

**BUY**

TP: Rs 7,700 | ▲ 21%

INFO EDGE

Technology & Internet

15 November 2021

### Strong real estate and recruitment business pickup

- Q2 revenue grew 37% YoY, outperforming consensus, with broad-based uptick across Naukri, 99acres and other verticals
- PAT surged 163x YoY due to gains flowing through from Zomato stake sale
- Reiterate BUY on buoyant outlook for Naukri and 99acres; TP revised to Rs 7,700 (vs. Rs 6,530) on rollover

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**Robust revenue growth:** INFOE reported Q2FY22 sales growth of 37% YoY, beating consensus estimates of ~36%. Growth was broad-based across segments, with Naukri/99acres/Jeevansaathi up 41%/33%/25% YoY. The number of resumes uploaded on Naukri increased 10% YoY and IT services formed the highest share (35.9%) of the recruitment platform's revenues.

EBITDA margin stood at 30.2%, up 10pps YoY. Advertisement and employee expenses were down 200/760bps YoY. Billing for Naukri.com/ 99acres/ Other verticals was up 74%/ 46%/ 21%, YoY. PAT jumped 163x YoY because of mark -to-market unrealized gains of Rs92.9bn from Zomato stake sale and 67.5% growth in other income. Deferred sale was up 55%/43%/ 21% for recruitment, 99acres and other verticals, respectively signaling strong future revenue growth.

**Real estate sector pickup:** While 99acres' revenue growth did recover in Q1FY22, the rebound has been pronounced this quarter. Lockdowns hit the real estate market hard in April and May, particularly in two prominent locations of Mumbai and Bengaluru. While the top metros in the south and west are recovering, Delhi remains an area of concern. The NCR real estate market has started to revive only recently. The recovery stems from an increase in affordability, rise in demand for bigger homes post pandemic and stamp duty incentives in certain parts of India.

**Recruitment market buzzing:** Naukri saw 22% YoY growth in the daily number of resumes added in Q2FY22 and IIMJobs posted 110% revenue growth. Post Covid, demand for talent has risen sharply across sectors. While this will help revenue growth, employee cost will increase for INFOE as well, impacting its margin. Besides IT, demand for talent has picked up in the retail, travel and banking sectors. Management is focusing on a strategy to monetise the recruitment platform.

**Maintain BUY:** We expect demand for INFOE's recruitment, real estate and educational portals to keep growing, but anticipate a YoY slowdown in Q3FY22 due to the base effect. We raise EPS estimates post Q2, update the latest valuations of Zomato and PolicyBazaar, and roll over to a new SOTP-based TP of Rs 7,700. BUY.

### Key changes

| Target | Rating |
|--------|--------|
| ▲      | ◀ ▶    |

|                  |                   |
|------------------|-------------------|
| Ticker/Price     | INFOE IN/Rs 6,343 |
| Market cap       | US\$ 11.0bn       |
| Free float       | 62%               |
| 3M ADV           | US\$ 38.2mn       |
| 52wk high/low    | Rs 7,465/Rs 3,784 |
| Promoter/FPI/DII | 38%/38%/24%       |

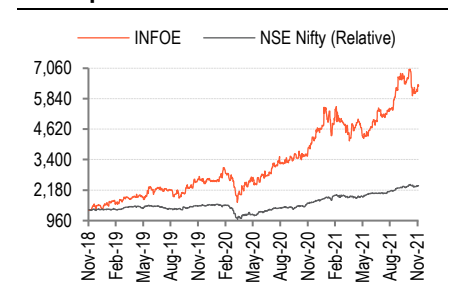
Source: NSE | Price as of 15 Nov 2021

### Key financials

| Y/E 31 Mar              | FY21A  | FY22E  | FY23E  |
|-------------------------|--------|--------|--------|
| Total revenue (Rs mn)   | 10,986 | 14,107 | 16,964 |
| EBITDA (Rs mn)          | 2,772  | 4,742  | 5,749  |
| Adj. net profit (Rs mn) | 2,739  | 4,585  | 5,342  |
| Adj. EPS (Rs)           | 21.3   | 35.6   | 41.5   |
| Consensus EPS (Rs)      | 21.3   | 28.5   | 34.4   |
| Adj. ROAE (%)           | 7.8    | 6.2    | 5.2    |
| Adj. P/E (x)            | 298.0  | 178.0  | 152.8  |
| EV/EBITDA (x)           | 293.5  | 171.0  | 135.9  |
| Adj. EPS growth (%)     | (16.7) | 67.4   | 16.5   |

Source: Company, Bloomberg, BOBCAPS Research

### Stock performance



Source: NSE



## Other highlights

- Demand for IT professionals continued to gather momentum and the sector witnessed 85% YoY growth in recruitment numbers in Oct'21. Hiring activity has also grown in retail (by 51% YoY), hospitality/travel (48%), education (41%) and banking/financial services (39%), per Naukri's Oct'21 Jobspeak index.
- JobHai.com, INFOE's blue collar hiring platform, is being tested in the Delhi-NCR market.
- IIMJobs, the company's premium hiring platform, showed robust revenue growth (110% YoY) as well as profitability in Q2FY22, albeit on a small base.
- Traffic on property portal 99acres has started recovering from July onwards.
- INFOE will continue to spend on Jeevansaathi's marketing, especially in the Hindi-speaking belt.

**Fig 1 – Quarterly performance**

| (Rs mn)                        | Q2FY22        | Q2FY21       | YoY (%)         | Q1FY22       | QoQ (%)        | H1FY22        | H1FY21       | YoY (%)        |
|--------------------------------|---------------|--------------|-----------------|--------------|----------------|---------------|--------------|----------------|
| <b>Revenue</b>                 | <b>3,517</b>  | <b>2,561</b> | <b>37.3</b>     | <b>3197</b>  | <b>10.0</b>    | <b>6,714</b>  | <b>5,363</b> | <b>25.2</b>    |
| <b>Operating Expenditure</b>   | <b>2,454</b>  | <b>2,046</b> | <b>20.0</b>     | <b>2200</b>  | <b>11.5</b>    | <b>4,654</b>  | <b>3,801</b> | <b>22.4</b>    |
| Cost of revenues               | 1,837         | 1,544        | 19.0            | 1,742        | 5.5            | 3,578         | 3,044        | 17.6           |
| as % of sales                  | 52.2          | 60.3         | -               | 54.5         | -              | 53.3          | 56.8         | (6.1)          |
| SG&A expenses                  | 617           | 502          | 23.0            | 459          | 34.6           | 1,076         | 757          | 42.0           |
| as % of sales                  | 17.5          | 19.6         | -               | 14.3         | -              | 16.0          | 14.1         | 13.4           |
| <b>EBITDA</b>                  | <b>1,063</b>  | <b>516</b>   | <b>106.2</b>    | <b>997</b>   | <b>6.6</b>     | <b>2,060</b>  | <b>1,561</b> | <b>31.9</b>    |
| Depreciation                   | 99            | 110          | (9.8)           | 103          | (3.9)          | 202           | 221          | (8.5)          |
| <b>EBIT</b>                    | <b>964</b>    | <b>406</b>   | <b>137.7</b>    | <b>894</b>   | <b>7.9</b>     | <b>1,858</b>  | <b>1,340</b> | <b>38.6</b>    |
| Other Income                   | 440           | 263          | 67.5            | 410          | 7.5            | 850           | 466          | 82.5           |
| Extraordinary items            | 92,938        | -            | -               | -            | -              | 92,938        | 0            | -              |
| <b>PBT</b>                     | <b>94,330</b> | <b>654</b>   | <b>14,324.0</b> | <b>1,290</b> | <b>7,211.0</b> | <b>95,620</b> | <b>1,776</b> | <b>5,285.0</b> |
| Total Tax                      | 10,773        | 142          | 7,464.0         | 280          | 3,747.0        | 11,053        | 432          | 2,459.0        |
| <b>Adjusted PAT</b>            | <b>83,557</b> | <b>512</b>   | <b>16,235.0</b> | <b>1,010</b> | <b>8,172.0</b> | <b>84,567</b> | <b>1,344</b> | <b>6,193.0</b> |
| (Profit)/loss from JV's/Ass/MI | -             | -            | -               | -            | -              | -             | -            | -              |
| <b>Reported PAT</b>            | <b>83,557</b> | <b>512</b>   | <b>16,235.0</b> | <b>1,010</b> | <b>8,172.0</b> | <b>84,567</b> | <b>1,344</b> | <b>6,193.0</b> |
| <b>Reported EPS</b>            | <b>649.5</b>  | <b>4.2</b>   | <b>15,506.0</b> | <b>8</b>     | <b>8,172.0</b> | <b>657</b>    | <b>11</b>    | <b>5,852.0</b> |
| <b>Margins (%)</b>             |               |              |                 |              |                |               |              |                |
| EBITDA                         | 30.2          | 20.1         | 1,010.0         | 31.2         | (100.0)        | 30.7          | 29.1         | 160.0          |
| EBIT                           | 27.4          | 15.8         | 1,160.0         | 28.0         | (50.0)         | 27.7          | 25.0         | 270.0          |
| EBT                            | 2,682.3       | 25.5         | 265,670.0       | 40.4         | 264,190.0      | 1,424.2       | 33.1         | 139,110.0      |
| PAT                            | 2,375.9       | 20.0         | 235,600.0       | 31.6         | 234,430.0      | 1,259.6       | 25.1         | 123,450.0      |
| Effective Tax rate             | 11.4          | 21.8         | (10.0)          | 21.7         | 0              | 11.6          | 24.3         | (1,280.0)      |

Source: BOBCAPS Research, Company

## Valuation methodology

Baking in extraordinary income flow-through from mark-to-market gains on the Zomato stake sale, higher revenue growth and operating margin leverage at jobs portal Naukri, we raise our FY22/FY23/FY24 EPS estimates by 1582%/5%/5%. On factoring in the revised estimates, updating the latest valuations for Zomato and PolicyBazaar and rolling forward to Sep'23E valuations, we arrive at a revised SOTP-based TP of Rs 7,700 for INFOE (vs. Rs 6,530).

Our SOTP method values (1) Naukri.com at 110.6x Sep'23E P/E, based on the average one-year forward post Covid multiple of INFOE sans Zomato and PolicyBazaar valuation, and (2) 99acres/Jeevansaathi.com at an unchanged 18x/12x sales. Zomato is valued at US\$ 16.9bn and PolicyBazaar at US\$ 8.8bn, both per current market valuations.

**Fig 2 – Revised estimates**

| (Rs mn)            | New    |        |        | Old    |        |        | Change (%) |       |       |
|--------------------|--------|--------|--------|--------|--------|--------|------------|-------|-------|
|                    | FY22E  | FY23E  | FY24E  | FY22E  | FY23E  | FY24E  | FY22E      | FY23E | FY24E |
| Revenue            | 14,107 | 16,964 | 19,784 | 13,804 | 16,488 | 19,225 | 2.2        | 2.9   | 2.9   |
| YoY growth (%)     | 28.4   | 20.2   | 16.6   | 25.6   | 19.4   | 16.6   | -          | -     | -     |
| EBITDA             | 4,742  | 5,749  | 6,633  | 4,495  | 5,389  | 6,216  | 5.5        | 6.7   | 6.7   |
| EBITDA, margin (%) | 33.6   | 33.9   | 33.5   | 32.6   | 32.7   | 32.3   | -          | -     | -     |
| PAT                | 74,130 | 5,342  | 5,918  | 4,408  | 5,086  | 5,623  | 1581.6     | 5.0   | 5.3   |
| EPS (Rs)           | 575.6  | 41.5   | 46.0   | 34.2   | 39.5   | 43.7   | 1581.6     | 5.0   | 5.3   |

Source: BOBCAPS Research

**Fig 3 – Key assumptions**

| Parameter         | FY21   | FY22E  | FY23E  | FY24E  |
|-------------------|--------|--------|--------|--------|
| Net sales (Rs mn) | 10,986 | 14,107 | 16,964 | 19,784 |
| YoY growth (%)    | (13.7) | 28.4   | 20.2   | 16.6   |
| EBITDA Margin (%) | 25.2   | 33.6   | 33.9   | 33.5   |

Source: Company, BOBCAPS Research

**Fig 4 – Valuation summary**

| SOTP valuation           | Method  | Value (Rs mn) | % stake | Value of the stake (Rs mn) | Value per share (Rs) | % of total value |
|--------------------------|---|---------------|---------|----------------------------|----------------------|------------------|
| Naukri.com               | 110.6x P/E  | 582,715       | 100     | 582,715                    | 4,529                | 59               |
| 99acres                  | 18x sales   | 48,684        | 100     | 48,684                     | 378                  | 5                |
| Jeevansaathi             | 12x sales   | 29,220        | 100     | 29,220                     | 227                  | 3                |
| Zomato                   | Valued at US\$ 16.9bn                                 | 1,261,780     | 15      | 192,926                    | 1,500                | 19               |
| PolicyBazaar             | Valued at US\$ 8.8bn as implied by latest transaction | 668,800       | 14      | 92,963                     | 723                  | 9                |
| Other investments        | Book value  | 5,059         | na      | 5,059                      | 39                   | 1                |
| Cash and Cash equivalent | Book value  | 38,800        | 100     | 38,800                     | 302                  | 4                |
| Target price (Rs/sh)     |   | -             | -       | -                          | 7,700                | -                |

Source: BOBCAPS Research

Fig 5 – Peer comparison

| Company   | Price (Rs/sh) | Mcap (Rs mn) | Rating | Target Price (Rs) | Revenue CAGR FY21-24E (%) | EPS CAGR FY21-24E (%) | P/E (x) |      | ROE (%) |      |      |
|-----------|---------------|--------------|--------|-------------------|---------------------------|-----------------------|---------|------|---------|------|------|
|           |               |              |        |                   |                           |                       | FY22    | FY23 | FY21    | FY22 | FY23 |
| INFOE IN  | 6342.7        | 816,838      | BUY    | 7,700             | 24.3                      | 39.7                  | 11      | 153  | 7.8     | 6.2  | 5.2  |
| INMART IN | 7662.7        | 232,946      | BUY    | 8,430             | 21.5                      | 18.4                  | 67      | 56   | 30.3    | 19.6 | 19.8 |
| AFFLE IN  | 1198.9        | 32,011       | BUY    | 1,390             | 51.8                      | 35.9                  | 98      | 62   | 37.6    | 14.5 | 18.7 |
| JUST IN   | 774.15        | 47,842       | BUY    | 1,190             | 9.1                       | (0.3)                 | 78      | 28   | 16.8    | 3.4  | 6.2  |

Source: BOBCAPS Research

### Key risks

- A key downside risk to our estimates is the real estate sector taking longer to recover post Covid 2.0.
- Delayed profitability of 99acres and other verticals.

### Sector recommendation snapshot

| Company                   | Ticker     | Market Cap (US\$ bn) | Price (Rs) | Target (Rs) | Rating |
|---------------------------|------------|----------------------|------------|-------------|--------|
| Affle (India)             | AFFLE IN   | 0.4                  | 1,199      | 1,390       | BUY    |
| Coforge                   | COFORGE IN | 4.6                  | 5,496      | 6,680       | BUY    |
| eClerx Services           | ECLX IN    | 1.2                  | 2,466      | 2,880       | BUY    |
| HCL Technologies          | HCLT IN    | 42.7                 | 1,171      | 1,440       | BUY    |
| IndiaMart InterMesh       | INMART IN  | 3.1                  | 7,667      | 8,430       | BUY    |
| Info Edge                 | INFOE IN   | 11.0                 | 6,343      | 7,700       | BUY    |
| Infosys                   | INFO IN    | 102.2                | 1,787      | 2,000       | BUY    |
| Just Dial                 | JUST IN    | 0.6                  | 774        | 1,190       | BUY    |
| L&T Infotech              | LTI IN     | 17.0                 | 7,197      | 7,980       | BUY    |
| Mindtree                  | MTCL IN    | 10.9                 | 4,931      | 3,390       | SELL   |
| Mphasis                   | MPHL IN    | 8.6                  | 3,423      | 3,510       | HOLD   |
| Persistent Systems        | PSYS IN    | 4.6                  | 4,256      | 4,170       | HOLD   |
| Tata Consultancy Services | TCS IN     | 179.2                | 3,553      | 4,630       | BUY    |
| Tech Mahindra             | TECHM IN   | 18.5                 | 1,579      | 1,890       | BUY    |
| Wipro                     | WPRO IN    | 48.9                 | 659        | 840         | BUY    |

Source: BOBCAPS Research, NSE | Price as of 15 Nov 2021

## Financials (Standalone)

### Income Statement

| Y/E 31 Mar (Rs mn)         | FY20A         | FY21A         | FY22E         | FY23E         | FY24E         |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total revenue</b>       | <b>12,727</b> | <b>10,986</b> | <b>14,107</b> | <b>16,964</b> | <b>19,784</b> |
| EBITDA                     | 4,027         | 2,772         | 4,742         | 5,749         | 6,633         |
| Depreciation               | 414           | 436           | 494           | 594           | 692           |
| EBIT                       | 3,614         | 2,336         | 4,249         | 5,155         | 5,940         |
| Net interest inc./(exp.)   | (67)          | (57)          | (73)          | (88)          | (103)         |
| Other inc./(exp.)          | 876           | 1,188         | 1,951         | 2,071         | 2,071         |
| Exceptional items          | (1,233)       | (32)          | 92,938        | 0             | 0             |
| EBT                        | 3,190         | 3,434         | 99,065        | 7,139         | 7,909         |
| Income taxes               | 1,133         | 728           | 24,935        | 1,797         | 1,991         |
| Extraordinary items        | 0             | 0             | 0             | 0             | 0             |
| Min. int./Inc. from assoc. | 0             | 0             | 0             | 0             | 0             |
| <b>Reported net profit</b> | <b>2,057</b>  | <b>2,706</b>  | <b>74,130</b> | <b>5,342</b>  | <b>5,918</b>  |
| Adjustments                | 1,233         | 32            | (92,938)      | 0             | 0             |
| <b>Adjusted net profit</b> | <b>3,290</b>  | <b>2,739</b>  | <b>4,585</b>  | <b>5,342</b>  | <b>5,918</b>  |

### Balance Sheet

| Y/E 31 Mar (Rs mn)              | FY20A         | FY21A         | FY22E          | FY23E          | FY24E          |
|---------------------------------|---------------|---------------|----------------|----------------|----------------|
| Accounts payables               | 592           | 601           | 773            | 930            | 1,084          |
| Other current liabilities       | 4,890         | 5,501         | 6,379          | 7,670          | 8,945          |
| Provisions                      | 549           | 662           | 662            | 662            | 662            |
| Debt funds                      | 2             | 1             | 1              | 1              | 1              |
| Other liabilities               | 761           | 652           | 652            | 652            | 652            |
| Equity capital                  | 1,223         | 1,285         | 1,285          | 1,285          | 1,285          |
| Reserves & surplus              | 23,094        | 44,357        | 99,936         | 103,941        | 108,378        |
| Shareholders' fund              | 24,317        | 45,642        | 101,221        | 105,226        | 109,663        |
| <b>Total liab. and equities</b> | <b>31,110</b> | <b>53,059</b> | <b>109,688</b> | <b>115,141</b> | <b>121,008</b> |
| Cash and cash eq.               | 4,254         | 6,332         | 62,896         | 68,282         | 74,074         |
| Accounts receivables            | 70            | 54            | 77             | 93             | 108            |
| Inventories                     | 0             | 0             | 0              | 0              | 0              |
| Other current assets            | 8,722         | 23,545        | 23,545         | 23,545         | 23,545         |
| Investments                     | 14,672        | 15,000        | 15,000         | 15,000         | 15,000         |
| Net fixed assets                | 434           | 318           | 361            | 412            | 471            |
| CWIP                            | 0             | 0             | 0              | 0              | 0              |
| Intangible assets               | 41            | 37            | 37             | 37             | 37             |
| Deferred tax assets, net        | 335           | 363           | 363            | 363            | 363            |
| Other assets                    | 2,582         | 7,410         | 7,410          | 7,410          | 7,410          |
| <b>Total assets</b>             | <b>31,110</b> | <b>53,059</b> | <b>109,688</b> | <b>115,141</b> | <b>121,008</b> |

### Cash Flows

| Y/E 31 Mar (Rs mn)                 | FY20A          | FY21A           | FY22E           | FY23E          | FY24E          |
|------------------------------------|----------------|-----------------|-----------------|----------------|----------------|
| <b>Cash flow from operations</b>   | <b>3,256</b>   | <b>2,828</b>    | <b>75,578</b>   | <b>7,280</b>   | <b>7,922</b>   |
| Capital expenditures               | (237)          | (81)            | (536)           | (645)          | (752)          |
| Change in investments              | 907            | 2,560           | 0               | 0              | 0              |
| Other investing cash flows         | 819            | (21,981)        | 73              | 88             | 103            |
| <b>Cash flow from investing</b>    | <b>1,489</b>   | <b>(19,502)</b> | <b>(463)</b>    | <b>(557)</b>   | <b>(649)</b>   |
| Equities issued/Others             | 3              | 18,752          | 0               | 0              | 0              |
| Debt raised/repaid                 | 0              | 0               | 0               | 0              | 0              |
| Interest expenses                  | (199)          | 0               | 0               | 0              | 0              |
| Dividends paid                     | (978)          | 0               | (18,551)        | (1,337)        | (1,481)        |
| Other financing cash flows         | 0              | 0               | 0               | 0              | 0              |
| <b>Cash flow from financing</b>    | <b>(1,174)</b> | <b>18,752</b>   | <b>(18,551)</b> | <b>(1,337)</b> | <b>(1,481)</b> |
| <b>Chg in cash &amp; cash eq.</b>  | <b>3,571</b>   | <b>2,077</b>    | <b>56,564</b>   | <b>5,386</b>   | <b>5,792</b>   |
| <b>Closing cash &amp; cash eq.</b> | <b>4,253</b>   | <b>6,332</b>    | <b>62,896</b>   | <b>68,282</b>  | <b>74,074</b>  |

### Per Share

| Y/E 31 Mar (Rs)      | FY20A | FY21A | FY22E | FY23E | FY24E |
|----------------------|-------|-------|-------|-------|-------|
| Reported EPS         | 16.0  | 21.0  | 576.2 | 41.5  | 46.0  |
| Adjusted EPS         | 25.6  | 21.3  | 35.6  | 41.5  | 46.0  |
| Dividend per share   | 6.0   | 0.0   | 144.0 | 10.4  | 11.5  |
| Book value per share | 189.0 | 354.8 | 786.8 | 817.9 | 852.4 |

### Valuations Ratios

| Y/E 31 Mar (x) | FY20A | FY21A | FY22E | FY23E | FY24E |
|----------------|-------|-------|-------|-------|-------|
| EV/Sales       | 64.1  | 74.1  | 57.5  | 46.1  | 37.9  |
| EV/EBITDA      | 202.5 | 293.5 | 171.0 | 135.9 | 113.1 |
| Adjusted P/E   | 248.1 | 298.0 | 178.0 | 152.8 | 137.9 |
| P/BV           | 33.6  | 17.9  | 8.1   | 7.8   | 7.4   |

### DuPont Analysis

| Y/E 31 Mar (%)               | FY20A | FY21A | FY22E  | FY23E | FY24E |
|------------------------------|-------|-------|--------|-------|-------|
| Tax burden (Net profit/PBT)  | 103.1 | 79.7  | 4.6    | 74.8  | 74.8  |
| Interest burden (PBT/EBIT)   | 88.3  | 147.0 | 2331.7 | 138.5 | 133.1 |
| EBIT margin (EBIT/Revenue)   | 28.4  | 21.3  | 30.1   | 30.4  | 30.0  |
| Asset turnover (Rev./Avg TA) | 42.1  | 26.1  | 17.3   | 15.1  | 16.8  |
| Leverage (Avg TA/Avg Equity) | 1.3   | 1.2   | 1.1    | 1.1   | 1.1   |
| Adjusted ROAE                | 13.8  | 7.8   | 6.2    | 5.2   | 5.5   |

### Ratio Analysis

| Y/E 31 Mar                                   | FY20A | FY21A  | FY22E | FY23E | FY24E |
|--|-------|--------|-------|-------|-------|
| <b>YoY growth (%)</b>                        |       |        |       |       |       |
| Revenue                                      | 15.9  | (13.7) | 28.4  | 20.2  | 16.6  |
| EBITDA                                       | 18.0  | (31.2) | 71.1  | 21.2  | 15.4  |
| Adjusted EPS                                 | 4.4   | (16.7) | 67.4  | 16.5  | 10.8  |
| <b>Profitability &amp; Return ratios (%)</b> |       |        |       |       |       |
| EBITDA margin                                | 31.6  | 25.2   | 33.6  | 33.9  | 33.5  |
| EBIT margin                                  | 28.4  | 21.3   | 30.1  | 30.4  | 30.0  |
| Adjusted profit margin                       | 25.8  | 24.9   | 32.5  | 31.5  | 29.9  |
| Adjusted ROAE                                | 13.8  | 7.8    | 6.2   | 5.2   | 5.5   |
| ROCE   | 8.3   | 7.5    | 99.2  | 5.1   | 5.4   |
| <b>Working capital days (days)</b>           |       |        |       |       |       |
| Receivables                                  | 2     | 2      | 2     | 2     | 2     |
| Inventory                                    | 0     | 0      | 0     | 0     | 0     |
| Payables                                     | 17    | 20     | 18    | 18    | 19    |
| <b>Ratios (x)</b>                            |       |        |       |       |       |
| Gross asset turnover                         | 27.3  | 29.2   | 41.6  | 43.9  | 44.8  |
| Current ratio                                | 2.2   | 4.4    | 11.1  | 9.9   | 9.1   |
| Net interest coverage ratio                  | 0.0   | 0.0    | 0.0   | 0.0   | 0.0   |
| Adjusted debt/equity                         | (0.2) | (0.1)  | (0.6) | (0.6) | (0.7) |

Source: Company, BOBCAPS Research | Note: TA = Total Assets

## Disclaimer

### Recommendation scale: Recommendations and Absolute returns (%) over 12 months

**BUY** – Expected return >+15%

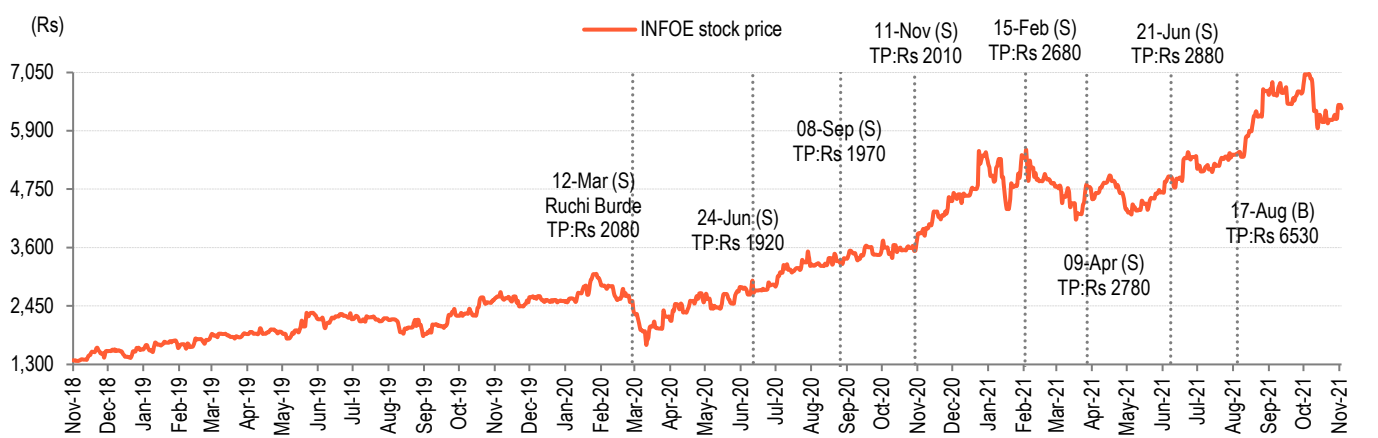
**HOLD** – Expected return from -6% to +15%

**SELL** – Expected return <-6%

**Note:** Recommendation structure changed with effect from 21 June 2021

Our recommendation scale does not factor in short-term stock price volatility related to market fluctuations. Thus, our recommendations may not always be strictly in line with the recommendation scale as shown above.

### Ratings and Target Price (3-year history): INFO EDGE (INFOE IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

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