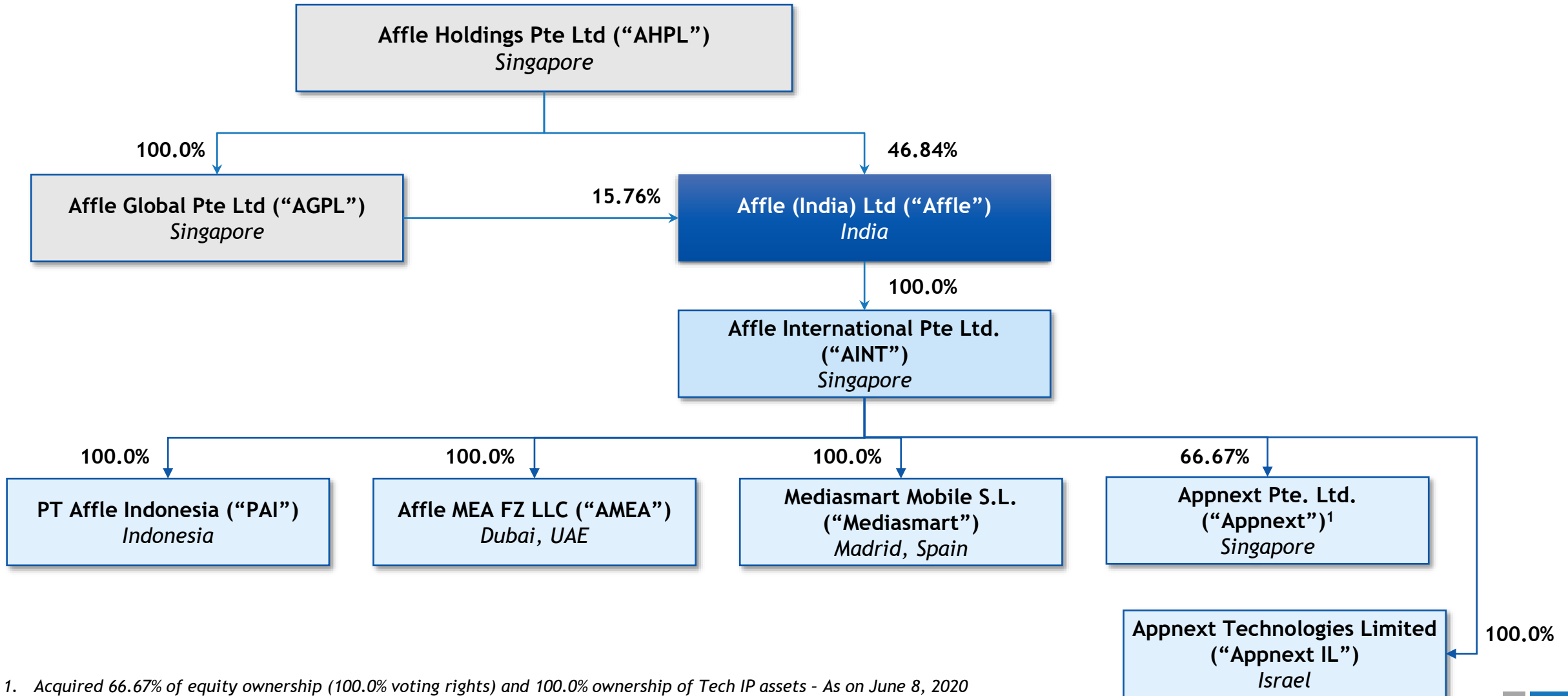
Key Market Updates

- ✓ Constituent of MSCI Domestic Small Cap Index; Nifty MidSmallcap 400 and Nifty Smallcap 250 Indices
- ✓ Ranked 360th amongst NSE Top 500 Companies (As of March 31, 2020)

A light gray network diagram is overlaid on the left side of the slide. It features a complex web of interconnected nodes and lines, representing a network structure. The nodes are small circles, and the lines are thin, light gray lines connecting them in a non-uniform, organic pattern.

Group Structure, Key Management and the Board

Group Shareholding Structure | As on Date



1. Acquired 66.67% of equity ownership (100.0% voting rights) and 100.0% ownership of Tech IP assets - As on June 8, 2020

Key Management and the Board

Key Management Team



Anuj Khanna Sohum
Managing Director & Chief Executive Officer
Chairman of the Board



Anuj Kumar
Chief Revenue & Operating Officer
Executive Director



Charles Yong Jien Foong
Chief Architect & Technology Officer



Kapil Mohan Bhutani
Chief Financial & Operations Officer



Vipul Kedia
Chief Data & Platforms Officer



Viraj Sinh
Managing Partner - International



Elad Natanson
Chief Executive Officer (Appnext)



Eran Kariti
Chief Technology Officer (Appnext)



Guillermo Fernandez Sanz
Chief Technology Officer
(Mediasmart)



Martje Abeldt
Chief Revenue Officer (RevX)



Noelia Amoedo
Chief Executive Officer (Mediasmart)



Sujoy Golan
Chief of Marketing & Omnichannel
Platforms

Non-Executive Board Members



Sumit Mamak Chadha
Non-Executive Independent Director



Vivek Narayan Gour
Non-Executive Independent Director



Bijynath
Non-Executive Independent Director



Mei Theng Leong
Non-Executive Director

Advisors to the Board



Richard Alan Humphreys
Advisor of Affle (India) Limited, Director of
Affle Holdings Pte Ltd (AHPL)



Jay Snyder
Advisor Affle (India) Limited
Independent Observer, On Board of AHPL

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Gurgaon, Mumbai and Bangalore



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