



Affle (India) Limited

Q2 & H1 FY2021 Earnings Presentation

For the period ended September 30, 2020

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 | Performance Highlights

	Revenue ¹ Growth	EBITDA Growth	PAT ² Growth	H1 FY2021 Highlights & Ratios
H1 FY2021	<i>H1 FY2021 vs. H1 FY2020</i> Up 41.1% Y-o-Y	Up 40.7% Y-o-Y	Up 58.6% Y-o-Y	PAT Margin expansion (y-o-y): 2.0%
	<i>Q2 FY2021 vs. Q2 FY2020</i> Up 59.3% Y-o-Y	Up 58.2% Y-o-Y	Up 72.5% Y-o-Y	
Q2 FY2021	<i>Q2 FY2021 vs. Q1 FY2021</i> Up 50.3% Q-o-Q	Up 53.1% Q-o-Q	Up 43.2% Q-o-Q	ROE (LTM*): 30.3%
				ROCE (LTM*): 21.4%

Note: 1) Revenue from Operations (excluding Other Income); 2) PAT attributable to equity holders of the Company after subtracting Non-controlling interest

*Last Twelve Months (LTM) = 12M FY2020 + H1 FY2021 - H1 FY2020; **Return on Equity = (PAT / Total Shareholder's Equity); Return on Capital Employed = [EBIT / (Total Assets - Current Liabilities)]

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 Q2 FY2021 in
line with Q1 trend and vs.
76% in Q4 FY2020

Favourable momentum continued
during the quarter, across India
& International markets

Half-Yearly Performance Trend (Consolidated)

CAGR (H1 FY19 - H1 FY21)

Revenue CAGR **39.9%**
 EBITDA CAGR **43.8%**
 PAT CAGR **59.2%**

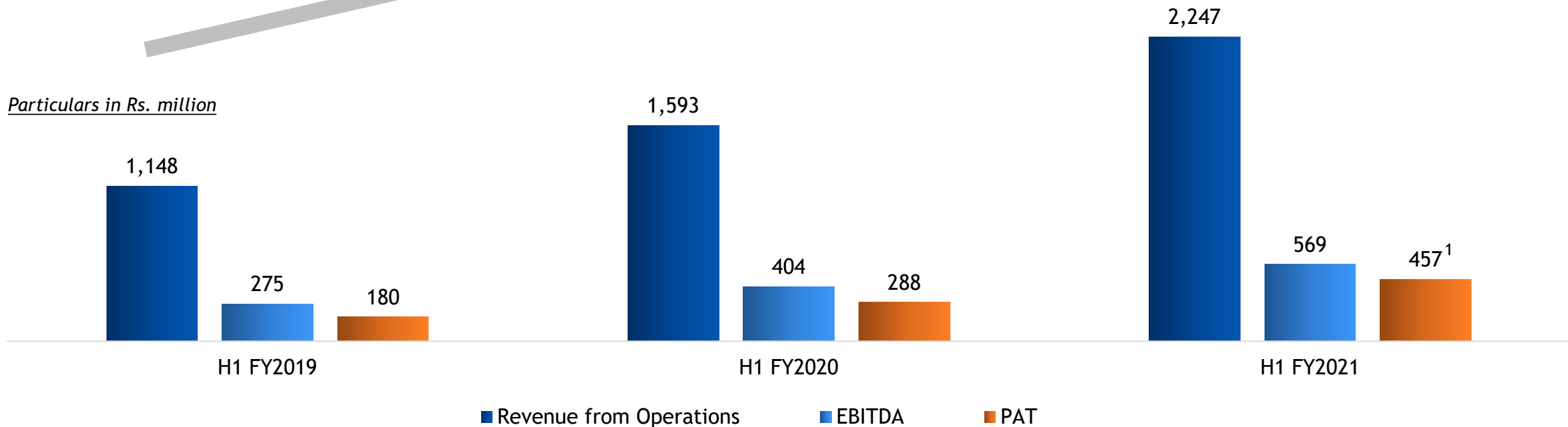
Y-o-Y Growth

41.1%

40.7%

58.6%

Particulars in Rs. million

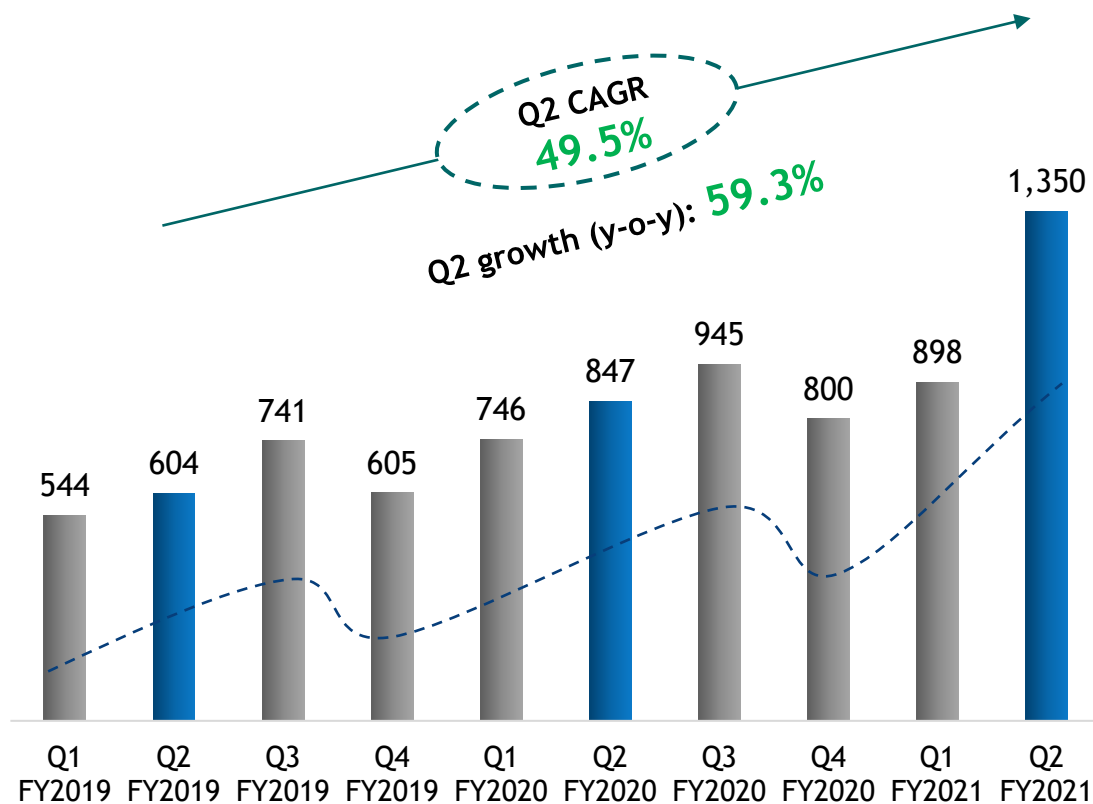


Note: 1) PAT attributable to equity holders of the Company after subtracting Non-controlling interest

Quarterly Performance Trend (Consolidated)

Revenue from Operations (Rs. mn)

Y-o-Y growth in all quarters



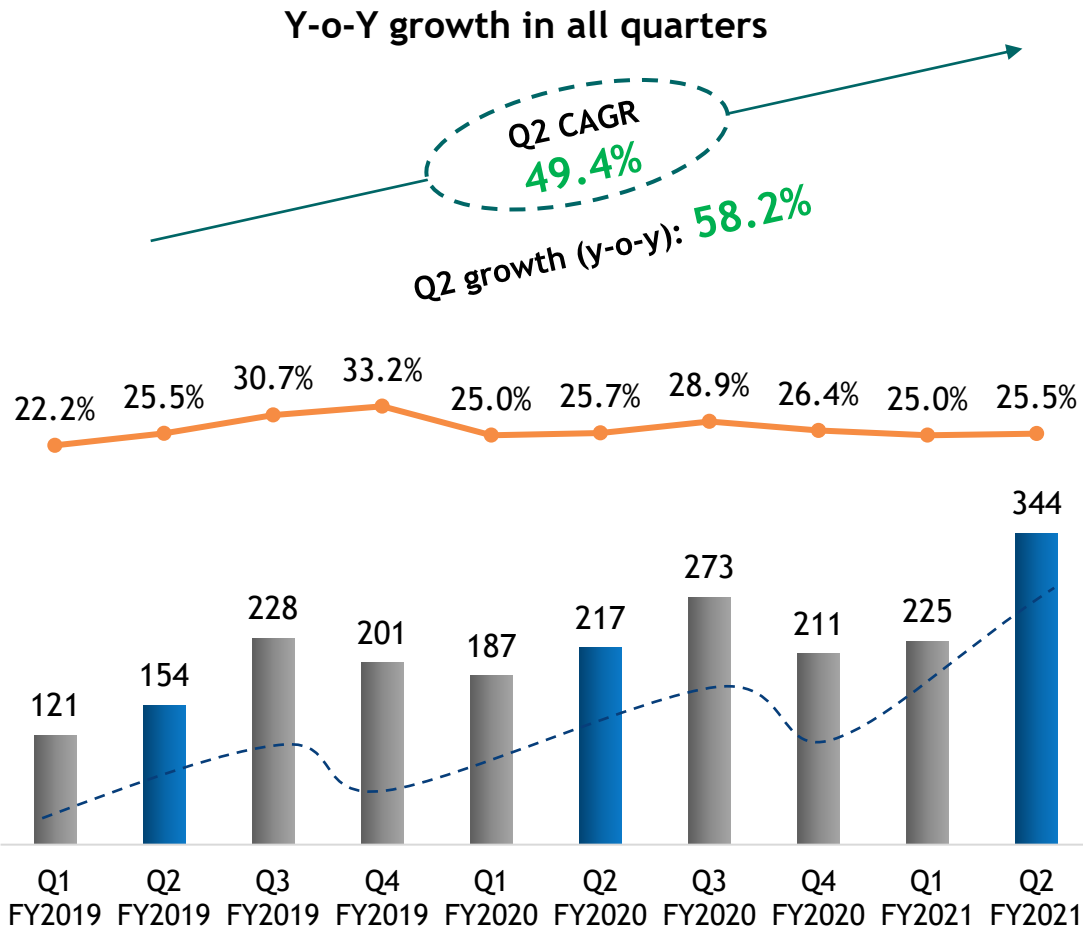
Note: On account of business seasonality, Q3 is typically the highest quarter in an year

Performance Discussion (Q2 FY2021)

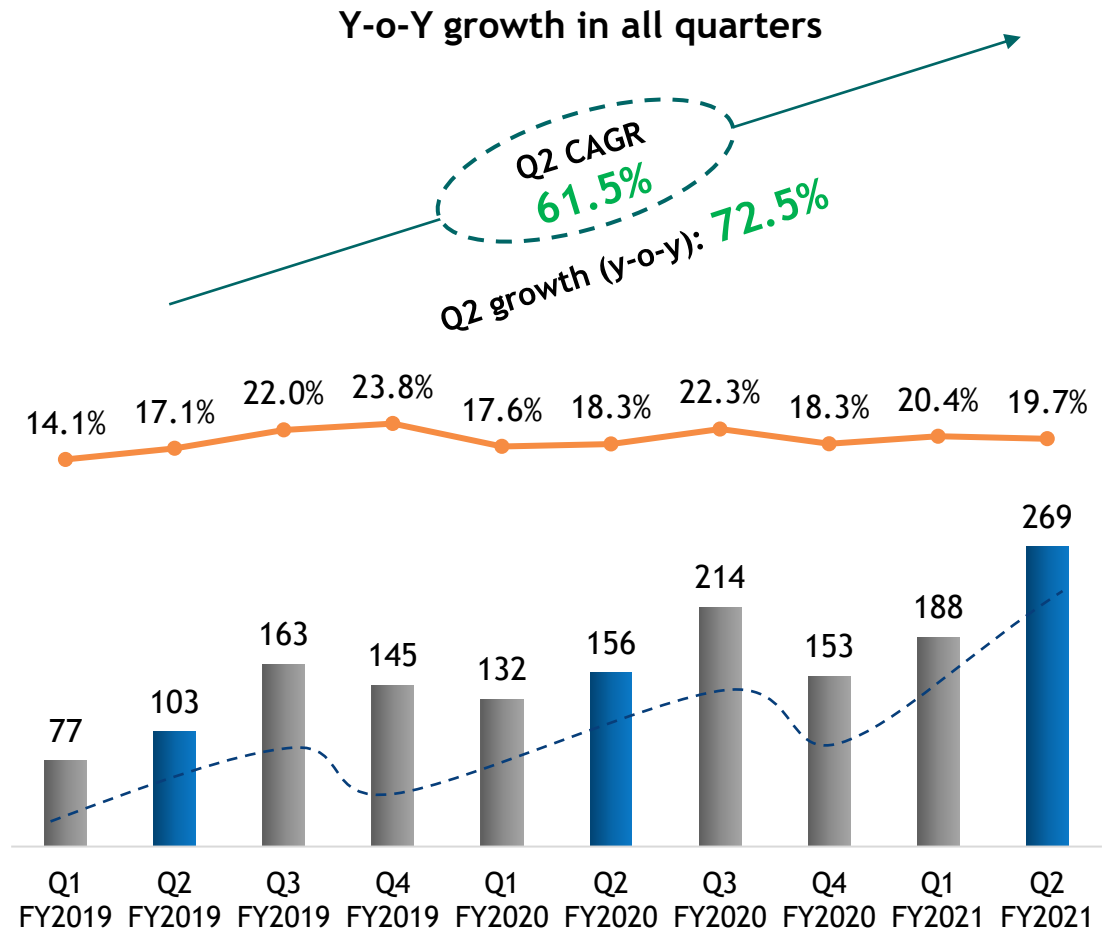
- Business performed well in Q2 with strong growth coming in both y-o-y and q-o-q basis
- Covid-19 has accelerated transition of organizations to mobile advertising
- Revenue from operations increased by 59.3% y-o-y driven by broad-based growth across both: 1) Total converted users (CPCU business), and 2) Non-CPCU business, coming from both India & International markets
- Inventory & Data cost at 57.6% of revenue from operations in line with the last year trend
- Enhanced human resource capabilities to deepen our access towards emerging markets and drive growth in the omnichannel marketing space, plus the recent acquisition - leading to an increase in Employee Expenses on a y-o-y basis
- Overall, EBITDA increased by 58.2% y-o-y and 53.1% q-o-q

Quarterly Performance Trend (Consolidated)

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



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



Note: 1) Q2 FY2021 PAT attributable to equity holders of the Company after subtracting Non-controlling interest

CPCU Business | H1 Performance Trend (y-o-y)

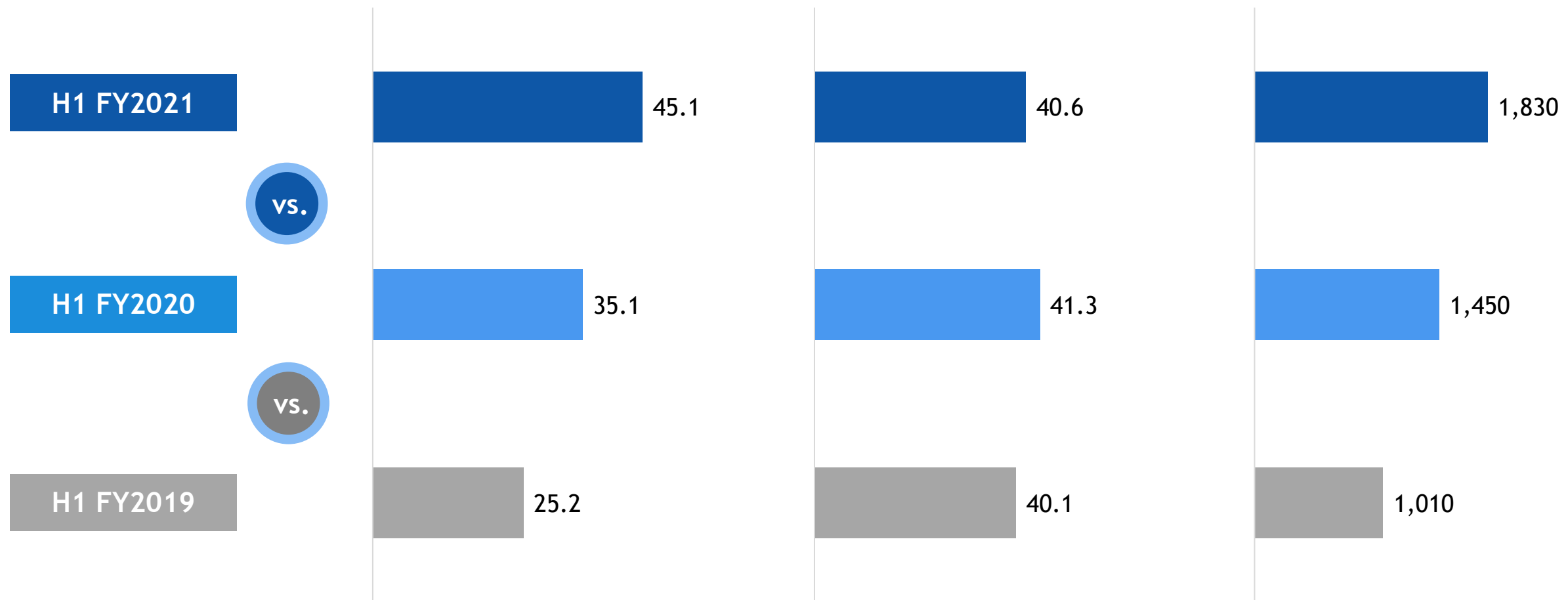
Converted users (mn)



Average CPCU (Rs.)



CPCU Revenue (Rs. mn)



CPCU Business | Q2 Performance Trend (y-o-y)

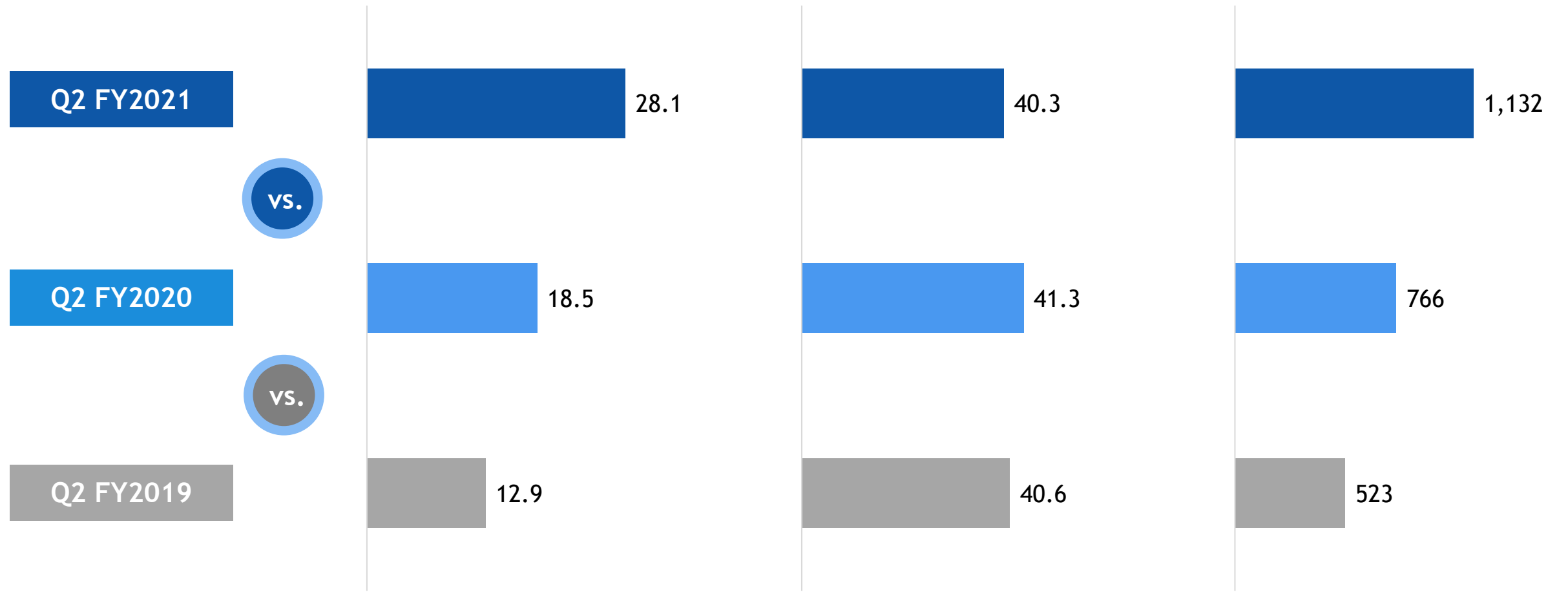
Converted users (mn)



Average CPCU (Rs.)



CPCU Revenue (Rs. mn)



Affle | Recent Recognitions and Wins



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

Indian Digital Marketing Awards

Best Innovation In Mobile Marketing

meesho

Best Campaign - Use Of Mobile & Mobile Monetization

meesho

Most Effective Use Of Digital Analytics

zivame

Most Effective Use of AI, Data Analytics, Machine Learning For A Campaign & Business Optimisation

zivame

Campaign India Digital Crest Awards

affle - Entrant Of The Year | zivame - Client Of The Year

Gold

- Insight-led Programmatic Buying
- E-commerce Omni-Channel Strategy
- Use of Data - For New Business
- Innovation In E-commerce
- Insight-led Programmatic Buying
- Use Of Social Media In A Campaign
- Mobile Display

Silver

- Use of Data - For New Business
- Use of Data - For CRM
- Display

Bronze

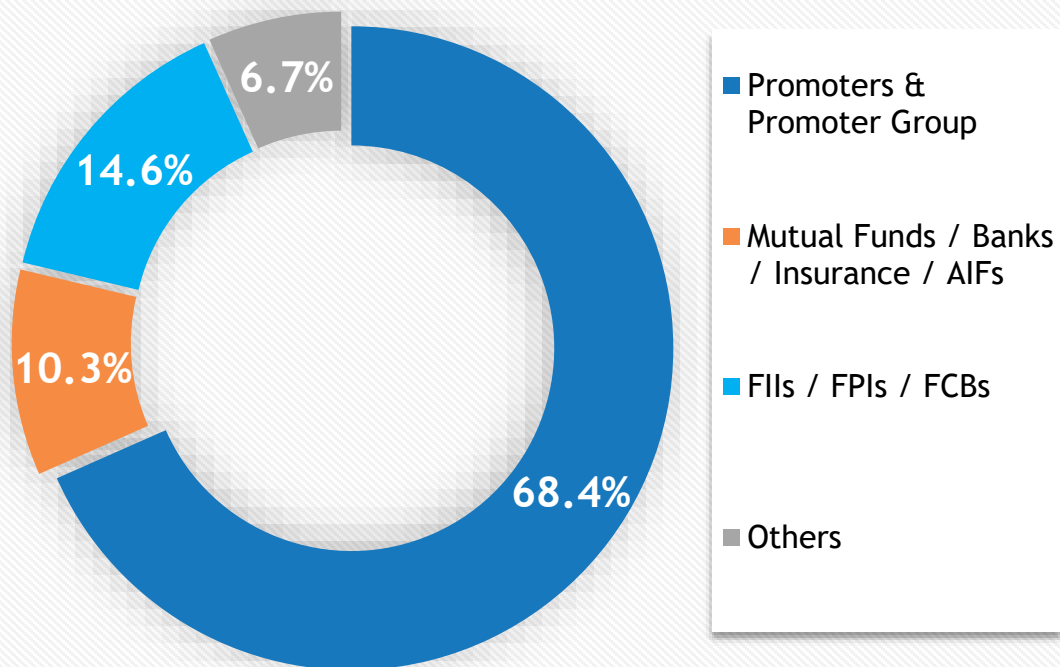
- Loyalty
- Media Innovation

12 Awards wins by Affle Platforms for
 | |

Affle | Investors Information

Shareholding Pattern

Total Shares Outstanding as on September 30, 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 Indexes
- ✓ Ranked 360th amongst NSE Top 500 Companies (As of March 31, 2020)

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% H1 FY21 revenue**)¹
- 2) **Enterprise Platform:** Enabling offline businesses to go online through App development, O2O² commerce & data analytics (**1.7% H1 FY21 revenue**)¹



GLOBAL REACH

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

49.9%
India revenue^{1,3}
H1 FY2021

50.1%
International revenue^{1,3}
H1 FY2021



END TO END MOBILE ADVERTISING PLATFORM

- In-house data management platform with over **2.2 Bn⁴** 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

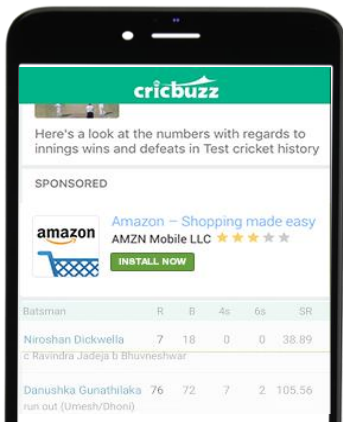
1) For the half year ended Sep 30, 2020 on a consolidated basis; 2) O2O: Online to Offline; 3) Region-wise contribution and is different from the billing entity-wise segmental break-up disclosed in financial results; 4) For the 12 months period of Oct 1, 2019 to Sep 30, 2020 excluding for Appnext and mediasmart; 5) EBITDA adjusted for Rs. 9.37 mn of creditors written back in Q4 & 12M FY2020

Affle | Cost Per Converted User (CPCU) Business

85.2% of Consumer Platform revenue contributed by CPCU model in Q2 FY2021 and 14.8% from Non-CPCU



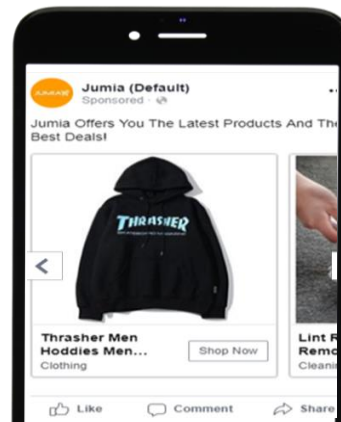
New user conversion
(online)



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



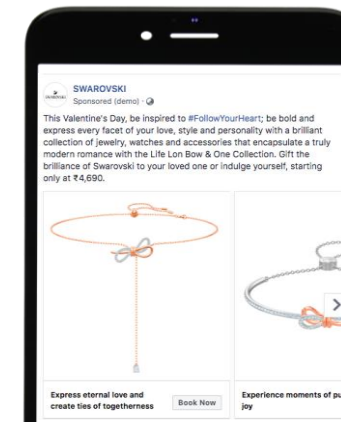
Existing user repeat
conversion (online)



Use Case - Target interested user to complete the transaction



New/existing user
conversion (offline)



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

Consolidated Financial Summary

In Rs. million	Q2 FY2021	Q2 FY2020	Y-o-Y Growth	Q1 FY2021	Q-o-Q Growth	H1 FY2021	H1 FY2020	Y-o-Y Growth
Revenue from Contracts with Customers	1,350	847	59.3%	898	50.3%	2,247	1,593	41.1%
Inventory and Data Costs	777	486	59.9%	516	50.5%	1,293	914	41.5%
Employee Benefits Expense	131	78	67.5%	83	57.5%	215	139	55.1%
Other Expenses	97	65	49.0%	73	32.4%	171	137	25.1%
EBITDA	344	217	58.2%	225	53.1%	569	404	40.7%
<i>% EBITDA Margin</i>	<i>25.5%</i>	<i>25.7%</i>		<i>25.0%</i>		<i>25.3%</i>	<i>25.4%</i>	
Depreciation and Amortisation Expense	51	29		43		94	53	
Finance Costs	9	2		5		14	4	
Other Income	16	6		25		41	9	
Profit Before Tax	301	193	56.0%	201	49.5%	502	356	40.8%
Total Tax	31	37		13		44	68	
(Subtract): Non-controlling Interest	1	0		0		1	0	
Profit After Tax* (Net of Non-controlling interest)	269	156	72.5%	188	43.2%	457	288	58.6%
<i>% PAT Margin</i>	<i>19.7%</i>	<i>18.3%</i>		<i>20.4%</i>		<i>20.0%</i>	<i>18.0%</i>	

Key focus on sustainable and profitable growth

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