



AIL/EP/2021-22/Q2

November 10, 2021

To

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

**Re: Earnings Presentation on the Unaudited Consolidated Financial Results of the Company for the second quarter and half year ended September 30, 2021**

Dear Sir/ Madam,

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Earnings Presentation on the unaudited Consolidated Financial Results of the Company for the second quarter and half year ended September 30, 2021.

Submitted for your information and records.

Thanking you,

**Yours Faithfully,**  
**For Affle (India) Limited**


**Parmita Choudhury**  
**Company Secretary & Compliance Officer**

**Affle (India) Limited**

**Regd. Office** | 102, Wellington Business Park-I, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai – 400059

**Communication Office** | P 659, 6th floor, Tower C, JMD Megapolis, Sohna Road, Sector – 48, Gurgaon:122018

(P) 0124-4992914 (W) [www.affle.com](http://www.affle.com) CIN: L65990MH1994PLC080451



# Affle (India) Limited

## Q2 & H1 FY2022 Earnings Presentation

For the half-year ended September 30, 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


Q2 FY2022

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

Q2 FY2022 vs. Q2 FY2021


 **Up 103.6%**  
Y-o-Y

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

 **Up 51.1%**  
Y-o-Y

## \*PAT Growth

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

 **Up 56.3%**  
Y-o-Y

## Key Ratios H1 FY2022


**\*\*LTM ROE: 27.9%**


**\*\*LTM ROCE: 15.9%**


**Operating Cash Flow<sup>3</sup> / PAT: 66.9%**

H1 FY2022

H1 FY2022 vs. H1 FY2021

 **Up 90.1%**  
Y-o-Y

 **Up 53.1%**  
Y-o-Y

 **Up 54.6%**  
Y-o-Y

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) Tax outgo on 'Gain on fair valuation of financial instruments' added back to OCF

\*\*Adjusted for net QIP proceeds, QIP assets utilized and for the interest on FDs earned out of unutilized QIP proceeds as of Sept 30, 2021; Last Twelve Months (LTM) = FY2021 + H1 FY2022 - H1 FY2021

# Consolidated Financial Summary

In Rs. million	Q2 FY2022	Q2 FY2021	Y-o-Y Growth	Q1 FY2022	Q-o-Q Growth	H1 FY2022	H1 FY2021	Y-o-Y Growth
Revenue from Contracts with Customers	2,747	1,350	103.6%	1,525	80.2%	4,272	2,247	90.1%
Inventory and Data Costs	1,755	777	125.9%	884	98.5%	2,639	1,293	104.1%
Employee Benefits Expense	314	131	138.6%	188	67.2%	501	215	133.2%
Other Expenses	158	97	62.8%	102	54.7%	261	171	52.7%
Add: Creditors written back <sup>1</sup> (Other Operating Income)	0.8	0.7		-		0.8	0.7	
<b>EBITDA</b>	<b>521</b>	<b>345</b>	<b>51.1%</b>	<b>351</b>	<b>48.6%</b>	<b>871</b>	<b>569</b>	<b>53.1%</b>
<i>% EBITDA Margin</i>	<i>19.0%</i>	<i>25.5%</i>		<i>23.0%</i>		<i>20.4%</i>	<i>25.3%</i>	
Depreciation and Amortisation Expense	81	51		52		133	94	
Finance Costs	22	9		14		36	14	
Other Income (Excl. Creditors written back, if any)	151	16		127		278	40	
<b>Profit Before Tax</b>	<b>570</b>	<b>301</b>	<b>89.7%</b>	<b>412</b>		<b>982</b>	<b>502</b>	<b>95.7%</b>
Total Tax	92	31		53		145	44	
(Subtract): Non-controlling Interest	2.1	0.9		1.7		3.7	0.9	
<b>Profit After Tax (Net of Non-controlling interest)<sup>2</sup></b>	<b>476</b>	<b>269</b>	<b>77.1%</b>	<b>357</b>	<b>33.3%</b>	<b>833</b>	<b>457</b>	<b>82.5%</b>
<i>% PAT Margin</i>	<i>16.4%</i>	<i>19.7%</i>		<i>21.6%</i>		<i>18.3%</i>	<i>20.0%</i>	

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

Calculation of Normalized 'Profit After Tax'								
1. Other Income (Excl. Creditors written back) comprises:								
1.a. Gain on fair valuation of financial instruments	72	-		83		155	-	
1.b. Other Income in ordinary course of business	80	16		44		124	40	
2. Tax outgo on Gain on financial instruments	16	-		11		27	-	
<b>Normalized PAT</b>	<b>420</b>	<b>269</b>	<b>56.3%</b>	<b>285</b>	<b>47.2%</b>	<b>706</b>	<b>457</b>	<b>54.6%</b>
<i>Normalized PAT Margin %</i>	<i>14.9%</i>	<i>19.7%</i>		<i>18.2%</i>		<i>16.1%</i>	<i>20.0%</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) PAT attributable to equity holders of the Company after subtracting Non-controlling interest (On account of 5% shares of Appnext Pte. Ltd., Singapore)

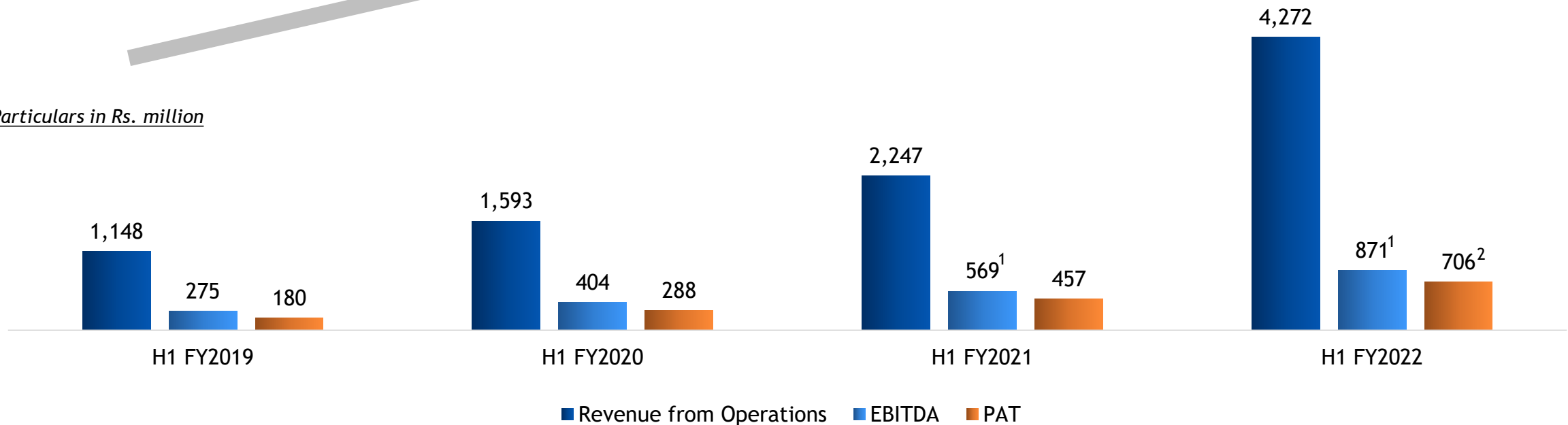
# Half-Yearly Performance Trend (Consolidated)

CAGR (H1 FY19 - FY22)

Revenue CAGR **55.0%**  
 EBITDA CAGR **46.9%**  
 PAT CAGR **57.6%**

Y-o-Y Growth **90.1%** **53.1%** **54.6%**

*Particulars in Rs. million*

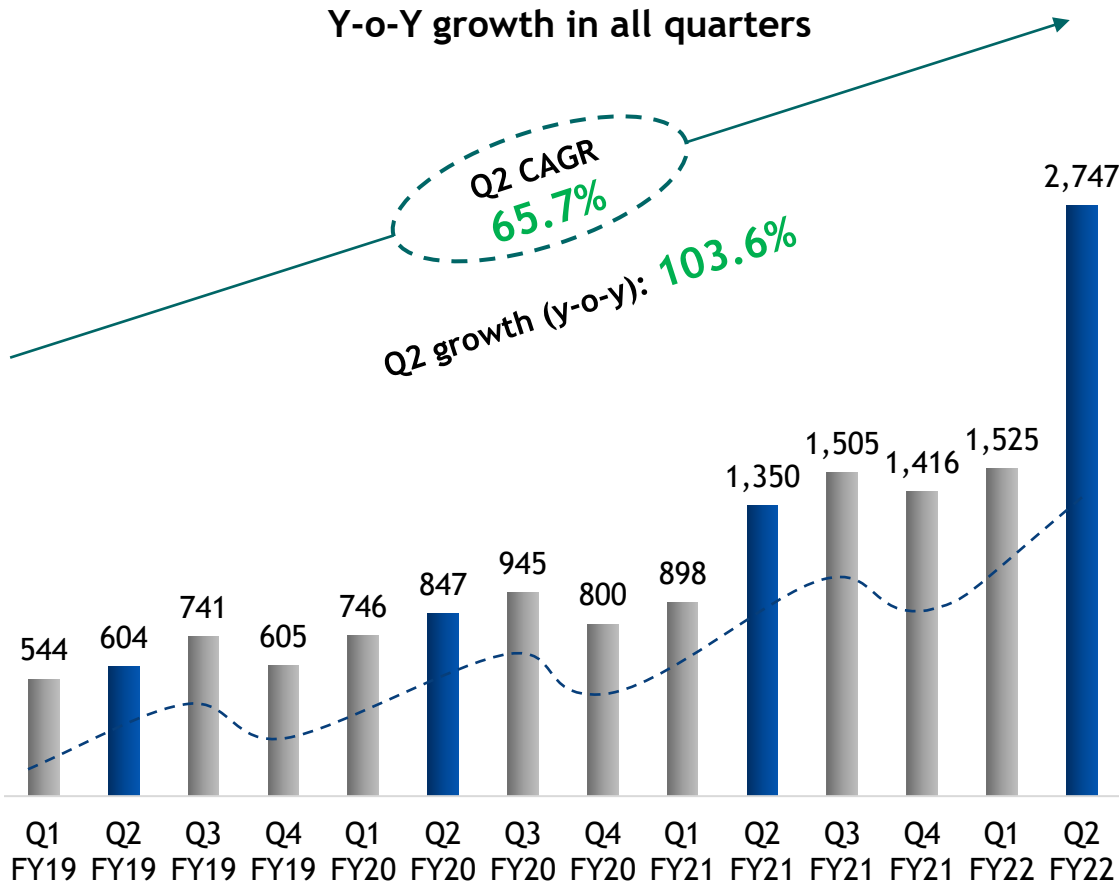


Note: 1) Creditors written back which are part of 'Other Income' in the reported financials, are operating income in nature and adjusted in EBITDA (Refer slide 4)

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

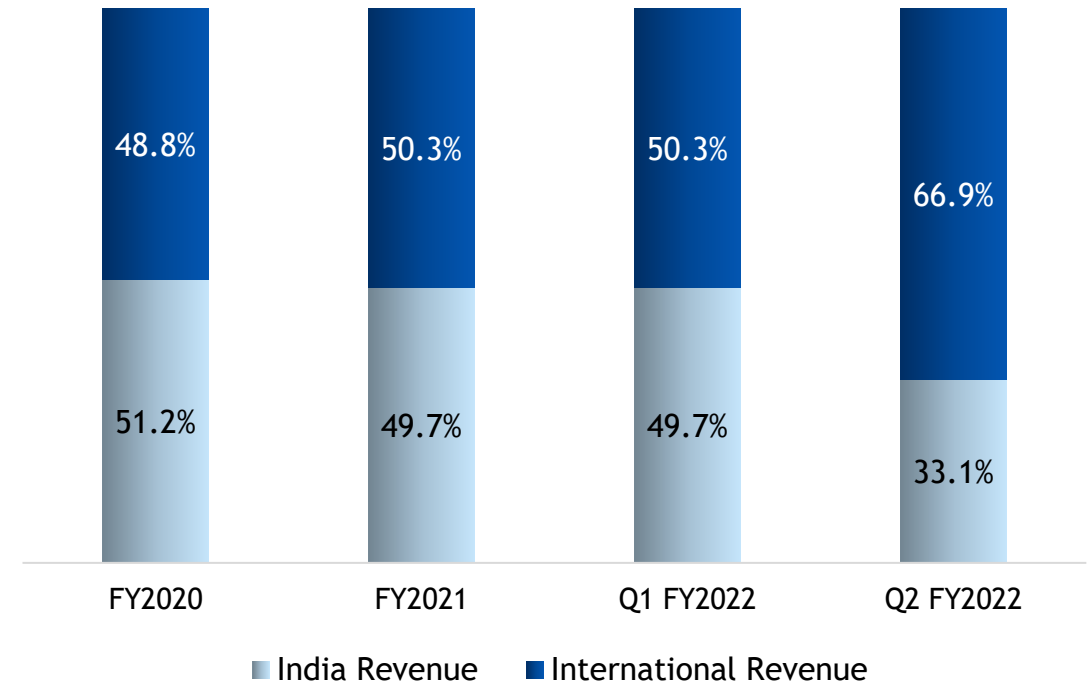
# Quarterly Performance Trend (Consolidated)

## Revenue from Operations (Rs. mn)



## Revenue Contribution (India vs. International)<sup>1</sup>

Contribution trend shift towards International from Q2 FY2022

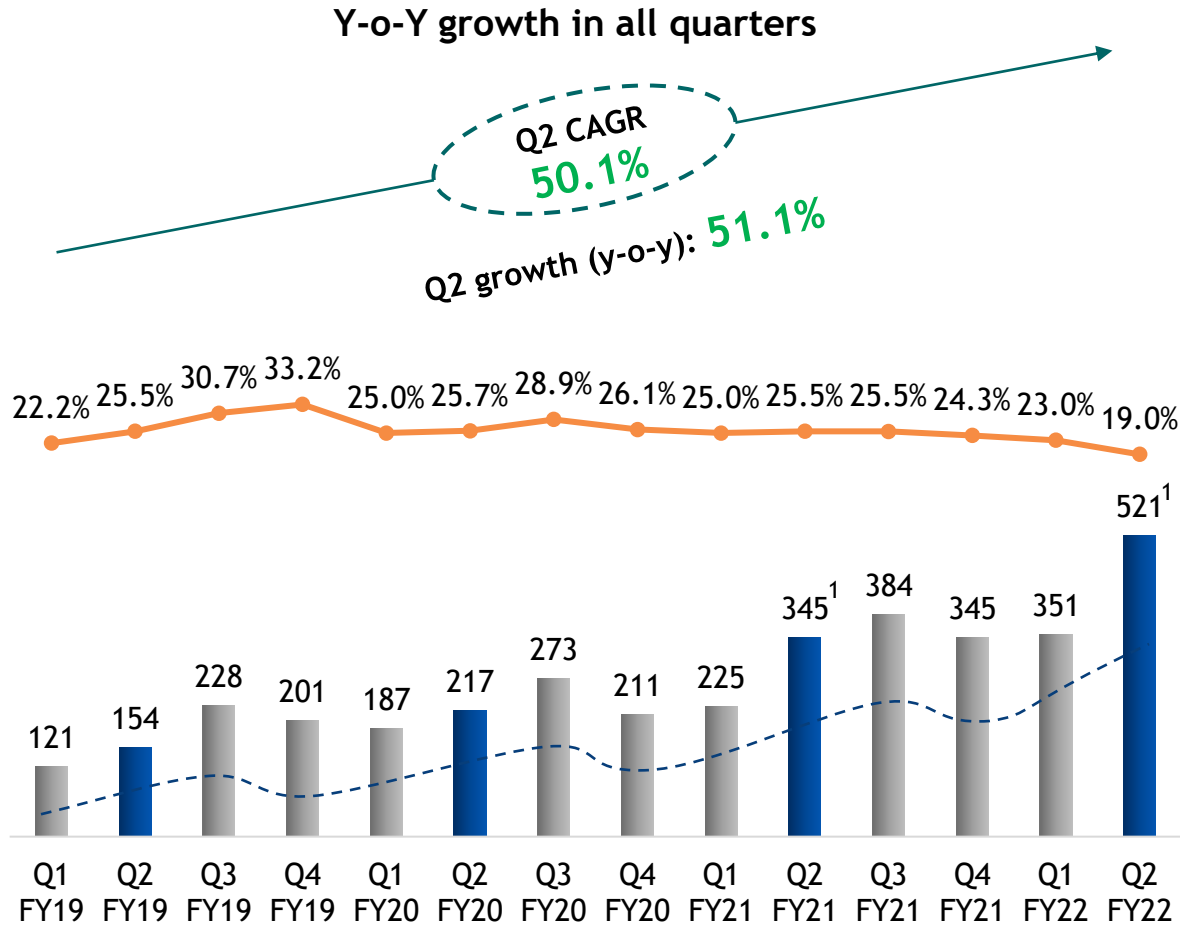


Note: Q3 continues to be highest quarter during the year on account of business seasonality

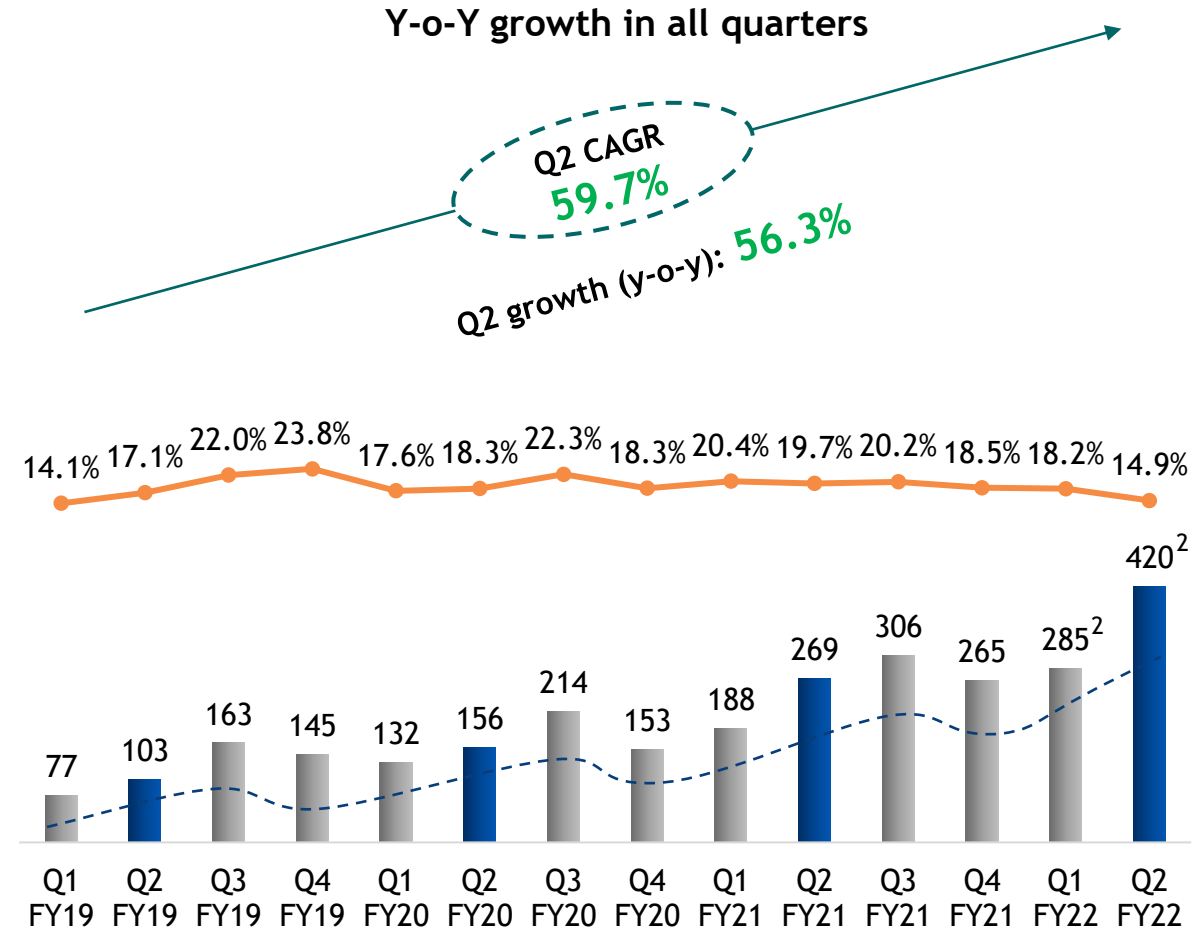
1) Region-wise contribution and is different from the billing entity-wise segmental break-up disclosed in financial results

# Quarterly Performance Trend (Consolidated)

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



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



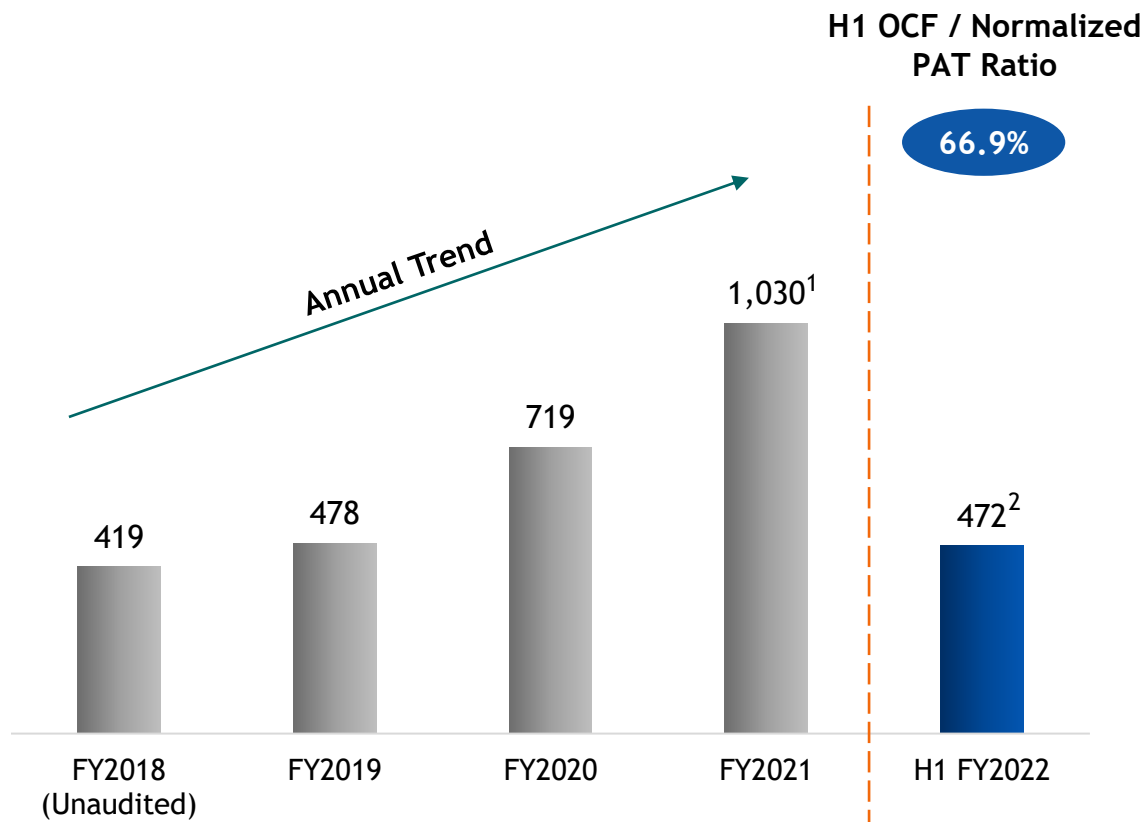
Note: 1) Creditors written back which are part of 'Other Income' in the reported financials, are operating income in nature and adjusted in EBITDA

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 Sept 30, 2021)

### Adjusted<sup>3</sup> and on an LTM<sup>4</sup> basis

**ROE (%) (Return on Equity)	27.9%
**ROCE (%) (Return on Capital Employed)	15.9%
**ROA (%) (Return on Assets)	13.8%
Gross Debt/Equity (x)	0.27x
Net Debt/Equity (x)	0.12x

Note: 1) FY2021 OCF was adjusted for Deferred Tax Liability on account of Goodwill of Rs. 14.18mn (one-time expense); 2) Tax outgo on 'Gain on fair valuation of financial instruments' added back to OCF; 3) Return Ratios are adjusted for net QIP proceeds, QIP assets utilized and for the interest on FDs earned out of unutilized QIP proceeds, as of Sept 30, 2021; 4) Last Twelve Months (LTM) = FY2021 + H1 FY2022 - H1 FY2021

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

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

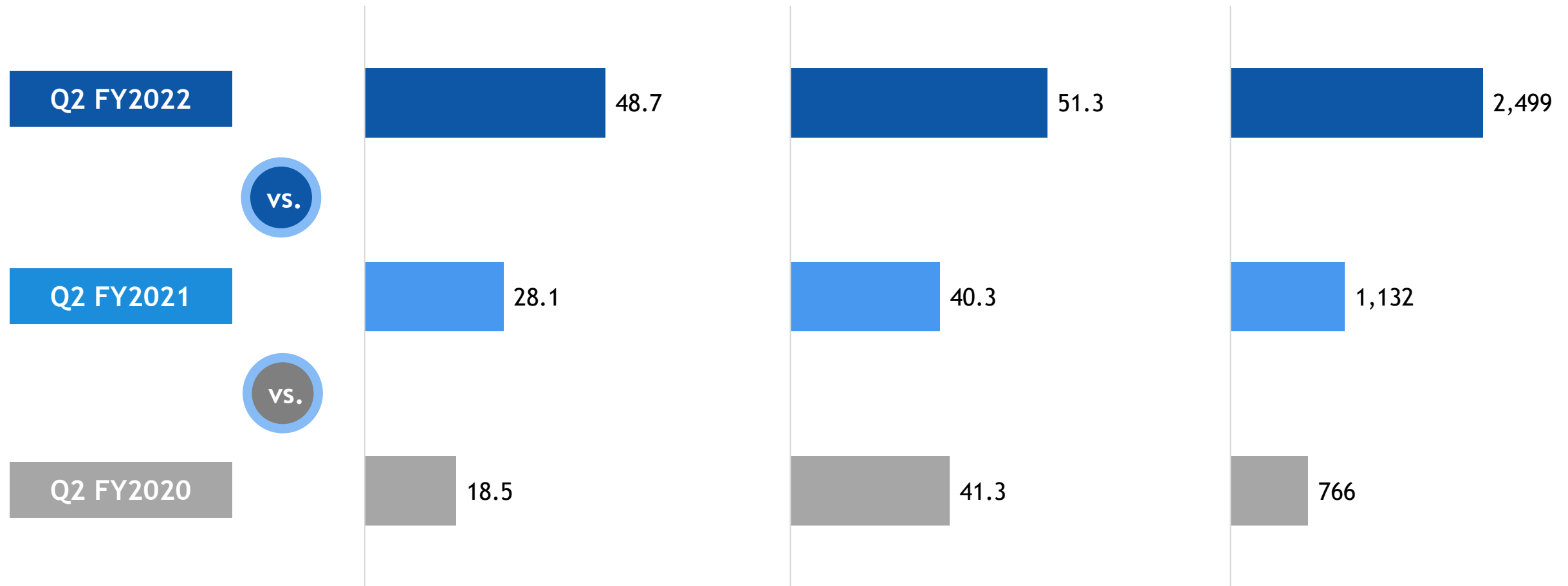
# Converted Users (mn)



Average CPCU (Rs.)



CPCU Revenue (Rs. mn)



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

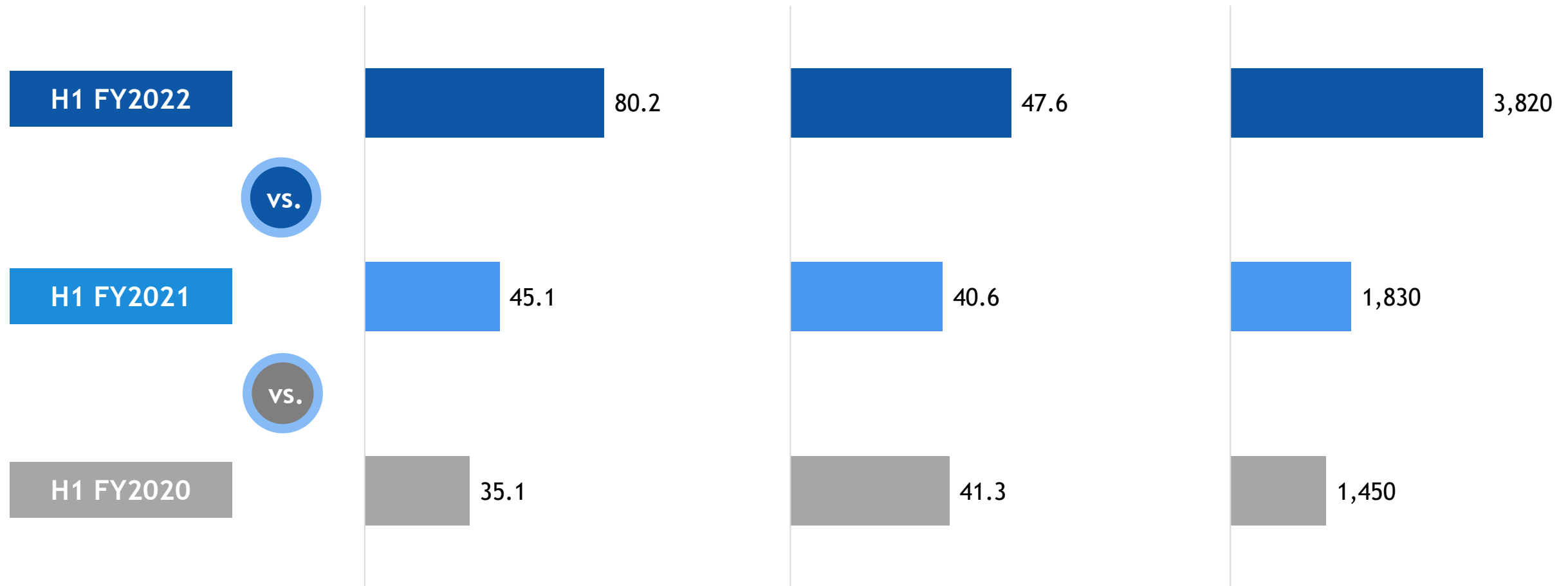
# Converted Users (mn)



Average CPCU (Rs.)



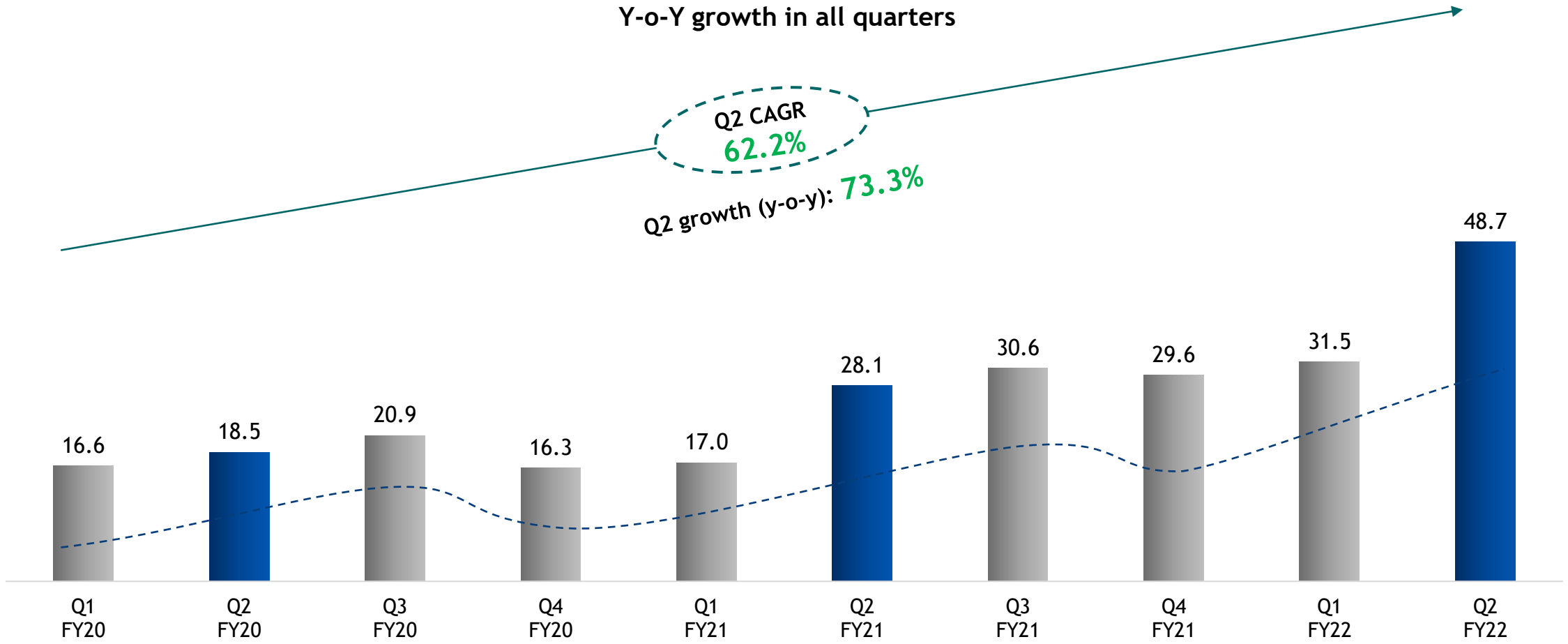
CPCU Revenue (Rs. mn)



# CPCU Business | Conversions Trend

## Converted Users (mn)

Y-o-Y growth in all quarters

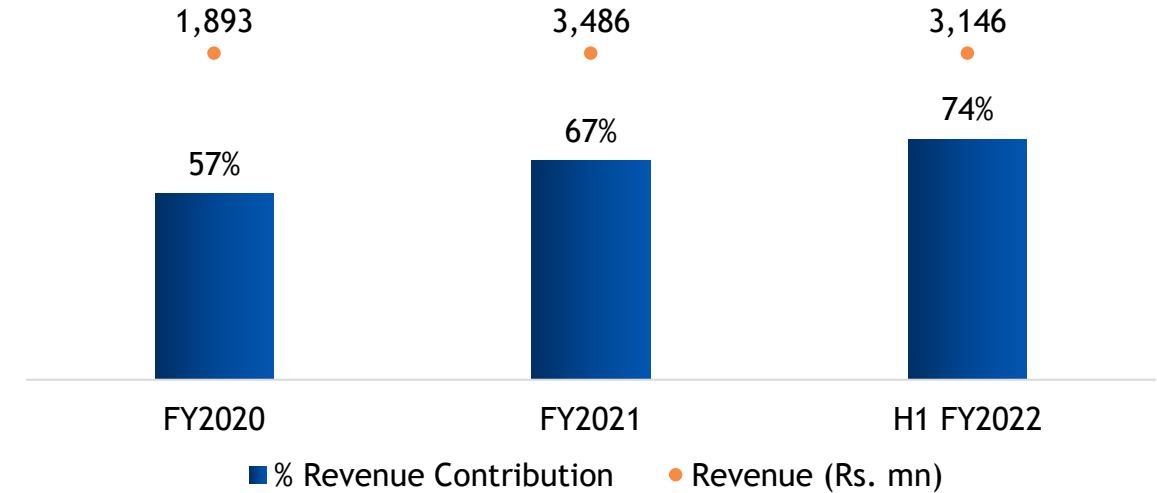


# Verticalized Focus on High Growth Categories

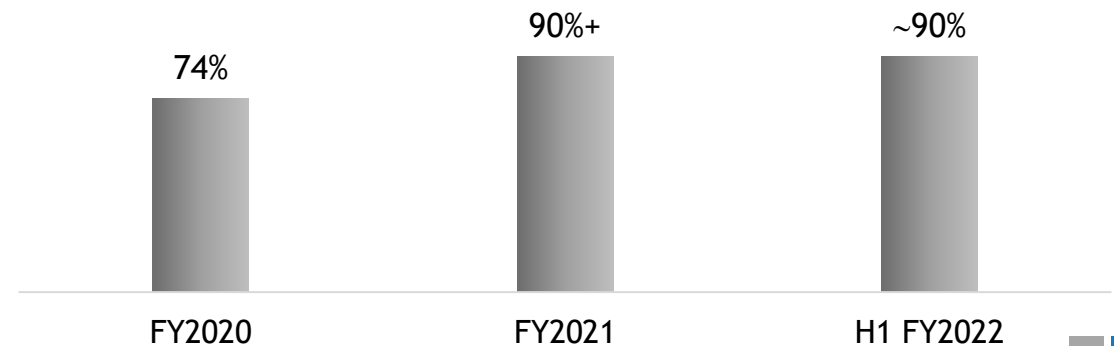
## Top 10 Resilient Verticals across E, F, G, H Categories



## Direct Customers Growth Primarily Powered by E, F, G, H Categories



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



# Affle | Recent Developments and Recognitions

Affle successively receives its **5th and 6th US Patent Grants**, significantly strengthening its global tech IP portfolio

**Affle Celebrates Milestone Wins**

- Enabling Technology Company of the Year for the 3rd consecutive time
- 7 Campaign Award Wins
- 2 Industry Award Wins Enabled

Affle's Appnext Platform recognized as the top performer across multiple categories in the latest edition of the AppsFlyer Performance Index

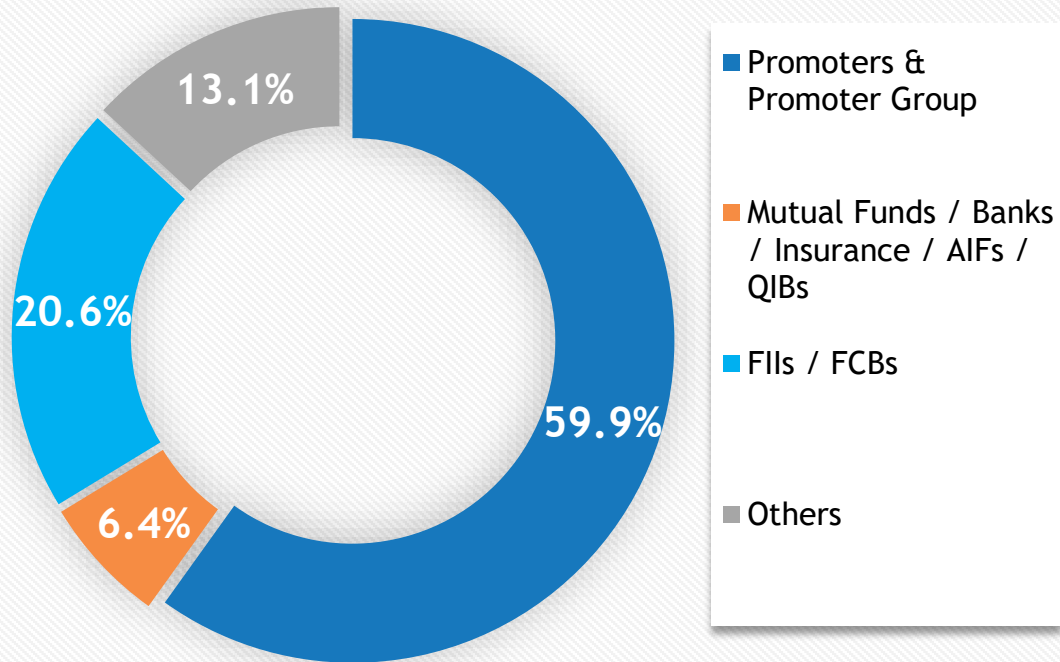
**THE LEADING NON-SRN PLATFORM GLOBAL**

The Retention Index dashboard shows appnext as the top performer in Power ranking across various categories including Google Ads, Facebook Ads, Snapchat, Google Marketing, MoLoCo, and Twitter.

# Affle | Investors Information

## Shareholding Pattern (As on Sept 30, 2021)

Total Shares Outstanding - 133,251,060 (Post stock split)



## \*Brokerages Covering Affle (Latest)

*Institutional Research Desk*

Nomura

Dolat Capital

Dalal & Broacha

ICICI Securities

Bank of Baroda Capital

Spark Capital

Prabhudas Lilladher

*HNI / Retail Desk*

Sharekhan

Axis Securities

ICICI Direct

*\*In order of coverage initiated*

# 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 (**99.1% H1 FY22 revenue**)<sup>1</sup>
- 2) **Enterprise Platform:** Enabling offline businesses to go online through App development, O2O<sup>2</sup> commerce & data analytics (**0.9% of H1 FY22 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)

**39.0%**  
India revenue<sup>1,3</sup>  
H1 FY2022

**61.0%**  
International revenue<sup>1,3</sup>  
H1 FY2022



## END TO END MOBILE ADVERTISING PLATFORM

- In-house data management platform with over **2.4 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

**6**

Patents granted in US related to digital advertising, detection of fraud and voice-based intelligence

**14**

Patents filed in US, India and/or Singapore related to innovative futuristic use cases



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

Revenue	Rs. 5,168mn
EBITDA	Rs. 1,300mn
PAT	Rs. 1,031mn

1) For six months ended Sept 30, 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 Oct 1, 2020 to Sept 30, 2021; 5) Refer our Q4 FY2021 Earnings Presentation for detailed financial working and adjustments

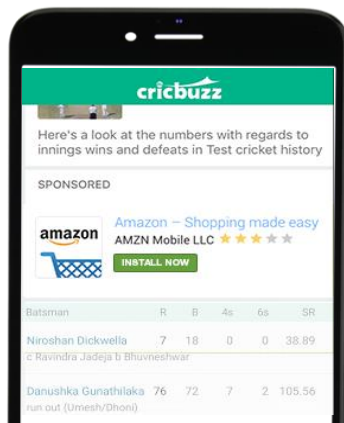


# Affle | Cost Per Converted User (CPCU) Business

91.6% of Consumer Platform revenue contributed by CPCU model in Q2 FY2022 and 8.4% from Non-CPCU



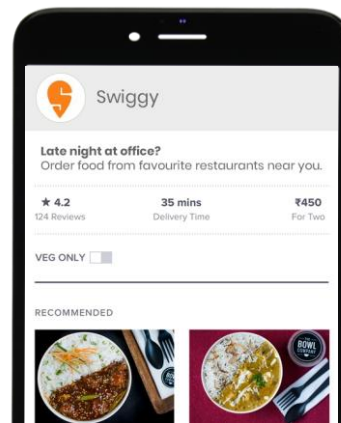
**New user conversion  
(online)**



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



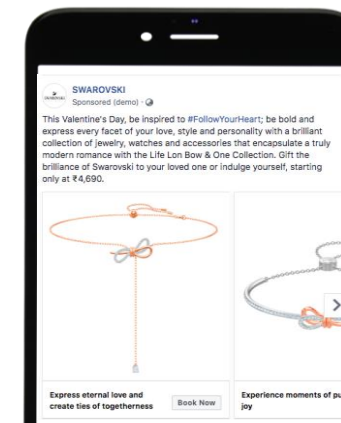
**Existing user repeat  
conversion (online)**



Use Case - Target interested user to complete the transaction



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



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

# Affle Consumer Platform Case Studies

1. Tokopedia | Driving business growth in Indonesia
2. CoinDCX | Maximizing engagement with high-intent users in India
3. Fossil | Powering omnichannel journeys and offline conversions in India

# Tokopedia | Driving business growth in Indonesia

## About the Advertiser

Tokopedia is Indonesia's biggest online marketplace

## Objective

Drive business growth through greater conversions from existing customers who have turned dormant

## Affle Consumer Platform Solutions

Affle's Consumer platforms helped Tokopedia with its three-pronged approach

- **Leveraging consumer intelligence** with dynamic real-time targeting to reach high intent users
- **High engagement video ads** with **dynamic creative optimization** to drive maximum conversions and boost app engagement
- **Daypart and Location led targeting** to drive Incremental conversions

## Results

- **6X+** Boost in conversion rate by Video Ads
- **5.3X** Increase in ROAS on Video Ads
- **3X+** Boost in App Engagement with Dynamic Ads
- **2X+** Increase in Conversions (Marketplace) by leveraging DCO capabilities

The image shows two mobile app screens. The top screen displays a video ad for Tokopedia featuring a group of women. The bottom screen shows a promotional banner for 'WAKTU INDONESIA BELANJA KEJAR DISKON 5' with a shopping cart icon. To the right of the banner is a list of results:

- Product Carted And Dropped-off
- Reactivation of Dormant Buyers
- Tailor-made Promo For New Buyers

# CoinDCX | Maximizing engagement with high-intent users in India

## About the Advertiser

CoinDCX is India's first crypto unicorn

## Objective

Amid significant cryptocurrency investment growth in India, CoinDCX's aim was to demonstrate to unfamiliar Indian customers the simplicity and safety of purchases and target those users who were most likely to make an immediate purchase

## Affle Consumer Platform Solutions

Affle's app recommendation platform helped CoinDCX to

- Find & target new users via app recommendations that were shown directly on devices of highly-intent users
- Proprietary AI-based technology and predictive analytics, to accurately recommend CoinDCX via dynamic engagements that are presented at relevant moments during the mobile journey of relevant users

## Results

- Over **75K conversions** delivered in Q1 & Q2
- **10%+** Month on Month growth
- **40%+** Uplift in registration

**CoinDCX**

Naya Smartphone le liya par  
**Bitcoin liya kya?**

Use Code: **COINDCXGO**

Free Bitcoin worth ₹100 &  
a chance to win 1 Bitcoin\*

INSTALL APP

CoinDCX

Working with Appnext allowed us to reach new high-intent users directly on their mobile devices via an array of unique on-device placements. With better conversion rates throughout our user funnel, we were also able to scale up our campaigns at lower acquisition costs.

**Ramalingam Subramanian**  
CoinDCX Chief Marketing Officer

NOTE: (1) All case studies are based on First Party data consented and shared by the advertiser/agency together with Affle's platform data. These have been created for entries in industry award shows; (2)

Campaign Period : Feb '21-Jul '21 (3) The ads and/or platform modules/screenshots shown here are for illustrative purpose only

# Fossil | Powering omnichannel journeys and offline conversions in India

## About the customer

Fossil is a leading global fashion and accessories brand

## Objective

With offline retail starting to open up after lockdowns, Fossil wanted to drive more sales and footfall at its physical stores across India. They wanted to drive traffic from their digital shoppers who were exploring products online but wanted to try-and-buy in-store

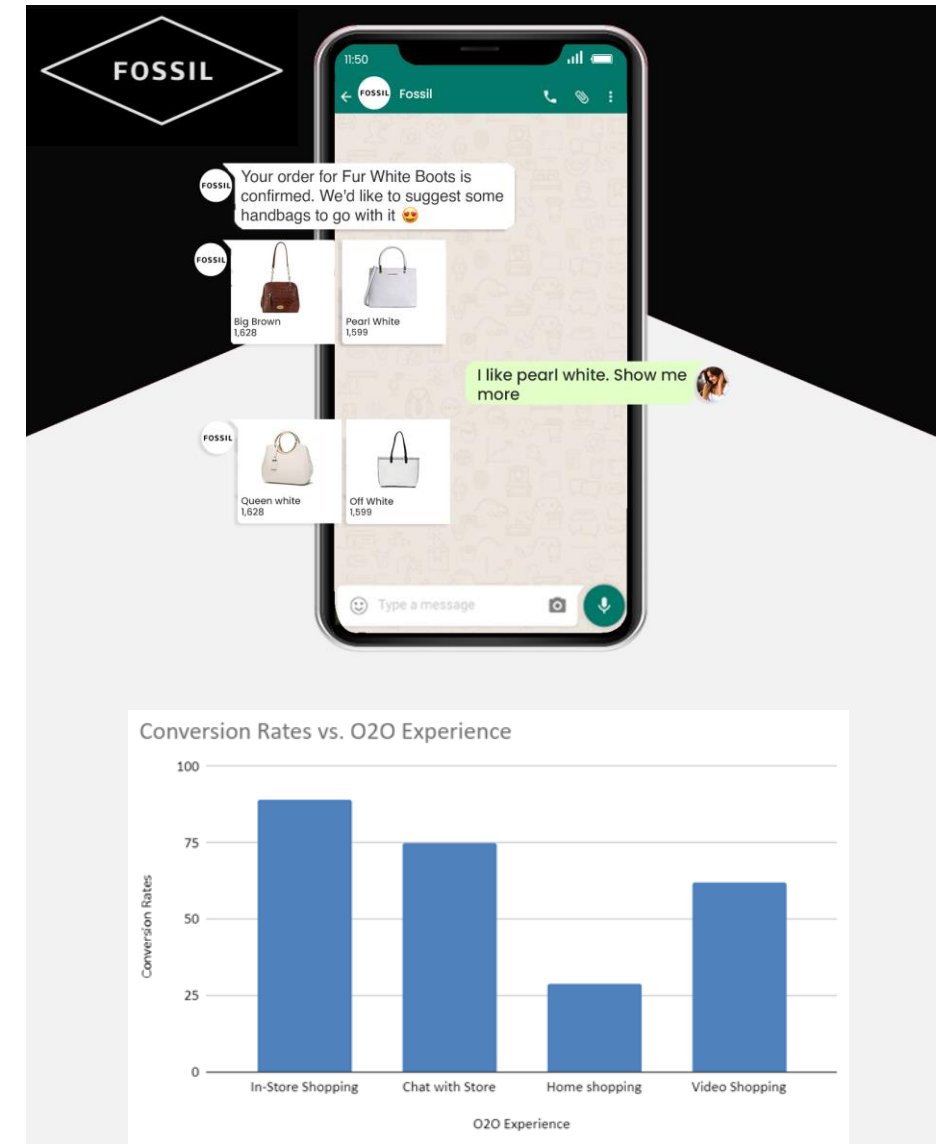
## Affle Consumer Platform Solutions

Affle’s consumer platform helped Fossil achieve its goals with its solution to

- **Direct ecommerce traffic to physical stores** by leveraging O2O web-widgets
- **Conversational Commerce** to give shoppers the option to reserve and buy products directly on WhatsApp from their hyperlocal Fossil store.
- **Online-to-Offline Attribution** to help track footfalls & purchases and to maximize Incremental visits to stores & uplift revenue

## Results

- **87%** online leads converted to in-store sales
- **23X** Return on Investment
- **Double-digit growth in offline sales** from online channels



NOTE: (1) All case studies are based on First Party data consented and shared by the advertiser/agency together with Affle’s platform data. These have been created for entries in industry award shows; (2) Campaign Period : May '21 - Jul '21 (3) The ads and/or platform modules/screenshots shown here are for illustrative purpose only

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