

Result Beat on all count, Conversions biz sees traction

- Affle reported revenue growth of 7.7% QoQ (DE: 1.0% de-growth) led by continued traction in CPCU Biz which grew 9.2% QoQ while the Non-CPCU Biz declined by 1.0% QoQ. The Conversions remained healthy at 31.5mn (up 6.4% QoQ) and CPCU rate inched up to Rs42 (FY21 Rs40.8)
- EBIT Margin declined 107bps QoQ to 19.6% (DE: 19.7%). The slight miss in margins was due to leadership and sales investment in international markets (Employee Cost up 14.5% QoQ). Conversion Efficiency weakened slightly as IDC as % of Rev increased to 58.0% (up 60bps QoQ).
- Affle reiterated that it is well positioned to navigate the privacy related concerns in the digital world and do not see any material threat from this as believes that consumers around the Globe will opt-in to ensure free consumption of Apps.
- We believe Affle India offers a unique interplay of Digital + Mobility + Analytics theme that can offer multi-year-high-growth opportunity. With no near-term impact from privacy related threat to the digital ad industry, we believe that the company would consistently deliver robust performance and thus we maintain our Buy rating with DCF based TP to Rs5,820 (implies 82x FY23E EPS – ~3x on PEG basis).

Underlying Business parameters and metrics, improving

Affle's strong positioning and capability set has brought more advertisers on direct transaction relationship (direct customer) with Affle. In Q1FY22, 71% of Affle's Revenue is from Direct Customers v/s 57% in FY20. Despite Apple's privacy moves, larger Ad Tech players have been able to perform well and the industry has not seen any decline in ad digital budgets. This, in our view, highlights the relevance of digital advertising and ability of strong player to adapt and survive in the privacy concerned world. Affle's Q1FY22 performance and its early measures via acquisition of Appnext, Discover Tech to build a strong First-Party dataset highlights that it has capability to survive and flourish in the privacy focused world. Affle's early moves, focus on privacy focused experience, positive stance is noteworthy. Affle has also highlighted that it is doing well in terms of repeat conversions and new conversion on the platform. Affle has also made early investments in the Connected TV platform even while the Connected TV ad market is at a nascent stage in emerging economics, and assures growth sustenance.

Q1FY22 Result (Rs Mn)

Particulars	Q1FY22	Q1FY21	YoY (%)	Q4FY21	QoQ (%)
Revenue	1,525	898	69.8	1,416	7.7
Total Expense	1,174	673	74.5	1,072	9.6
EBITDA	351	225	56.0	344	1.9
Depreciation	52	43	20.7	52	0.4
EBIT	299	182	64.3	292	2.1
Other Income	54	25	120.7	20	169.1
Interest	14	5	168.3	13	9.0
EBT	412	201	104.7	640	(35.7)
Tax	53	13	293.9	54	(1.9)
RPAT	357	188	90.3	585	(38.9)
APAT	430	188	129.0	925	(53.5)
			(bps)		(bps)
Gross Margin (%)	42.0	42.5	(51)	42.6	(61)
EBITDA Margin (%)	23.0	25.0	(204)	24.3	(132)
NPM (%)	23.4	20.9	252	41.3	(1790)
Tax Rate (%)	12.8	6.6	614	8.4	440
EBIT Margin (%)	19.6	20.2	(66)	20.7	(107)

CMP	Rs 4,182		
Target / Upside	Rs 5,820 / 39%		
NIFTY	16,238		
Scrip Details			
Equity / FV	Rs 255mn / Rs 10		
Market Cap	Rs 107bn		
	USD 1.4bn		
52-week High/Low	Rs 6,286 / 1,645		
Avg. Volume (no)	69,844		
Bloom Code	AFFLE IN		
Price Performance			
1M	3M	12M	
Absolute (%)	(22)	(21)	127
Rel to NIFTY (%)	(26)	(31)	82

Shareholding Pattern

	Dec'20	Mar'21	Jun'21
Promoters	63.8	62.6	59.9
MF/Banks/FIs	14.0	11.7	11.1
FIs	14.9	17.3	18.3
Public / Others	7.4	8.5	10.8

Valuation (x)

	FY21A	FY22E	FY23E
P/E	105.8	75.1	59.1
EV/EBITDA	82.8	54.6	40.2
ROE (%)	45.9	21.1	15.6
RoACE (%)	27.2	18.3	15.0

Estimates (Rs mn)

	FY21A	FY22E	FY23E
Revenue	5,168	8,647	11,096
EBITDA	1,297	1,863	2,510
PAT	1,008	1,483	1,884
EPS (Rs.)	39.5	55.7	70.7

VP - Research: Rahul Jain

Tel: +9122 40969771

E-mail: rahulj@dolatcapital.com

Associate: Divyesh Mehta

Tel: +91 22 40969768

E-mail: divyesh.mehta@dolatcapital.com

Exhibit 1: Quarterly performance versus estimates

(Rs mn)	Actual	Estimates		% Variation		Comment
		Dolat	Consensus	Dolat	Consensus	
INR Revenue	1,525	1,402	NA	8.8	NA	Revenue beat led by strong traction in CPCU Biz (up 9.2%)
EBIT	299	276	NA	8.0	NA	Sight Miss in EBIT Margins due to investments in talent for international markets.
EBIT, margin	19.6	19.7	NA	(13.1)	NA	
PAT	359	509	NA	(29.4)	NA	PAT miss due to lower investment gain on Bobble.AI

Source: DART, Company

Change in Estimates

Given strong performance, robust growth sentiments in core businesses, and resultant uptick in growth outlook by the management we have scaled up our growth estimates for the forecasted period by 8%/6% respectively for FY22/23E. The impact of the revenue growth would have similar gains to its operating profits (expect modest change in OPM by -27bps/+10bps in FY22/23E respectively). The EPS estimates on the contrary is expected to decline in FY22E as we have factored in lower gains from FV computation of its investments in Bobble AI at Rs73mn as against Rs244mn that we anticipated earlier based on the same valuations as of its investment in third round. Based on the estimates by independent assessment, the valuations for Bobble AI stands at Rs3.4bn; while Affle bought additional 5% stake for Rs4.4bn in Jun'21. Thus in turn our EPS assumptions have declined by 6% in FY22 (unchanged for FY23).

Exhibit 2: Change in Estimates

(Rs. Mn)	FY21A	FY22E			FY23E		
	Actual	Old	New	Chg. (%)	Old	New	Chg. (%)
INR Revenue	5,168	7,995	8,647	8.2	10,510	11,096	5.6
YoY growth, %	54.8	54.7	67.3	1263 bps	31.5	28.3	-314 bps
CPCU rate (Rs. Abs)	40.8	44.9	46.8	4.2	46.5	47.6	2.5
Converted Users (in Mn)	105.3	141.0	150.8	6.9	180.0	187.9	4.4
INR EBIT	1,100	1,476	1,574	6.6	1,988	2,110	6.2
EBIT margin, %	21.3	18.5	18.2	-27 bps	18.9	19.0	10 bps
Net profit	1,348	1,662	1,556	(6.4)	1,880	1,884	0.2
Diluted EPS (Rs)	53.0	62.6	58.7	(6.3)	70.8	71.0	0.2

Source: DART, Company

Exhibit 3: Key Assumptions in Our Estimates

(Rs mn)	FY20A	FY21A	FY22E	FY23E
Revenue growth (%)	33.8	54.8	67.3	28.3
CPCU rate growth (%)	1.5	(0.5)	14.7	1.8
Converted Users growth (%)	31.5	45.6	43.2	24.6
CPCU Revenue growth (%)	33.6	44.9	64.2	26.9
Non-CPCU Revenue growth (%)	36.0	133.9	82.9	34.3
EBIT margin (%)	22.3	21.3	18.2	19.0
EPS growth (%)	31.6	100.2	10.8	21.0

Source: DART, Company

Exhibit 4: Key Revenue Growth Matrix

Particulars	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22
Converted Users	17.0	28.1	30.6	29.6	31.5
CPCU Rate (Rs.)	41.0	40.3	41.0	40.9	42.0
CPCU Revenue (Rs. Mn)	698	1,132	1,254	1,211	1,322
Non-CPCU Rev (Rs. Mn)	200	218	251	205	203

Source: DART, Company

Exhibit 5: Quarterly Trend

Particulars	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	YoY (%)	QoQ (%)	YTD FY21	YTD FY22	YoY (%)
CPCU Revenue	698	1,132	1,254	1,211	1,322	89.4	9.2	698	1,322	89.4
Non-CPCU Revenue	200	218	251	205	203	1.4	(1.0)	200	203	1.4
Revenue	898	1,350	1,505	1,416	1,525	69.8	7.7	898	1,525	69.8
Operating Expenditure	673	1,006	1,121	1,072	1,174	74.5	9.6	673	1,174	74.5
Inventory & Data Cost	516	777	872	812	884	71.3	8.8	516	884	71.3
as % of sales	57.5	57.6	57.9	57.4	58.0	51 bps	61 bps	57.5	58.0	51 bps
Employee Expenses	83	131	161	164	188	124.7	14.5	83	188	124.7
as % of sales	9.3	9.7	10.7	11.6	12.3	301 bps	73 bps	9.3	12.3	301 bps
Other Expenses	73	97	88	95	102	39.3	7.5	73	102	39.3
as % of sales	8.2	7.2	5.9	6.7	6.7 (147 bps)	(1 bps)	8.2	6.7 (147 bps)		
EBITDA	225	344	384	344	351	56.0	1.9	225	351	56.0
Depreciation	43	51	51	52	52	20.7	0.4	43	52	20.7
EBIT	182	293	333	292	299	64.3	2.1	182	299	64.3
Finance Cost	5	9	10	13	14	168.3	9.0	5	14	168.3
Other Income	25	16	14	20	54	120.7	169.1	25	54	120.7
Exceptional items	0	0	0	340	73	NA	(78.6)	0	73	NA
PBT	201	301	338	640	412	104.7	(35.7)	201	412	104.7
Total Tax	13	31	31	54	53	293.9	(1.9)	13	53	293.9
Reported PAT	188	270	307	586	359	91.2	(38.8)	188	359	91.2
Reported PAT After MI	188	269	306	585	357	90.3	(38.9)	188	357	90.3
Reported EPS	7.4	10.6	12.0	23.0	13.7	85.8	(40.5)	7.4	13.7	85.8
Margins (%)						(bps)	(bps)			(bps)
EBIDTA	25.0	25.5	25.5	24.3	23.0	(204)	(132)	25.0	23.0	(204)
EBIT	20.2	21.7	22.1	20.7	19.6	(66)	(107)	20.2	19.6	(66)
EBT	22.4	22.3	22.5	45.2	27.0	459	(1,819)	22.4	27.0	459
PAT	20.9	19.9	20.4	41.3	23.4	252	(1,790)	20.9	23.5	263
Effective Tax rate	6.6	10.2	9.2	8.4	12.8	614	440	6.6	12.8	614

Source: DART, Company

What to expect Next Quarter

Given, the upcoming integration of Jampp (Revenues of \$30mn in CY20) in Q2 and sustained 20% organic growth we expect Affle to deliver 34% YoY growth in Q2FY22E. Also accounting for modest 4%-EBIDTA margin profile for Jampp, we would see the margins for the consolidated entity to go down further by 285bps. We expect EBIT margins of 16.7% and EBIT growth of 28% QoQ. EPS is likely to be flat QoQ in absence of exceptional gains of Rs73mn that company booked in Q1 towards revaluation of investments in Bobble AI.

Exhibit 6: What to expect next Quarter

(Rs Mn)	Q1FY22E	Q4FY21	Q1FY21	QoQ (%)	YoY (%)
Converted Users	37.8	31.5	28.1	19.8	34.3
CPCU Revenue	1,838	1,322	1,132	39.0	62.3
INR Revenue	2,282	1,525	1,350	49.6	69.1
EBIT	382	299	293	27.9	30.3
PAT	363	359	270	1.3	34.7
EPS (Rs)	13.6	13.7	10.6	(0.3)	28.9
EBIT Margin (%)	16.7	19.6	21.7	-285 bps	-498 bps

Source: DART, Company

Valuation

Given the early-days in the Ad-Tech industry and high growth potential for the industry/company, we believe DCF valuation as an ideal tool to value real long term potential of the business. We have currently factored in Revenue CAGR of 33% (from 33%) over FY21-27E in its growth stage and gradual deceleration to 23% (from 21%) CAGR over FY27-32E, Average EBITDA of 24.4% (earlier 28% - Jampp was not assumed here) and Terminal growth rate of 5% (unchanged). Taking these assumptions, we have arrived at TP of Rs5,820 per share and ascribe Buy rating on the stock.

Con-Call Key Takeaways

- **Revenue:** Revenue grew by 7.7% QoQ and grew 69.8% YoY to Rs. 1,525Mn. Geography wise, India revenue (49.7% of Revenue) grew by 5.5% QoQ (after de-growth of 1.3% in Q4FY21) and International Markets revenue (50.3% of Revenue) grew by 10.0% QoQ. The impact of lockdown in emerging economics was not visible in Q1FY22. On organic basis the revenues grew by 54% on YoY basis (note Q1FY21 was weak quarter).
- **CPCU Biz:** CPCU contributes 86.7% of Revenue and it grew 9.2% QoQ and grew 89.4% YoY to Rs. 1,322Mn. The growth was driven by both CPCU rate and number of conversions. The CPCU rate reached to Rs. 42. The Conversions increased to 31.5mn (up 6.4% QoQ). The performance of CPCU Biz highlighted continued traction in ad spends. Affle highlighted that its ability to charge more CPCU rates will gradually improve as the volume of conversion improves (thus can nudge for higher rates to clients).
- **Other Operating Revenue (Non-CPCU + Enterprise Biz):** The Other Operating biz de-grew by 1.0% QoQ to Rs. 203mn. The business contributed 13.3% to Total Revenue. The Other Operating Revenue contains a) Non-CPCU business of consumer platform grew 5.1% QoQ to Rs. 184mn (last quarter had 22.1% QoQ decline due to project based volatility) and b) Enterprise revenue (App Development, O2O platform) declined 37.4% QoQ to Rs. 18mn.
- **EBIT Margins:** EBIT Margin declined 107bps QoQ to 19.6%. This was due to increase in Employee cost (up 14.5% QoQ) as Affle continually invested in talent for international business (Total Employees is 425+, In FY20, they had 295 employees). The increase in Other Expenses (7.5% QoQ) was largely in-line with revenue growth. Affle highlighted that it expects 25% EBITDA Margin in the organic business. It believes that the organic business has more potential for operating leverage.
- **Privacy:** Affle highlighted that privacy is a long term trend where it intends to provide consumers clear opt-in and opt-out mechanism. It also highlighted that larger companies have done well to navigate from the impact of Apple's tracking feature and overall digital ad budgets are still growing. The key point being that the ad industry spends will move where

the customers are and thus digital / walled garden ad spends are likely to stay. Large part of Affle's business is from Open Internet and it is well integrated with FB and Google as well.

- **Acquisition:** Affle highlighted that focus on Jampp acquisition will be largely on growing better than previous years and improving business margins. Affle highlighted that Affle is looking for more strategic acquisitions (no timeline highlighted).
- **Customers churn:** Most of Affle's customers are large customers who are not much reliant on constant funding even if they are from VC funded start-ups. Thus, chucks or delinquencies are limited.
- **Touch Points in consumers' Journey:** Affle highlighted that it is focused on building multiple touch points within a consumer's mobile journey. This intent is clear as Affle is focusing on OEM Partnerships and doing strategic investments to build first party data.

Exhibit 7: Operating Metrics

Particulars (Rs. Mn)	Q3FY20	Q4FY20	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22
CPCU Revenue	861	654	698	1,132	1,254	1,211	1,322
Non-CPCU Business (Within Consumer Platform)	61	127	183	196	225	175	184
Enterprise Platform	23	20	17	21	26	29	18
Total Revenue	945	800	898	1,350	1,505	1,416	1,525
CPCU Metrics							
CPCU Rate (Rs. Abs)	41.1	40.1	41.1	40.3	41.0	40.9	42.0
Conversions (Mn)	20.9	16.3	17.0	28.1	30.6	29.6	31.5
Geography Amount (Rs. Mn)							
India	497	420	431	690	728	719	758
International	447	380	467	659	776	697	767
Geography Growth (YoY)							
India		37.9	22.0	57.5	46.4	71.2	75.9
International		26.5	18.0	62.5	73.6	83.3	64.3

Source: DART, Company

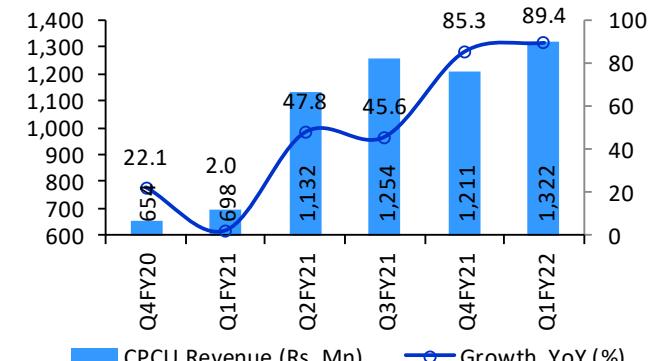
Story in Charts

Exhibit 8: Revenue grew by 69.8% on YoY basis led by



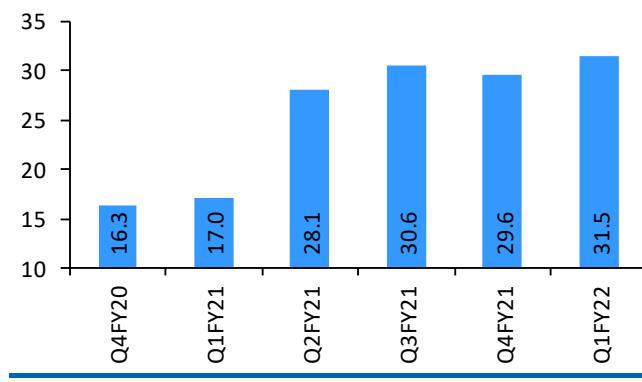
Source: DART, Company

Exhibit 9: ...CPCU biz. growth of 89.4% YoY



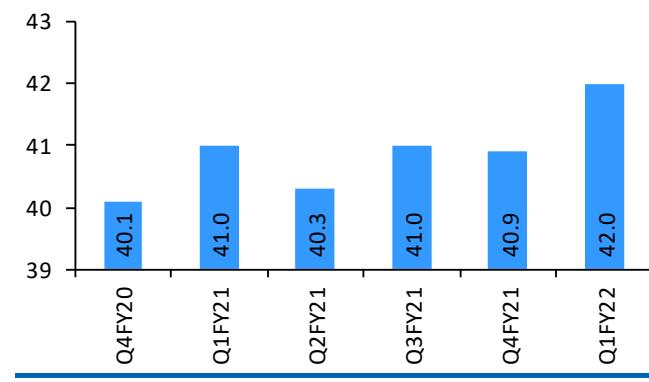
Source: DART, Company

Exhibit 10: Strong growth in Conversion (up 6.4% QoQ)



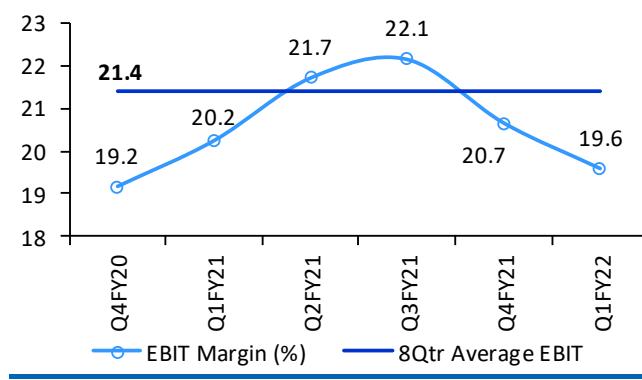
Source: DART, Company

Exhibit 11: CPCU Rates also inched up to Rs. 42



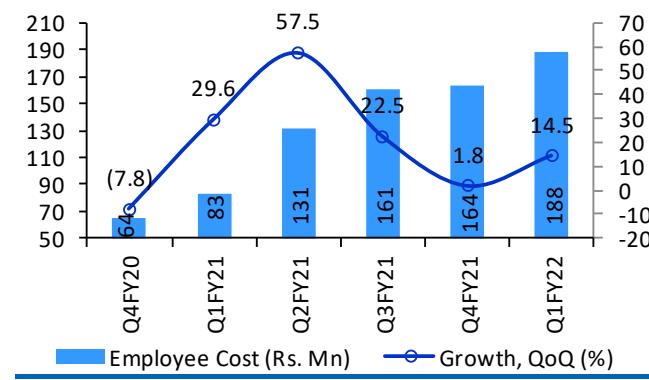
Source: DART, Company

Exhibit 12: EBIT Margin has declined by 107bps QoQ and is below 8Qtr average of 21.4%



Source: DART, Company

Exhibit 13: Employee Cost scaled up 14.5% as Affle made additional hires for International market



Source: DART, Company

Band Chart

Exhibit 14: Affle is trading at PER of 71.9x

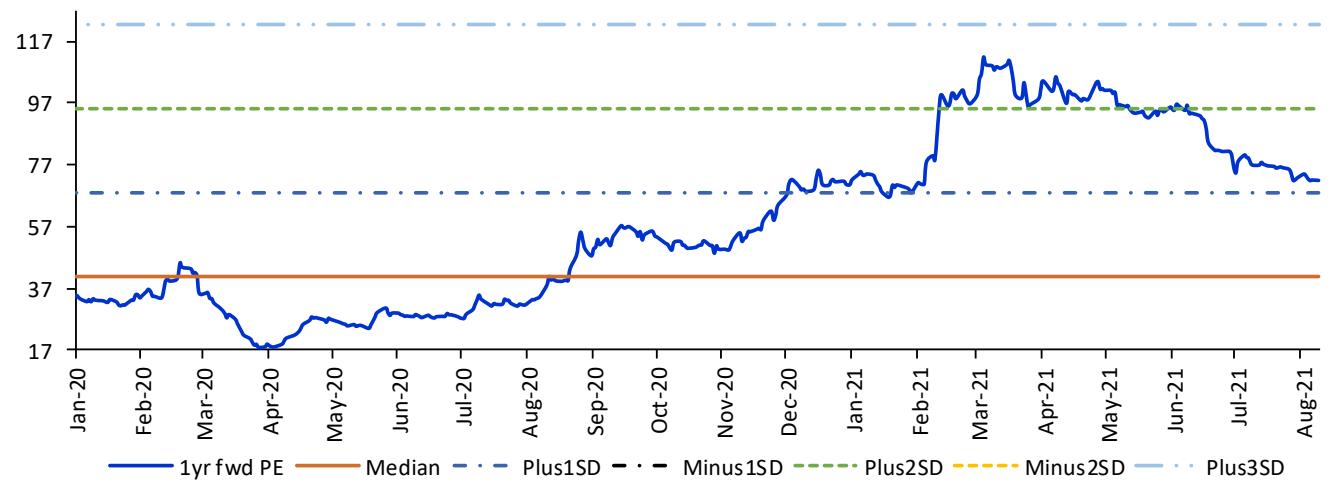


Exhibit 15: Affle is trading at Price / Sales of 12.4x



Profit and Loss Account

(Rs Mn)	FY20A	FY21A	FY22E	FY23E
Revenue	3,338	5,168	8,647	11,096
Total Expense	2,459	3,871	6,784	8,586
COGS	1,921	2,977	5,074	6,451
Employees Cost	273	540	1,106	1,395
Other expenses	265	354	603	740
EBIDTA	879	1,297	1,863	2,510
Depreciation	133	196	290	400
EBIT	746	1,100	1,574	2,110
Interest	14	36	57	54
Other Income	61	75	186	215
Exc. / E.O. items	0	340	73	0
EBT	792	1,479	1,776	2,271
Tax	137	129	212	379
RPAT	655	1,348	1,556	1,884
Minority Interest	0	2	8	8
Profit/Loss share of associates	0	0	0	0
APAT	655	1,008	1,483	1,884

Balance Sheet

(Rs Mn)	FY20A	FY21A	FY22E	FY23E
Sources of Funds				
Equity Capital	255	255	266	266
Minority Interest	0	4	12	20
Reserves & Surplus	2,037	3,333	10,880	12,773
Net Worth	2,292	3,588	11,147	13,039
Total Debt	638	1,168	943	718
Net Deferred Tax Liability	2	15	15	15
Total Capital Employed	2,931	4,775	12,117	13,792

Applications of Funds

Net Block	1,676	4,010	6,084	7,213
CWIP	0	0	0	0
Investments	569	899	899	899
Current Assets, Loans & Advances	1,755	2,617	9,171	10,407
Inventories	0	0	0	0
Receivables	943	1,606	2,725	3,435
Cash and Bank Balances	696	491	5,914	6,422
Loans and Advances	47	24	24	24
Other Current Assets	69	495	508	526
Less: Current Liabilities & Provisions	1,069	2,751	4,037	4,728
Payables	758	1,319	2,240	2,600
Other Current Liabilities	311	1,432	1,797	2,128
<i>sub total</i>				
Net Current Assets	686	(134)	5,133	5,679
Total Assets	2,931	4,775	12,117	13,792

E – Estimates

Important Ratios

Particulars	FY20A	FY21A	FY22E	FY23E
(A) Margins (%)				
Gross Profit Margin	42.4	42.4	41.3	41.9
EBIDTA Margin	26.3	25.1	21.5	22.6
EBIT Margin	22.3	21.3	18.2	19.0
Tax rate	17.3	8.7	12.0	16.7
Net Profit Margin	19.6	26.1	18.0	17.0
(B) As Percentage of Net Sales (%)				
COGS	57.6	57.6	58.7	58.1
Employee	8.2	10.4	12.8	12.6
Other	7.9	6.9	7.0	6.7
(C) Measure of Financial Status				
Gross Debt / Equity	0.3	0.3	0.1	0.1
Interest Coverage	52.4	30.3	27.7	39.4
Inventory days	0	0	0	0
Debtors days	103	113	115	113
Average Cost of Debt	3.9	4.0	5.4	6.5
Payable days	83	93	95	86
Working Capital days	75	(9)	217	187
FA T/O	2.0	1.3	1.4	1.5
(D) Measures of Investment				
AEPS (Rs)	25.7	39.5	55.7	70.7
CEPS (Rs)	30.9	47.2	66.5	85.7
DPS (Rs)	0.0	0.0	0.0	0.0
Dividend Payout (%)	0.0	0.0	0.0	0.0
BVPS (Rs)	89.9	140.7	418.3	489.3
RoANW (%)	43.5	45.9	21.1	15.6
RoACE (%)	35.7	27.2	18.3	15.0
RoAIC (%)	52.4	33.8	30.0	31.1
(E) Valuation Ratios				
CMP (Rs)	4182	4182	4182	4182
P/E	162.7	105.8	75.1	59.1
Mcap (Rs Mn)	106,624	106,624	106,624	106,624
MCap/ Sales	31.9	20.6	12.3	9.6
EV	106,566	107,301	101,653	100,921
EV/Sales	31.9	20.8	11.8	9.1
EV/EBITDA	121.3	82.8	54.6	40.2
P/BV	46.5	29.7	10.0	8.5
Dividend Yield (%)	0.0	0.0	0.0	0.0
(F) Growth Rate (%)				
Revenue	33.8	54.8	67.3	28.3
EBITDA	25.0	47.5	43.7	34.7
EBIT	23.8	47.6	43.0	34.1
PBT	32.5	86.7	20.1	27.9
APAT	34.2	53.9	47.1	27.1
EPS	27.8	53.9	40.8	27.1

Cash Flow

(Rs Mn)	FY20A	FY21A	FY22E	FY23E
CFO	730	1,016	2,065	2,307
CFI	(1,637)	(1,748)	(2,364)	(1,530)
CFF	1,397	531	5,722	(271)
FCFF	(468)	(600)	(299)	778
Opening Cash	206	708	503	5,926
Closing Cash	708	503	5,926	6,433

E – Estimates

DART RATING MATRIX

Total Return Expectation (12 Months)

Buy	> 20%
Accumulate	10 to 20%
Reduce	0 to 10%
Sell	< 0%

Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
Nov-20	BUY	3,300	2,642
Nov-20	BUY	3,500	2,938
Feb-21	Accumulate	5,000	4,286
Feb-21	Accumulate	5,000	5,347
May-21	Accumulate	5,830	5,313
Jun-21	Accumulate	5,820	5,373

*Price as on recommendation date

DART Team

Purvag Shah **Managing Director** **purvag@dolatcapital.com** **+9122 4096 9747**

Amit Khurana, CFA Head of Equities amit@dolatcapital.com +9122 4096 9745

CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	VP - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	VP - Equity Sales	kapil@dolatcapital.com	+9122 4096 9735
Yomika Agarwal	VP - Equity Sales	yomika@dolatcapital.com	+9122 4096 9772
Jubbin Shah	VP - Equity Sales	jubbins@dolatcapital.com	+9122 4096 9779
Anjana Jhaveri	VP - FII Sales	anjanaj@dolatcapital.com	+9122 4096 9758
Lekha Nahar	AVP - Equity Sales	lekhana@dolatcapital.com	+9122 4096 9740

Equity Trading	Designation	E-mail	
P. Sridhar	SVP and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	VP - Sales Trading	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	VP - Head Domestic Derivatives Sales Trading	shirish@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Asia Head Derivatives	kartikm@dolatcapital.com	+9122 4096 9715
Dinesh Mehta	Co- Head Asia Derivatives	dinesh.mehta@dolatcapital.com	+9122 4096 9765
Bhavin Mehta	VP - Derivatives Strategist	bhavinm@dolatcapital.com	+9122 4096 9705

Analyst(s) Certification

The research analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

I. Analyst(s) and Associate (S) holding in the Stock(s): (Nil)**II. Disclaimer:**

This research report has been prepared by Dolat Capital Market Private Limited. to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its affiliated company(ies) solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of Dolat Capital Market Private Limited. This report has been prepared independent of the companies covered herein. Dolat Capital Market Private Limited. and its affiliated companies are part of a multi-service, integrated investment banking, brokerage and financing group. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, financing or any other advisory services to the company(ies) covered herein. Dolat Capital Market Private Limited. and/or its affiliated company(ies) might have received or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services. Research analysts and sales persons of Dolat Capital Market Private Limited. may provide important inputs to its affiliated company(ies) associated with it. While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and Dolat Capital Market Private Limited. does not warrant its accuracy or completeness. Dolat Capital Market Private Limited. may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision. The investment discussed or views expressed herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and Dolat Capital Market Private Limited. reserves the right to make modifications and alterations to this statement as they may deem fit from time to time. Dolat Capital Market Private Limited. and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions. This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction. This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Dolat Capital Market Private Limited. and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.

For U.S. Entity/ persons only: "This Report is considered independent third-party research and was prepared by Dolat Capital Market Private Limited, with headquarters in India. The distribution of this Research is provided pursuant to the exemption under Rule 15a-6(a) (2) and is only intended for an audience of Major U.S. Institutional Investors (MUSIIs) as defined by Rule 15a-6(b)(4). This research is not a product of StoneX Financial Inc. Dolat Capital Market Private Limited has sole control over the contents of this research report. StoneX Financial Inc. does not exercise any control over the contents of, or the views expressed in, any research reports prepared by Dolat Capital Market Private Limited and under Rule 15a-6(a) (3), any U.S. recipient of this research report wishing to affect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through StoneX Financial Inc. Please contact Paul Karrlsson-Willis at +1 (407) 741-5310 or email Paul.Karrlsson-Willis@stonex.com and/or Igor Chernomorskiy at +1 (212)379-5463 or email Igor.Chernomorskiy@stonex.com. Under no circumstances should any U.S. recipient of this research report effect any transaction to buy or sell securities or related financial instruments through the Dolat Capital Market Private Limited."



Dolat Capital Market Private Limited.

Corporate Identity Number: U65990DD1993PTC009797

Member: BSE Limited and National Stock Exchange of India Limited.

SEBI Registration No: BSE - INZ000274132, NSE - INZ000274132, Research: INH000000685

Registered office: Unit no PO6-02A - PO6-02D, Tower A, WTC, Block 51, Zone-5, Road 5E, Gift City, Gandhinagar, Gujarat – 382355

Board: +9122 40969700 | Fax: +9122 22651278 | Email: research@dolatcapital.com | www.dolatresearch.com
