



# Affle (India) Limited

## Q4 & 12M FY2021 Earnings Presentation

For the period ended March 31, 2021

Consumer Intelligence Driven Global Technology Company



**15+ years**  
Track record



**Global**  
Reach & opportunity



**Performance driven**  
Business model



**Leading**  
In India



**Scalable**  
Data platforms



**Committed**  
Leadership



**High**  
Growth markets



**Positive**  
Cashflows



**Growth driven**  
Global customer base



**Robust**  
Profitability



**Accelerated**  
Consumer digital adoption



**Strategic**  
Organic & inorganic growth plan



# Affle | Performance Highlights

FY2021

## Revenue<sup>1</sup> Growth

12M FY2021 vs. 12M FY2020

**Up 54.8%**  
Y-o-Y

## EBITDA<sup>2</sup> Growth

**Up 46.4%**  
Y-o-Y

## \*PAT Growth

*\*Normalized PAT (Refer slide 4 for the detailed working)*

**Up 57.4%**  
Y-o-Y

## FY2021 Highlights & Ratios

Operating Cash Flow<sup>3</sup> up **43.4%** y-o-y

Operating Cash Flow<sup>3</sup> / PAT: **99.9%**

Q4 FY2021

Q4 FY2021 vs. Q4 FY2020

**Up 76.9%**  
Y-o-Y

**Up 63.4%**  
Y-o-Y

**Up 73.6%**  
Y-o-Y

**\*\*ROE: 37.6%**

**\*\*ROCE: 19.7%**

Note: 1) Revenue from contract with customers; 2) Creditors written back which are part of 'Other Income' in the reported financials, are operating income in nature and adjusted in EBITDA (Refer slide 4); 3) Operating cash flows adjusted for Deferred Tax Liability on account of Goodwill (one-time expense)

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

# Consolidated Financial Summary

Q4 FY2021 Operating Expenses broadly in-line to the previous quarter trend (Q3)

In Rs. million	Q4 FY2021	Q4 FY2020	Y-o-Y Growth	12M FY2021	12M FY2020	Y-o-Y Growth
<b>Revenue from Contracts with Customers</b>	<b>1,416</b>	<b>800</b>	<b>76.9%</b>	<b>5,168</b>	<b>3,338</b>	<b>54.8%</b>
Inventory and Data Costs	812	459	76.9%	2,977	1,921	54.9%
Employee Benefits Expense	164	64	154.4%	540	273	97.8%
Other Expenses	95	75	26.9%	354	265	33.9%
Add: Creditors written back <sup>1</sup> (Other Operating Income)	1	9		3	9	
<b>EBITDA</b>	<b>345</b>	<b>211</b>	<b>63.4%</b>	<b>1,300</b>	<b>888</b>	<b>46.4%</b>
<i>% EBITDA Margin</i>	<i>24.3%</i>	<i>26.1%</i>		<i>25.1%</i>	<i>26.5%</i>	
Depreciation and Amortisation Expense	52	48		196	133	
Finance Costs	13	6		36	14	
Other Income (Excl. Creditors written back)	360	25		412	52	
<b>Profit Before Tax</b>	<b>640</b>	<b>182</b>	<b>252.4%</b>	<b>1,479</b>	<b>792</b>	<b>86.7%</b>
Total Tax	54	29		129	137	
(Subtract): Non-controlling Interest	1	0		2	0	
<b>Profit After Tax (Net of Non-controlling interest)<sup>2</sup></b>	<b>585</b>	<b>153</b>	<b>282.7%</b>	<b>1,348</b>	<b>655</b>	<b>105.8%</b>
<i>% PAT Margin</i>	<i>32.9%</i>	<i>18.3%</i>		<i>24.1%</i>	<i>19.3%</i>	

PAT - (1.a.) + (2.) + (3.)

Calculation of Normalized 'Profit After Tax'						
<b>1. Other Income (Excl. Creditors written back) comprises:</b>						
1.a. Gain on revaluation of financial instruments	340	-		340	-	
1.b. Other Income in ordinary course of business	20	25		72	52	
<b>2. Tax outgo on Gain on financial instruments</b>	<b>9</b>	<b>-</b>		<b>9</b>	<b>-</b>	
<b>3. Deferred Tax Liability on account of Goodwill</b>	<b>12</b>	<b>-</b>		<b>14</b>	<b>-</b>	
<b>Normalized PAT</b>	<b>265</b>	<b>153</b>	<b>73.6%</b>	<b>1,031</b>	<b>655</b>	<b>57.4%</b>
<i>Normalized PAT Margin %</i>	<i>18.5%</i>	<i>18.3%</i>		<i>19.7%</i>	<i>19.3%</i>	

Note: 1) For clarity, creditors written back which are part of 'Other Income' in the reported financials, are operating income in nature and adjusted in EBITDA  
 2) Q4 & 12M FY2021 PAT attributable to equity holders of the Company after subtracting Non-controlling interest (On account of 5% shares of Appnext Pte. Ltd., Singapore)

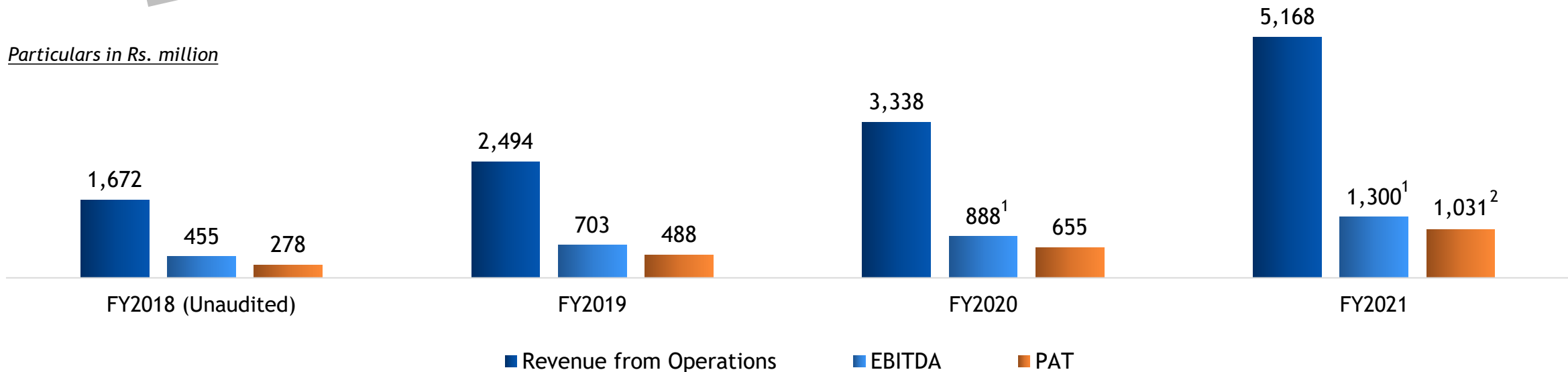
# Annual Performance Trend (Consolidated)

CAGR (FY18 - FY21)

Revenue CAGR **45.7%**  
 EBITDA CAGR **41.9%**  
 PAT CAGR **54.7%**

Y-o-Y Growth **54.8%** **46.4%** **57.4%**

*Particulars in Rs. million*

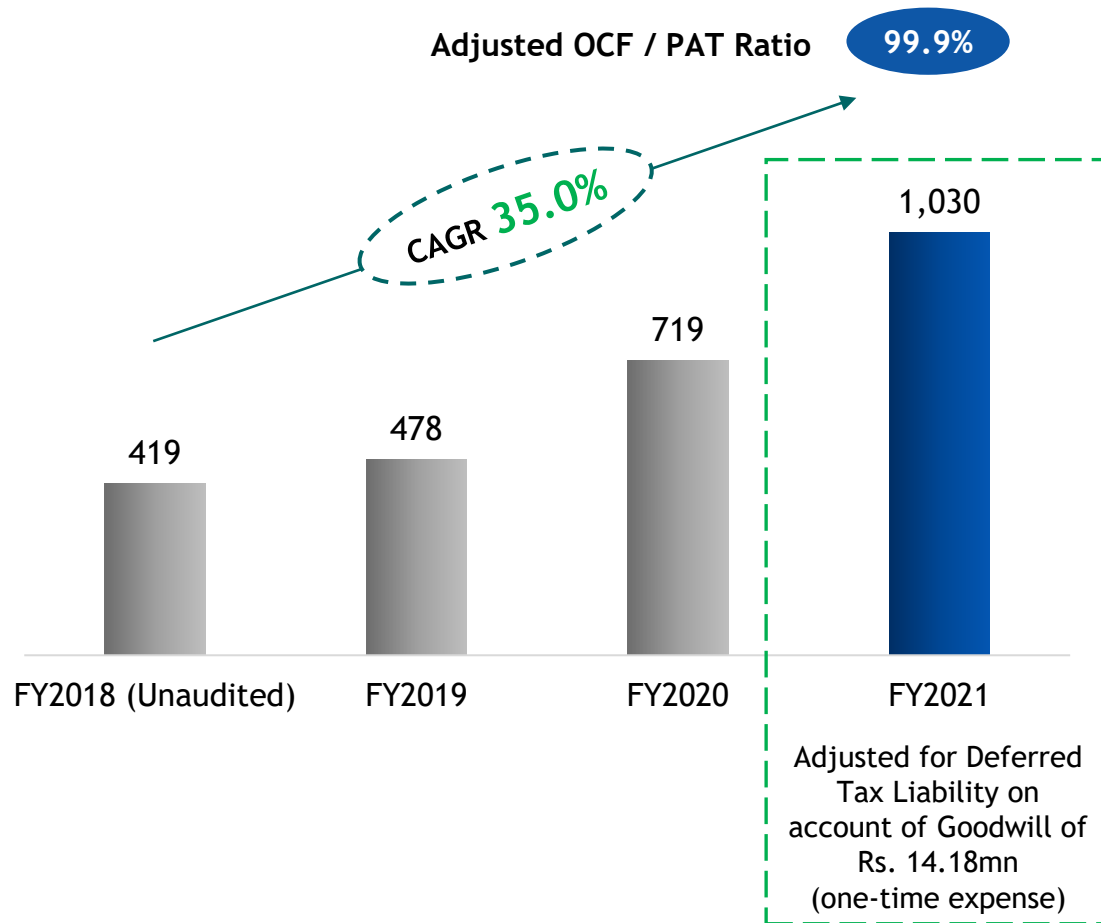


Note: 1) Creditors written back which are part of 'Other Income' in the reported financials, are operating income in nature and adjusted in EBITDA (Refer slide 4)

2) Normalized PAT (Refer slide 4 for the detailed working)

# Cashflows Trend and Return Ratios (Consolidated)

## Operating Cash Flows (Rs. mn)



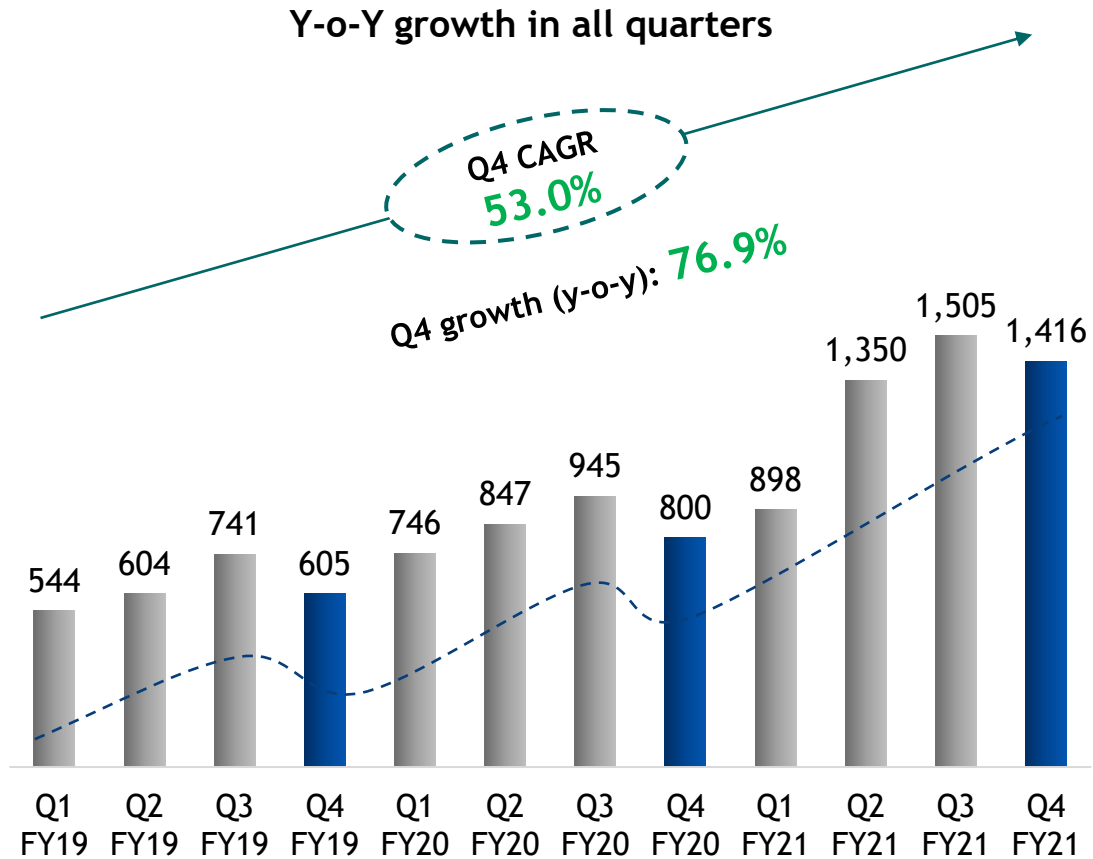
## Return Ratios (As of March 31, 2021)

<b>*ROE (%)</b> <i>(Return on Equity)</i>	37.6%
<b>*ROCE (%)</b> <i>(Return on Capital Employed)</i>	19.7%
<b>*ROA (%)</b> <i>(Return on Assets)</i>	17.9%
<b>Gross Debt/Equity (x)</b>	0.33x
<b>Net Debt/Equity (x)</b>	0.15x

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

# Quarterly Performance Trend (Consolidated)

## Revenue from Operations (Rs. mn)



Note: Q3 continues to be highest quarter during the year on account of business seasonality

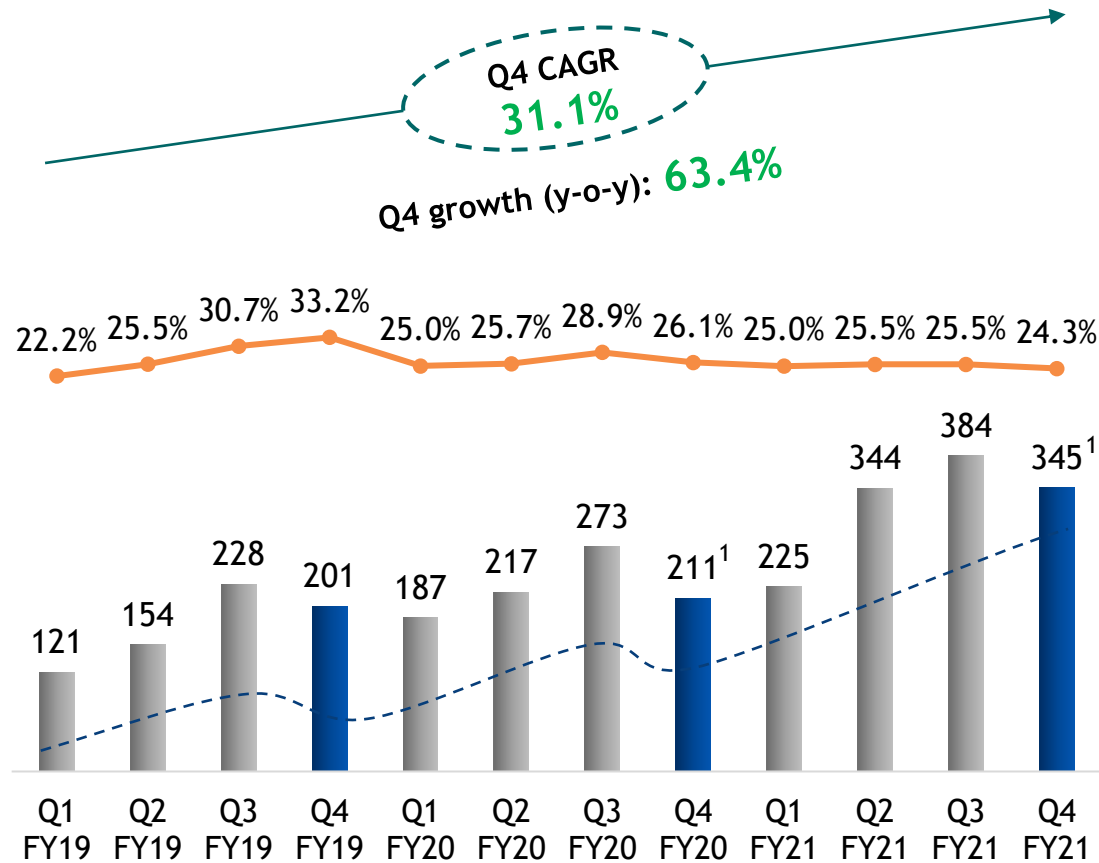
## Performance Discussion (Q4 FY2021)

- Strong business momentum in Q4
- Revenue from operations increased by 76.9% 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 57.4% of revenue from contracts with customers, in line with the annual trend
- Enhanced human resource capabilities to deepen our technology and access towards emerging markets. This was to drive growth as an integrated in-app, on-device and proximity marketing platform with new innovations towards Connected devices, leading to an increase in Employee Expenses on a y-o-y basis
- Operating expenses broadly in line with the previous quarter trend (sequential)

# Quarterly Performance Trend (Consolidated)

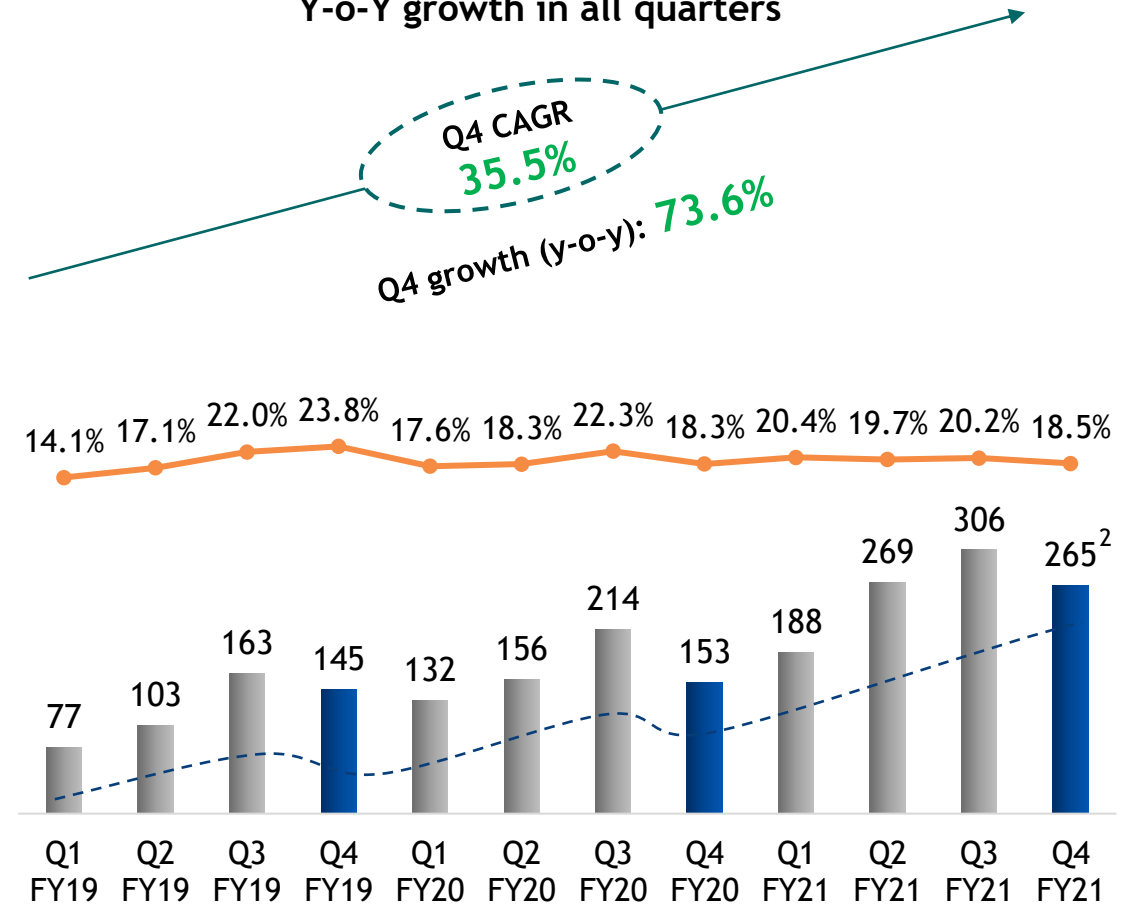
## EBITDA (Rs. mn) & EBITDA Margin (%)

Y-o-Y growth in all quarters



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

Y-o-Y growth in all quarters



Note: 1) Creditors written back which are part of 'Other Income' in the reported financials, are operating income in nature and adjusted in EBITDA (Refer slide 4)

2) Normalized PAT (Refer slide 4 for the detailed working)



# CPCU Business | Annual Performance Trend (y-o-y)

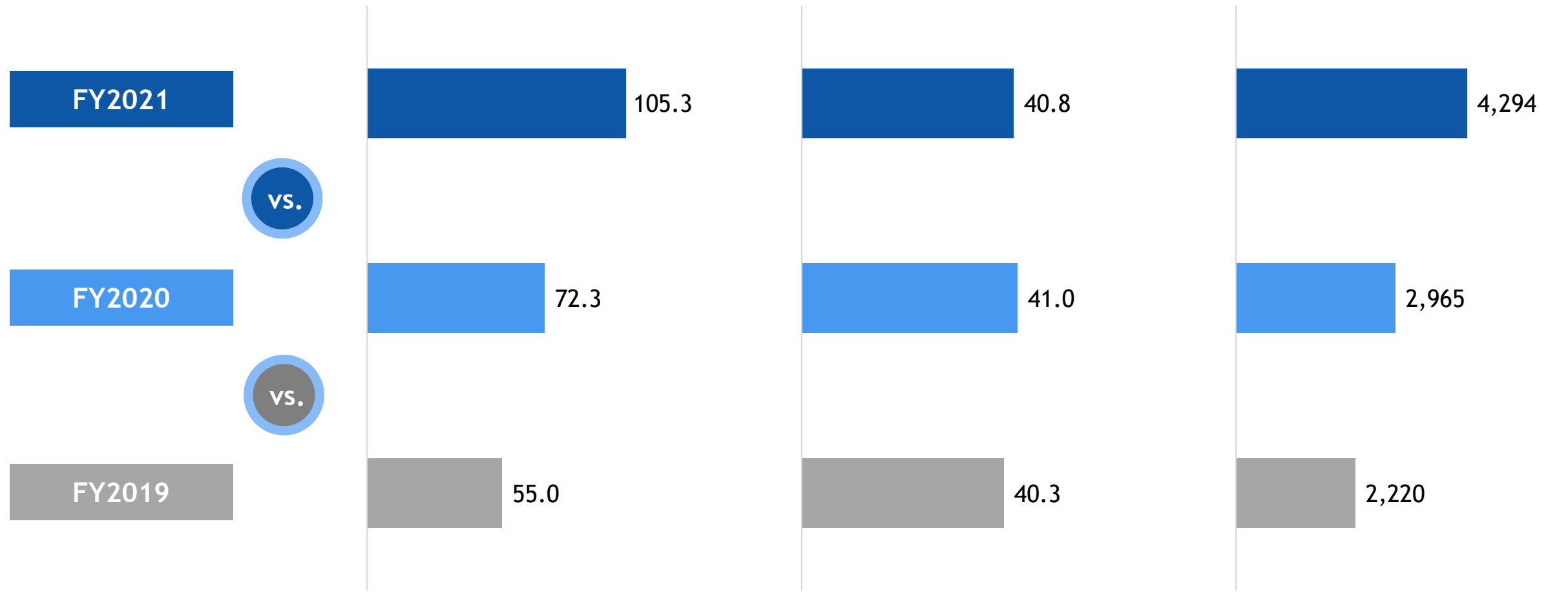
# Converted Users (mn)



Average CPCU (Rs.)



CPCU Revenue (Rs. mn)



# CPCU Business | Q4 Performance Trend (y-o-y)

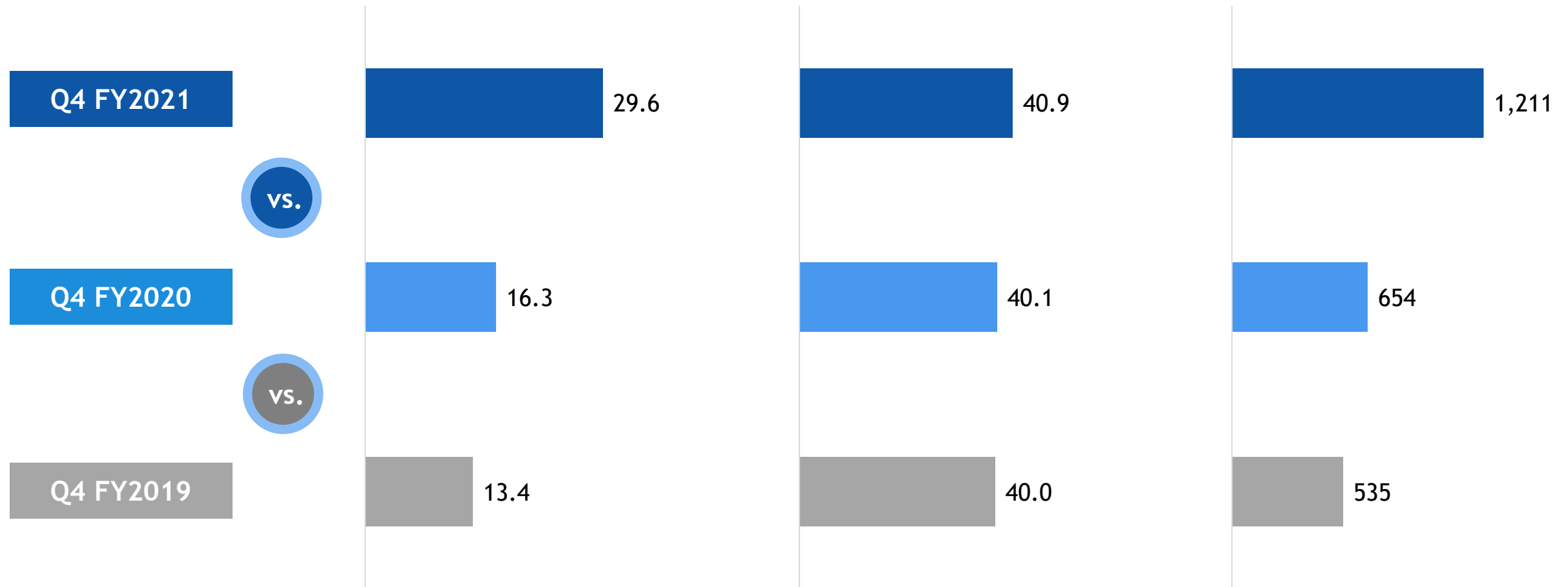
# Converted Users (mn)



Average CPCU (Rs.)



CPCU Revenue (Rs. mn)



# Verticalized Focus on High Growth Categories

## Top 10 Resilient Verticals across E, F, G, H Categories

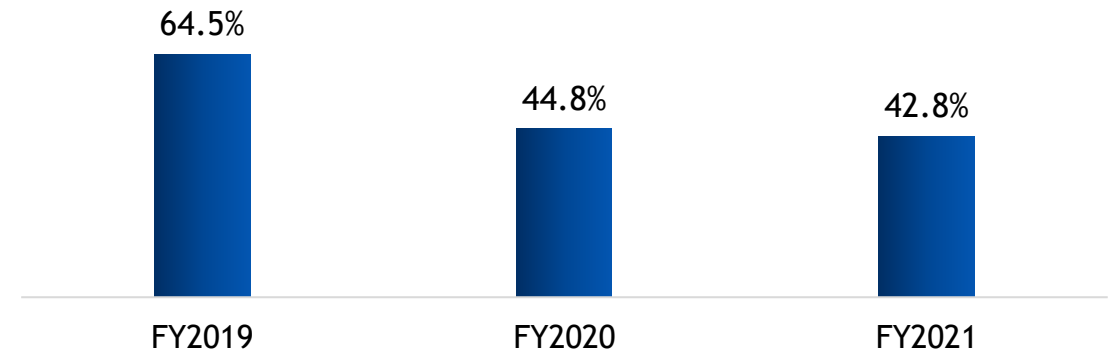


## Revenue Contribution from E, F, G, H Categories



## Increasing Revenue Diversity

Revenue contribution from top 10 customers  
(as % of consolidated revenue)



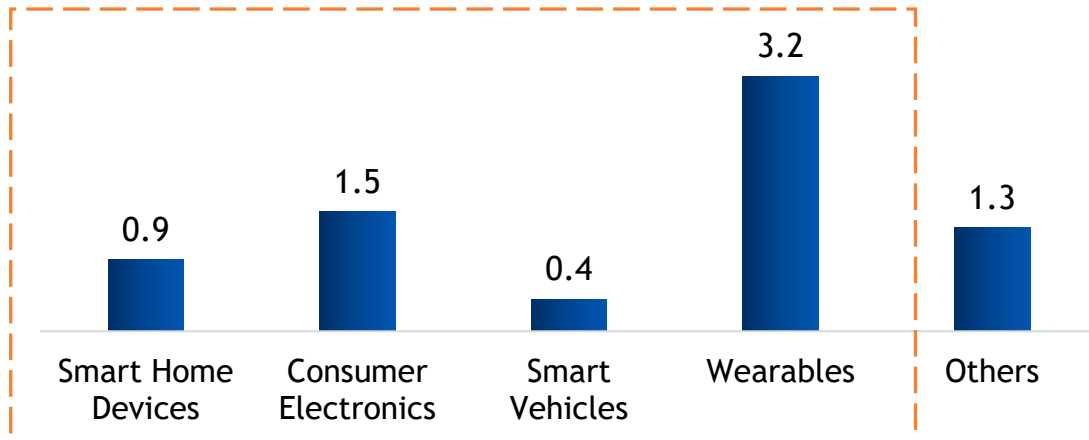
# Mobile Connected Global Ecosystem Growing Robustly

## Global Industry Trends



**c.6bn** new connected consumer devices to be added by 2025 globally

*Devices in billion*



*Global CAGR (FY20-25E)*

**9.0%**

Digital Ad Spend

**11.3%**

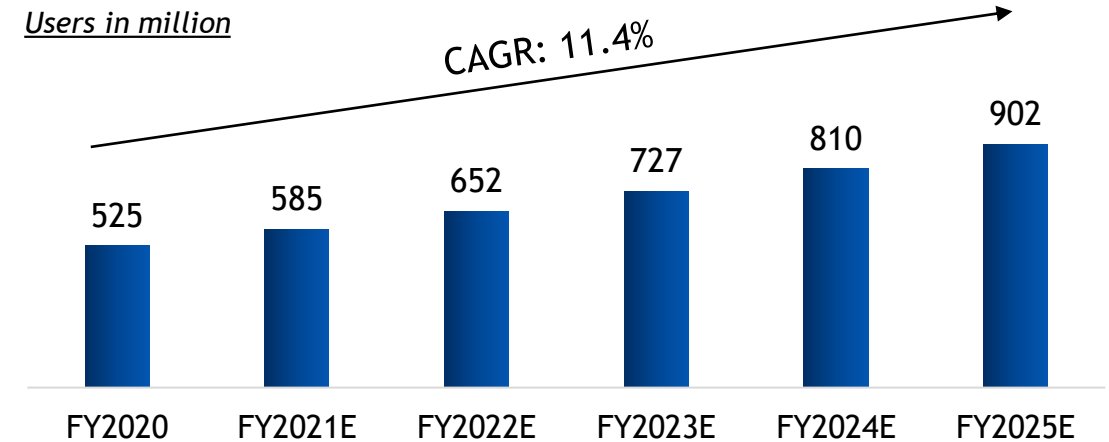
Mobile Ad Spend

## India Industry Trends



Significant increase in India's digital user base with strong user affinity

*Users in million*



*India CAGR (FY20-25E)*

**32.4%**

Mobile Ad Spend

**24.0%**

E-commerce Market

# Affle | Recent Developments and Recognitions

51 Recognitions for Affle's Platforms across Categories & Geographies

Ranked #1 - Indian Subcontinent & Ranked #2 - Global in the Growth Index across all categories

Ranked #6 - Non-Gaming & Ranked #7 - Shopping in the Remarketing Index across APAC

Retention Index | IAP Index | Growth Index | Remarketing Index

appnext | RevX

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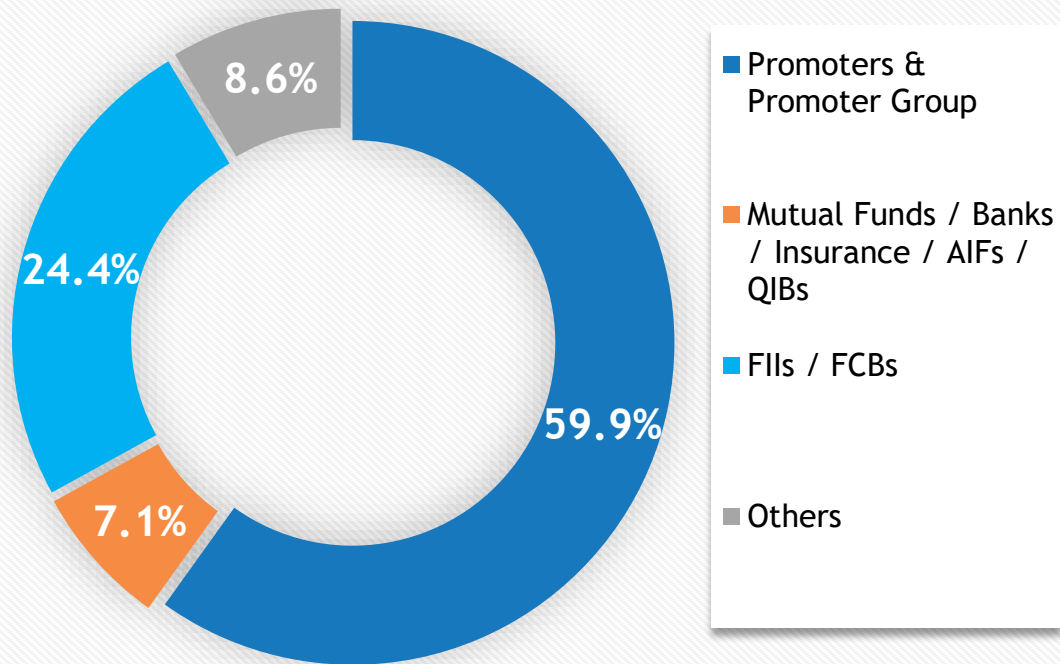
Affle platforms recognised as top performers in the latest AppsFlyer Performance Index across multiple categories

Affle continues to be recognized as a Great Place to Work by Great Places To Work® Institute in 2021

# Affle | Investors Information

## Shareholding Pattern (At closure of QIP)

Total Shares Outstanding as on May 04, 2021 -  
26,650,212



## \*Brokerages Covering Affle (As on date)

*Institutional Research Desk*

Nomura

Dolat Capital

Dalal & Broacha

ICICI Securities

*HNI / Retail Desk*

Sharekhan

Axis Securities

ICICI Direct

*\*In order of coverage initiated*

## Key Market Updates

- ✓ Constituent of MSCI Global & Domestic Small Cap Indexes; Nifty MidSmallcap 400 and Nifty Smallcap 250 Indexes
- ✓ Ranked amongst top 250 companies on NSE & BSE

# Affle | At a Glance



## ABOUT

- Global technology company
- Leading market position in India
- Profitable business model
- Well-defined strategic growth plan



## BUSINESS SEGMENTS

- 1) **Consumer Platform:** Delivers acquisitions, engagements & transactions for leading brands and B2C companies. Also, includes retargeting & push notification for e-commerce (**98.2% FY2021 revenue**)<sup>1</sup>
- 2) **Enterprise Platform:** Enabling offline businesses to go online through App development, O2O<sup>2</sup> commerce & data analytics (**1.8% FY2021 revenue**)<sup>1</sup>



## GLOBAL REACH

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

**49.7%**  
India revenue<sup>1,3</sup>  
FY2021

**50.3%**  
International revenue<sup>1,3</sup>  
FY2021



## END TO END MOBILE ADVERTISING PLATFORM

- In-house data management platform with over **2.2 Bn<sup>4</sup>** 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

<b>3</b>	<b>9</b>	<b>1</b>	<b>5</b>
Patents registered in US for digital advertising	Patents filed in US & India for digital ad fraud detection	Patent related to retargeting business filed in US	Patents filed in Singapore, India &/or US



## FINANCIAL SUMMARY<sup>5</sup> (12M FY2021 Consolidated)

Revenue	<b>Rs. 5,168mn</b>
EBITDA	<b>Rs. 1,300mn</b>
PAT	<b>Rs. 1,031mn</b>

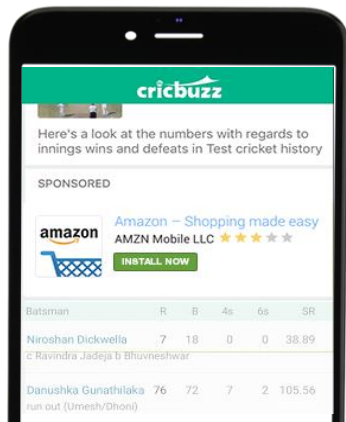
1) For twelve months ended March 31, 2021 on a consolidated basis; 2) O2O: Online to Offline; 3) Region-wise contribution and is different from the billing entity-wise segmental break-up disclosed in financial results; 4) For the 12 months period of April 1, 2020 to March 31, 2021; 5) Refer slide 4 for detailed financial working and adjustments

# Affle | Cost Per Converted User (CPCU) Business

87.3% of Consumer Platform revenue contributed by CPCU model in Q4 FY2021 and 12.7% from Non-CPCU



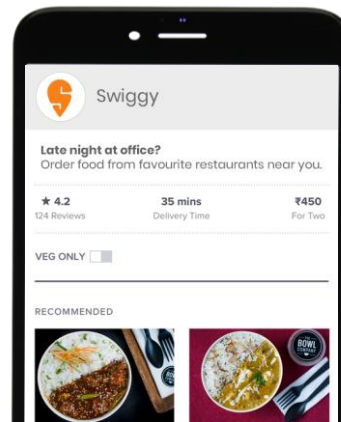
**New user conversion  
(online)**



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



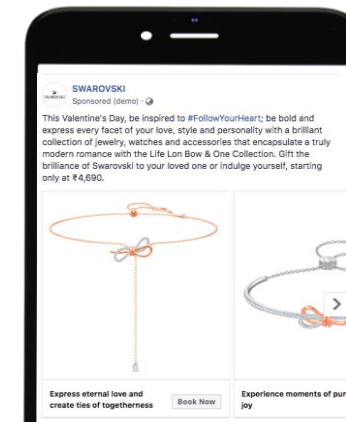
**Existing user repeat  
conversion (online)**



Use Case - Target interested user to complete the transaction



**New/existing user  
conversion (offline)**



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



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