



MSEARCH

IPO OFFERING



AFFLE (INDIA) LTD

About Company

Recommendation: Invest for long term

Affle (India) Ltd is a decade old global technology company with a proprietary consumer intelligence platform that delivers consumer acquisitions, engagements and transactions through relevant mobile advertising. This platform aims to enhance returns on marketing spend through delivering contextual mobile ads and reducing digital ad fraud, while proactively addressing consumer privacy expectations. This platform is used by (B2C) companies across industries, including e-commerce, fin-tech, telecom, media, retail and FMCG companies, both directly and indirectly through their advertising agencies.

Affle India Ltd also provides end-to-end solutions by developing App, offering enterprise platform, assisting offline e-commerce businesses in offline to online commerce. Microsoft has a 6.48% stake in the Singapore based Affle Holdings. Affle as at FY18 on a proforma basis, it had approx 1.18 bn consumer profiles and it accumulated over 140 bn data points over the preceding 12 months, which power its prediction and recommendation algorithm.

Price Band	: Rs. 740 to 745 per share
Bid Lot size	: 20 Shares
Issue size	: Rs. 459 Cr
Issue Opens	: July 29th 2019, Monday
Issue Closes	: July 31st 2019, Wednesday
Min App Amount	: Rs. 14,900/- at upper band

Msearch View:

We like Affle's unique business model with asset-light growth strategies and debt-free status. Considering Affle's presence in high growth advertising market globally as well as India, we believe Affle is well placed in the mobile only advertising approach to tap the growth. It is globally well diversified clientele base in which nearly 70% of the revenue comes from global and the rest from domestic markets. Affle currently work with all of the top 6 global advertising agency groups and with other top mobile focussed advertising agencies which acts as catalyst for business visibility going forward. On valuation parse at higher price band of Rs 745 per share Affle commands Rs 1899 Cr market cap with P/E of 37x on its FY19 earnings and higher ROCE due to high growth business model which proposes a long term investment opportunity. Looking at its high growth market with substantial barriers to entry, low-cost business model built on an asset light, automated and scalable business platform we are optimistic and Investors may consider applying in the IPO Offer for both listing as well as long term investment.

Kindly Contact Mehta Equities Ltd :
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