

Ref No: RML/2021-22/80

Date: May 18, 2021

To,

**BSE Limited**  
**Scrip Code: 543228**

**National Stock Exchange of India Limited**  
**NSE Symbol: ROUTE**

Dear Sir/Madam,

**Sub: Investor presentation**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the investor presentation, that will be made today to the Analysts at 5:00 P.M. (IST) in connection with the Financial Results of the Company for the year ended March 31, 2021.

You are requested to take the above information on record.

Yours faithfully,

**For Route Mobile Limited**

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**Rathindra Das**  
**Head Legal, Company Secretary & Compliance Officer**

**Encl:** as above

# Route Mobile Limited

Annual and Quarterly Update  
– FY2021 and Q4 FY2021

May 18, 2021

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Certain statements mentioned in this presentation concerning our future growth prospects are forward looking statements (the “Forward Statements”) and are based on reasonable expectations of the management, which involves a number of risks, and uncertainties that could cause actual results to differ materially from those in such Forward Statements. The risks and uncertainties relating to these Forward Statements include, but are not limited to, risks and uncertainties regarding fluctuations in our earnings, fluctuations in foreign exchange rates, revenue and profits, our ability to generate and manage growth, competition in CPaaS globally, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price and fixed time frame contracts, industry segment concentration, our ability to manage our international operations, our revenues being highly dependent on clients in the United States of America, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, withdrawal of fiscal governmental incentives, political instability, adverse impact of global pandemics (including COVID-19 impact), war, legal restrictions on raising capital or acquiring companies, unauthorized use of our intellectual property(ies) and general economic conditions affecting our businesses and industry. We may, from time to time, make additional written and oral Forward Statements . We do not undertake to update any Forward Statements that may be made from time to time by us or on our behalf, unless required under the law.

# Snapshot

**₹14,222mn**  
FY2021 Revenue

**₹1,756mn**  
FY2021 EBITDA

**₹1,328mn**  
FY2021 PAT

**₹4,642mn**  
Net Cash

**131%**  
FY2021  
CFO/EBITDA

**₹88,599mn**  
Market Capitalisation<sup>(1)</sup>

**32.3bn**  
Transactions in FY2021

**20%**  
Dividend  
recommended<sup>(2)</sup>

**7**  
Strategically Located  
Cloud Data Centers

Full stack A2P Analytics  
and Firewall, SMSC and  
MMSC solution deployed  
for MNOs globally



Scalable omni-channel  
CPaaS platform  
deepening customer  
engagement



Serving 9 of the 20 most  
valuable Global Tech  
Brands<sup>(3)</sup>



265+  
Direct MNO connect  
Super Network



Team of 360+  
motivated  
professionals



Presence across  
15+ locations  
globally

(1) As of May 17, 2021 (source: BSE India)

(2) Dividend recommended for FY2021 as % of face value of shares

(3) Source: <https://www.visualcapitalist.com/the-worlds-tech-giants-ranked/>

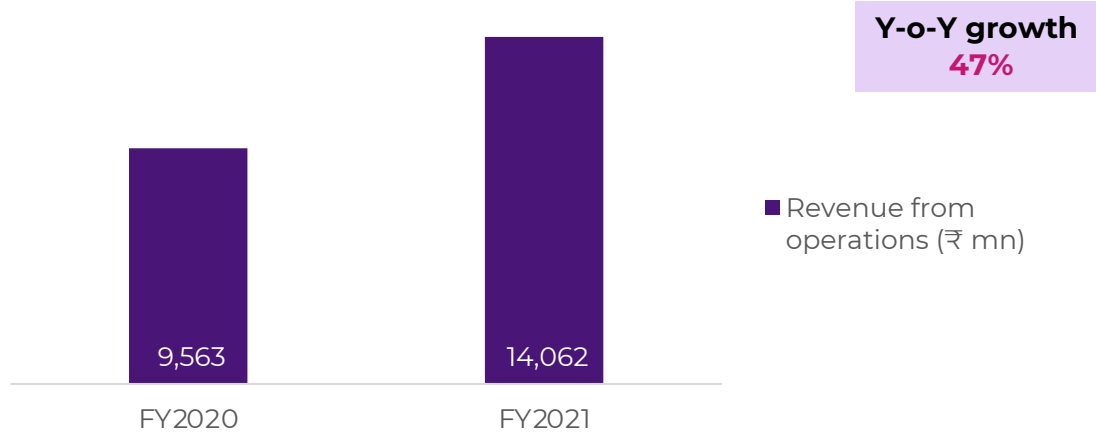
# Financial Highlights

*FY2021 and Q4 FY2021*

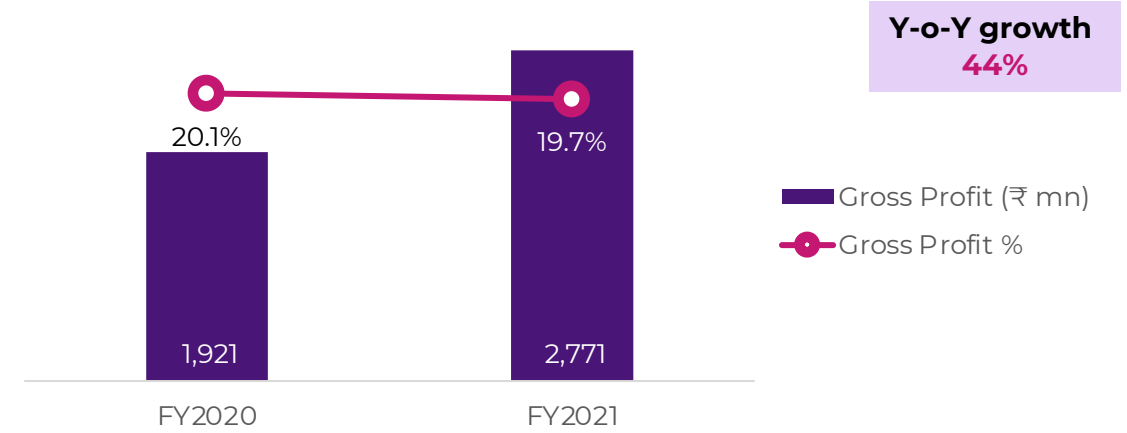


# FY2021 - Snapshot

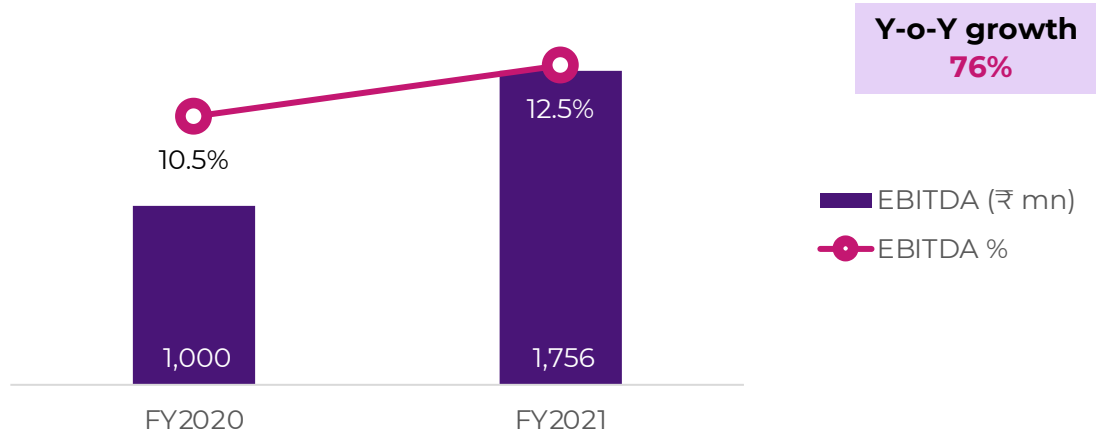
## Revenue from Operations (In ₹ mn)



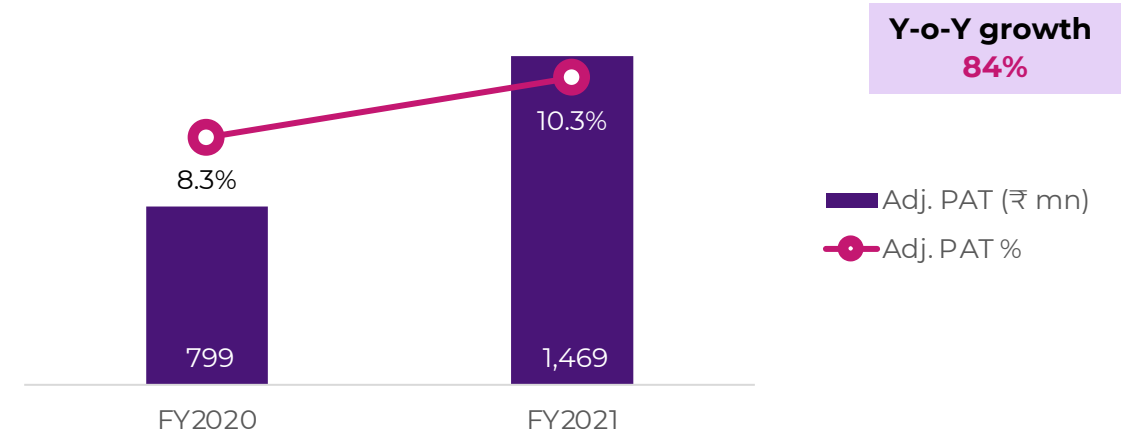
## Gross Profit (In ₹ mn) and Gross Profit Margin (%)



## EBITDA (In ₹ mn) and EBITDA Margin (%)



## Adjusted PAT<sup>(1)</sup> (In ₹ mn) and Adjusted PAT Margin (%)

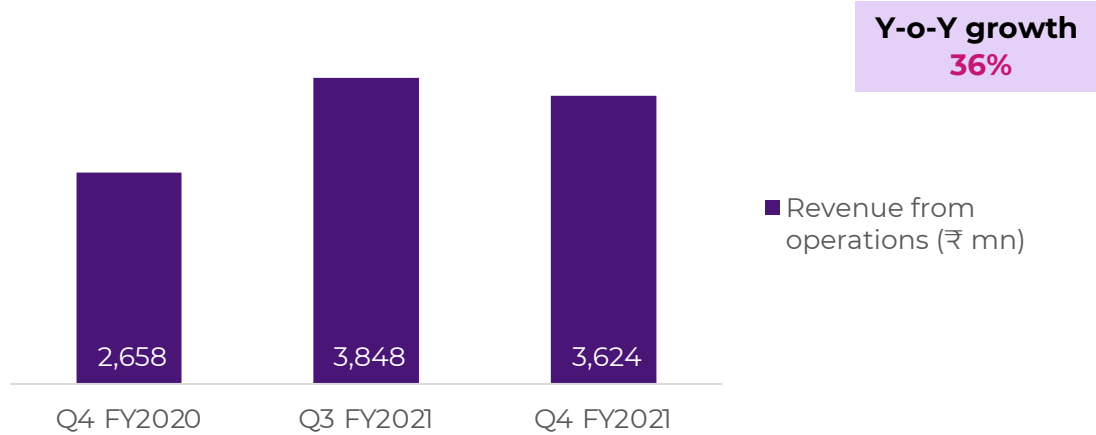


## For the Financial Year ended March 31, 2021 (FY2021)

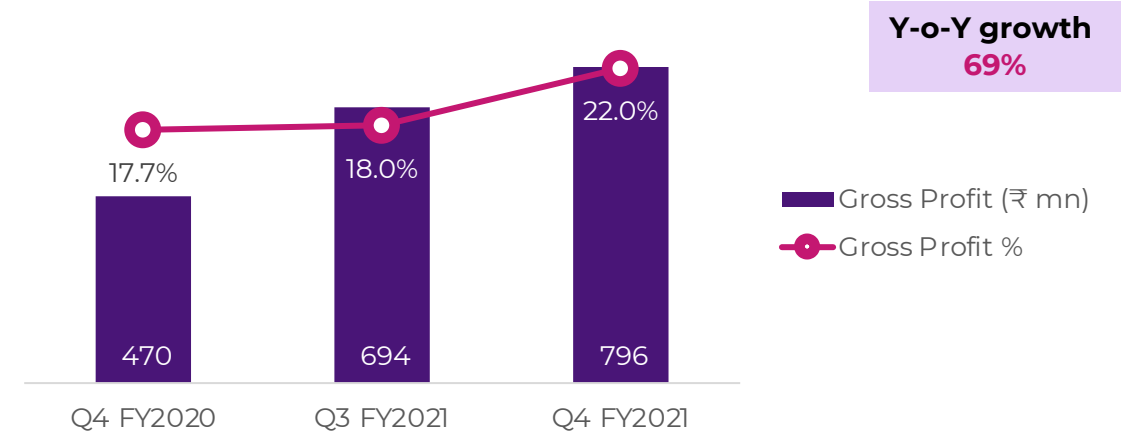
- Closed FY2021 with revenue from operations of **₹14,062mn** compared to **₹9,563mn** in FY2020
  - Y-o-Y growth of **47.1%** in revenue
- Recorded Gross Profit of **₹2,771mn** in FY2021 compared to **₹1,921mn** in FY2020
  - Y-o-Y growth of **44.3%** in Gross Profit
  - Gross Profit margin of **19.7%, 20.1%** in FY2021 and FY2020 respectively
- Recorded EBITDA of **₹1,756mn** in FY2021 compared to **₹1,000mn** in FY2020
  - Y-o-Y growth of **75.7%** in EBITDA
  - EBITDA margin of **12.5%, 10.5%** in FY2021 and FY2020 respectively
- Recorded Profit After Tax of **₹1,328mn** in FY2021 compared to **₹582mn** in FY2020
  - Y-o-Y growth of **128.1%** in Profit After Tax
- Adjusted Profit After Tax of **₹1,469mn** in FY2021 compared to **₹799mn** in FY2020
  - Adjusted for non-cash amortization (incurred in FY2020 and FY2021) associated with the intangible assets added as a result of purchase price allocation for acquisitions, and for one-time expenses related to payments made under Sabka Vikas Scheme (incurred in FY2020) and one-time stamp duty charges associated with earn-out payment related to 365squared acquisition (incurred in FY2021)
  - Adjusted Profit After Tax margin of **10.3%, 8.3%** in FY2021 and FY2020

# Q4 FY2021 - Snapshot

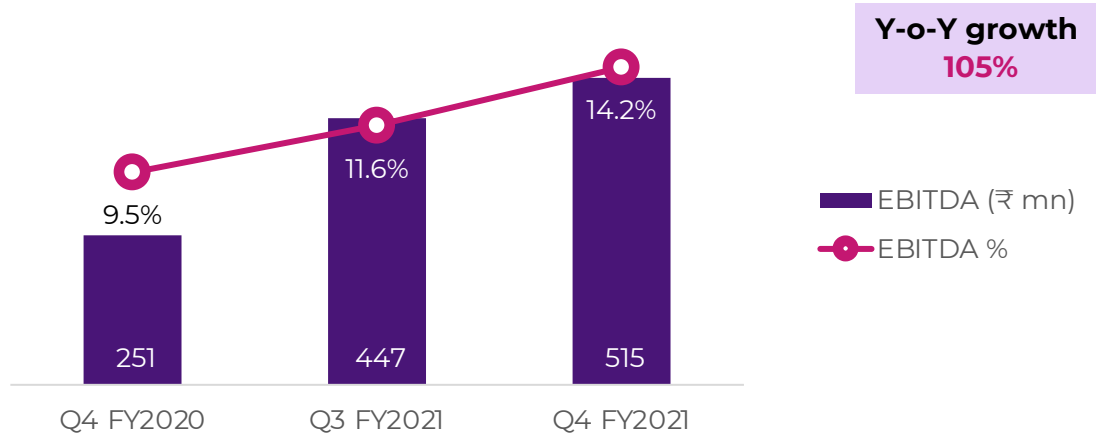
## Quarterly Revenue from Operations (In ₹ mn)



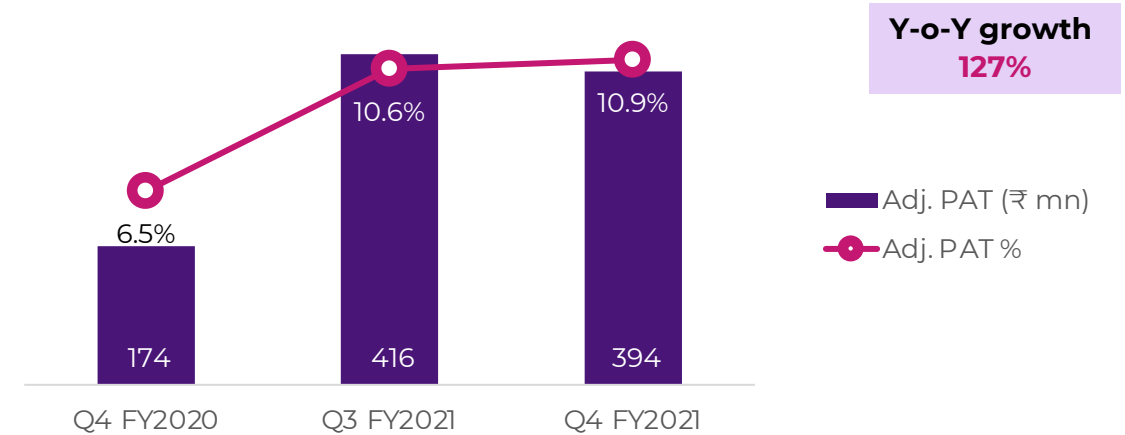
## Gross Profit (In ₹ mn) and Gross Profit Margin (%)



## EBITDA (In ₹ mn) and EBITDA Margin (%)



## Adjusted PAT<sup>(1)</sup> (In ₹ mn) and Adjusted PAT Margin (%)



(1) PAT has been adjusted for non-cash amortization (incurred in FY2020 and FY2021) associated with the intangible assets added as a result of purchase price allocation for acquisitions, and for one-time expenses related to payments made under Sabka Vikas Scheme (incurred in FY2020) and one-time stamp duty charges incurred in FY2021)



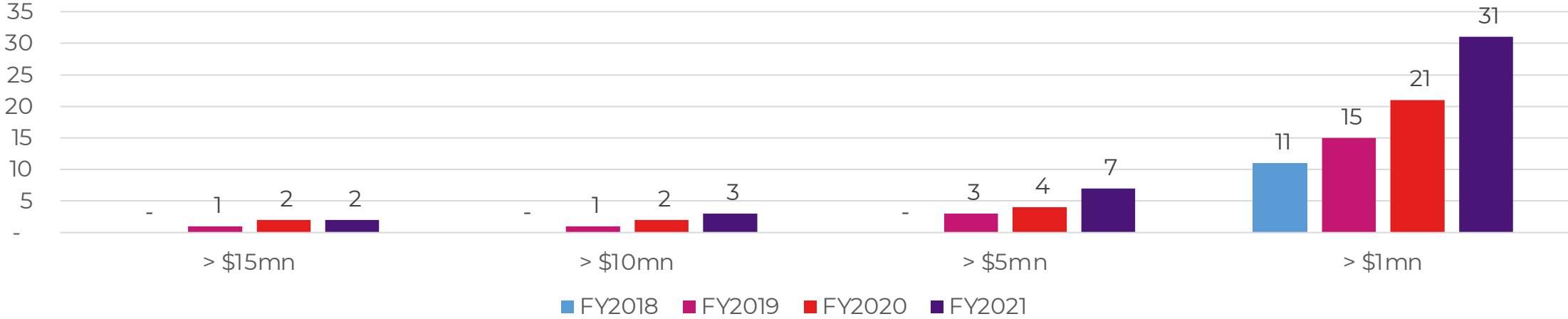
## For the Quarter ended March 31, 2021 (Q4 FY2021)

- Closed Q4 FY2021 with revenue from operations of **₹3,624mn** compared to **₹3,848mn** in Q3 FY2021 and **₹2,658mn** in Q4 FY2020
  - Y-o-Y growth of **36.4%** and sequential degrowth of **5.8%** in revenue
- Recorded Gross Profit of **₹796mn** in Q4 FY2021 compared to **₹694mn** in Q3 FY2021 and **₹470mn** in Q4 FY2020
  - Y-o-Y growth of **69.4%** and sequential growth of **14.7%** in Gross Profit
  - Gross Profit margin of **22.0%**, **18.0%** and **17.7%** in Q4 FY2021, Q3 FY2021 and Q4 FY2020 respectively
- Recorded EBITDA of **₹515mn** in Q4 FY2021 compared to **₹447mn** in Q3 FY2021 and **₹251mn** in Q4 FY2020
  - Y-o-Y growth of **104.9%** and sequential growth of **15.1%** in EBITDA
  - EBITDA margin of **14.2%**, **11.6%** and **9.5%** in Q4 FY2021, Q3 FY2021 and Q4 FY2020 respectively
- Recorded Profit After Tax of **₹355mn** in Q4 FY2021 compared to **₹376mn** in Q3 FY2021 and **₹148mn** in Q4 FY2020
  - Y-o-Y growth of **139.8%** and sequential degrowth of **5.7%** in Profit After Tax
- Adjusted Profit After Tax of **₹394mn** in Q4 FY2021 compared to **₹416mn** in Q3 FY2021 and **₹174mn** in Q4 FY2020
  - Adjusted for non-cash amortization (incurred in FY2020 and FY2021) associated with the intangible assets added as a result of purchase price allocation for acquisitions, and for one-time expenses related to payments made under Sabka Vikas Scheme (incurred in FY2020) and one-time stamp duty charges associated with earn-out payment related to 365squared acquisition (incurred in FY2021)
  - Adjusted Profit After Tax margin of **10.9%**, **10.6%** and **6.5%** in Q4 FY2021, Q3 FY2021 and Q4 FY2020 respectively

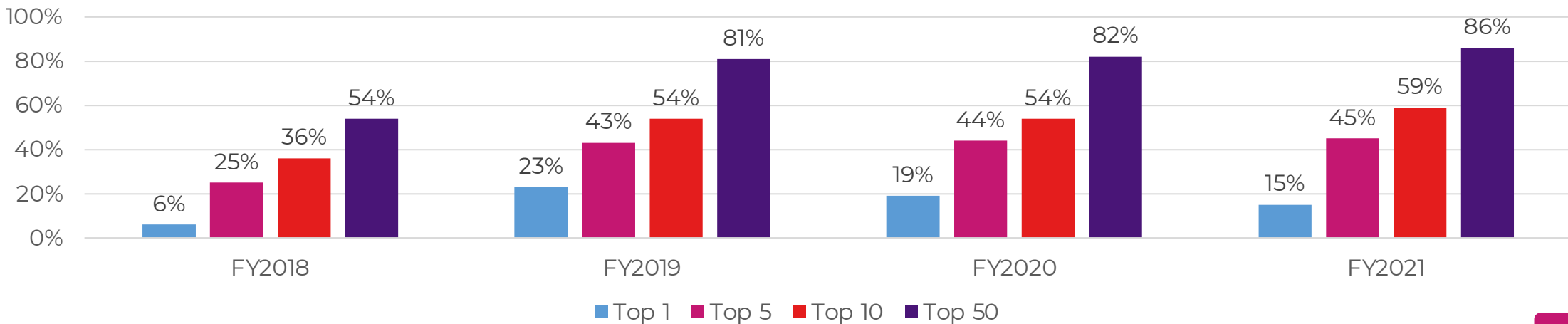
# Growing Number Of Multi-Million Dollar Accounts With Improving Client Diversification



## Clients by Account Size

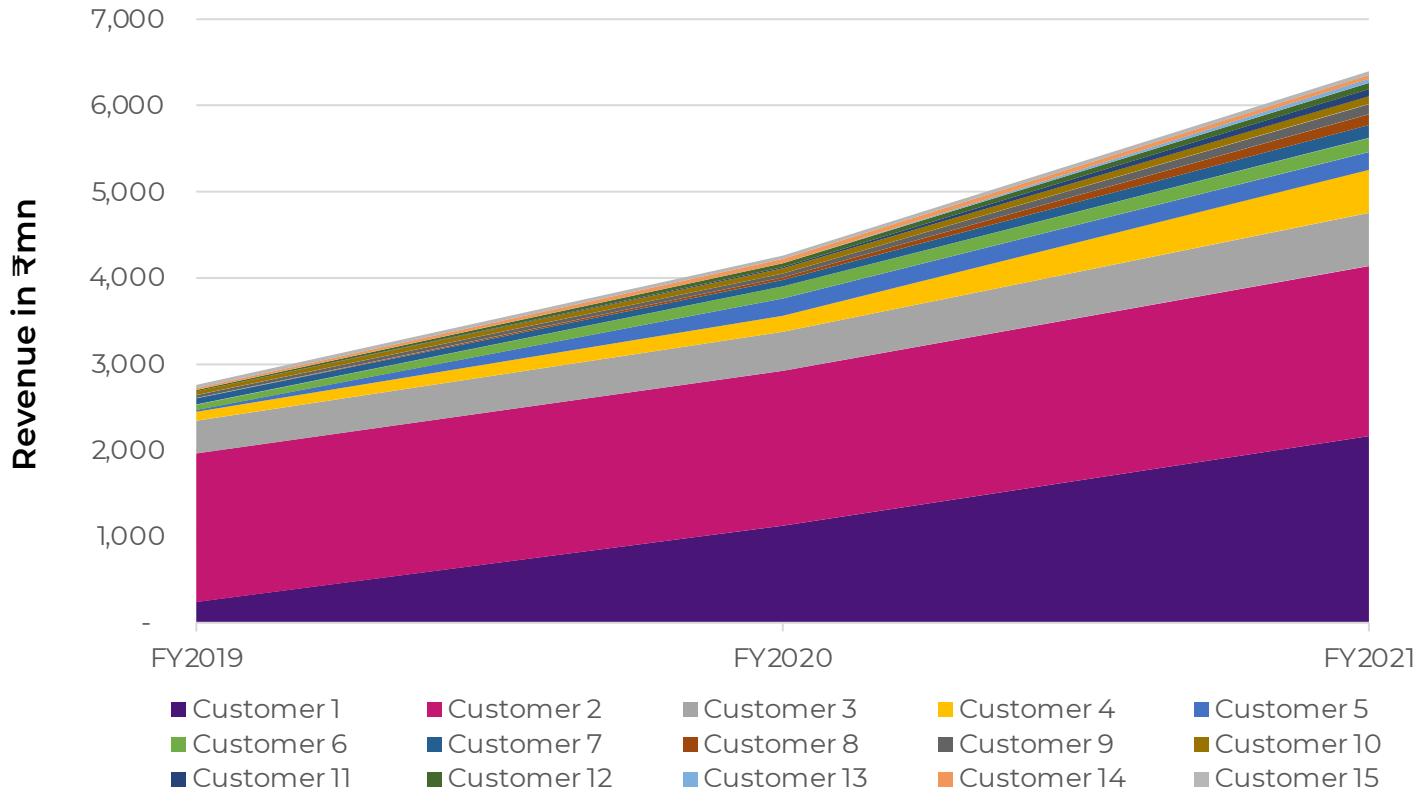


## Client Concentration



# Enterprise customers contributing to growth

Growth trend witnessed in top 15 enterprise customers (based on FY2021 revenue)

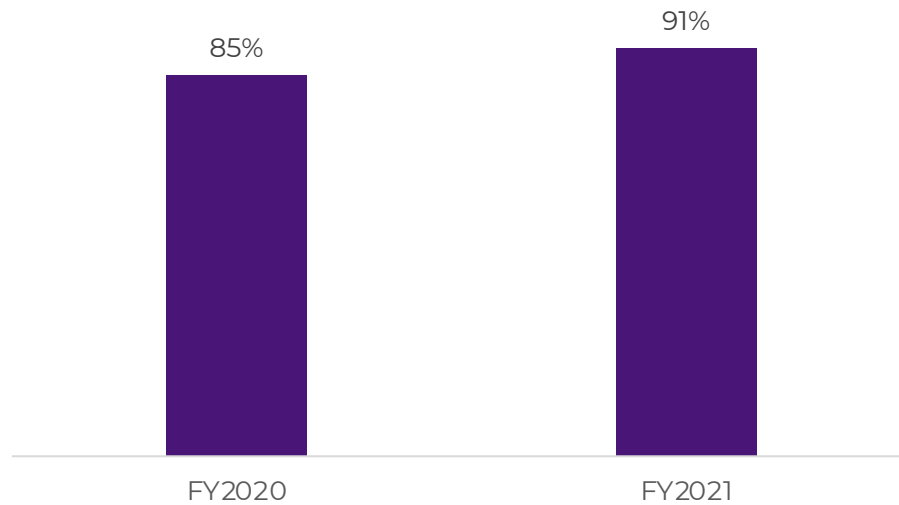


| Customer    | CAGR (FY2019-FY2021) |
|-------------|----------------------|
| Customer 1  | 200%                 |
| Customer 2  | 7%                   |
| Customer 3  | 27%                  |
| Customer 4  | 121%                 |
| Customer 5  | 228%                 |
| Customer 6  | 57%                  |
| Customer 7  | 46%                  |
| Customer 8  | 503%                 |
| Customer 9  | 82%                  |
| Customer 10 | 49%                  |
| Customer 11 | 529%                 |
| Customer 12 | 109%                 |
| Customer 13 | <i>New customer</i>  |
| Customer 14 | 54%                  |
| Customer 15 | 8%                   |

- ▶ Dedicated enterprise sales team focused on on-boarding large enterprise customers
- ▶ Key accounts management team focused on deepening relationship with key customers and growing revenue contribution from the key customers

# Strong recurring revenue

## Recurring Revenue as % of Operating Revenue



Net revenue<sup>(1)</sup> retention of  
**140%**

**Zero Churn in top 50**  
customers in FY2021

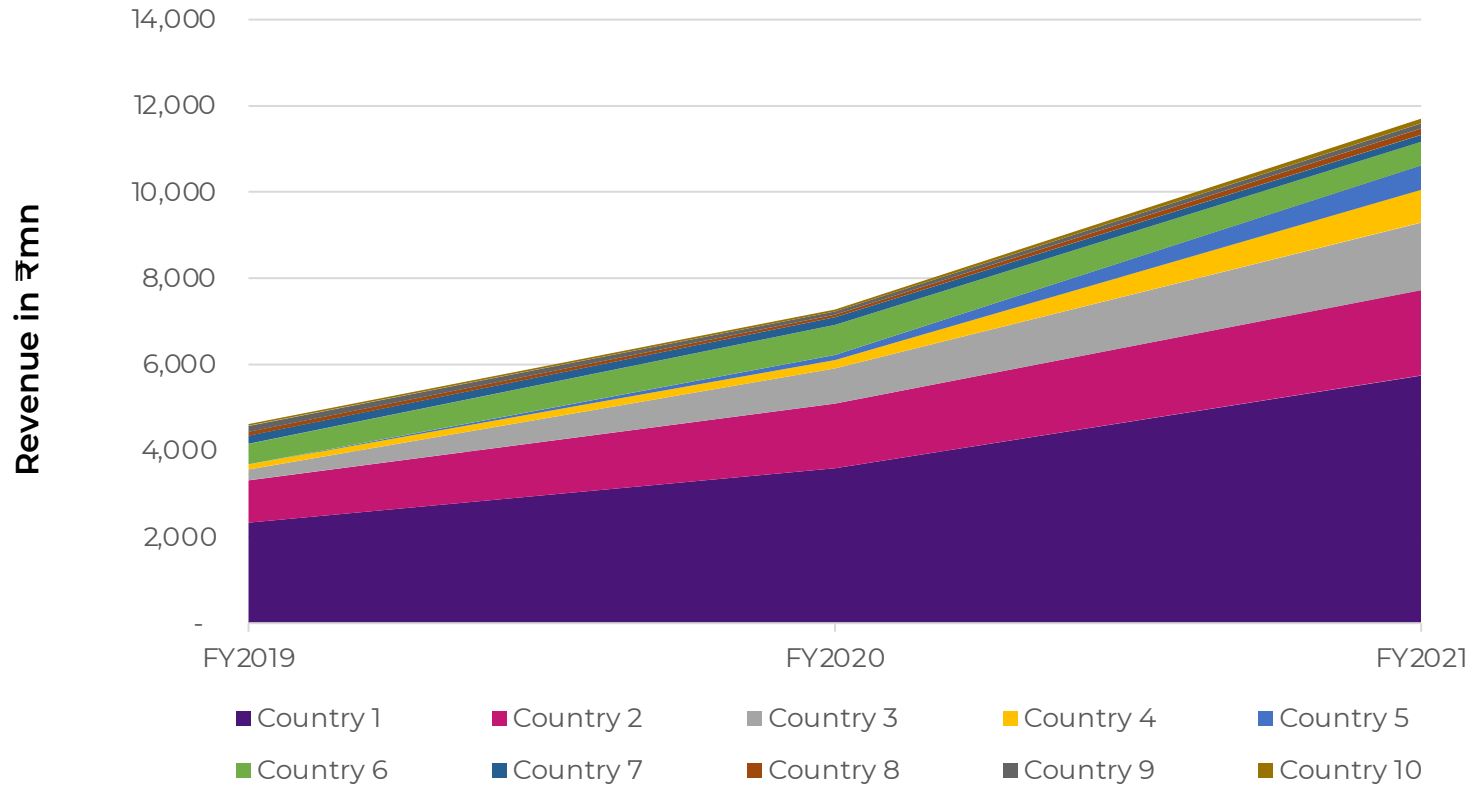
## Deep Customer engagement driving high recurring revenues

Recurring customers defined as customers that have been billed in each of the months over the respective period. For instance, a customer billed each month over April 1, 2020 – March 31, 2021 is a recurring customer for FY2021

*(1) Net revenue retention calculated based on comparison of FY2020 revenue with FY2021 revenue for top 150 customers (accounting for 96% of FY2020 revenue)*

# Top countries (in terms of revenue contribution)

Top 10 countries (as per FY2021 revenue), in terms of A2P revenue generated by termination of communication



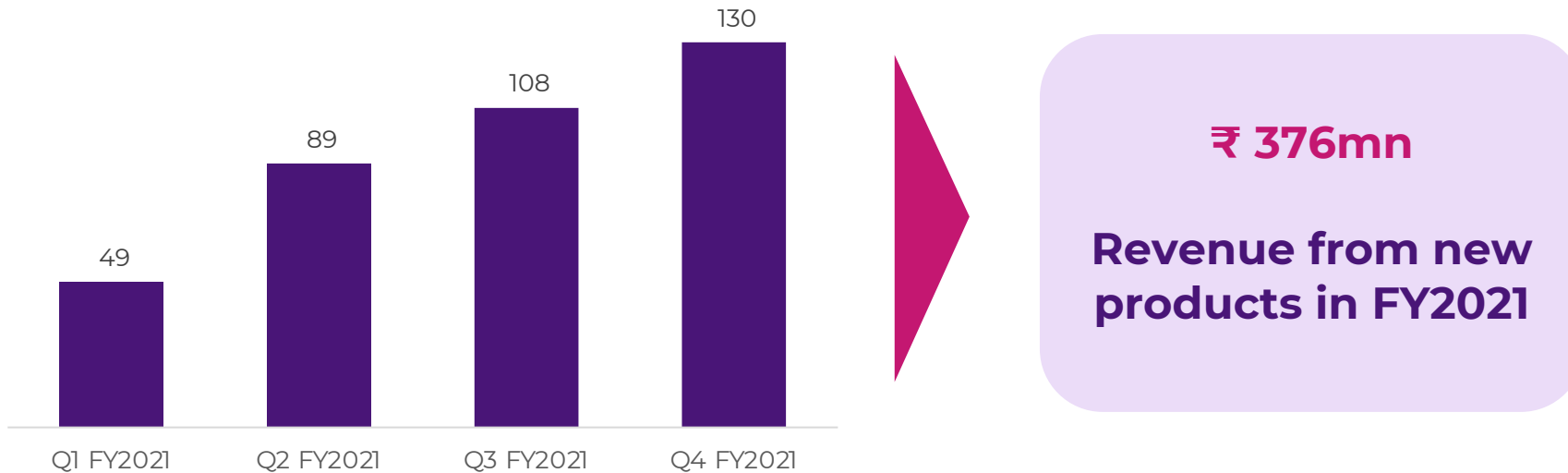
| Country           | CAGR (FY2019-FY2021) |
|-------------------|----------------------|
| Country 1 (APAC)  | 57%                  |
| Country 2 (MEA)   | 42%                  |
| Country 3 (APAC)  | 149%                 |
| Country 4 (APAC)  | 155%                 |
| Country 5 (APAC)  | 1,583%               |
| Country 6 (MEA)   | 7%                   |
| Country 7 (LatAm) | -7%                  |
| Country 8 (APAC)  | 29%                  |
| Country 9 (MEA)   | -10%                 |
| Country 10 (MEA)  | 60%                  |

- ▶ Geographically diversified business
- ▶ Domination in emerging markets – driven by deep MNO connects and deployment of firewall solutions for some of the MNOs in those countries
- ▶ Top 10 countries contributed 83% of the total A2P revenue in FY2021

# New Product Revenue Momentum

- Pandemic has led to accelerated adoption of next generation messaging channels, including enterprise voice solutions, IP based messaging and unified communication solutions, amongst others, by enterprises

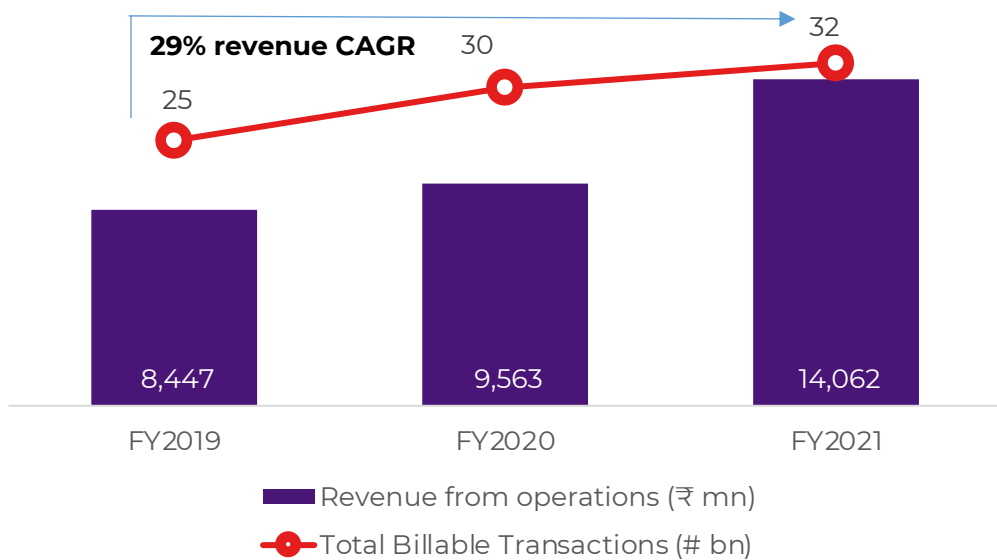
Quarterly New Product Sales (₹ mn)



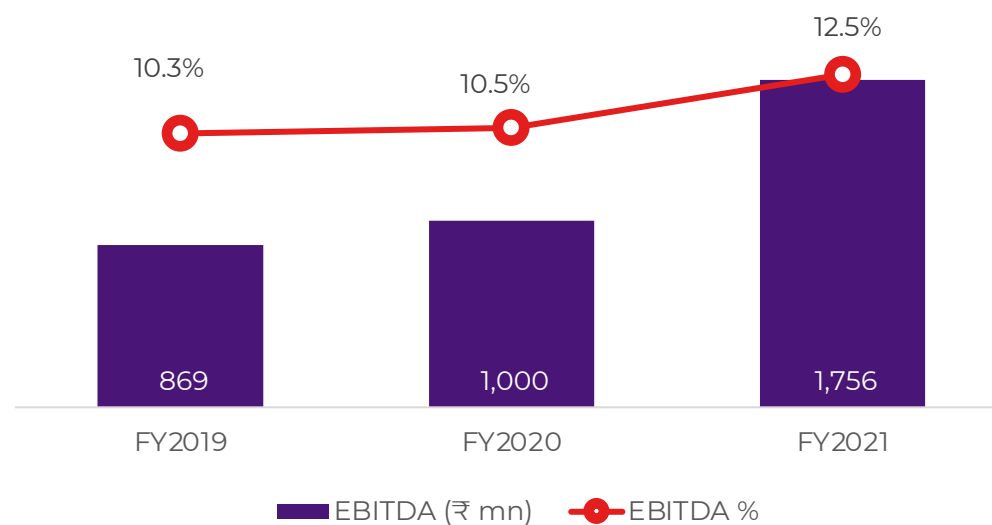
- Continuous focus on cross selling alternative communication solutions to existing blue-chip customer base
- **410 and 74** new customers onboarded over FY2021 and Q4 FY2021 respectively, across all products

# Improving Unit Economics

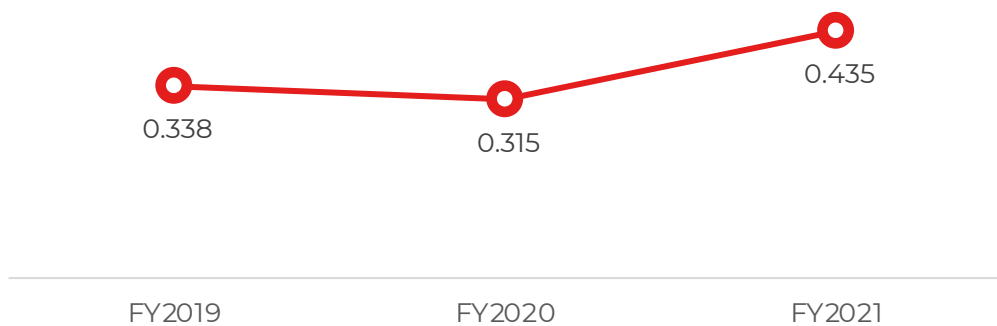
### Revenue from operations and Total Billable Transactions



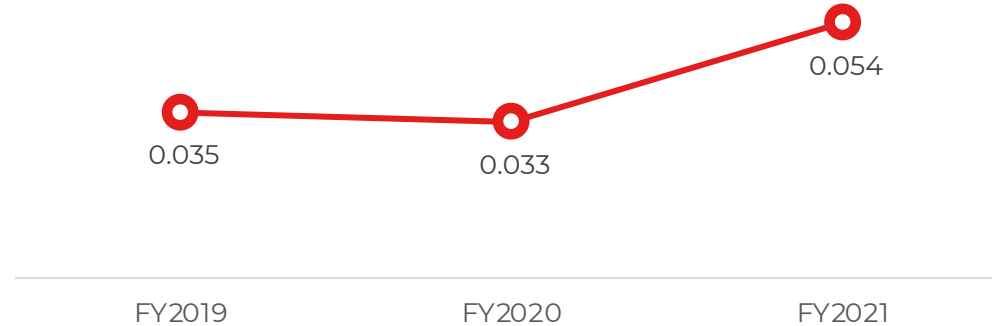
### EBITDA and EBITDA Margin



### Revenue (in ₹) per transaction

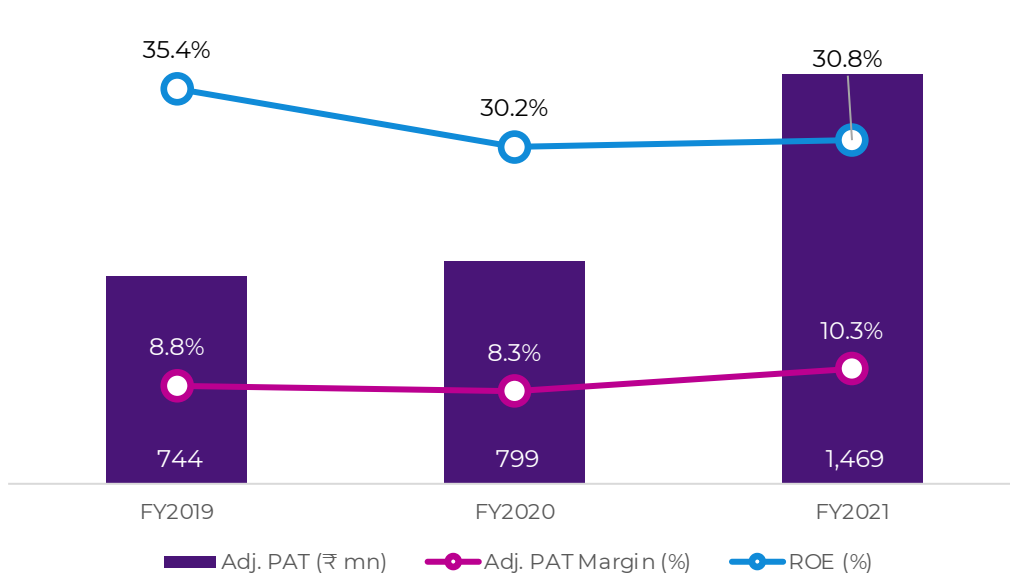


### EBITDA (in ₹) per transaction

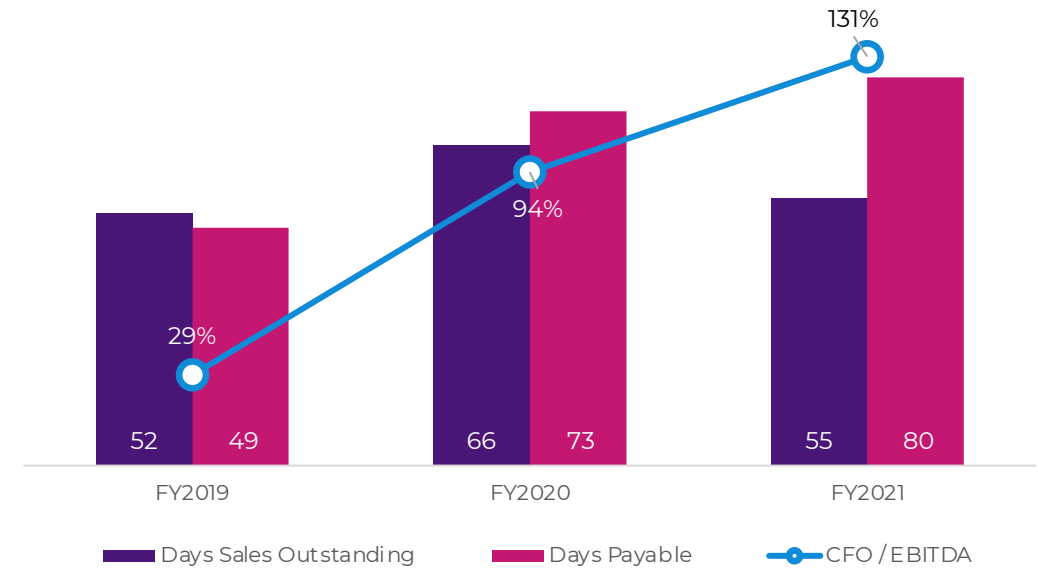


# Robust Return Ratios and Healthy Working Capital

### Adj. PAT, Adj. PAT Margin and ROE<sup>(1)</sup>



### Working Capital Trend<sup>(2)</sup>



- Non-linear revenue model, creates significant operating leverage
- Robust EBITDA to Cash Flow from Operations conversion rate

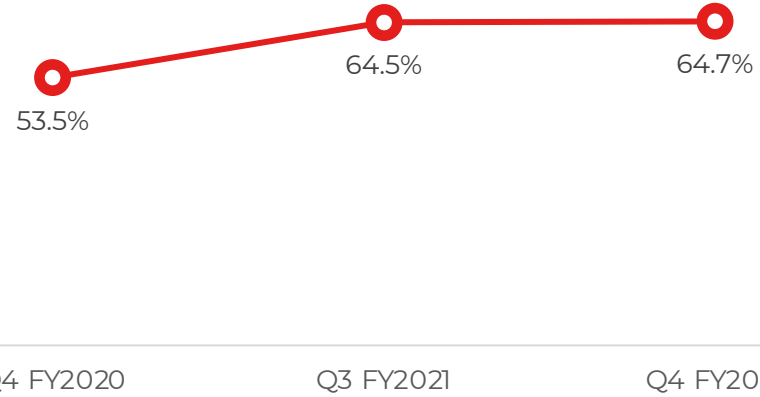
(1) PAT has been adjusted for non-cash amortization (incurred in FY2020 and FY2021) associated with the intangible assets added as a result of purchase price allocation for acquisitions, and for one-time expenses related to payments made under Sabka Vikas Scheme (incurred in FY2020) and one-time stamp duty charges incurred in FY2021; ROE calculated using average Equity and Adj. PAT

(2) Trade Payables include Outstanding expenses

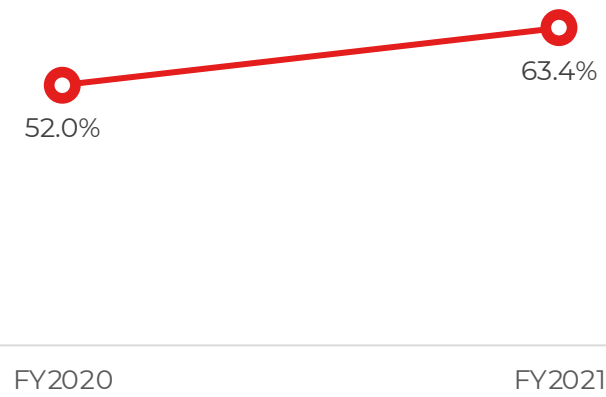


# High Operating Leverage

EBITDA as % of Gross Profit – Quarterly Analysis



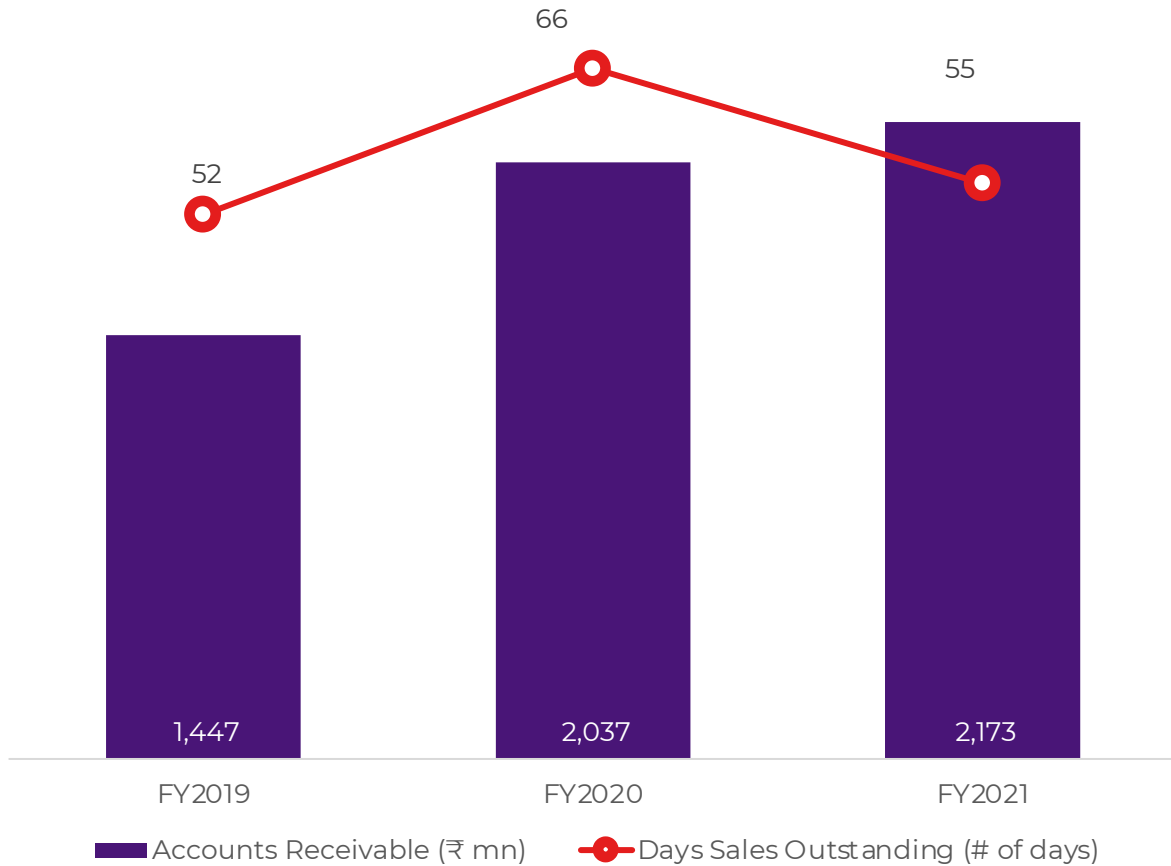
EBITDA as % of Gross Profit – Annual Analysis



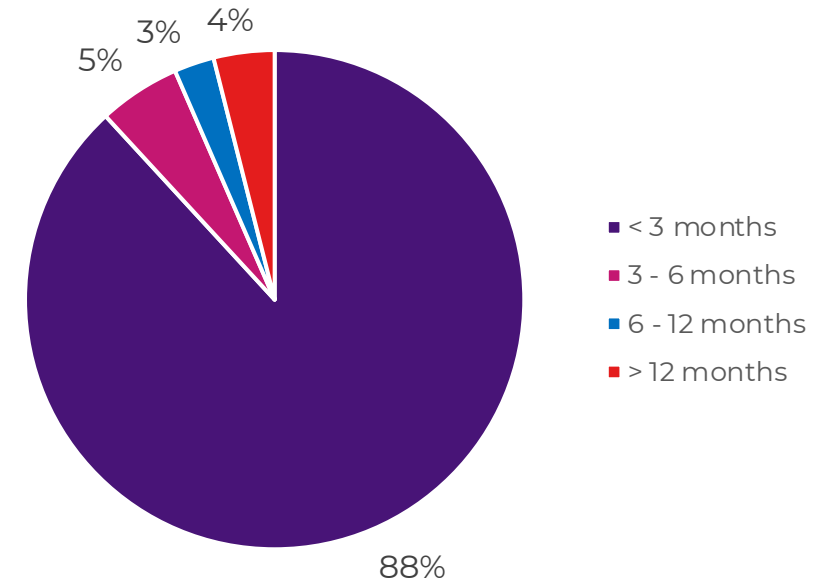
- ▶ EBITDA/Gross profit demonstrates the operating leverage of the business
- ▶ Volume growth does not require proportionate increase in operating expenses

# Accounts Receivable Analysis

### Trend in Accounts Receivable

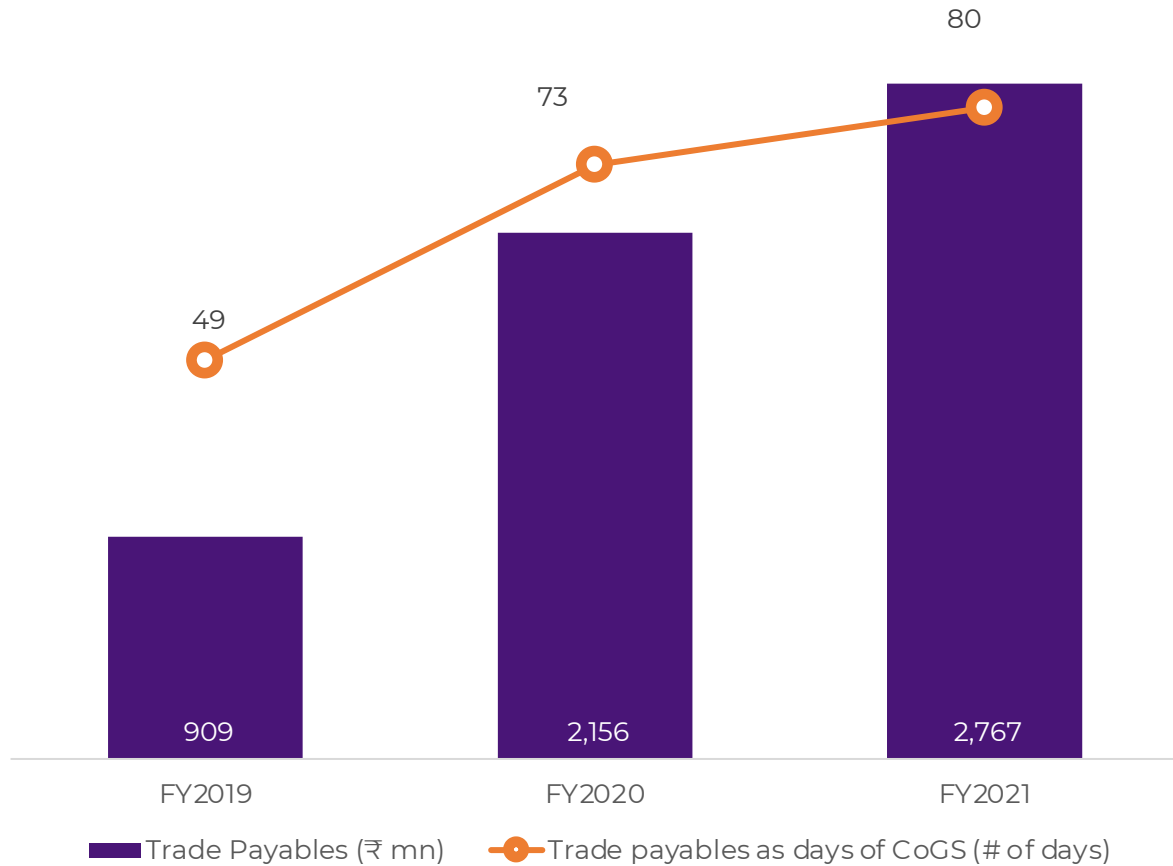


### Ageing analysis of Accounts Receivable as on March 31, 2021



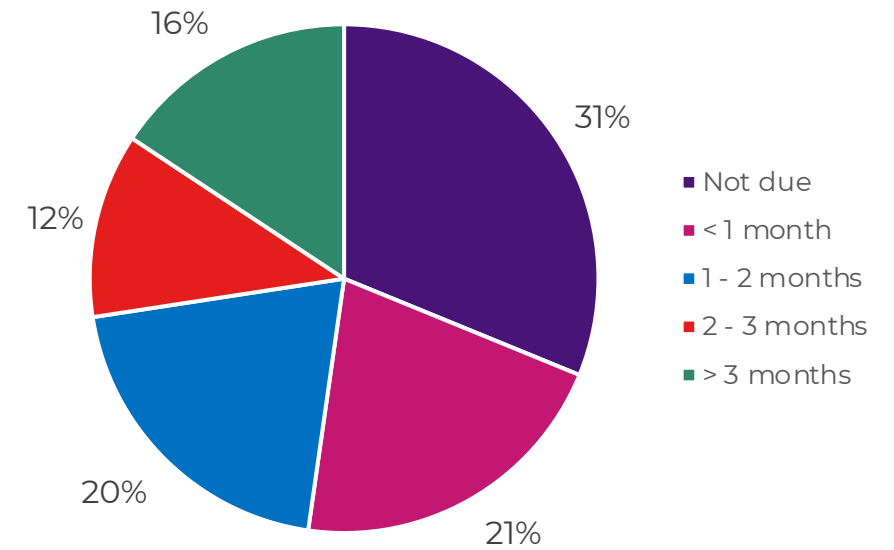
# Trade Payables Analysis

### Trend in Trade Payables<sup>(1)</sup>



(1) Trade Payables include Outstanding expenses

### Ageing analysis of Trade Payables as on March 31, 2021



# Income Statement

| Profit & Loss Statement (in ₹ mn)   | Quarter ended |              |              | Y-o-Y growth  | 12 months ended |              | Y-o-Y growth  |
|---|---------------|--------------|--------------|---------------|-----------------|--------------|---------------|
|   | Mar 31, 2021  | Dec 31, 2020 | Mar 31, 2019 |               | Mar 31, 2021    | Mar 31, 2020 |               |
| <b>Total revenue from operations</b>  | <b>3,624</b>  | <b>3,848</b> | <b>2,658</b> | <b>36.4%</b>  | <b>14,062</b>   | <b>9,563</b> | <b>47.1%</b>  |
| <b>Expenses</b>   |               |              |              |               |                 |              |               |
| -Purchases of messaging services  | 2,829         | 3,155        | 2,188        | 29.3%         | 11,290          | 7,642        | 47.8%         |
| -Employee benefits expense  | 170           | 169          | 143          | 18.6%         | 615             | 582          | 5.7%          |
| -Other expenses   | 111           | 78           | 75           | 47.6%         | 400             | 339          | 17.8%         |
| <b>EBITDA</b>   | <b>515</b>    | <b>447</b>   | <b>251</b>   | <b>104.9%</b> | <b>1,756</b>    | <b>1,000</b> | <b>75.7%</b>  |
| Finance costs   | 4             | 4            | 15           | -69.5%        | 28              | 49           | -43.4%        |
| Depreciation and amortisation expense   | 64            | 65           | 61           | 4.2%          | 258             | 227          | 13.6%         |
| Other income (excl. gain/loss rel. to foreign exchange)   | 39            | 36           | 21           | 85.0%         | 131             | 118          | 10.8%         |
| <b>Profit before tax (before exceptional items)</b>   | <b>440</b>    | <b>464</b>   | <b>176</b>   | <b>150.3%</b> | <b>1,631</b>    | <b>843</b>   | <b>93.6%</b>  |
| Exceptional items <sup>(1)</sup>  | 16            | -            | 1            |               | 16              | 149          |               |
| <b>Profit before tax</b>  | <b>425</b>    | <b>464</b>   | <b>175</b>   | <b>143.2%</b> | <b>1,615</b>    | <b>694</b>   | <b>132.9%</b> |
| Tax expense   | 70            | 88           | 27           |               | 288             | 112          |               |
| <b>Profit After Tax (as reported)</b>   | <b>355</b>    | <b>376</b>   | <b>148</b>   | <b>139.9%</b> | <b>1,328</b>    | <b>582</b>   | <b>128.1%</b> |
| Amortization resulting from intangibles added on account purchase price allocation for acquisitions and exceptional items | 40            | 40           | 26           |               | 141             | 217          |               |
| <b>Adjusted Profit After Tax<sup>(2)</sup></b>  | <b>394</b>    | <b>416</b>   | <b>174</b>   | <b>127.2%</b> | <b>1,469</b>    | <b>799</b>   | <b>83.8%</b>  |

(1) One-time expenses related to payments made under Sabka Vikas Scheme (in FY2020) and stamp duty charges associated with earn-out payment related to 365squared acquisition (in FY2021)

(2) Adjusted profit calculated as profit after tax + exceptional items (excluding tax shield) + amortization resulting from intangibles added on account of acquisitions

# Financial Statements – Balance Sheet

| Balance Sheet, as on (in ₹ mn)             | Mar 31, 2021  | Mar 31, 2020 |
|--|---------------|--------------|
| <b>Non-current assets</b>                  |               |              |
| Property, plant and equipment              | 211           | 224          |
| Right-of-use asset                         | 157           | 97           |
| Goodwill & Other intangible assets         | 1,560         | 1,435        |
| Other non-current assets                   | 607           | 458          |
| Trade receivables                          | 2,173         | 2,037        |
| Cash and bank balances                     | 4,677         | 1,026        |
| Other current assets                       | 836           | 977          |
| <b>Total assets</b>                        | <b>10,221</b> | <b>6,255</b> |
| <b>Equity &amp; Liabilities</b>            |               |              |
| Shareholders Net Worth                     | 6,495         | 2,672        |
| <b>Non-current liabilities</b>             |               |              |
| Borrowings                                 | 34            | 37           |
| Other non-current liabilities & provisions | 142           | 84           |
| <b>Current liabilities</b>                 |               |              |
| Borrowings                                 | -             | 374          |
| Trade payables <sup>(1)</sup>              | 2,767         | 2,156        |
| Other financial liabilities                | 521           | 839          |
| Other current liabilities & provisions     | 262           | 94           |
| <b>Total equity and liabilities</b>        | <b>10,221</b> | <b>6,255</b> |

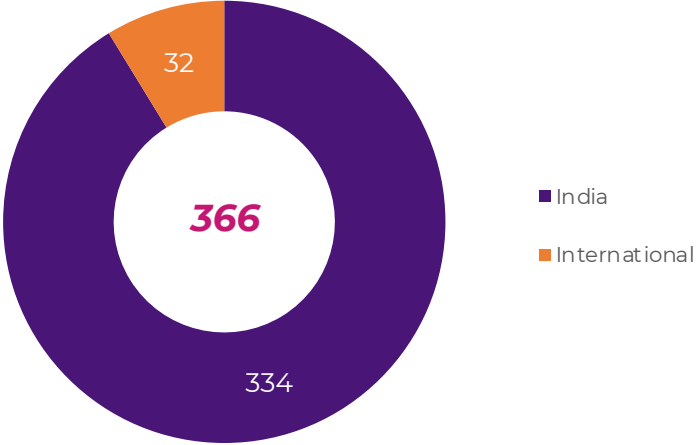
(1) Trade Payables include Outstanding Expenses reported as part of Other Financial Liabilities

# Financial Statements: Cash Flow Statement

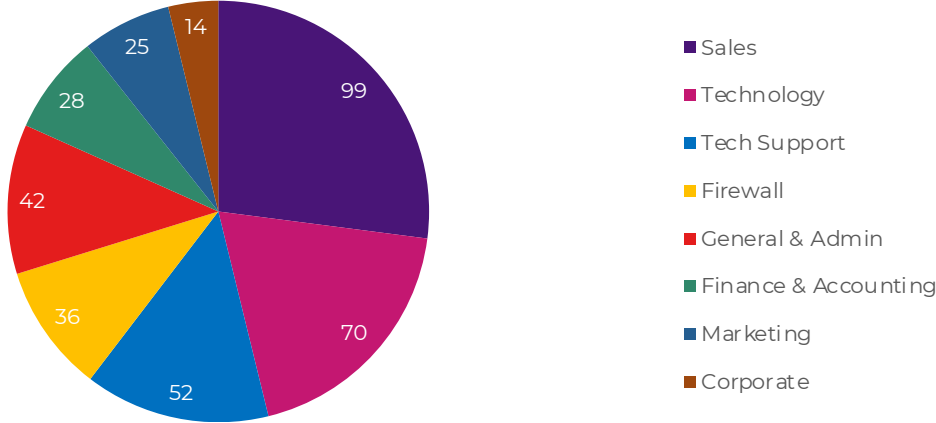
|          | Cash Flow Statement (in ₹ mn)   | 12 months ended |              |
|----------|---|-----------------|--------------|
|          |   | Mar 31, 2021    | Mar 31, 2020 |
| <b>A</b> | <b>Cash Flow from Operating Activities</b>  |                 |              |
|          | <b>Profit before tax</b>  | <b>1,615</b>    | <b>694</b>   |
|          | Adjustments for non Cash and Non-Operating items  | 225             | 212          |
|          | Operating profit before working capital changes   | <b>1,840</b>    | <b>905</b>   |
|          | <b>Adjustments for working capital:</b>   |                 |              |
|          | (Increase)/decrease in trade receivables  | (152)           | (570)        |
|          | (Increase)/decrease in financial assets and other assets                                    | (14)            | (424)        |
|          | Increase/(decrease) in trade payables, provisions and other liabilities                     | 793             | 1,252        |
|          | <b>Cash generated from/(used in) operating activities</b>                                   | <b>2,468</b>    | <b>1,164</b> |
|          | Direct taxes paid (net)   | (173)           | (179)        |
|          | <b>Net cash generated from/(used in) operating activities</b>                               | <b>2,294</b>    | <b>985</b>   |
| <b>B</b> | <b>Cash Flow from Investing Activities</b>  |                 |              |
|          | Purchase/ (Sale) of PPE and intangible assets   | (77)            | (72)         |
|          | Proceeds from fixed deposits matured/(placed)   | (1,590)         | 251          |
|          | Payment for acquisition of subsidiaries   | (646)           | (197)        |
|          | Interest received   | 52              | 21           |
|          | <b>Net cash (used in) investing activities</b>  | <b>(2,261)</b>  | <b>2</b>     |
| <b>C</b> | <b>Cash Flow from Financing Activities</b>  |                 |              |
|          | Borrowings/ (Repaid)  | <b>(377)</b>    | <b>(359)</b> |
|          | Interest paid   | (21)            | (28)         |
|          | Proceeds from and securities premium on issue of equity shares (net of share issue expense) | 2,578           | (50)         |
|          | Lease liabilities paid (principal + interest)   | (70)            | (71)         |
|          | Dividend paid (including DDT)   | -               | (165)        |
|          | <b>Net cash (used in)/generated from financing activities</b>                               | <b>2,110</b>    | <b>(674)</b> |
| <b>D</b> | <b>Currency fluctuations arising on consolidation</b>                                       | <b>(73)</b>     | <b>8</b>     |
|          | <b>Net increase/(decrease) in cash and cash equivalents ( A+B+C+D)</b>                      | <b>2,071</b>    | <b>321</b>   |
|          | Opening balance of cash and cash equivalents  | 615             | 294          |
|          | Effect of currency fluctuations on cash and cash equivalents                                | 14              | -            |
|          | <b>Closing balance of cash and cash equivalents</b>   | <b>2,700</b>    | <b>615</b>   |

# Human Resource Capital

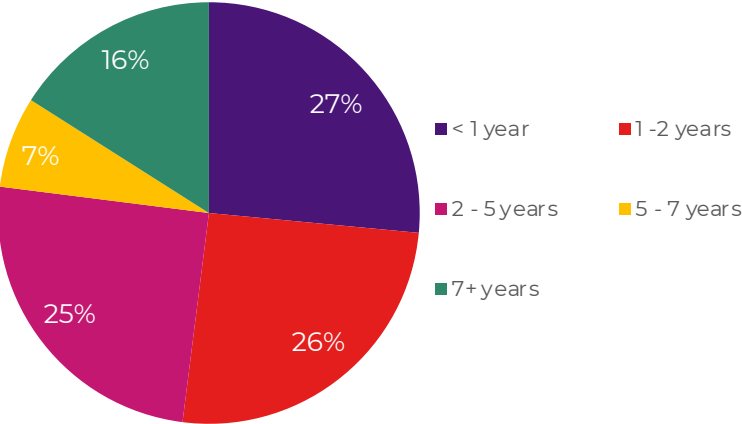
Location wise break-up<sup>(1)</sup>



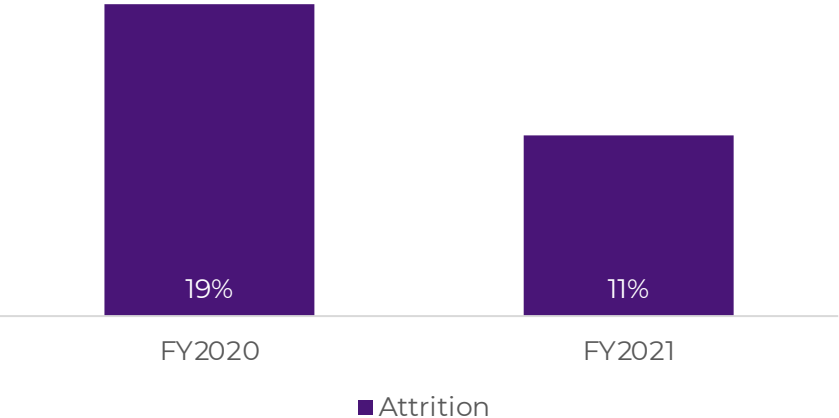
Function wise break-up<sup>(1)</sup>



Tenure with Route Mobile<sup>(1)</sup>



Attrition analysis



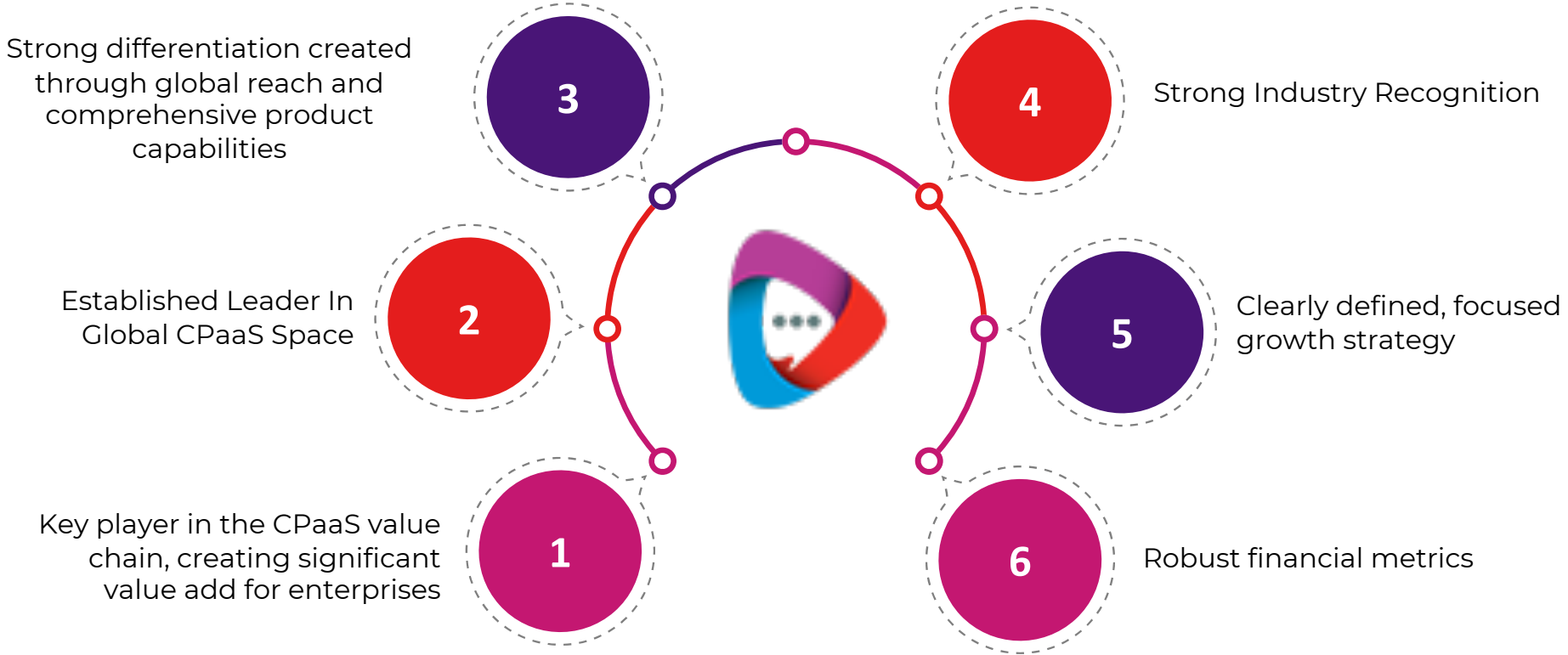
<sup>(1)</sup> As on March 31,2021  
Employee information excludes Call2Connect

# Business Overview

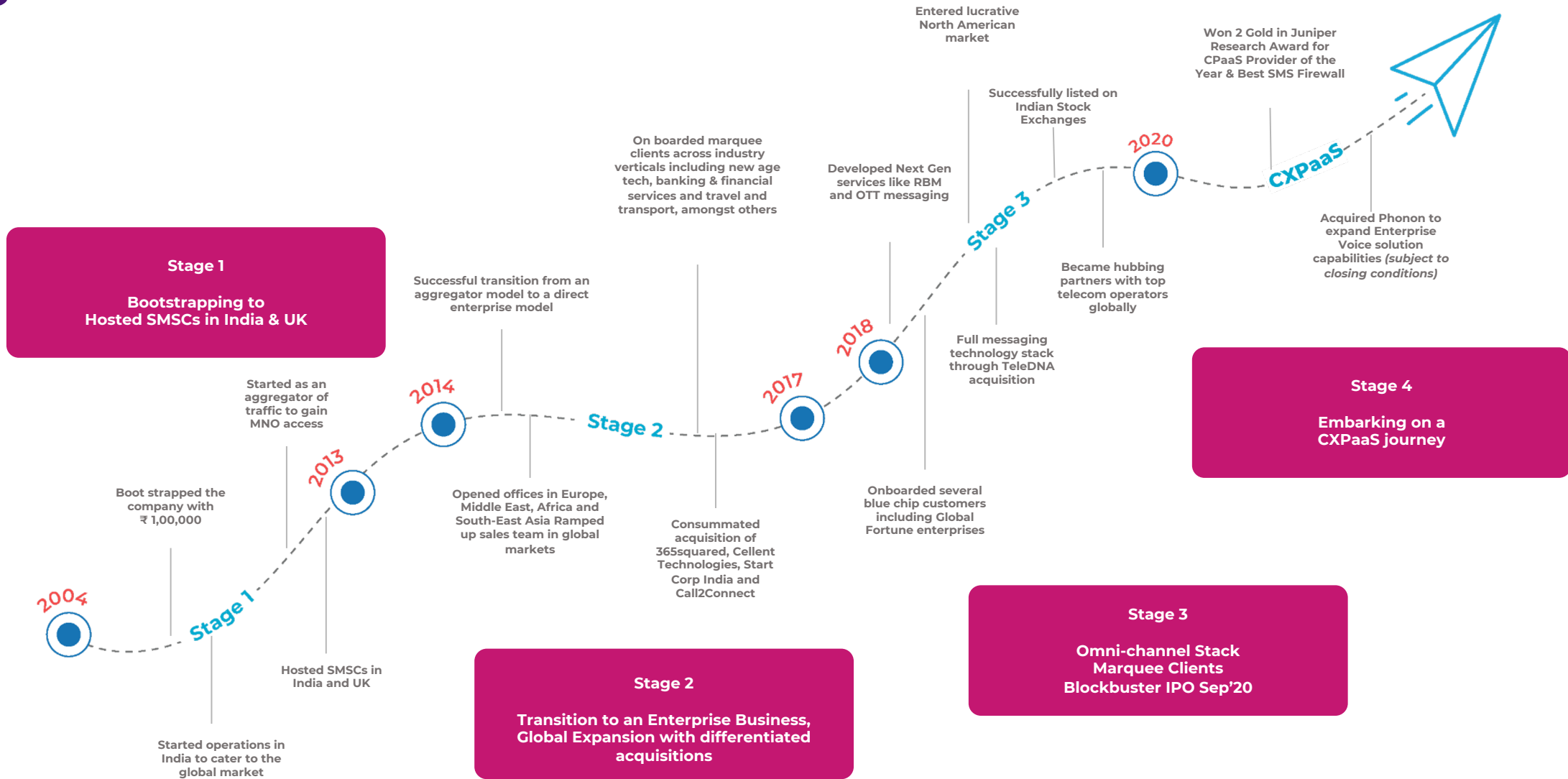




## Systematic approach towards creating sustained growth momentum



# Systematic roadmap to create sustained growth momentum



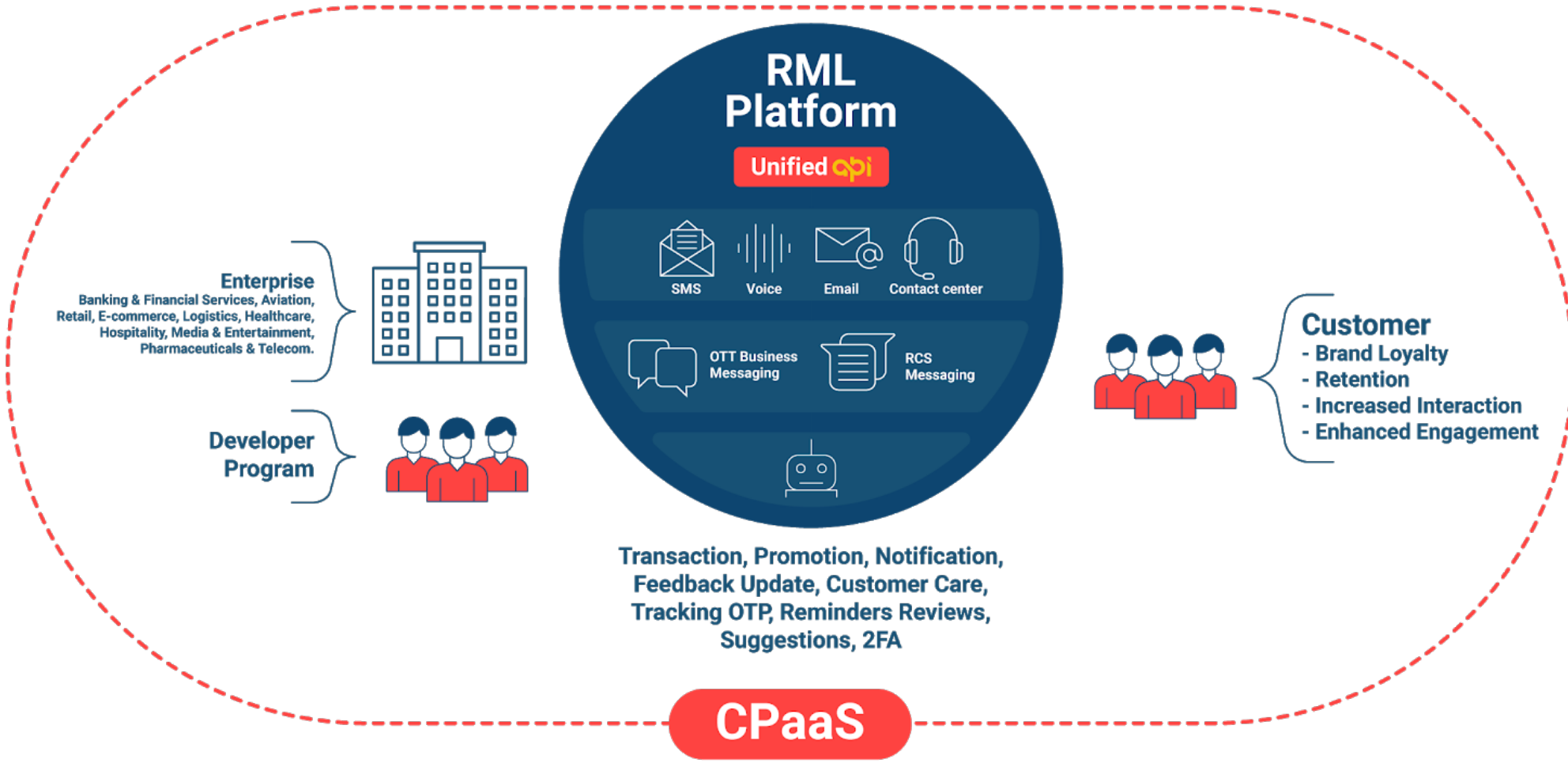
# Omni-Channel Digital Communication Platform

Route Mobile offers reliable, unified digital communication solutions that enable enterprises provide a superior customer experience globally



# Critical role in Digital Communication and Customer Experience Value Chain

## Enabling Customer Communication Lifecycle








# Route Mobile Is An Established Leader In Global CPaaS Space



|                                |                                      |                                   |   |   |
|--------------------------------|--------------------------------------|-----------------------------------|---|---|
| <b>Product and Position</b>    |                                      | <b>Disruptors &amp; Emulators</b> | <b>Leading Challengers</b>              | <b>Established Leaders</b>                    |
|                                | <b>Extensive Breadth, Depth</b>      |                                   | CM.com<br>Kaleyra<br>Plivo              | Route Mobile<br>Infobip<br>Sinch<br>iMlmobile |
|                                | <b>Mid-market or Segment focused</b> |                                   | Comviva<br>OpenMarket<br>Soprano Design | Syniverse                                     |
|                                | <b>Niche</b>                         | GMS Worldwide<br>mGage<br>Mitto   | Interop Technologies<br>Twilio          |   |
|                                |                                      | <b>Aspiring</b>                   | Developing                              | <b>Expansive</b>                              |
| <b>Capability and Capacity</b> |                                      |                                   |   |   |

Source: Juniper Research, CPAAS Deep Dive Strategy & Competition 2020-2025

# Differentiation through Technology Expertise & Geographical Reach

|   | Capacity & Capability |                     |                    | Product & Positioning |                   |                          |
|---|-----------------------|---------------------|--------------------|-----------------------|-------------------|--------------------------|
|   | Size of Operations    | Experience in CPAAS | Geographical Reach | Service Innovation    | Industry Coverage | Future Business Products |
|    | ●                     | ●                   | ●                  | ●                     | ●                 | ●                        |
|    | ●                     | ●                   | ●                  | ●                     | ●                 | ●                        |
|    | ●                     | ●                   | ●                  | ●                     | ●                 | ●                        |
|   | ●                     | ●                   | ●                  | ●                     | ●                 | ●                        |
|  | ●                     | ●                   | ●                  | ●                     | ●                 | ●                        |

High ●●●●● Low

Source: Juniper Research, CPAAS Deep Dive Strategy & Competition 2020-2025

# Strong Recognition by Industry Experts



# Key Growth Drivers and Future Growth Strategy

## Key Growth Drivers

### Strong industry tailwinds

- ▶ Accelerated adoption of digital communication solutions by enterprises
- ▶ Multiplying use cases for digital communication solutions

### Omni-channel platform capabilities

- ▶ Foresight and preparedness of leadership team to create omni-channel communication capabilities within the platform

### Flexible engagement model

- ▶ Extensive experience and capability of technology and support teams to offer on-premise / over the cloud / managed service / bespoke development solutions to enterprises, depending upon the requirements

Sustainable growth momentum

## Growth Strategy

### Farm existing customer relations

- ▶ Increase share of wallet from existing customers by serving them in larger number of destinations, and up-sell / cross-sell new product offerings

### Focus on Creating the "CXPaaS" layer

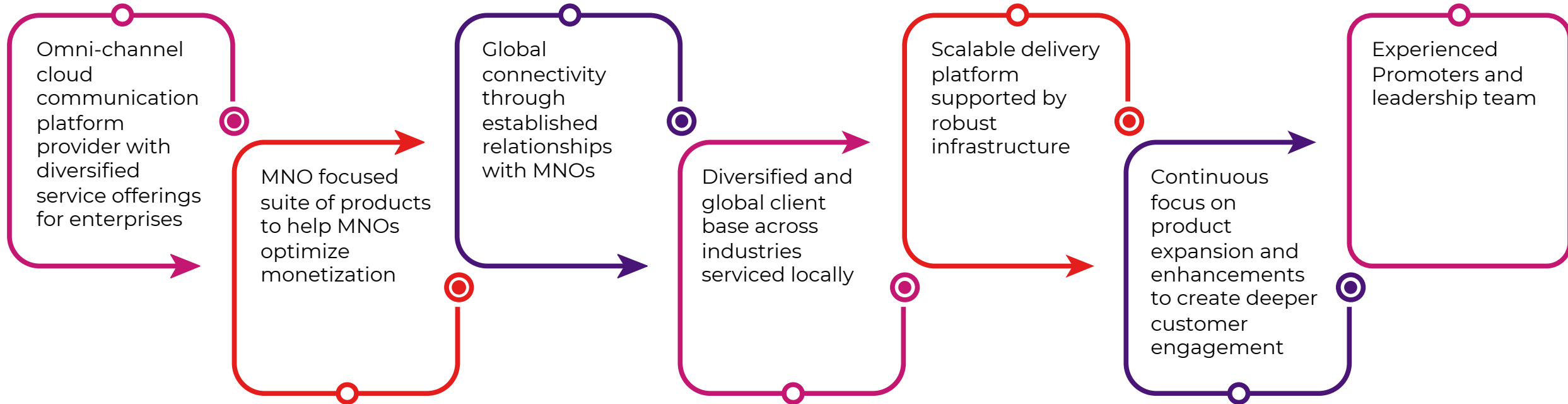
- ▶ Organically and/or inorganically augment existing CPaaS platform with capabilities to offer customer experience management solutions to enterprises and enhance value add

### Land and Grab

- ▶ Continuously focus on on-boarding large global enterprises
- ▶ Enter new geographies and strategically expand market share in new regions, organically and/or inorganically



# Investment Proposition - Competitive advantage



# Thank You

