

January 16, 2024

RESULT REPORT Q3 FY24 | Internet/Platform

# CE Info Systems Ltd

## Inline financial performance with robust outlook for H2FY24

### Result Synopsis

CE Info Systems (MAPMYINDIA) reported inline financial performance for the quarter. Both, the sequential revenue growth and EBITDA margin were as per expectation. It reported sequential revenue growth of 1.0% QoQ (up 36.0% YoY) led by C&E Market Segment which was up 8.8% QoQ (up 70.9% YoY) and A&M Market Segment which was down 5.8% QoQ (up 12.5% YoY). EBITDA margin decreased sequentially (down 585 bps QoQ) led by increase in overall cost. IoT-led business EBITDA margin was at 10.0% in Q3FY24 vs 8.2% of Q2FY24 as SaaS income continues to grow.

The business outlook remains strong led by rising demand for digital mapping services and navigation solutions. It enjoys strong moat in domestic B2B digital mapping space led by diverse offerings across Map and Data; and Platform and IoT categories in key markets of a) Automotive and Mobility Tech; b) Consumer Tech and Enterprise Digital Transformation. The use cases of its digital mapping services continue to grow across industries driving business growth. The B2C Mappls application is witnessing rising traction. We estimate revenue CAGR of 35.6% over FY23-26E with average EBITDA margin of 43.3% over the period. We maintain our BUY rating on the stock with revised target price of Rs 2,500/share based on DCF methodology. The stock trades at PER of 59.5x/43.8x on FY25E/FY26E EPS.

### Result Highlights

- Reported revenue of Rs 920mn (up 1.0% QoQ, up 36.0% YoY). The sequential growth was led by C&E Market Segment which was up 8.8% QoQ (up 70.9% YoY) and A&M Market Segment was down 5.8% QoQ (up 12.5% YoY).
- Revenue Contribution of Platform & IoT stood at ~70% of total revenue (up 13.9% QoQ, 19.0% YoY) and contribution of Map & Data stood at ~30% of total revenue (down 20.3% QoQ, up 104.5% YoY).
- EBITDA margin decreased by 585 bps QoQ to 39.1%, led by increase in cost of material.
- IoT-led EBITDA margin has expanded to 10.0% in Q3FY24 versus 8.2% in Q2FY24, due to improved product mix and operational efficiency.
- Reported PAT of Rs 310mn (down 6.2% QoQ). Net Profit Margin stood at 33.7% (down 260 bps QoQ).

### Exhibit 1: Actual vs estimates

Rs mn	Actual	Estimate		% Variation	
		YES Sec	Consensus	YES Sec	Consensus
Sales	920	932	940	-1.3%	-2.1%
EBITDA	360	380	370	-5.3%	-2.7%
EBITDA Margin (%)	39.13%	40.77%	39.36%	-164 bps	-23 bps
Adjusted PAT	310	340	370	-8.8%	-16.2%

Source: Company, YES Sec

Reco	: BUY
CMP	: Rs 2,037
Target Price	: Rs 2,500
Potential Return	: + 22.7%

### Stock data (as on January 16, 2024)

Nifty	22,032
52 Week h/l (Rs)	2344 / 984
Market cap (Rs/USD mn)	111553 / 1343
Outstanding Shares (mn)	54
6m Avg t/o (Rs mn):	337
Div yield (%):	0.2
Bloomberg code:	MAPMYIND IN
NSE code:	MAPMYINDIA

### Stock performance



	1M	3M	1Y
Absolute return	-5.3%	0.9%	90.5%

### Shareholding pattern (As of Dec'23 end)

Promoter	52.9%
FII+DII	10.3%
Others	36.8%

### Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	2,500	2,625

### Δ in earnings estimates

	FY24E	FY25E	FY26E
EPS (New)	24.4	34.2	46.5
EPS (Old)	26.4	36.8	NA
% change	-7.5%	-7.0%	NA

### Financial Summary

(Rs mn)	FY24E	FY25E	FY26E
Net Revenue	3,687	4,892	6,772
YoY Growth	31.0%	32.7%	38.4%
EBIDTA	1,561	2,176	3,041
YoY Growth	33.2%	39.3%	39.8%
PAT	1,331	1,865	2,533
YoY Growth	24.1%	40.2%	35.8%
ROE	22.1%	24.8%	26.4%
EPS	24	34	46
P/E	83.4	59.5	43.8
BV	122	154	198
P/BV	16.7	13.2	10.3

### PARTH GHIYA

Associate

parth.ghiya@ysil.in

## Exhibit 2: Quarterly snapshot Console: Maintains inline revenue growth momentum

Particulars(Rs mn)	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	YoY%	QoQ%	9MFY24	9MFY23	YoY%
Sales	677	725	894	911	920	36.0	1.0	2,725	2,090	30.4
EBITDA	279	290	375	410	360	29.2	-12.1	1,144	882	29.7
EBITDA %	41.2	40.0	41.9	45.0	39.1	-206 bps	-585 bps	42.0	42.2	-23 bps
Depreciation	19	41	32	37	38	93.3	0.5	107	58	84.3
EBIT	259	249	343	372	323	24.4	-13.4	1,038	825	25.9
EBIT Margin %	38.3	34.3	38.3	40.9	35.1	-327 bps	-583 bps	38.1	39.5	-137 bps
Other income	106	105	83	82	115	8.8	40.4	281	246	14.4
Interest cost	7	9	7	7	8	5.6	2.7	22	19	12.4
PBT	357	343	419	442	421	17.9	-4.8	1,281	1,050	22.1
Tax	60	60	99	111	111	82.9	-0.5	320	257	24.6
PAT	297	283	320	331	310	4.7	-6.2	961	793	21.3
NPM (%)	43.8	39.1	35.8	36.3	33.7	-1011 bps	-260 bps	35.3	37.9	-265 bps

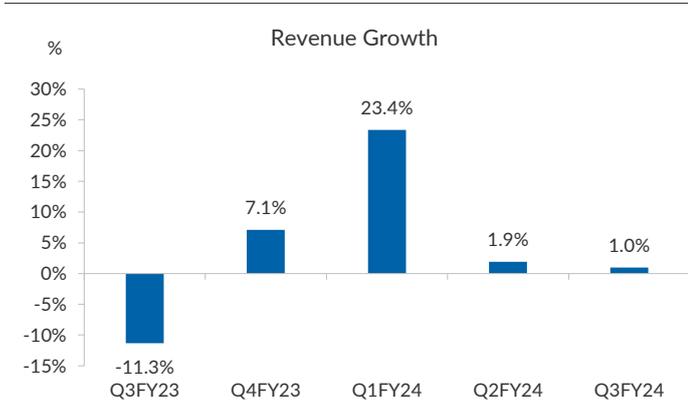
Source: Company, YES Sec

## KEY CON-CALL HIGHLIGHTS

- Crossed milestone of Rs 100 Cr+ quarterly Total Income for first time.
- Map-led margins remain strong & steady in a range of 54.6% in Q3FY24 compared to 56.4% in Q2FY24.
- IoT-led revenue has grown 62% YTD YoY, driven by healthy growth in devices.
- IoT-led quarterly EBITDA margins continue to improve to 10.0% due to product mix and operational efficiency vs 8.2% in Q2FY24.
- EBITDA Margin has grown to 8.2% from 0.9% in 9MFY23, due to higher gross margin subscription revenue growing 117% YoY. Share of subscription revenue increased from 28% in 9MFY23 to 38% in 9MFY24.
- Cash & cash equivalents stood at Rs 516.1 Cr at the end of the quarter, post dividend payout.
- Realization rate on EVs is higher due to additional services provided as compared to other vehicles.
- Revenue from OEMs for Mappls Kogo travel assistant & commerce solution started. European 2W OEM signs up for navigation services.
- Large Indian 4W OEM signed up for multiple new vehicle models across ICE and EV segment.
- Won a deal in Map-led and IoT-led solutions and use cases for Union Government VIKSIT BHARAT pan India campaign.

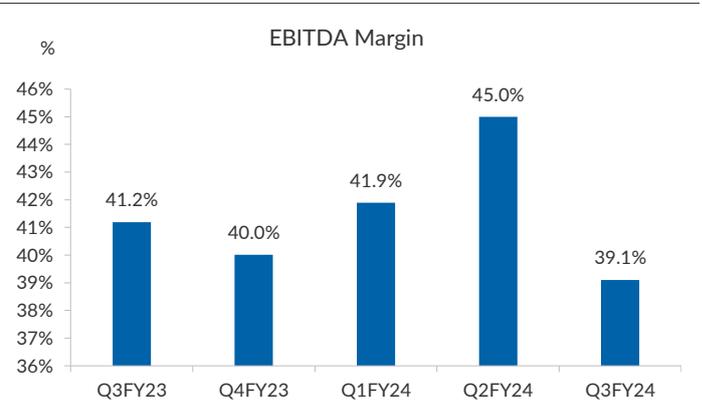
## STORY IN CHARTS

**Exhibit 3: Muted sequential growth in the quarter**



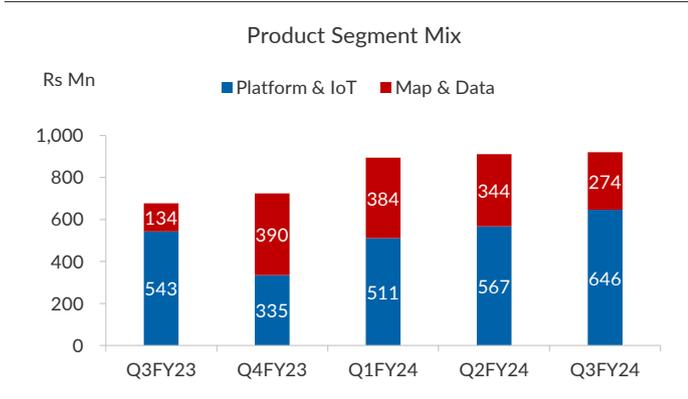
Source: Company, YES Sec

**Exhibit 4: EBITDA margin impacted during the quarter**



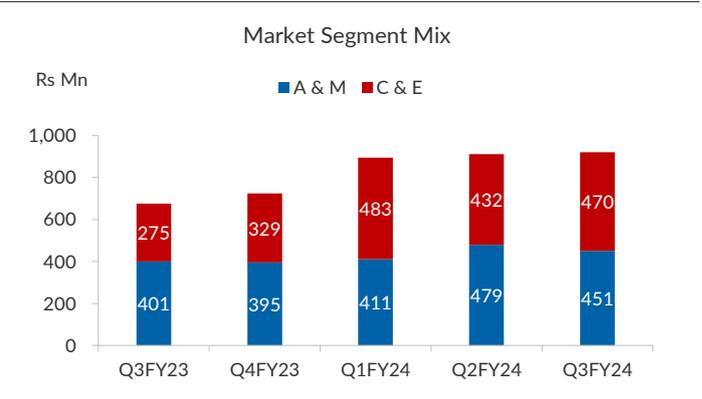
Source: Company, YES Sec

**Exhibit 5: Broadbased growth across segments**



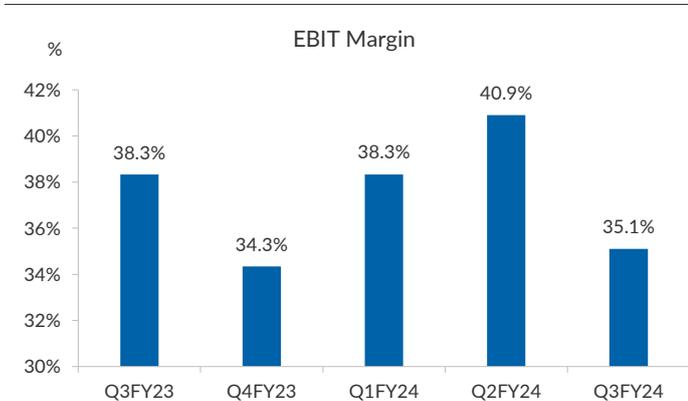
Source: Company, YES Sec

**Exhibit 6: Both market segments driving growth**



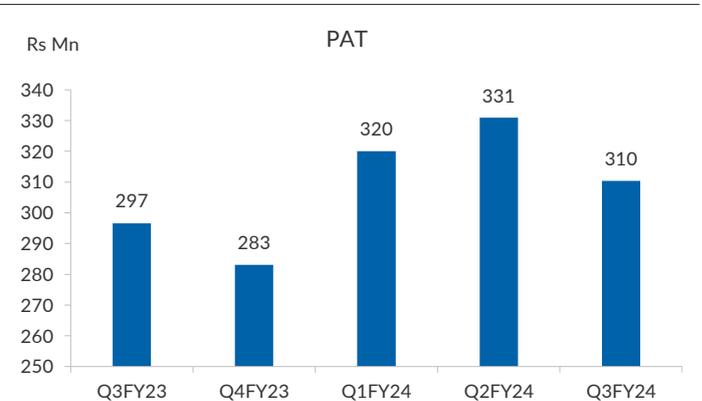
Source: Company, YES Sec

**Exhibit 7: EBIT margin dipped for the quarter**



Source: Company, YES Sec

**Exhibit 8: Growth in PAT as per the trend**



Source: Company, YES Sec

## FINANCIALS

### Exhibit 9: Balance Sheet

Y/e March 31 (Rs mn)	FY21	FY22	FY23	FY24E	FY25E	FY26E
Share capital	1,328	107	107	107	107	107
Reserves & surplus	2,249	4,353	5,314	6,535	8,275	10,683
Shareholders' funds	3,577	4,460	5,421	6,642	8,382	10,790
Non-current liabilities	187	173	149	156	163	171
Other non-current liabilities	184	163	134	140	147	155
Current liabilities	510	534	1,134	1,213	1,298	1,392
Other current liabilities	510	513	974	1,050	1,132	1,223
Total (Equity and Liabilities)	4,274	5,166	6,705	8,012	9,844	12,354
Non-current assets	1,582	2,478	2,291	3,296	4,804	6,967
Fixed assets (Net block)	253	314	369	393	418	445
Non-current Investments	1,236	1,975	1,557	1,735	1,933	2,155
Other non-current assets	93	189	365	1,168	2,454	4,367
Current assets	2,692	2,687	4,414	4,716	5,040	5,387
Cash & current investment	2,214	1,828	3,316	3,551	3,804	4,075
Other current assets	478	860	1,098	1,165	1,236	1,312
Total (Assets)	4,274	5,165	6,705	8,012	9,844	12,354

Source: Company, YES Sec

### Exhibit 10: Income Statement

Y/e March 31 (Rs mn)	FY21	FY22	FY23	FY24E	FY25E	FY26E
Net sales	1,525	2,004	2,815	3,687	4,892	6,772
Operating expenses	1,011	1,155	1,642	2,126	2,717	3,731
EBITDA	514	850	1,172	1,561	2,176	3,041
Depreciation	99	83	99	136	147	183
EBIT	415	767	1,073	1,426	2,029	2,858
Other income	398	428	348	383	507	571
Profit before tax	788	1,174	1,393	1,779	2,504	3,397
Tax (current + deferred)	(193)	(303)	(317)	(446)	(631)	(856)
Reported Profit / (Loss)	594	871	1,073	1,331	1,865	2,533
Adjusted net profit	594	871	1,073	1,331	1,865	2,533

Source: Company, YES Sec

## Exhibit 11: Cash Flow Statement

Y/e March 31 (Rs mn)	FY21	FY22	FY23	FY24E	FY25E	FY26E
Profit before tax	788	1,174	1,393	1,779	2,504	3,397
Depreciation	(99)	(83)	(99)	(136)	(147)	(183)
Change in working capital	154	(378)	223	9	11	14
Total tax paid	(197)	(363)	(382)	(445)	(631)	(856)
Others	(26)	(22)	(26)	(15)	(32)	(31)
Cash flow from oper. (a)	621	329	1,110	1,193	1,706	2,342
Capital expenditure	171	21	44	112	122	156
Change in investments	(484)	(424)	(637)	(330)	(343)	(375)
Others	13	(33)	(156)	(802)	(1,284)	(1,911)
Cash flow from inv. (b)	(299)	(436)	(749)	(1,019)	(1,506)	(2,131)
Free cash flow (a+b)	322	(107)	361	174	200	211
Equity raised/(repaid)	0	(1,221)	1	0	0	0
Debt raised/(repaid)	(3)	29	143	3	4	4
Dividend (incl. tax)	(0)	(107)	0	(110)	(125)	(125)
Others	31	1,336	(69)	31	29	31
Cash flow from fin. (c)	28	37	75	(76)	(92)	(90)
Net chg in cash (a+b+c)	350	(71)	437	98	108	121

Source: Company, YES Sec

## Exhibit 12: Ratio Analysis

Y/e March 31	FY21	FY22	FY23	FY24E	FY25E	FY26E
<b>Growth(%)</b>						
Revenue Growth	2.6	31.5	40.4	31.0	32.7	38.4
EBITDA Growth	75.1	65.2	38.0	33.2	39.3	39.8
EBIT Growth	112.0	84.8	39.9	32.8	42.3	40.9
Net Profit Growth	156.2	46.5	23.2	24.1	40.2	35.8
<b>Profitability Ratios(%)</b>						
EBITDA Margin	33.7	42.4	41.7	42.3	44.5	44.9
EBIT margin	27.2	38.3	38.1	38.7	41.5	42.2
Net Profit margin	39.0	43.4	38.1	36.1	38.1	37.4
RoA	10.6	16.3	18.1	19.4	22.7	25.7
RoE	18.1	21.7	21.7	22.1	24.8	26.4
RoCE	11.9	18.2	20.7	22.5	25.9	28.8
<b>Liquidity Ratios</b>						
Net debt/Equity (x)	(1.0)	(0.8)	(0.9)	(0.8)	(0.7)	(0.6)
Current ratio (x)	5.3	5.0	3.9	3.9	3.9	3.9
Quick ratio (x)	5.2	4.9	3.8	3.8	3.7	3.7
<b>Per Share(Rs)</b>						
EPS	10.9	16.0	19.7	24.4	34.2	46.5
BV per share	65.7	81.9	99.5	121.9	153.9	198.1
DPS	0.0	2.0	0.0	2.0	2.3	2.3
<b>Valuation Ratios</b>						
PER(x)	NA	NA	103.5	83.4	59.5	43.8
PCE(x)	NA	NA	114.0	92.8	64.6	47.2
Price/Book(x)	NA	NA	20.5	16.7	13.2	10.3
EV/EBITDA(x)	NA	NA	90.6	67.8	48.4	34.5

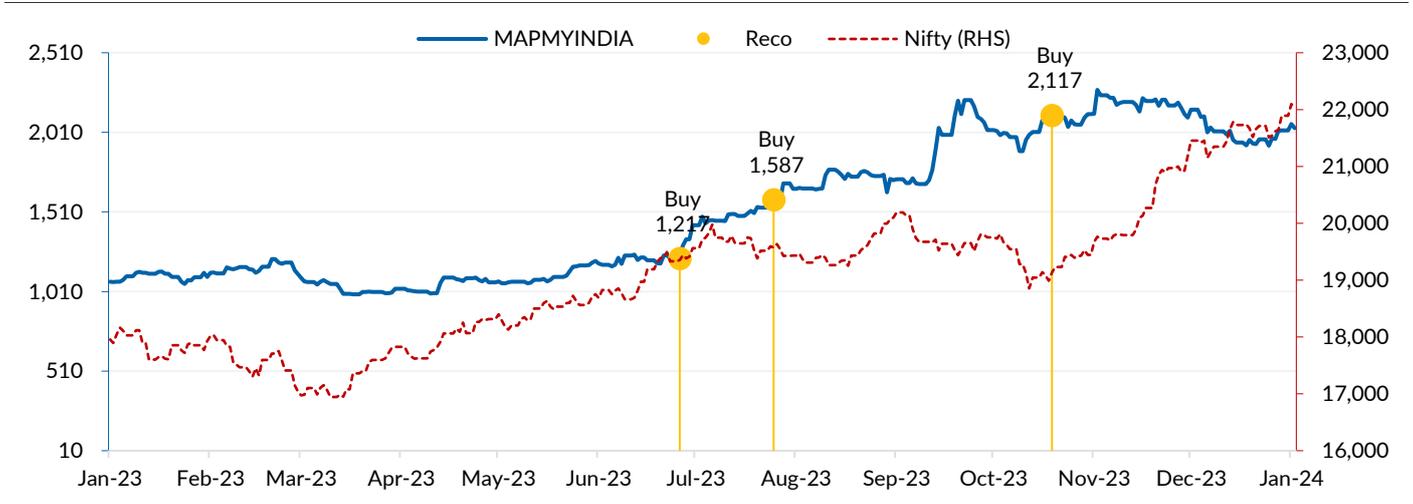
Source: Company, YES Sec

## Exhibit 13: Dupont Analysis

Dupont Analysis	FY21	FY22	FY23	FY24E	FY25E	FY26E
Net margin(%)	39.0	43.4	38.1	36.1	38.1	37.4
Asset turnover (x)	0.4	0.4	0.5	0.5	0.5	0.6
Leverage factor (x)	1.2	1.2	1.2	1.2	1.2	1.2
Return on Equity(%)	18.1	21.7	21.7	22.1	24.8	26.4

Source: Company, YES Sec

## Recommendation Tracker



## DISCLAIMER

Investments in securities market are subject to market risks, read all the related documents carefully before investing.

The information and opinions in this report have been prepared by YSL and are subject to change without any notice. The report and information contained herein are strictly confidential and meant solely for the intended recipient and may not be altered in any way, transmitted to, copied or redistributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of YSL.

The information and opinions contained in the research report have been compiled or arrived at from sources believed to be reliable and have not been independently verified and no guarantee, representation of warranty, express or implied, is made as to their accuracy, completeness, authenticity or validity. No information or opinions expressed constitute an offer, or an invitation to make an offer, to buy or sell any securities or any derivative instruments related to such securities. Investments in securities are subject to market risk. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Investors should note that each security's price or value may rise or fall and, accordingly, investors may even receive amounts which are less than originally invested. The investor is advised to take into consideration all risk factors including their own financial condition, suitability to risk return profile and the like, and take independent professional and/or tax advice before investing. Opinions expressed are our current opinions as of the date appearing on this report. Investor should understand that statements regarding future prospects may not materialize and are of general nature which may not be specifically suitable to any particular investor. Past performance may not necessarily be an indicator of future performance. Actual results may differ materially from those set forth in projections. Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Technical Analysis reports focus on studying the price movement and trading turnover charts of securities or its derivatives, as opposed to focussing on a company's fundamentals and opinions, as such, may not match with reports published on a company's fundamentals.

YSL, its research analysts, directors, officers, employees and associates accept no liabilities for any loss or damage of any kind arising out of the use of this report. 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 YSL and associates 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 certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

YES Securities (India) Limited distributes research and engages in other approved or allowable activities with respect to U.S. Institutional Investors through SEC 15a-6 rules and regulations under an exclusive chaperone arrangement with Brasil Plural Securities LLC. The views and sentiments expressed in this research report and any findings thereof accurately reflect YES Securities (India) Limited analyst's truthful views about the subject securities and or issuers discussed herein. YES Securities (India) Limited is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and is not a member of the Securities Investor Protection Corporation ("SIPC"). Brasil Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC. For questions or additional information, please contact Gil Aikins (gil.aikins@brasilplural.com) or call +1 212 388 5600.

This Research Report is the product of YES Securities (India) Limited. YES Securities (India) Limited is the employer of the research analyst(s) who has prepared the research report. YES Securities (India) Limited is the employer of the YES Securities (India) Limited Representative who is responsible for the report, are responsible for the content of the YES Securities (India) Limited Research Report; any material conflicts of interest of YES Securities (India) Limited in relation to the issuer(s) or securities discussed in the YES Securities (India) Limited Research Report. This YES Securities (India) Limited Research Report is distributed in the United States through Brasil Plural Securities LLC (BPS). The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and is/ are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account. This report is intended for distribution by YES Securities (India) Limited only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person or entity. Transactions in securities discussed in this research report should be effected through Brasil Plural Securities LLC (BPS) or another U.S. registered broker dealer/Entity as informed by YES Securities (India) Limited from time to time.

### YES Securities (India) Limited

**Registered Address:** 2<sup>nd</sup> Floor, North Side, YES BANK House,  
Off Western Express Highway, Santacruz East,  
Mumbai - 400 055, Maharashtra, India.

**Correspondence Address:** 7<sup>th</sup> Floor, Urmi Estate Tower A, Ganpatrao  
Kadam Marg, Opp. Peninsula Business Park, Lower Parel (West),  
Mumbai - 400 013, Maharashtra, India.

✉ research@ysil.in | Website: www.yesinvest.in

**Registration Nos.:** CIN: U74992MH2013PLC240971 | SEBI Single  
Registration No.: NSE, BSE, MCX & NCDEX : INZ000185632 | Member  
Code: BSE - 6538, NSE - 14914, MCX - 56355 & NCDEX - 1289 | CDSL &  
NSDL: IN-DP-653-2021 | MERCHANT BANKER: INM000012227 |  
RESEARCH ANALYST: INH000002376 | INVESTMENT ADVISER:  
INA000007331 | Sponsor and Investment Manager to YSL Alternates  
Alpha Plus Fund (CAT III AIF) SEBI Registration No.: IN/AIF3/20-21/0818 |  
AMFI ARN Code - 94338.

**Details of Compliance Officer:** Name: Aditya Goenka,  
**Email id:** compliance@ysil.in, **Contact No:** 022- 65078127 (Extn: 718127)

**Grievances Redressal Cell:** customer.service@ysil.in/igc@ysil.in

## DISCLOSURE OF INTEREST

Name of the Research Analyst : Parth Ghiya

The analyst hereby certifies that opinion expressed in this research report accurately reflect his or her personal opinion about the subject securities and no part of his or her compensation was, is or will be directly or indirectly related to the specific recommendation and opinion expressed in this research report.

Sr. No.	Particulars	Yes/No
1	Research Analyst or his/her relative's or YSL's financial interest in the subject company(ies)	No
2	Research Analyst or his/her relative or YSL's actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report	No
3	Research Analyst or his/her relative or YSL has any other material conflict of interest at the time of publication of the Research Report	No
4	Research Analyst has served as an officer, director or employee of the subject company(ies)	No
5	YSL has received any compensation from the subject company in the past twelve months	No
6	YSL has received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
7	YSL has received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months	No
8	YSL has received any compensation or other benefits from the subject company or third party in connection with the research report	No
9	YSL has managed or co-managed public offering of securities for the subject company in the past twelve months	No
10	Research Analyst or YSL has been engaged in market making activity for the subject company(ies)	No

Since YSL and its associates are engaged in various businesses in the financial services industry, they may have financial interest or may have received compensation for investment banking or merchant banking or brokerage services or for any other product or services of whatsoever nature from the subject company(ies) in the past twelve months or associates of YSL may have managed or co-managed public offering of securities in the past twelve months of the subject company(ies) whose securities are discussed herein.

Associates of YSL may have actual/beneficial ownership of 1% or more and/or other material conflict of interest in the securities discussed herein.

## RECOMMENDATION PARAMETERS FOR FUNDAMENTAL REPORTS

Analysts assign ratings to the stocks according to the expected upside/downside relative to the current market price and the estimated target price. Depending on the expected returns, the recommendations are categorized as mentioned below. The performance horizon is 12 to 18 months unless specified and the target price is defined as the analysts' valuation for a stock. No benchmark is applicable to the ratings mentioned in this report.

**BUY:** Upside greater than 20% over 12 months

**ADD:** Upside between 10% to 20% over 12 months

**NEUTRAL:** Upside between 0% to 10% over 12 months

**REDUCE:** Downside between 0% to -10% over 12 months

**SELL:** Downside greater than -10% over 12 months

**NOT RATED / UNDER REVIEW**

## ABOUT YES SECURITIES (INDIA) LIMITED

YES Securities (India) Limited ("YSL") is a wholly owned subsidiary of YES BANK LIMITED. YSL is a Securities and Exchange Board of India (SEBI) registered Stock broker holding membership of National Stock Exchange (NSE), Bombay Stock Exchange (BSE), Multi Commodity Exchange (MCX) & National Commodity & Derivatives Exchange (NCDEX). YSL is also a SEBI-registered Category I Merchant Banker, Investment Adviser and Research Analyst. YSL is also a Sponsor and Investment Manager of Alternate Investment Fund - Category III (YSL Alternates) and AMFI registered Mutual Fund Distributor. The Company is also a registered Depository Participant with CDSL and NSDL. YSL offers, inter alia, trading/investment in equity and other financial products along with various value added services. We hereby declare that there are no disciplinary actions taken against YSL by SEBI/Stock Exchanges.