Route Mobile Limited

Quarterly Update

Q1 FY2022

July 28, 2021

Safe Harbor

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.

Route Mobile at a glance

Industry Leading Global CXPaaS Platform

₹14,741mn
LTM Revenue

+41%
Revenue CAGR
(FY2018-FY2021)

₹1,850mn
LTM EBITDA

₹1,401mn
LTM PAT

32bn+
Transactions in LTM

₹124bn
Market Capitalisation[1]

**180+
countries**
Messages delivered

150+
New customers
on-boarded - Q1FY'22

2,500+
Active billable clients -
Q1FY'22

7
Strategically Located
Cloud Data Centers

Scalable omni-channel
CPaaS platform
deepening customer
engagement

Serving 9 of the 20 most
valuable Global Tech
Brands[2]

265+
Direct MNO connect
Super Network

Team of 390+
motivated
professionals

Presence across
16+ locations
globally

(1) As of July 27, 2021 (source: BSE India)
(2) Source: https://www.visualcapitalist.com/the-worlds-tech-giants-ranked/

Omni-Channel Digital Communication Platform

routemobile communication simplified

Messaging
Reach global audiences instantly through our customizable messaging platform

- A2P Messaging
- 2-Way Messaging
- Acculync
- Mail2SMS
- RCS
- Viber
- Whatsapp
- Google's BM
- Facebook
- IP Messaging
- Truecaller Business Messaging
- Apple Business Chat

Voice
Step-up customer experience through customizable & innovative voice solutions

- Outbound Dialer
- Interactive Voice Response
- Call Patching
- Missed Call
- Click2Call
- Contact Center
- SMS2Call

Email
AI-Driven self-serve and enterprise email platform

- SendClean

BeSpoke
Solution for regulatory & compliance requirement

- Verbatim

Identity Solutions
Safeguard the end-user security and send trusted business communications with Identity Solutions

- Branded Message
- Branded Call
- Verified Messages
- Verified Calls
- TrueCaller Verified Caller ID
- Brand

- Phone Number Verification
- Authorization
- Auto Form Fill
- User

- HLR
- MNP
- Active and Inactive
- Number Sense

Operator Stack
Reduce the complexity of SMS coverage expansion, route monetization and security.

Products
- SMSC
- Analytics
- SMS Firewall
- ECM (Campaign Manager)
- Detect
- Messaging Hub

Services
- **365**secured
- **365**managed
- **365**consult

Conversational AI

Customer Data Platform & Marketing Automation

Tools
- Omnichannel
- Visual Flow Builder
- IDE
- Analytics
- Provisioning
- Monitoring
- Billing

![Route Mobile - communication simplified]

Key Highlights
Q1 FY2022

Key Highlights - Q1 FY2022

![routemobile communication simplified]

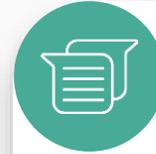## New Products

Email
- Acquired email platform from Sarv, branded as SendClean[1]
- USD 12mn investment in SendClean Inc. over next 3 years

RCS
- RML propelling the adoption of RCS with enterprises to render better User Experience

Truecaller
- Truecaller partnership for Verified Business Caller ID

Operators

Firewall[2]

Win / Live

BSNL	NuevaTel	Liberty Global - Latam	Tigo Tanzania

SMSC[3]

Live / Renewed

BSNL	Telenor Myanmar	Ericsson Myanmar	Vodafon eIdea*

Hub

Successfully Deployed

Du Telecom

(1) SendClean presentation annexed seperately | (2) Deployed by 365squared | (3) Deployed through the operators stack acquired from TeleDna
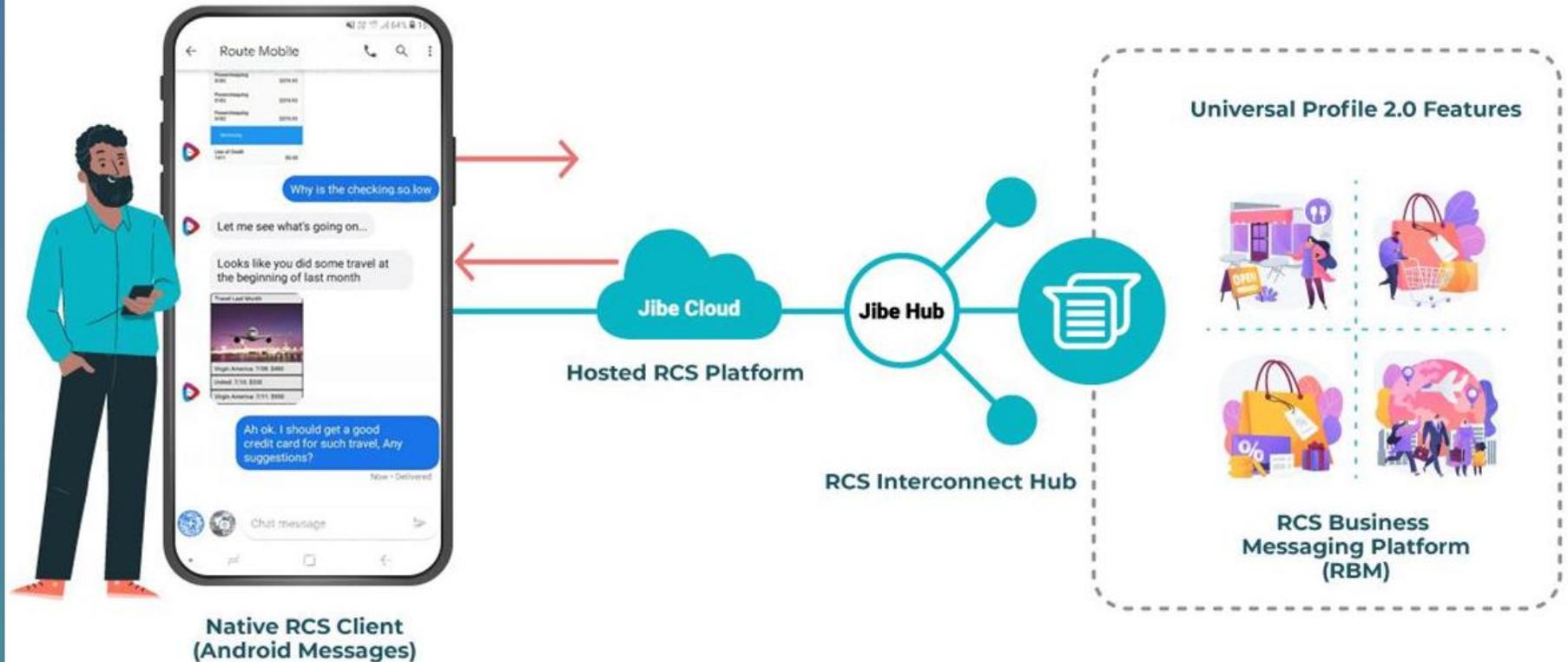
Key Highlights - Q1 FY2022

RCS Business Messages

Total RCS messages sent **310mn+**

Total RCS messages delivered **77%**

10+ Enterprise Clients adopted RCS Business Messages

Native RCS Client (Android Messages)

Jibe Cloud — Hosted RCS Platform

Jibe Hub

RCS Interconnect Hub

Universal Profile 2.0 Features

RCS Business Messaging Platform (RBM)

RCS is currently offered free of cost to enterprises to increase awareness and boost adoption

Security Enhancement Measures adopted in Q1 FY2022

RML has taken significant steps to further strengthen and enhance overall security posture across its environment

Engaged a full-time third party Cyber Security and Dark Web Monitoring firm that scans the dark web 24*7 for any incidents or purported data issues

Enhanced our Perimeter Firewalls on all servers with Intrusion Detection Systems.

Implemented a SIEM - Security Incident and Event Management system, with a Gartner Magic Quadrant Global Leader.

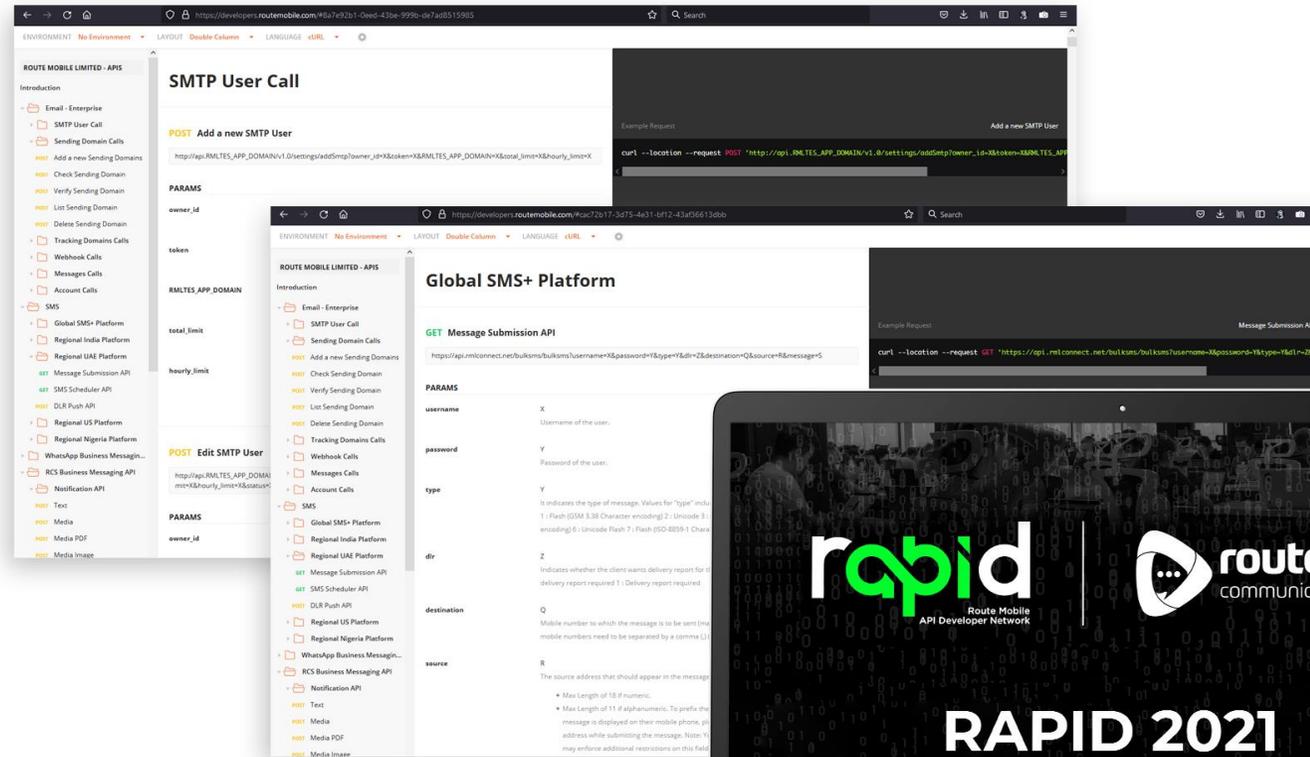Implementing multi-factor authentication (MFA) for all administrative interfaces and VPN.

On all endpoints, i.e. servers, laptops, desktops, implemented a managed EDR - endpoint detection and response system from another Gartner Magic Quadrant Global Leader in the field of threat intelligence and endpoint protection platforms to ensure that no aspect of our infrastructure, platform, or hardware is vulnerable.

Additional information security audits from CERT-In empaneled auditors to validate our practices.
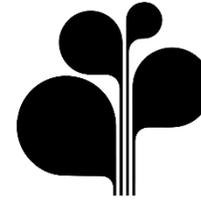
Rapid –
A Global Developer API Initiative

Launching in Q2 FY 2022

Financial Highlights
Q1 FY2022

Q1 FY2022 - Snapshot

Revenue from Operations (In ₹ mn)

Y-o-Y growth 21.9%

	Q1 FY2021	Q4 FY2021	Q1 FY2022
Revenue from operations (₹ mn)	3,096	3,624	3,775

■ Revenue from operations (₹ mn)
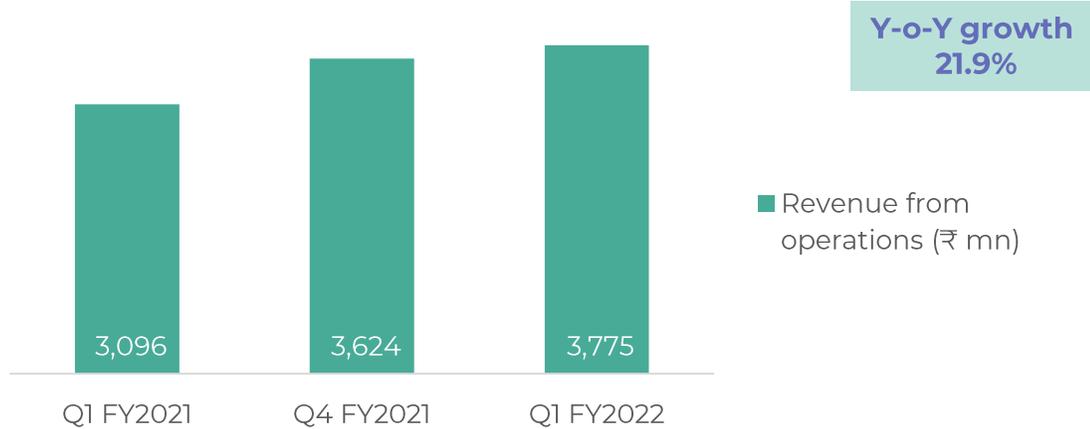
Gross Profit (In ₹ mn) and Gross Profit Margin (%)

Y-o-Y growth 27.7%

	Q1 FY2021	Q4 FY2021	Q1 FY2022
Gross Profit %	19.4%	22.0%	20.4%
Gross Profit (₹ mn)	602	796	769

■ Gross Profit (₹ mn)
● Gross Profit %
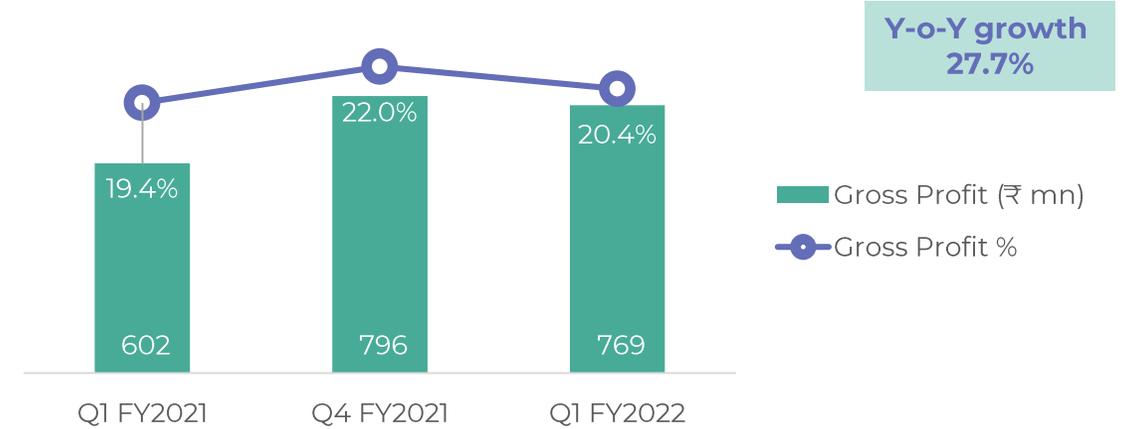
EBITDA[1] (In ₹ mn) and EBITDA Margin (%)

Y-o-Y growth 23.6%

	Q1 FY2021	Q4 FY2021	Q1 FY2022
EBITDA %	12.8%	14.2%	13.0%
EBITDA (₹ mn)	398	515	491

■ EBITDA (₹ mn)
● EBITDA %

Adjusted PAT[2] (In ₹ mn) and Adjusted PAT Margin (%)

Y-o-Y growth 28.2%

	Q1 FY2021	Q4 FY2021	Q1 FY2022
Adj. PAT %	9.5%	11.0%	10.0%
Adj. PAT (₹ mn)	295	398	377

■ Adj. PAT (₹ mn)
● Adj. PAT %
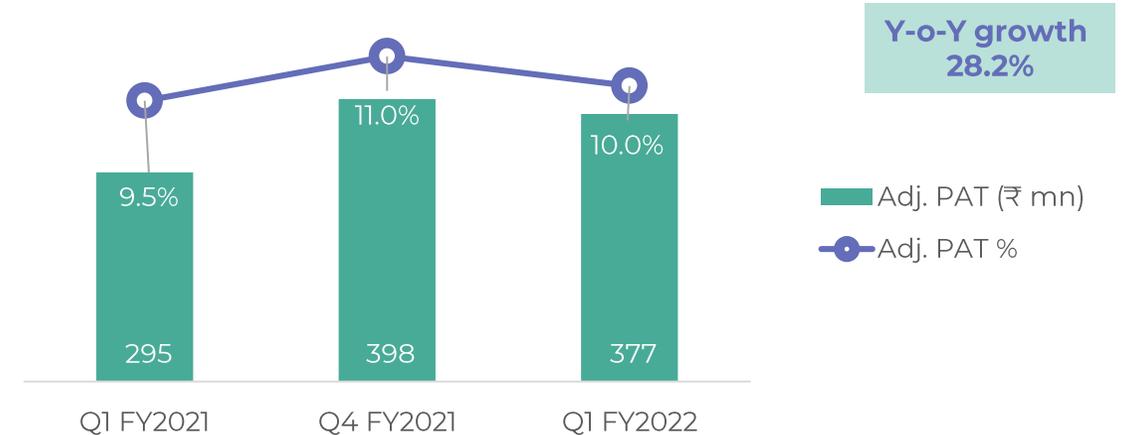
(1) Net loss on FX transactions and translation is excluded from EBITDA, amounting to ₹36mn, ₹45mn and ₹22mn for Q1 FY2022, Q4 FY2021 and Q1 FY2021 respectively.
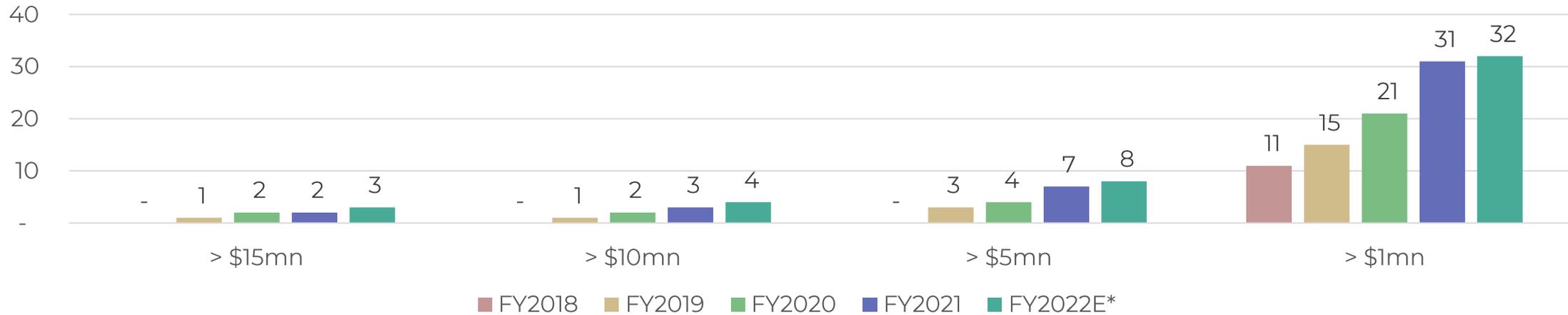
(2) PAT has been adjusted for non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions and one-time stamp duty charges incurred in FY2021

Financial Highlights
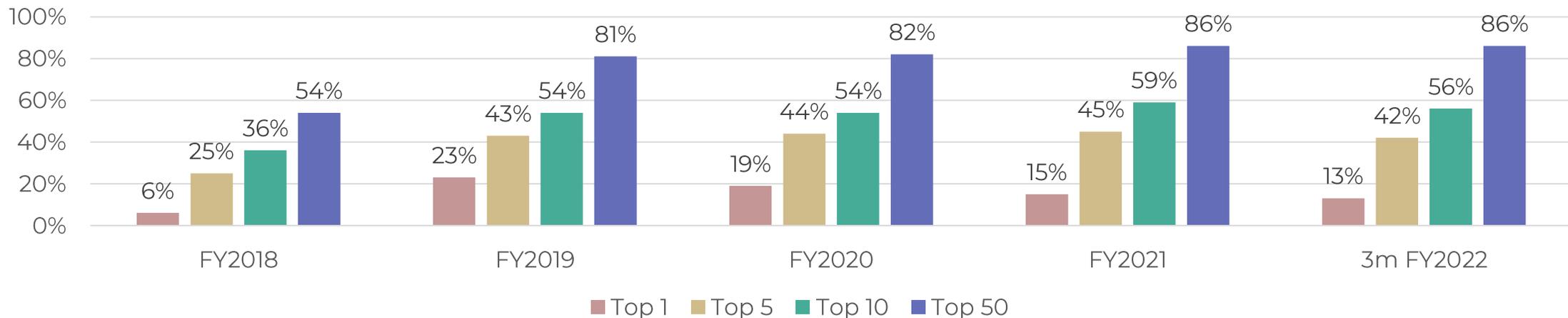
For the Quarter ended June 30, 2021 (Q1 FY2022)

- Closed Q1 FY2022 with revenue from operations of **₹3,775mn** compared to **₹3,624mn** in Q4 FY2021 and **₹3,096mn** in Q1 FY2021
  - *Y-o-Y growth of **21.9%** and sequential growth of **4.2%** in revenue*

- Recorded Gross Profit of **₹769mn** in Q1 FY2022 compared to **₹796mn** in Q4 FY2021 and **₹602mn** in Q1 FY2021
  - *Y-o-Y growth of **27.7%** and sequential degrowth of **3.4%** in Gross Profit*
  - *Gross Profit margin of **20.4%**, **22.0%** and **19.4%** in Q1 FY2022, Q4 FY2021 and Q1 FY2021 respectively*

- Recorded EBITDA of **₹491mn** in Q1 FY2022 compared to **₹515mn** in Q4 FY2021 and **₹397mn** in Q1 FY2021
  - *Y-o-Y growth of **23.6%** and sequential degrowth of **4.6%** in EBITDA*
  - *EBITDA margin of **13.0%**, **14.2%** and **12.8%** in Q1 FY2022, Q4 FY2021 and Q1 FY2021 respectively*

- Recorded Profit After Tax of **₹343mn** in Q1 FY2022 compared to **₹355mn** in Q4 FY2021 and **₹269mn** in Q1 FY2021
  - *Y-o-Y growth of **27.4%** and sequential degrowth of **3.2%** in Profit After Tax*

- Adjusted Profit After Tax of **₹377mn** in Q1 FY2022 compared to **₹398mn** in Q4 FY2021 and **₹295mn** in Q1 FY2021
  - *Adjusted for non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions and one-time stamp duty charges associated with earn-out payment related to 365squared acquisition (incurred in FY2021)*
  - *Adjusted Profit After Tax margin of **10.0%**, **11.0%** and **9.5%** in Q1 FY2022, Q4 FY2021 and Q1 FY2021 respectively*

Growing number of Multi-million dollar accounts with improving client diversification
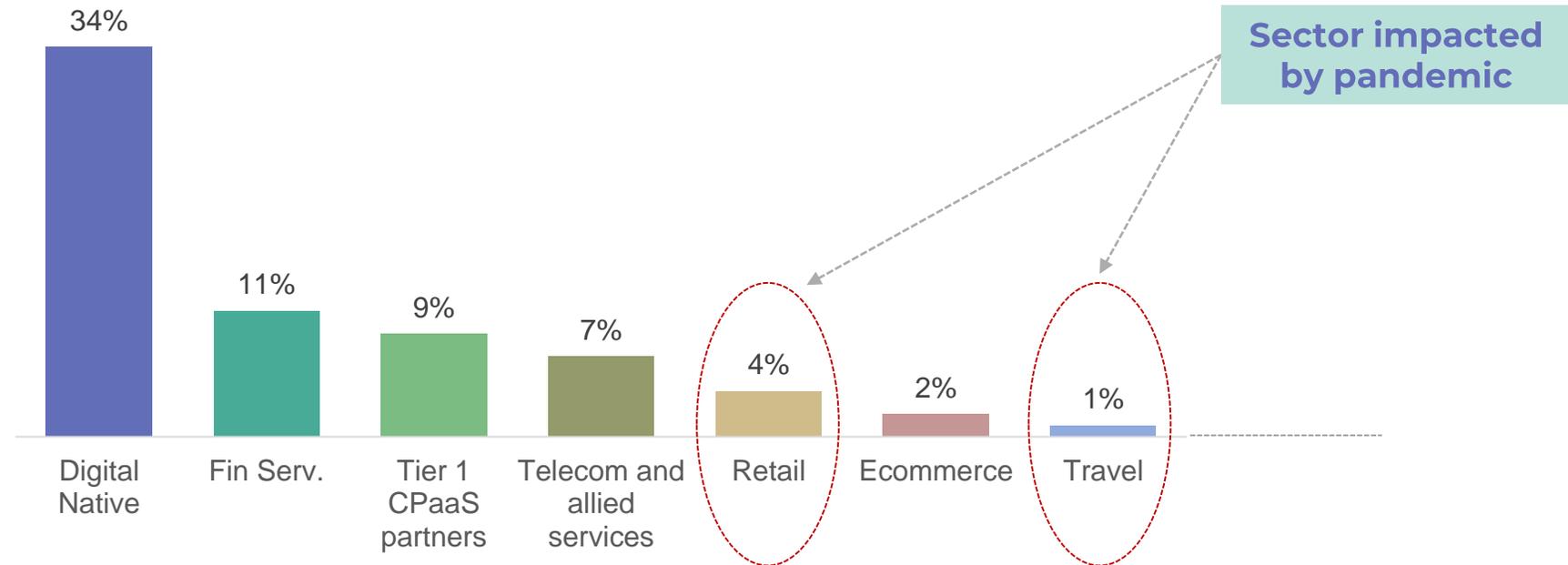

Clients by Account Size

	> $15mn	> $10mn	> $5mn	> $1mn
FY2018	-	-	-	11
FY2019	1	1	3	15
FY2020	2	2	4	21
FY2021	2	3	7	31
FY2022E*	3	4	8	32

Legend: FY2018, FY2019, FY2020, FY2021, FY2022E*

Client Concentration

	FY2018	FY2019	FY2020	FY2021	3m FY2022
Top 1	6%	23%	19%	15%	13%
Top 5	25%	43%	44%	45%	42%
Top 10	36%	54%	54%	59%	56%
Top 50	54%	81%	82%	86%	86%

*FY2022E Clients by Account size and Client Concentration based on annualised 3 months ended Jun,30 2021 revenue

Diversified customer base across selected industries

Quarterly split of Revenue across selected industries (% of revenue in Q1 FY2022)

Sector impacted by pandemic

Industry	%
Digital Native	34%
Fin Serv.	11%
Tier 1 CPaaS partners	9%
Telecom and allied services	7%
Retail	4%
Ecommerce	2%
Travel	1%

- Digital Native includes social media, internet and Edtech companies;
- Fin serv. includes banking, insurance and payment companies;

- Telecom and allied services represents primarily mobile network operators.

Segmental revenue by termination and by customer HQ

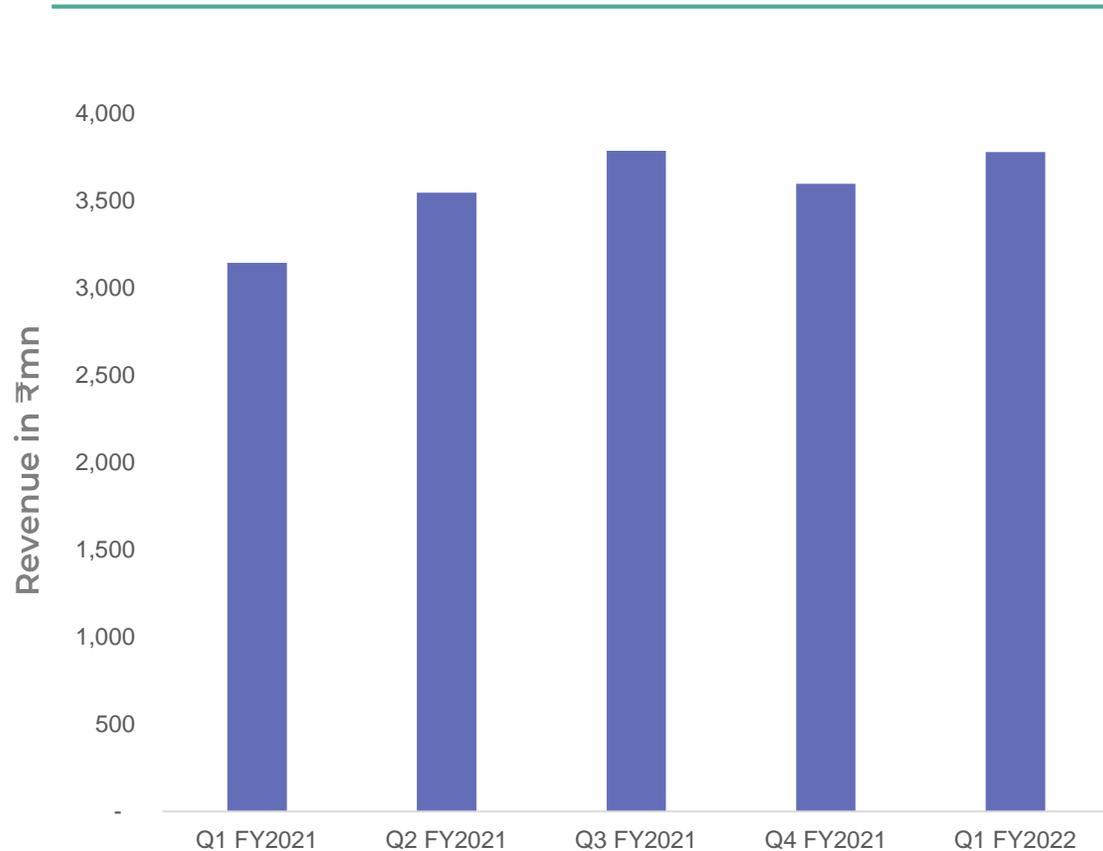**Quarterly split of Revenue for Top 50 countries by termination (~90% of Q1 FY2022 revenue)**

- India: 33%
- Asia excl. India: 24%
- Africa: 16%
- Middle East: 9%
- Europe: 5%
- Americas: 4%
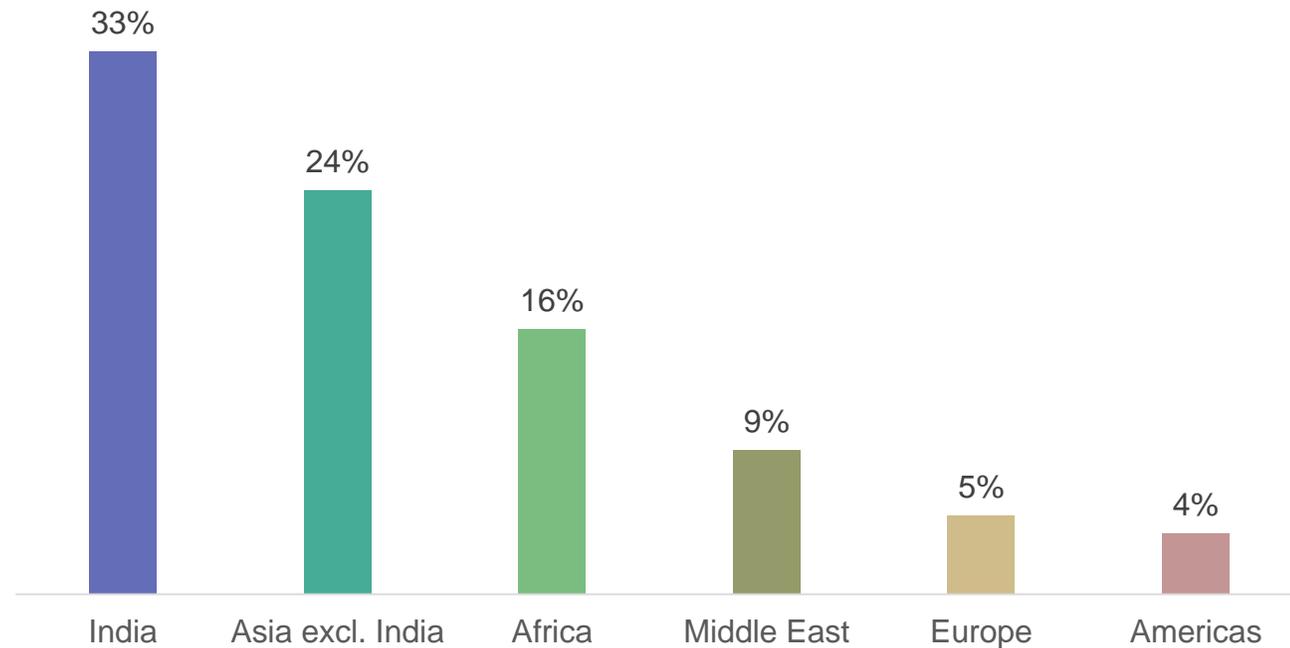
Quarterly split of Revenue by customer HQ (continent) (# Top 150 customers accounts for 96% of Q1 FY2022 revenue)

- Americas, 40%
- Asia, 38%
- Europe, 13%
- Africa, 9%

Quarterly revenue trend
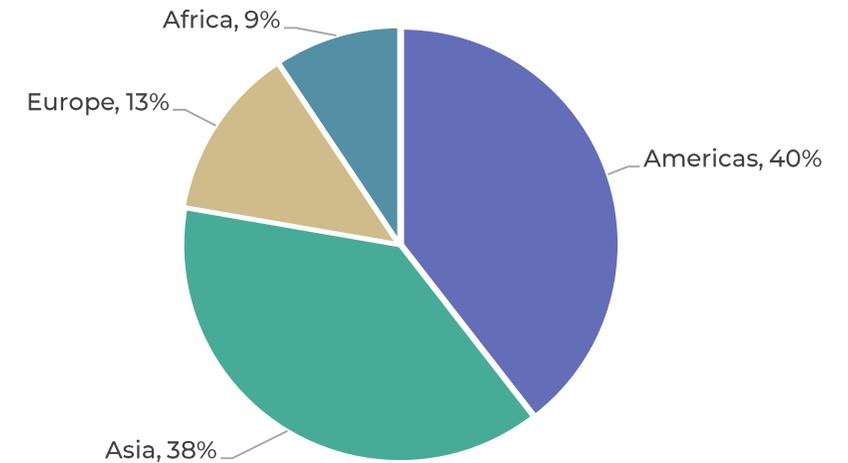
Quarterly revenue trend depicts seasonality in the business

Quarterly revenue

Top 15 Enterprise customers

Revenue in ₹mn

Q1 FY2021	Q2 FY2021	Q3 FY2021	Q4 FY2021	Q1 FY2022
1,306	1,536	1,782	1,530	1,439

Y-o-Y growth 10%

Top 10 Countries by termination of A2P messaging

Revenue in ₹mn

Q1 FY2021	Q2 FY2021	Q3 FY2021	Q4 FY2021	Q1 FY2022
2,533	2,978	3,072	2,897	2,903

Y-o-Y growth 15%

- Dedicated enterprise sales team focused on on-boarding large enterprise customers. Top 15 enterprise customers accounts for 38% of Q1 FY2022 revenue
- Top 10 countries contributed 78% of the total revenue from operation in Q1 FY2022
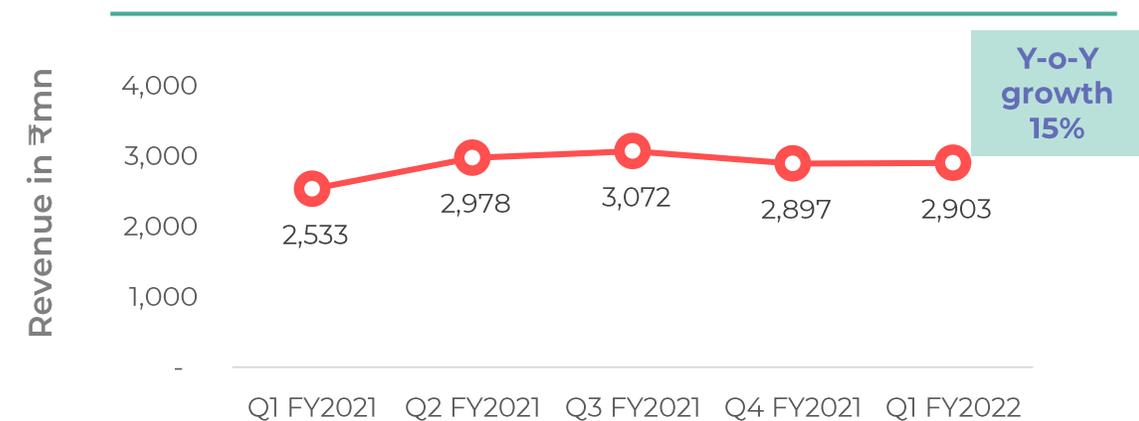
Strong recurring revenue

Recurring Revenue as % of Operating Revenue

85% — FY2020
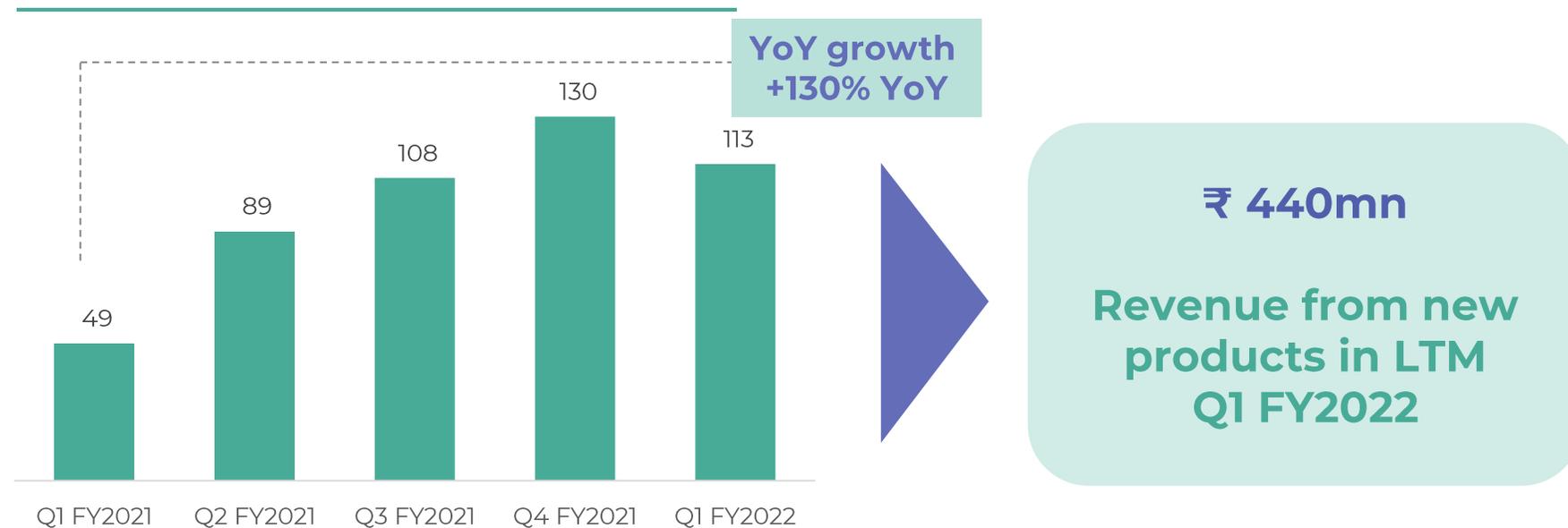91% — FY2021
90% — LTM Q1 FY2022
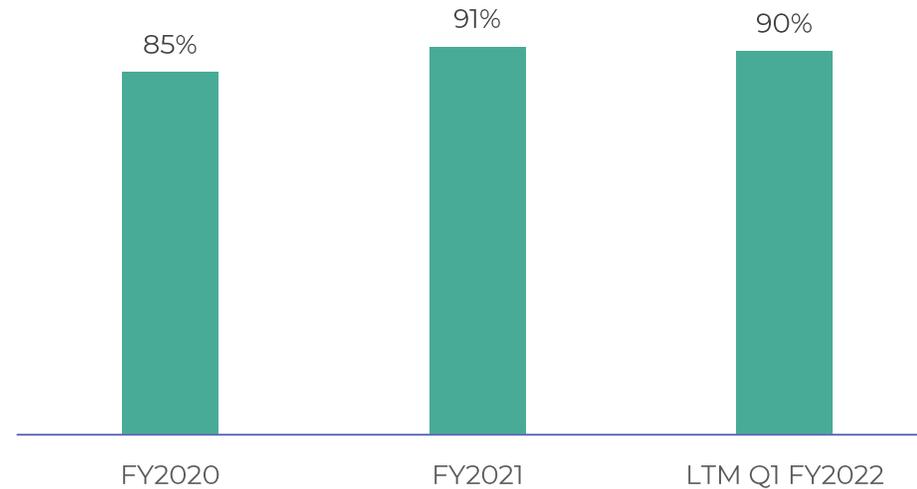
Deep Customer engagement driving high recurring revenues

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 July 1, 2020 – June 30, 2021 is a recurring customer for LTM ended Jun 30,2021.

New Product Revenue Momentum

Quarterly New Product Sales (₹ mn)

YoY growth +130% YoY

Quarter	Value
Q1 FY2021	49
Q2 FY2021	89
Q3 FY2021	108
Q4 FY2021	130
Q1 FY2022	113

₹ 440mn

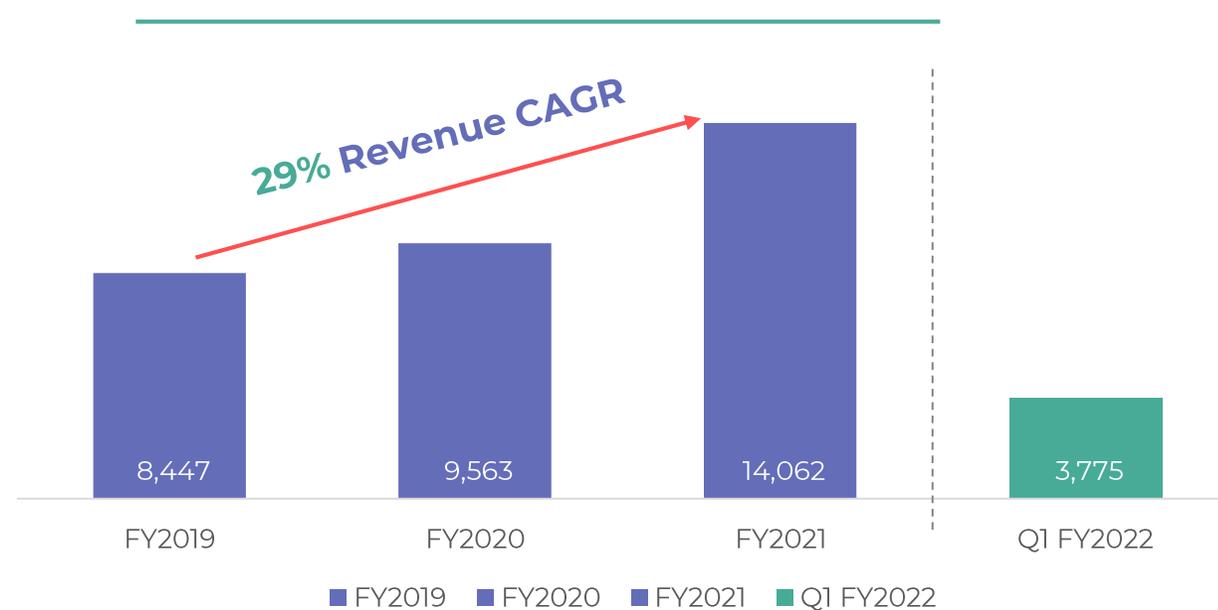**Revenue from new products in LTM Q1 FY2022**

Next generation messaging channels, viz. enterprise voice solutions, IP based messaging, email and unified communication solutions continue to witness increasing adoption by enterprises
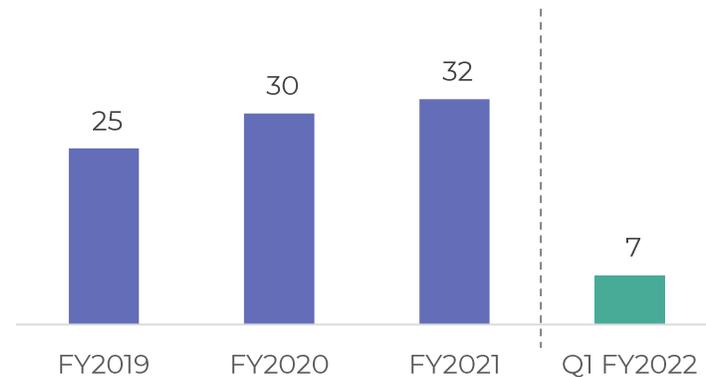
- Continuous focus on cross selling alternative communication solutions to existing blue-chip customer base
- **150+** new customers onboarded during Q1 FY2022, across all products

Improving Unit Economics – Revenue

Revenue from operations (in ₹ mn)

29% Revenue CAGR

FY2019	FY2020	FY2021	Q1 FY2022
8,447	9,563	14,062	3,775

■ FY2019 ■ FY2020 ■ FY2021 ■ Q1 FY2022

Total billable transactions (in bn)

FY2019	FY2020	FY2021	Q1 FY2022
25	30	32	7

Revenue (in ₹) per transaction

FY2019	FY2020	FY2021	Q1 FY2022
0.338	0.315	0.435	0.550

Improving Unit Economics – EBITDA

EBITDA and EBITDA margin

	FY2019	FY2020	FY2021	Q1 FY2022
EBITDA (₹ mn)	869	1,000	1,756	491
EBITDA %	10.3%	10.5%	12.5%	13.0%

EBITDA (₹ mn) — EBITDA %
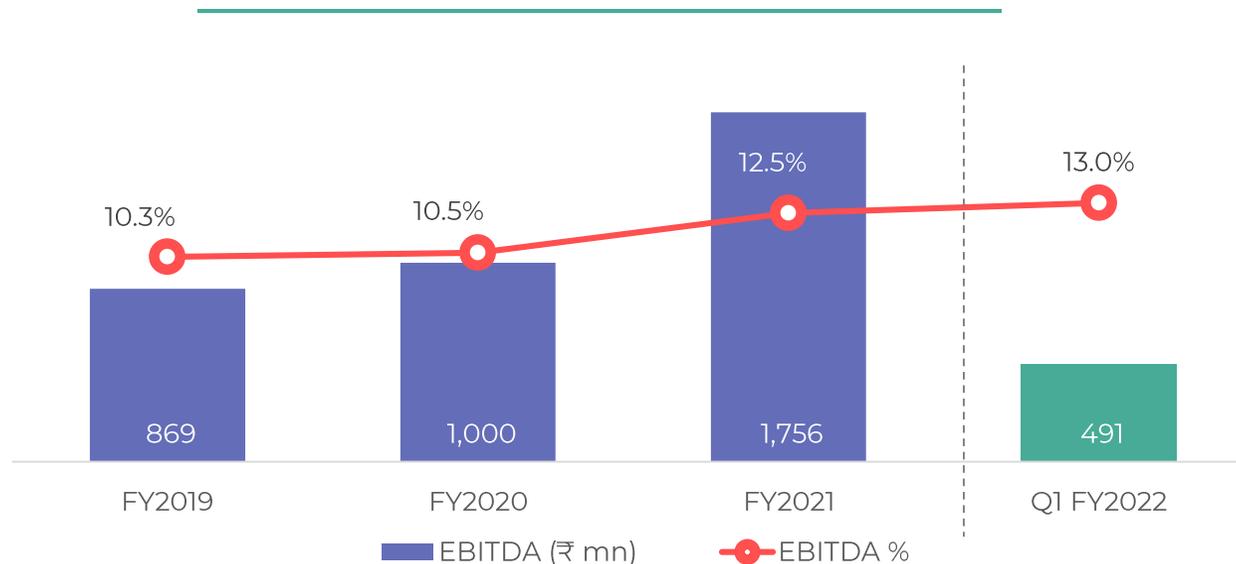
EBITDA (in ₹) per transaction

FY2019	FY2020	FY2021	Q1 FY2022
0.035	0.033	0.054	0.072

High Operating Leverage –> EBITDA/ Gross profit

Q1 FY2021	Q1 FY2022
62.5%	63.9%

Income Statement

| Profit & Loss Statement (in ₹ mn) | Quarter ended | | | Y-o-Y growth | Year ended |
	Jun 30, 2021	Mar 31, 2021	Jun 30, 2020		Mar 31, 2021
Total revenue from operations	**3,775**	**3,624**	**3,096**	**21.9%**	**14,062**
Expenses					
-Purchases of messaging services	3,006	2,829	2,494	20.5%	11,290
-Employee benefits expense	196	170	130	50.2%	615
-Other expenses	82	111	74	10.6%	400
EBITDA[1]	**491**	**515**	**398**	**23.6%**	**1,756**
Finance costs	5	4	10	-51.9%	28
Depreciation and amortisation expense	66	64	60	9.1%	258
Other income	8	-6	5	56.4%	160
Profit before tax (before exceptional items)	**429**	**440**	**333**	**29.0%**	**1,631**
Exceptional items[2]	-	16	-		16
Profit before tax	**429**	**425**	**333**	**29.0%**	**1,615**
Tax expense	86	70	64		288
Profit After Tax (as reported)	**343**	**355**	**269**	**27.4%**	**1,328**
Amortization resulting from intangibles added on account purchase price allocation for acquisitions and exceptional items	34	44	25		155
Adjusted Profit After Tax[3]	**377**	**398**	**295**	**28.2%**	**1,482**

(1) Net loss (gain) on FX transactions and translation is excluded from EBITDA, amounting to ₹36mn, ₹45mn, ₹21mn and (₹28mn) for Q1 FY2022, Q4 FY2021, Q1 FY2021 and FY2021 respectively.
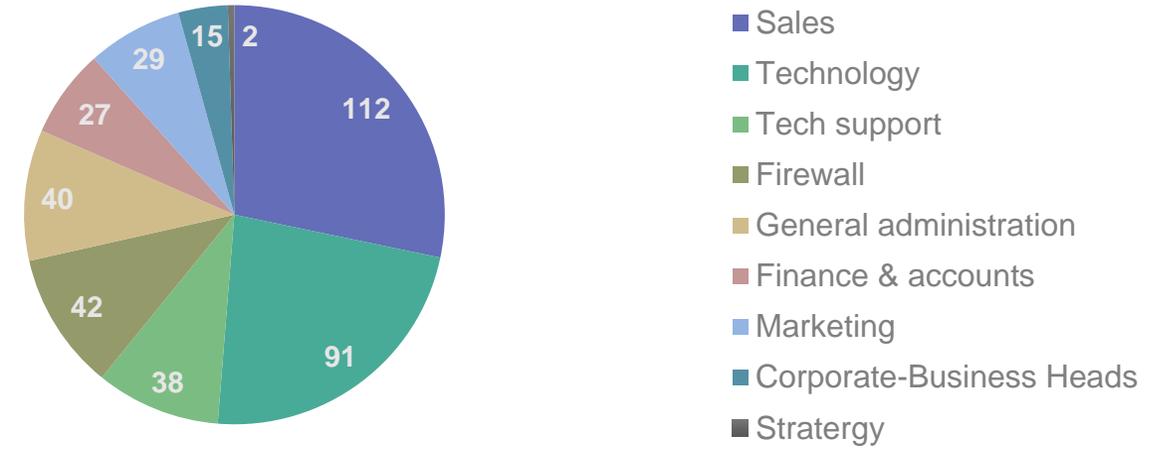(2) Stamp duty charges associated with earn-out payment related to 365squared acquisition (in FY2021)
(3) Adjusted profit calculated as profit after tax + exceptional items (excluding tax shield) + amortization resulting from intangibles added on account of acquisitions
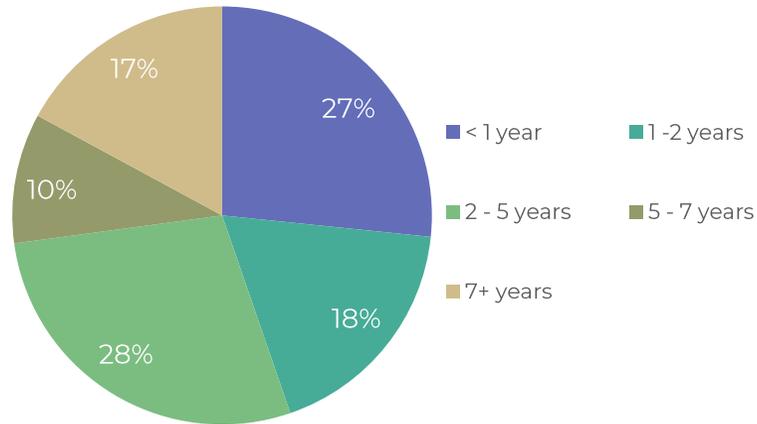
Human Resource Capital
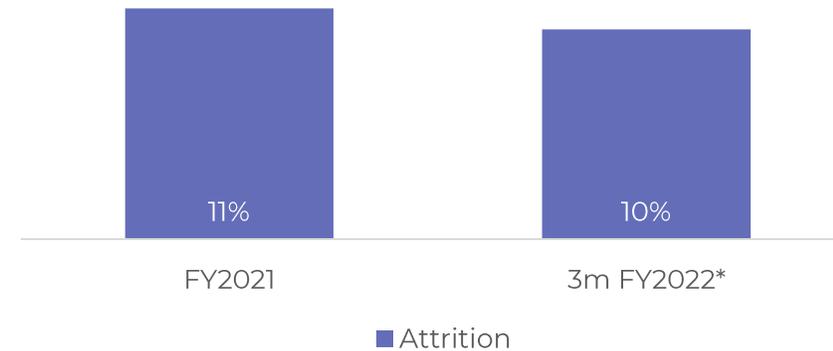

Location wise break-up[1]

- India
- International

Center: **396**

India: 365
International: 31

Function wise break-up[1]

- Sales — 112
- Technology — 91
- Tech support — 38
- Firewall — 42
- General administration — 40
- Finance & accounts — 27
- Marketing — 29
- Corporate-Business Heads — 15
- Stratergy — 2
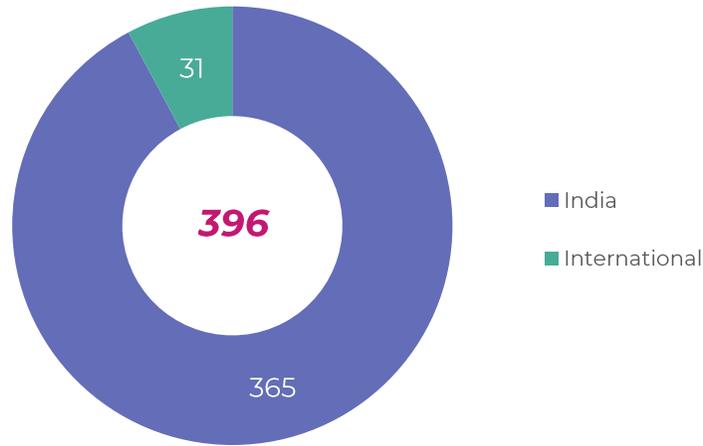
Tenure with Route Mobile[1]

- < 1 year — 27%
- 1 - 2 years — 18%
- 2 - 5 years — 28%
- 5 - 7 years — 10%
- 7+ years — 17%

Attrition analysis

- FY2021 — 11%
- 3m FY2022* — 10%

- Attrition

(1) As on June 30, 2021, Employee information excludes Call2Connect
* based on annualised 3 months ended Jun 30, 2021

Thank You

Route Mobile Limited

An enhanced and personalized Email Automation platform -

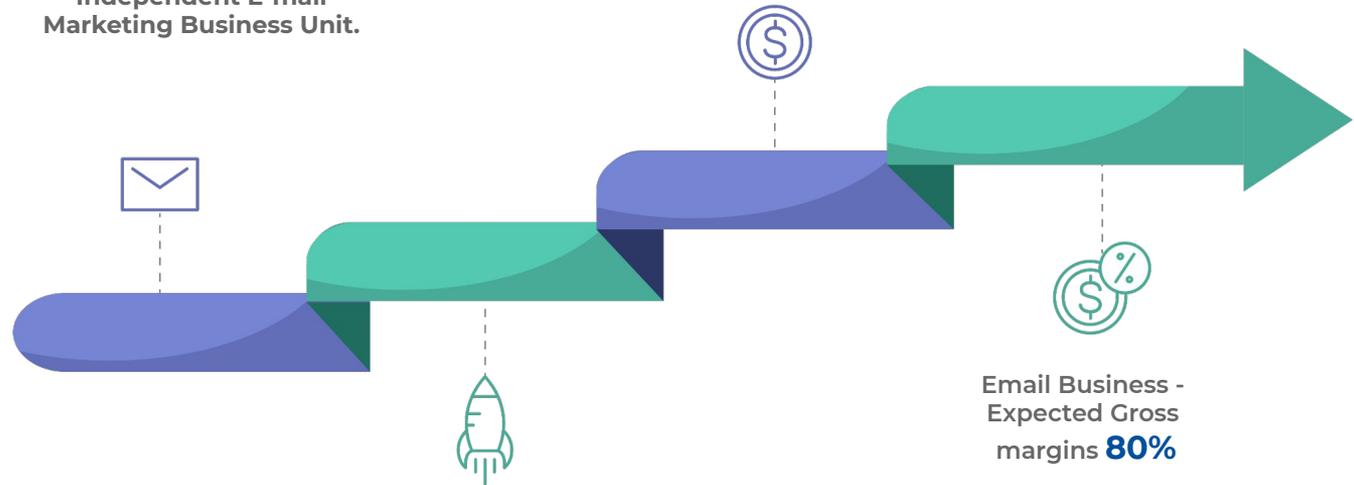**SendClean**

www.sendclean.com

Safe Harbor

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.

SendClean -

3 years Roadmap

SendClean | **routemobile** communication simplified

BTA (Business Transfer Agreement with Sarv) to build a long term Independent E-mail Marketing Business Unit.

3 years Revenue Target
USD 30Mn

Email Business - Expected Gross margins 80%

www.sendclean.com

A Self-serve Email Marketing platform

SendClean -

3 years Roadmap

SendClean | routemobile communication simplified

Investments of over **12 MN USD** planned in 3 years

Human Capital investments to ramp-up from 10 employees to 100+ employees in 1st year.

Infrastructure deployment to be ramped up at multiple locations.

Current Locations
US, Germany, India
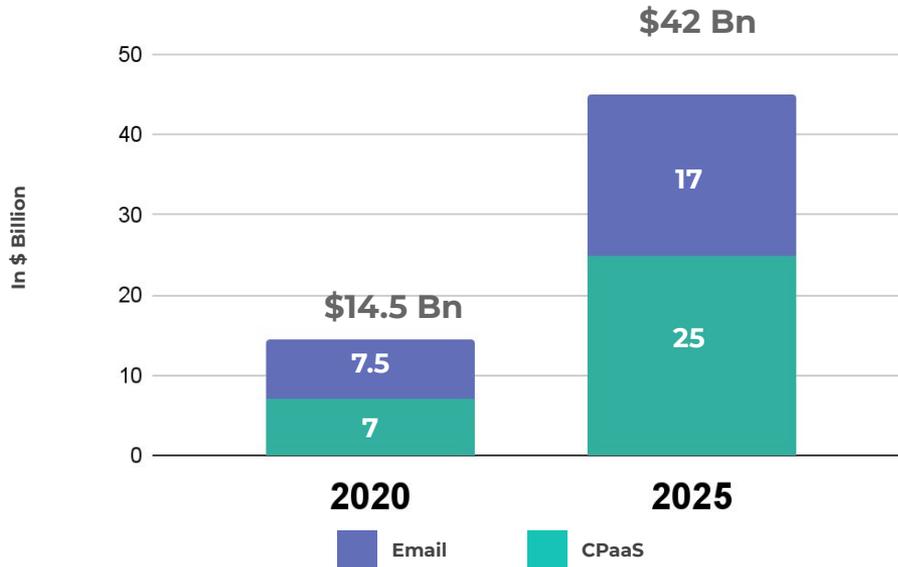
New Servers:
Middle East WIP

Indian Servers
will be upgraded

SendClean Inc - for Global Enterprises & Developers

SendClean Pvt Ltd - for Indian Enterprises & Developers

Email - Continues to be Mission Critical in Communication

Email Trends

- Emails continues to be a preferred channel of communications for enterprises after SMS

- Shift towards unified marketing strategy including other channels like SMS, Voice and Chat

- Customer success, campaign optimization and execution support are top priorities.

- Using AI and ML to optimize and segment campaigns and automation
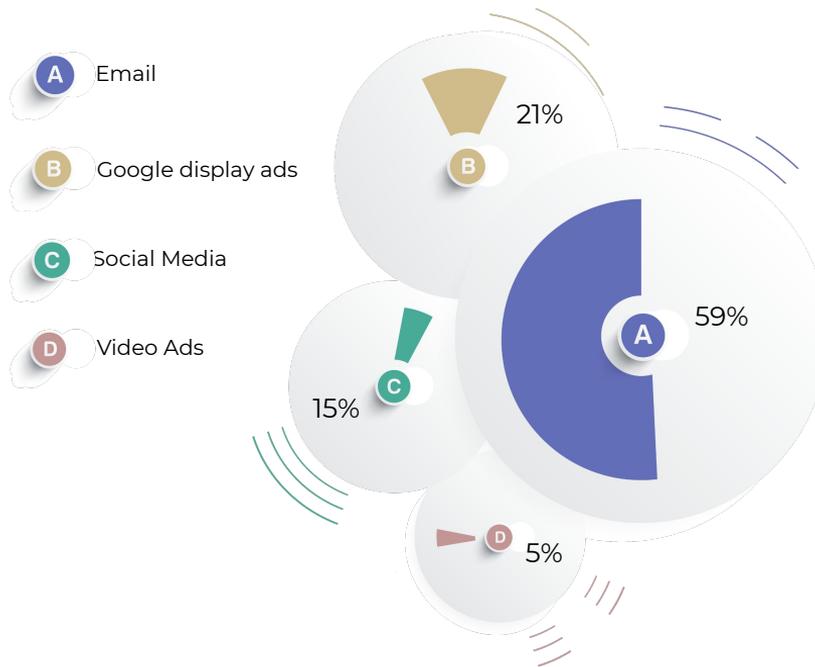
- Privacy and data security requirements.

- Email marketing is a driver of digital commerce and a vital cross-channel connector.

Source: Gartner Market Guide for Email Marketing (2020)

Leading Drivers of Increased ROI

- **A** Email
- **B** Google display ads
- **C** Social Media
- **D** Video Ads

21%

59%

15%

5%

Survey: Which digital marketing channel generates the most ROI?

RML Strengthens Automated Email Marketing

A Leading **Omni-channel Communications Experience** Platform **(CXPaaS)**

A Leading **AI - driven Smart Email Marketing Automation** Platform **(EMAP)**

SendClean - Charting Success through Email Marketing

SendClean | **route**mobile
communication simplified

Advanced Segmentation

Next Gen Campaign Management

Personalization and dynamic content

Automation with triggered messages
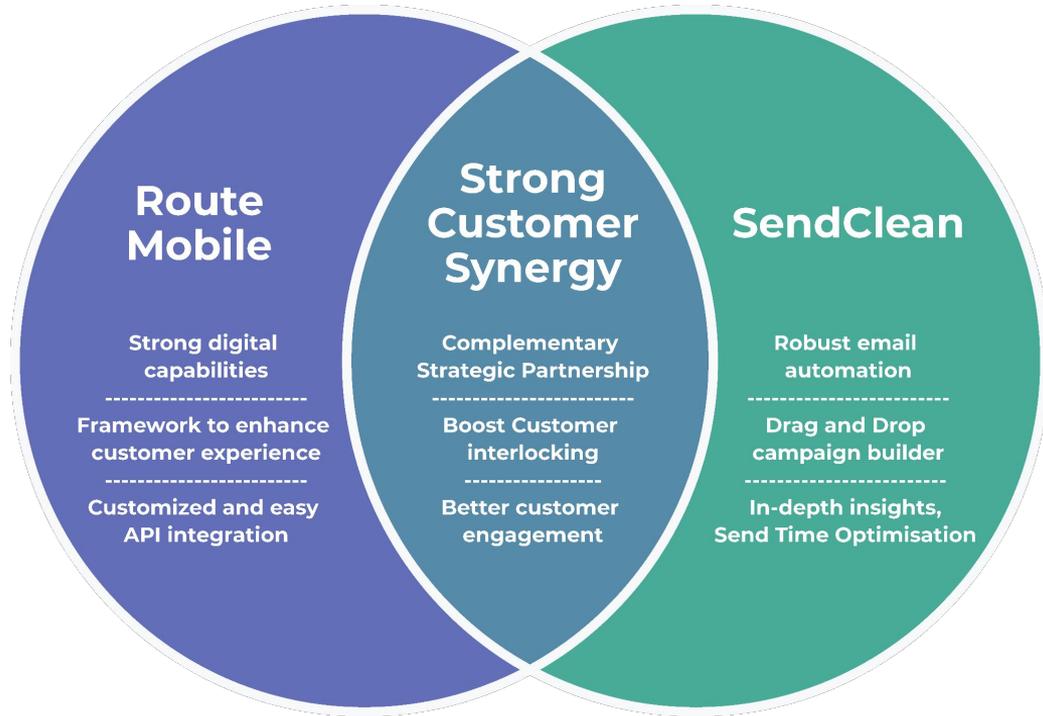

Advanced analytics

Connectivity

Key Highlights

- Leading SaaS based platform for email marketing

- Currently processing **~1Bn** Monthly average volume

- Diversified clientele

- Robust email automation for personalized experience.

Route Mobile & SendClean to Deliver Superlative CX through Email Automation

SendClean | **routemobile** communication simplified

Route Mobile

Strong digital capabilities

Framework to enhance customer experience

Customized and easy API integration

Strong Customer Synergy

Complementary Strategic Partnership

Boost Customer interlocking

Better customer engagement

SendClean

Robust email automation

Drag and Drop campaign builder

In-depth insights, Send Time Optimisation

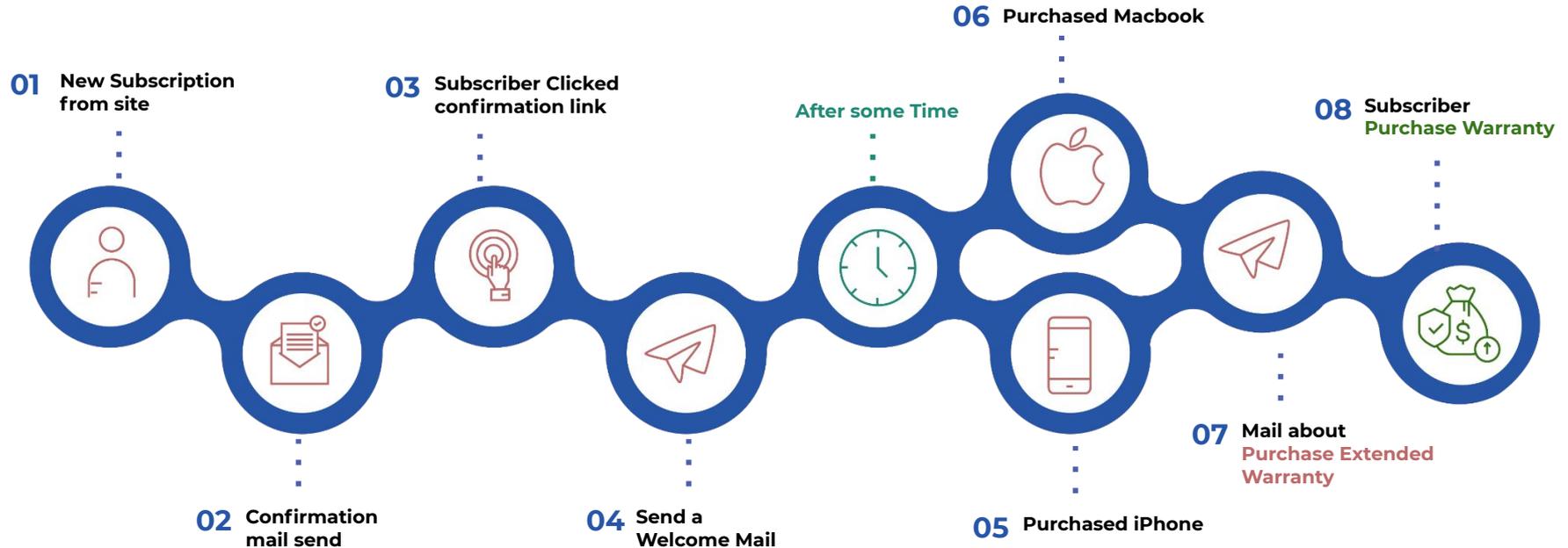**Hyper personalization | Intelligent Targeting | Customer Engagement**

What's in it for the Customers?

Powerful AI-driven automated email marketing platform enabling businesses to accelerate campaign outcomes with the help of -

Drag & Drop email builder, DIY platform

Mail Relay Server

Behavioral Segmentation

Engage with users at multiple instances of their journey

Easy Automation and Integrations

Customize Report Features

Webhook Retry Provision
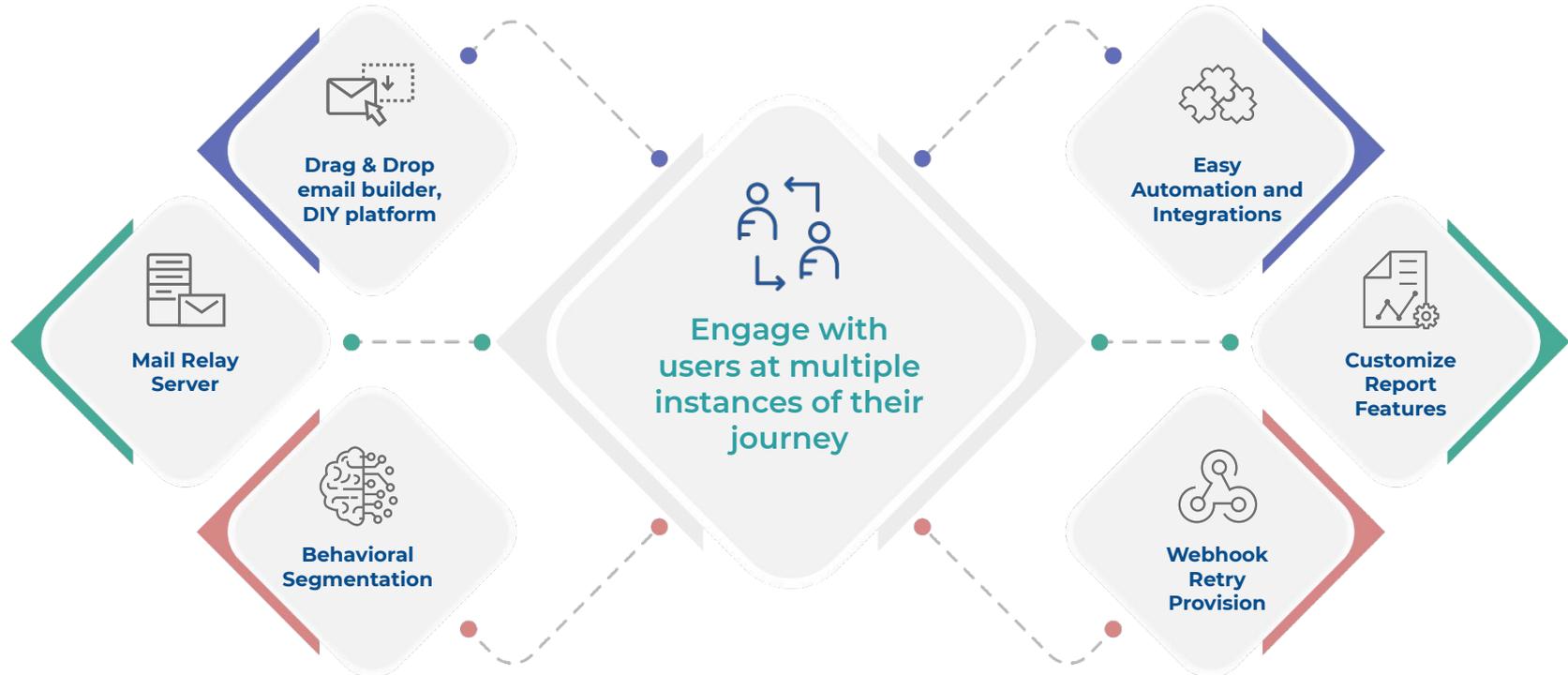
Email Marketing Automation - A Typical Use-Case

SendClean | **route**mobile communication simplified

- Robust APIs for trigger based emails at every step of your customer journey.
- Defining the right touchpoints to trigger emails and scenarios mapping effectively to the customer journey.
- Advanced analytics to analyse and redefine campaign strategies.
- Influencing decisions and driving purchase.

01 New Subscription from site

02 Confirmation mail send

03 Subscriber Clicked confirmation link

04 Send a Welcome Mail

After some Time

06 Purchased Macbook

05 Purchased iPhone

07 Mail about Purchase Extended Warranty

08 Subscriber Purchase Warranty

Thank You!