

# Info Edge (India) Limited

Disclosure of material impact of COVID–19 pandemic under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in accordance with SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.

- ❖ This document is meant for disclosure of material impact of the COVID–19 pandemic under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the ‘LODR Regulations’/‘LODR’) in accordance with the SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.
- ❖ Since the outburst of COVID-19, the adverse impact of this global pandemic has varied from industry to industry, and moreover, entity to entity. The effect depends upon the nature and extent of business connectivity of the entities with the geographies and customer/consumer segments more seriously affected by this pandemic.
- ❖ In view of the limited information available and uncertainties associated with the spread of the pandemic (and the likely timing of when it will dissipate or be cured), it is difficult to accurately estimate its likely impact at this stage; however, our management will continue to closely monitor the material changes associated with the current circumstances and will apprise all stakeholders, as appropriate.
- ❖ This document contains reference to various operational matrices pertaining to Q4, FY’20 and April 2020, which are utilised by our management to conduct a meaningful assessment of overall COVID impact on our business, operations and other key performance parameters. These matrices are unaudited and supplemental in nature, and are neither required by, nor presented in accordance with, Ind AS. The management will publish our audited financials and operational data, as and when it becomes available, in line with past practice and applicable guidelines.
- ❖ The management, in compliance with its obligations to keep key stakeholders informed during such unprecedented times, undertakes to disseminate relevant information through various communication channels periodically.

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This presentation contains the Company’s unaudited financial information as at and for the financial year ending March 31, 2020 and as at and for the month ended April 30, 2020. Investors should be aware that such financial information may be subject to certain adjustments during the course of audit/review and the audited/reviewed financial statements of the Company, when announced, may differ from those contained in this presentation.

In this presentation:

- All figures mentioned are for the Company as a standalone entity and are as of March 31, 2020 or for the quarter ended March 31, 2020, unless indicated otherwise.
- Q4 FY20 or Q4 FY19-20 means the period commencing on Jan 01, 2020 and ending on March 31, 2020.
- FY20 or FY 19-20 or FY 2020 means the Financial Year starting April 1, 2019 and ending March 31, 2020.
- 1 Crore = 10 Million = 100 Lakh.

# COVID-19: The Impact and the Response so far....

## **Steps taken to ensure smooth functioning of operations**

- We moved to “work from home” model by mid-March before the lockdown was announced in India
- We believe the health, safety and well-being of employees are paramount. The Company stays committed to pay special attention to, and invest in health of, its employees and related safety initiatives
- Our HR Business Partners and Team Facilities are in constant touch with all the employees to provide support, as required. Various webinars are being held to engage and help employees stay strong and optimistic

## **Business continuity and ability to maintain operations**

- All key processes such as billings, collections, vendor payments, payroll, servicing customers continue to run effectively in “work from home” environment
- Our websites, digital platforms and customer-facing apps have been running smoothly
- The internal control and financial reporting environment has been maintained effectively
- Our offices are prepared to be in a ready-to-move position as we continue to monitor the evolving situation

# COVID-19: The Impact and the Response so far....

## Impact on operating business and estimation of future impact on operations

- Different segments in the core operating businesses may experience a different level of stress in the business due to disruption and the rebound of normalcy would evolve over time
- B2B markets are more indexed to global and domestic economy, and particularly the job market and the property markets
- B2C market for businesses such as “Jeevansathi” are expected to be relatively less impacted
- As a response to the current disruption caused by the health crisis, businesses are expected to become more digital than ever before. We therefore intend to continue to invest in technology and innovation for long-term value creation

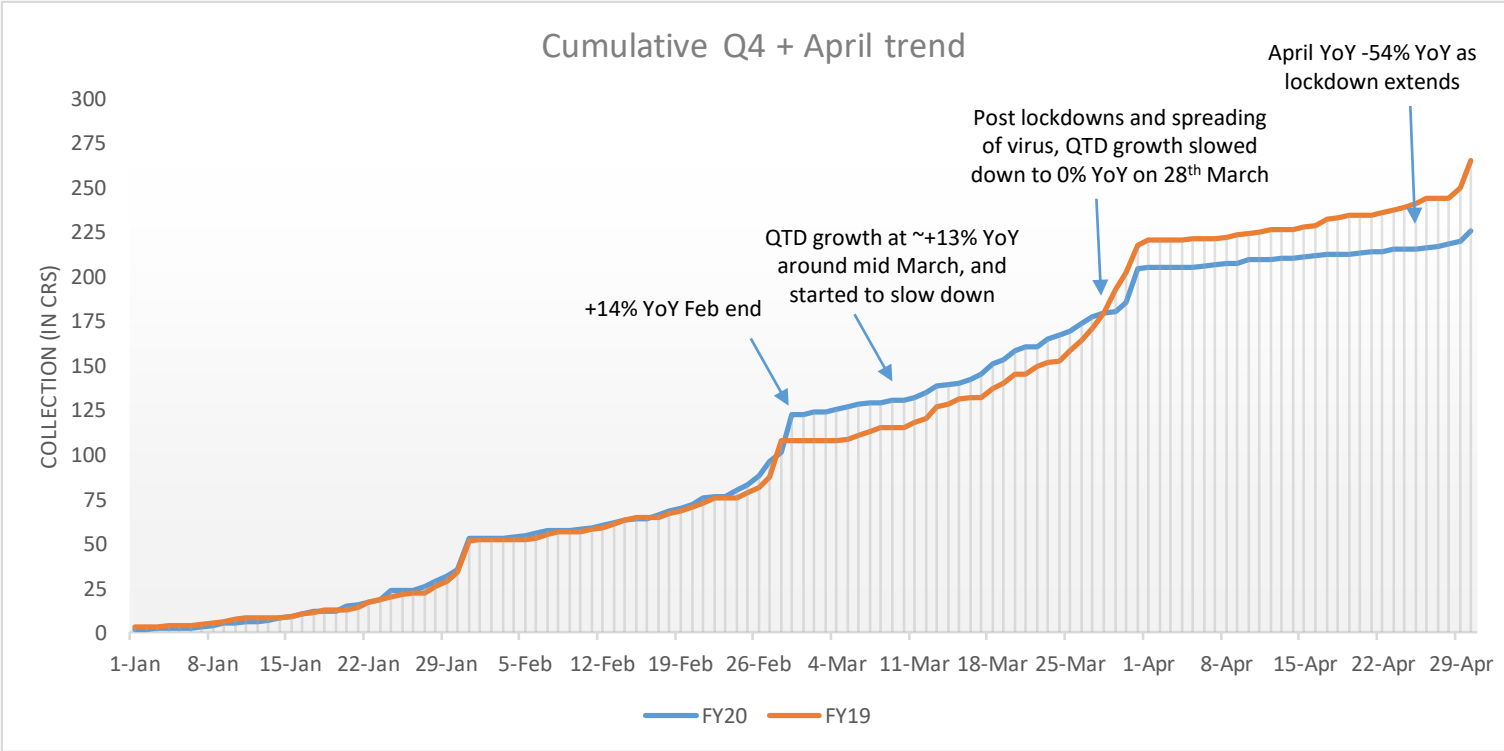
# COVID-19: The Impact and the Response so far....

## **Impact on operating business and estimation of future impact on operations (Cont'd)**

- With most of our vendors continuing to service the provision of essential goods and services during the lockdown period, we did not face any disruption from supply chain or a technology continuity standpoint
- The level of our services to our customers has been managed through effective business continuity plans with least disruption
- There have been a few and sporadic requests from customers for the extension of the subscription period. The impact of such requests received so far is not considered material

# COVID-19: The Impact and the Response so far....

## Q4 and Apr Collections and COVID-19 Impact – Naukri (India) Sales BU

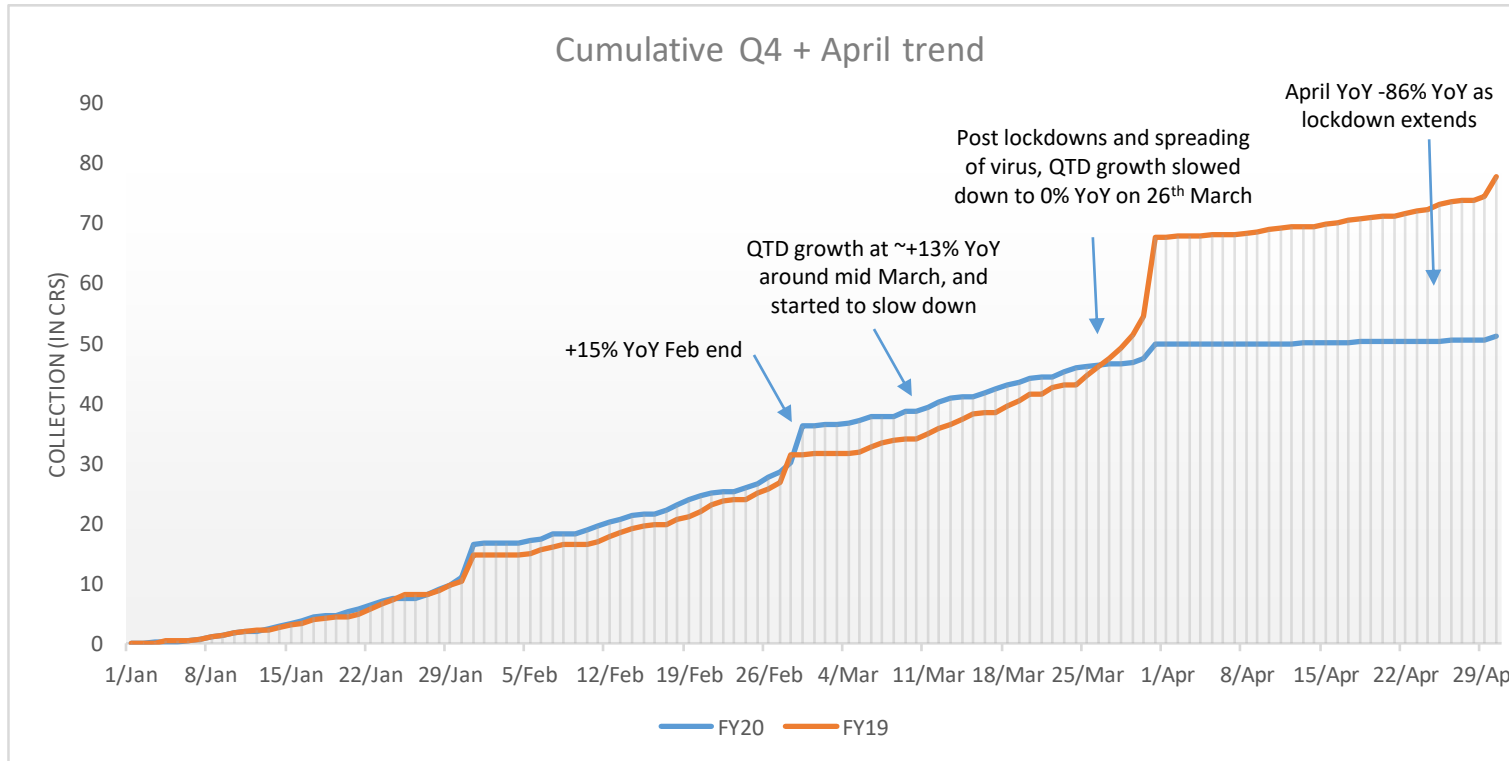


- Naukri (India) collections were growing in Q4 at around 13% until mid March
- Naukri (India) had a decline of collection by INR 14 Cr in Q4'20 YOY and INR 26 Cr in April'20 YOY
- For Q4'20 , Pre- Covid - 19 growth was 13%, the lockdown had slowed down the growth to 0%, leading to a shortfall of collection of INR 40-44 Cr (had the business grew at Pre Covid Growth rate for the whole Qtr).

Unaudited, subject to adjustments in the course of audit.

# COVID-19: The Impact and the Response so far....

## Q4 and Apr Collections and COVID-19 Impact – 99acres



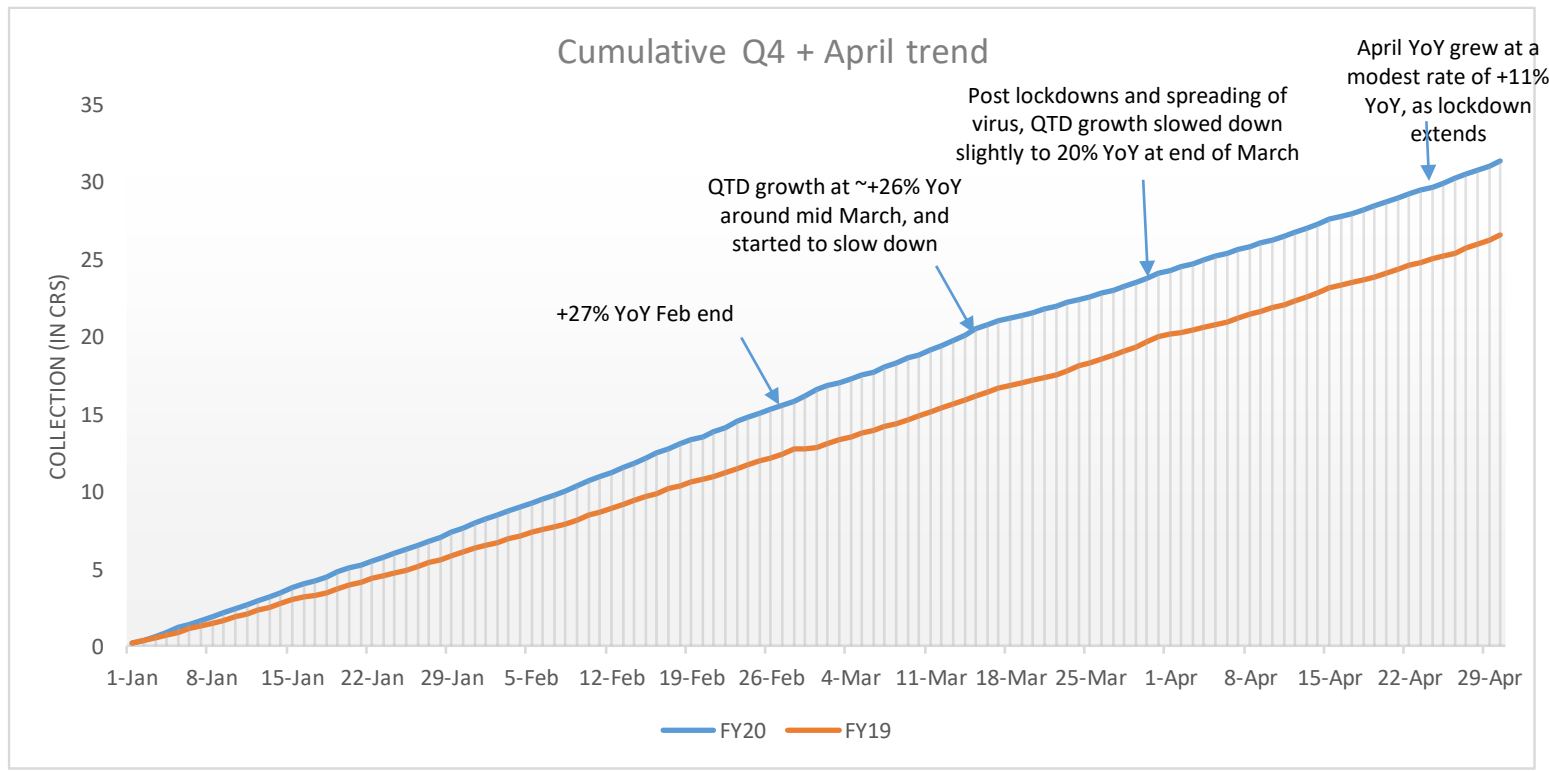
- 99acres collections were growing in Q4 at around 13% until mid March
- 99acres had a decline of collection by INR 18 Cr in Q4'20 YOY and INR 9 Cr in April'20 YOY
- For Q4'20 Pre - Covid-19 growth was 13% , the lockdown had slowed down the growth to 0%, **leading to a shortfall of collection of INR 25-30 cr (had the business grew at Pre Covid Growth rate for the whole Qtr).**

Unaudited, subject to adjustments in the course of audit.



# COVID-19: The Impact and the Response so far....

## Q4 and Apr Collections and COVID-19 Impact – Jeevansathi.com



- Jeevansathi collections were growing in Q4 at around 26% until mid March
- JS collections grew around INR 4 Cr in Q4'20 and INR 1 Cr in April'20
- For Q4, Covid-19 and related lockdown slowed down the growth slightly for Q4 to end +20% YoY; the lockdown had a nominal impact on growth rate of JS for the Qtr.

Unaudited, subject to adjustments in the course of audit.

# Key Operating Business Metrics for Naukri (India) and 99acres for FY'20

- **Naukri (India)**

- No. of unique customers are ~93k and average billing of ~INR 80K

- **99acres**

- Total projects 1,70,633 + (under construction or ready-to-move-in)
- Total listings 9,41,850 (including 4,21,384 owner listings)
  - Residential 7,86,067
  - Commercial 1,55,783
- For FY'20, # of paying Brokers and Developers are ~21.6K and 5K, respectively, with billing split of 42% and 52%, respectively

# Key Financials - Quarterly Update

All numbers in Rs. Cr except %

Description	Q4'20 #	Q4'19	YOY	Q3'20	Apr'20 <sup>#</sup>
<b>Billing</b>					
Info Edge*	331.9	360.8	(8.0)%	299.9	40.8
- Recruitment	244.0	259.8	(6.0)%	210.0	31.1
- 99Acres	50.7	66.7	(24.0)%	54.3	1.0
- JS	23.8	19.8	20.4%	22.4	7.2
- Shiksha	13.4	14.6	(8.5)%	13.3	1.5
<b>Revenue</b>					
Info Edge*	322.8	292.7	10.3%	320.5	90.4
- Recruitment	230.6	207.4	11.2%	230.3	64.4
- 99Acres	56.4	54.4	3.6%	58.2	15.6
- JS	22.7	18.1	25.3%	21.4	5.7
- Shiksha	13.2	12.8	2.8%	10.7	4.3
<b>Operating EBITDA %</b>					
Info Edge*	28%	31.1%		31%	
- Recruitment	56%	53%		57%	

\* Info Edge standalone financials. Segmental data for Naukri and 99acres

Above EBITDA numbers for FY 19-20 have been readjusted for IND AS 116 to ensure comparison with FY 2018-19 numbers. Accordingly, it may differ from reported numbers to that extent.

<sup>#</sup> Unaudited, subject to adjustments in the course of audit.

# Key Financials - Past 7 years Performance

*All numbers in Rs. Cr except %*

Description	FY 14	FY 15	FY 16	FY 17	FY 18	FY19	FY 20 <sup>#</sup>	CAGR
Revenues	505	611	717	802	916	1098	1273	16.8%
Billing	524	653	753	861	977	1177	1269	16.0%
Operating EBITDA* <sup>^</sup>	164	180	159	254	315	356	403	16.1%
Operating Margin (%) <sup>^</sup>	32%	29%	22%	32%	34%	32%	32%	
Operating PBT <sup>^</sup>	147	162	137	203	276	321	355	16.0%
Cash and Bank Bal <sup>##</sup>	478	1,172	1,114	1,309	1,500	1550	1551	
Investments in Startups**	336	692	766	732	778	1037	1108	
Head Count ( Nos)	3,016	3,826	4,214	3,999	4,036	4330	4697	

\*IND-AS numbers for FY16-FY20; EBITDA for FY16-FY20 adjusted for non-cash charges.

\*\* This amount represents net investment in investee companies.

Unaudited, subject to adjustments in the course of audit.

<sup>^</sup> Operating EBITDA/ Margin / PBT excludes the impact of other income, non-operating income and exceptional items.

<sup>##</sup> Balance at group level and the same includes balances irrespective of duration of FD, including >1 Yr and doesn't include "Accrued Interest"

# COVID-19: The impact and the Response so far....

## Liquidity, Investments and Cost Structure

- **Capital and Financial Resources:** In a challenging business environment due to the global pandemic, we believe in conserving our resources, accordingly we have restrained our discretionary spends and at the same time we are preserving the long-term value of assets. This includes key tangible and intangible assets such as brand, people, platform, IP, network effect, technology innovation, etc.
- **Ability to Service Debt:** We are a zero-debt company, with a negative working capital cycle in a “business-as-usual” environment
- **Liquidity Position:** We have cash and cash equivalents of approximately USD 200 mn at an overall IE group level (includes WoS, AIF and ESOP Trust). We are well positioned to fulfil our existing contractual obligations
- **Assets:** We own sizeable investments in start-ups and other companies, which can potentially be monetized under certain circumstances and we may also explore options to raise equity capital from external investors for our investment activities.

# COVID-19: The impact and the Response so far....

## **Liquidity, Investments and Cost Structure**

- Our fixed and committed costs for FY'20 were approximately in the range of Rs. 600 Cr. This includes fixed salary, facilities and technology running expenses
- We believe there would be more opportunities to invest in certain strategic areas of our core operating business and other areas of expansion. This could include M&A activities and strategic stakes in certain areas of interest
- We see growth opportunities through investments in technology-oriented and innovation-oriented start-ups.

# Bank and Debt Market Investments

**As on 31<sup>st</sup> March'20<sup>#</sup>**

	<b>IEIL</b>	<b>WOS</b>	<b>ESOP Trust</b>	<b>AIF</b>	<b>Total</b>
Bank/ FDR	1043	136	22	114	1315
MF – Liquid Scheme	255				255
<b>Total</b>	<b>1298</b>	<b>136</b>	<b>22</b>	<b>114</b>	<b>1570</b>

**As on 30<sup>th</sup> April'20<sup>#</sup>**

	<b>IEIL</b>	<b>WOS</b>	<b>ESOP trust</b>	<b>AIF</b>	<b>Total</b>
Bank /FDR	1260	134	22	114	1530
MF – Liquid Scheme					-
<b>Total</b>	<b>1260</b>	<b>134</b>	<b>22</b>	<b>114</b>	<b>1530</b>

<sup>#</sup> Unaudited, subject to rounding-off and other adjustments; Balance as per books and includes accrued interest.

# IE Venture Fund I - AIF

- Floated an AIF Class II Fund on 9<sup>th</sup> Jan'20, duly registered by SEBI, to fund investments unrelated to the core operating entity
- An efficient set-up for future fund raising and from regulatory standpoint
- Proposed corpus of the fund is Rs. 750 Cr (around USD 100 Mn). IEIL and its WOS in their capacity as LP, committed Rs. 350 Cr and has already disbursed Rs 150 Cr out of that, until now
- Investments through the fund
  - Dotpe Pvt Ltd – ~Rs. 10.4 Cr
  - Qyuki Digital Media Pvt Ltd – ~Rs. 25.2 Cr
  - Intellihealth Solutions Pvt Ltd – ~Rs. 3.7 Cr
  - Fanbuff Esports India Pvt Ltd – ~Rs. 3.5 Cr
- Pipeline of non-binding signed term sheet for around ~ Rs. 85 Cr
- We are in exploratory talks for raising of USD 50 Mn from LPs outside IEIL group<sup>#</sup>
- WOS of IEIL is the GP to this fund

<sup>#</sup> *There can be no assurance that we would be able to complete this transaction on expected commercial terms, or at all*