



# Earnings Update

## Q1 FY22-23

**INVESTOR PRESENTATION**  
JUNE 29, 2022



# 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 - Industry Leading Global CPaaS Platform

RML offers a scalable and flexible **Omnichannel CPaaS** platform to enterprises across industry verticals, globally



**Strong industry tailwinds:** Global CPaaS market will grow to **\$34.2bn** in 2026, from \$8.7bn in 2021 <sup>(1)</sup>

**280+** direct MNO connects, overall access to **900+** MNOs (**Super Network**)



**₹23,535mn** LTM June 2022 Revenue  
**33%** Revenue CAGR FY 2019 – FY 2022

Global footprint across **20+ locations**;  
**2,100+** active billable clients; **200+** new customer onboarded in Q1 FY 22-23



**₹2,945mn** LTM June 2022 EBITDA  
**44%** EBITDA CAGR FY 2019 – FY 2022

Infrastructure comprising **18 data centers** and **6 SMSCs** globally



**125%** Net revenue retention in Q1 FY 22-23

**ESG leader**, rated **“A”** by a reputed ESG rating agency

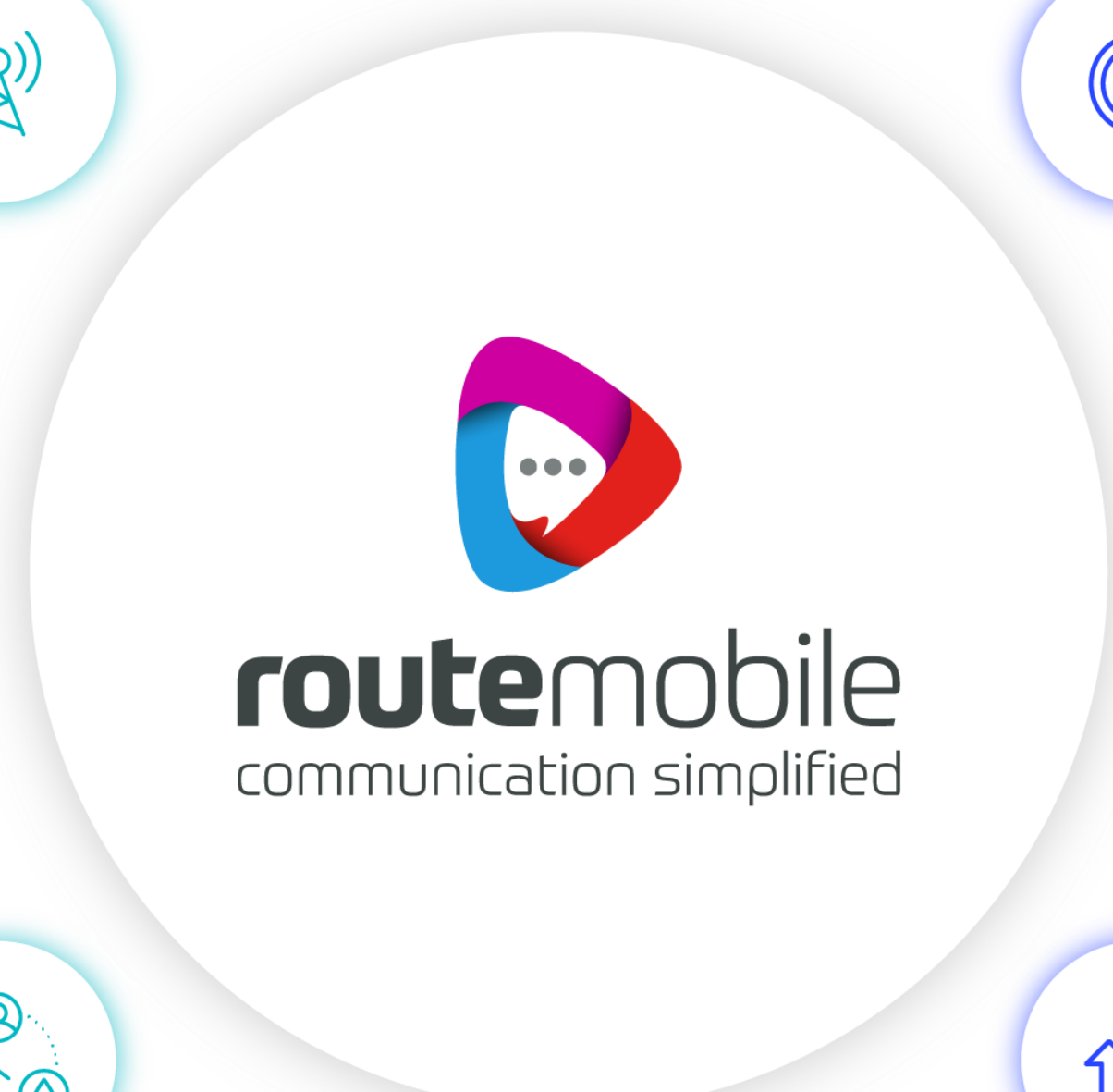


**c. 25bn** Billable transactions processed in Q1 FY22-23

Recognized as “Established Leader” – **Juniper**,  
 “Top Tier 1 A2P SMS vendor” – **Rocco**,  
 “Representative Vendor” - **Gartner** for CPaaS

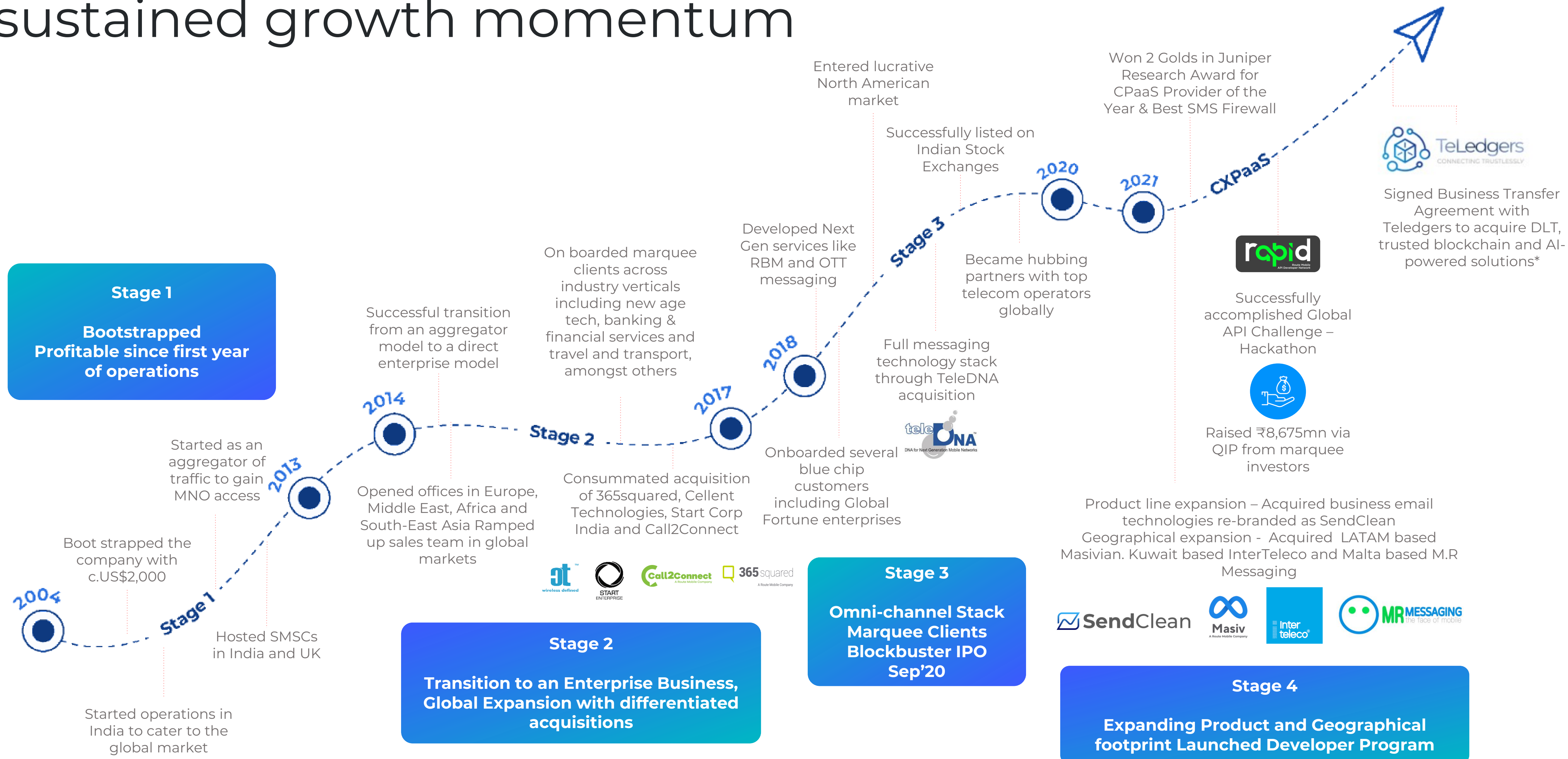


**700+** employees spread across 5 continents



(1) Juniper - CPaaS Future Market Outlook, 2021

# Systematic roadmap to create sustained growth momentum



**Stage 1**  
 Bootstrapped Profitable since first year of operations

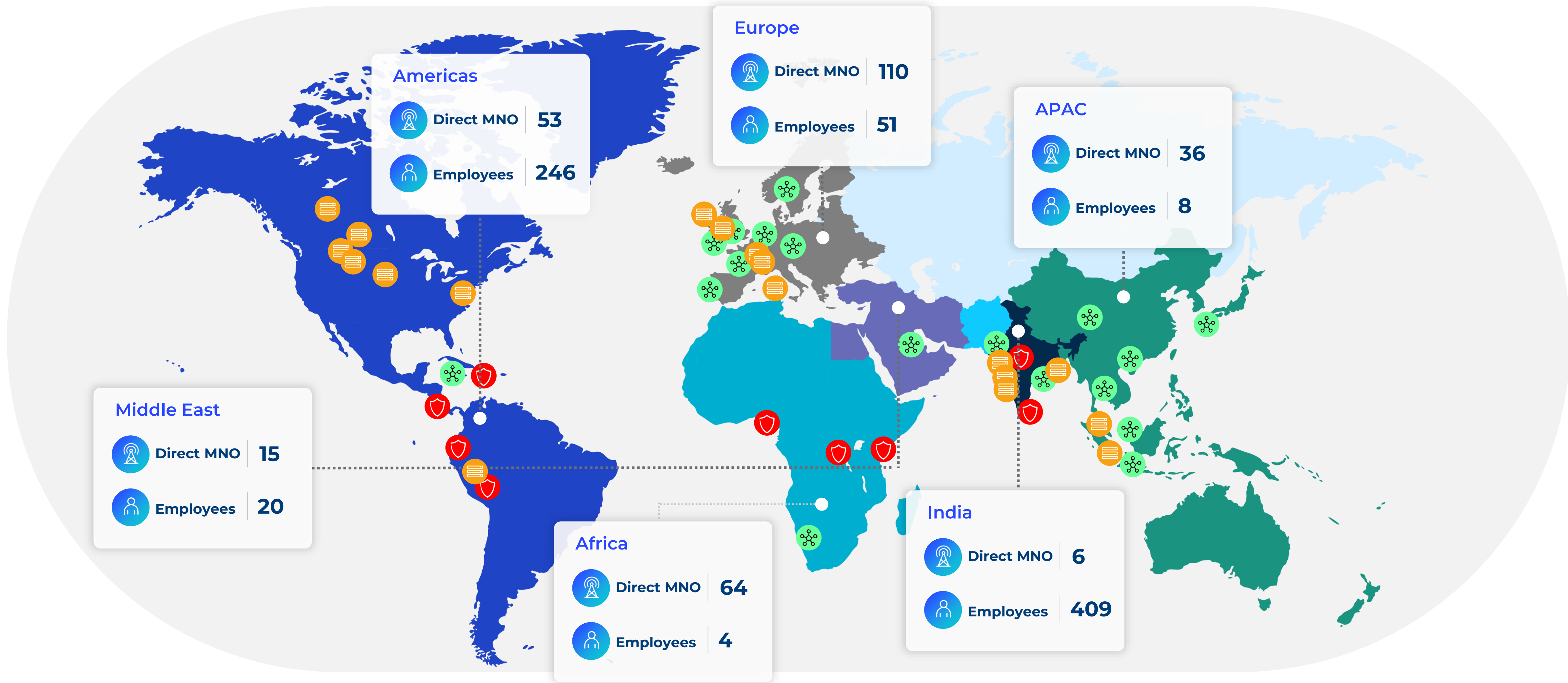
**Stage 2**  
 Transition to an Enterprise Business, Global Expansion with differentiated acquisitions

**Stage 3**  
 Omni-channel Stack Marquee Clients Blockbuster IPO Sep'20

**Stage 4**  
 Expanding Product and Geographical footprint Launched Developer Program

\*Closure subject to completion of condition precedents including outcome of an ongoing arbitration proceeding

# Global Diaspora - Footprint & Super Network



 9 Firewall deployments;  
1 upcoming (contract signed)

 18 virtualized Data Centers

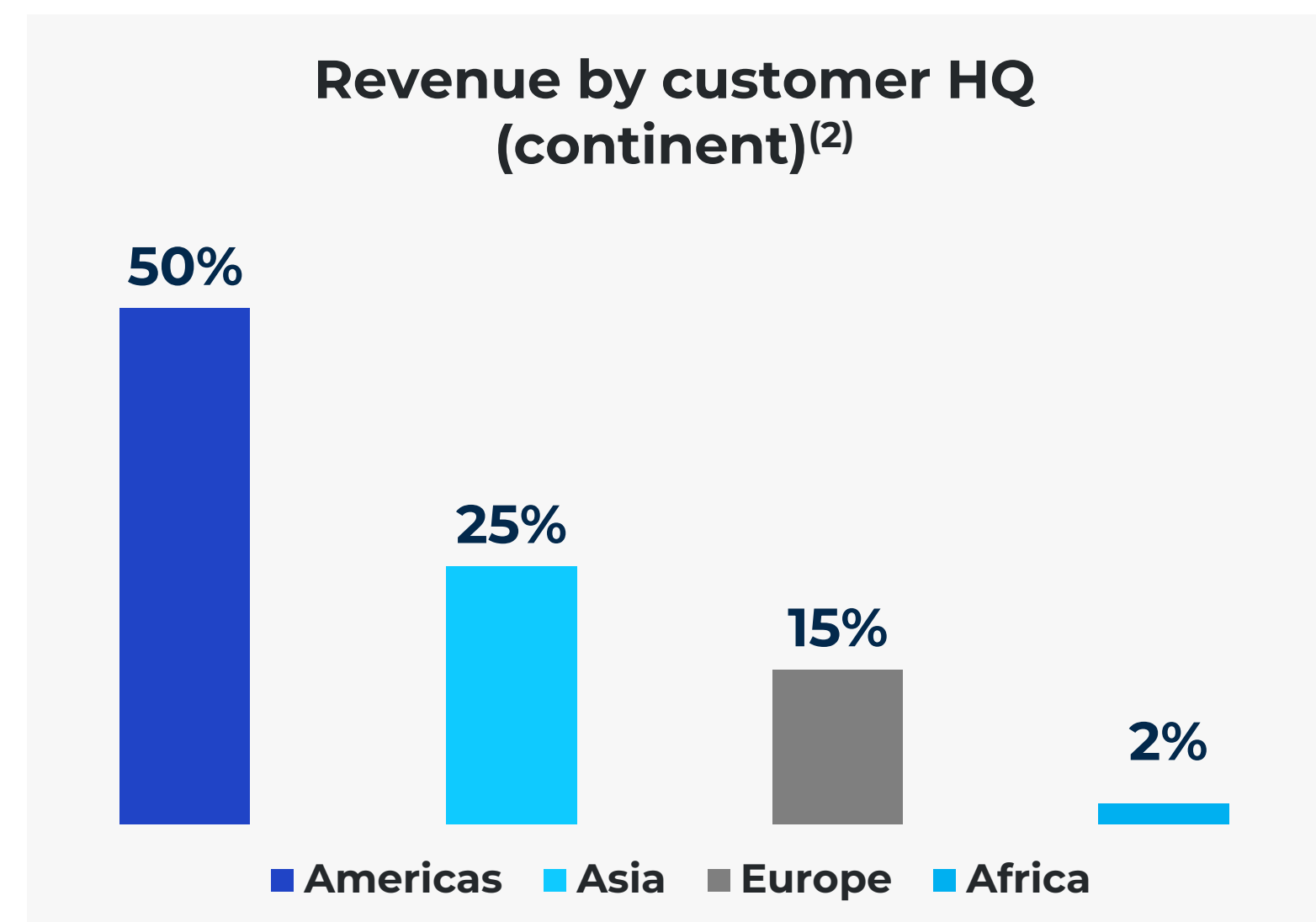
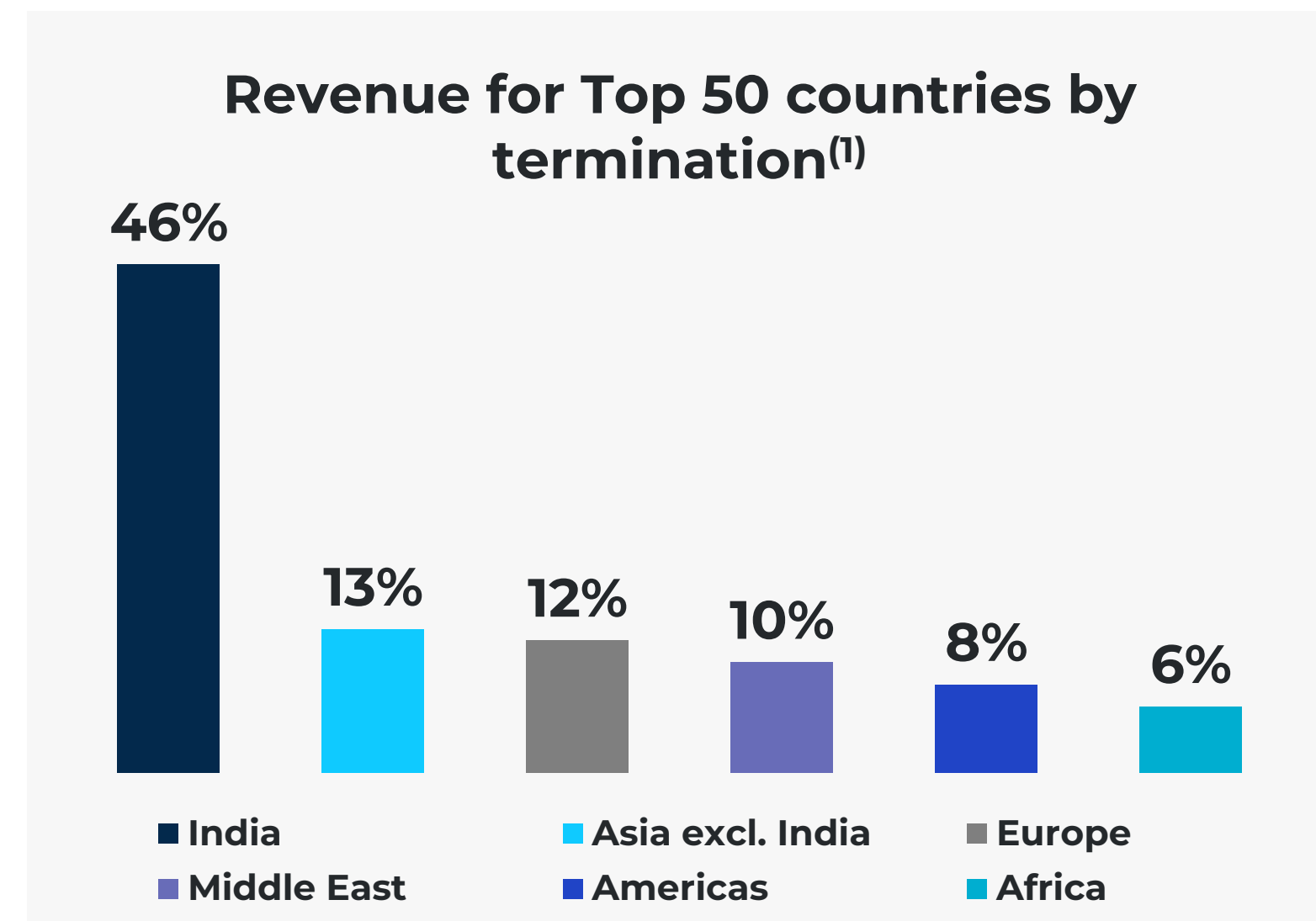
 18 Hubs

 700+ Global Employees base

 **280+ Super Network**  
Widespread global distribution & reach

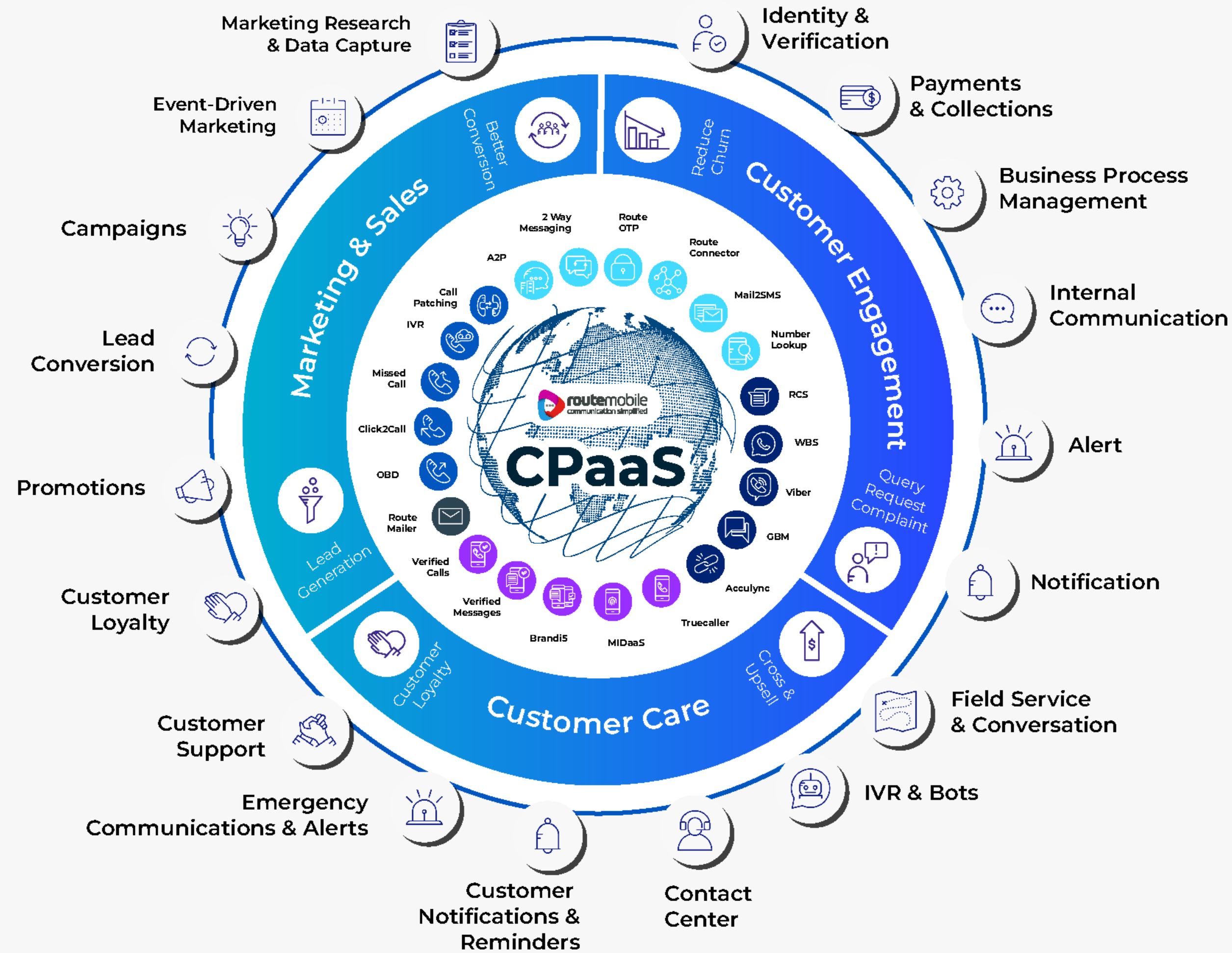
# Diverse customer base

## Revenue contribution from select industries in Q1 FY22-23



(1) Top 50 countries contribute c.96% of Q1 FY22-23 revenue from operation | (2) Based on Top 150 customers - contributes c. 92% of Q1 FY22-23 revenue from operation

# Systematic Roadmap to Create Sustained Growth Momentum





# Key Developments



# Key Developments in Q1 FY22-23

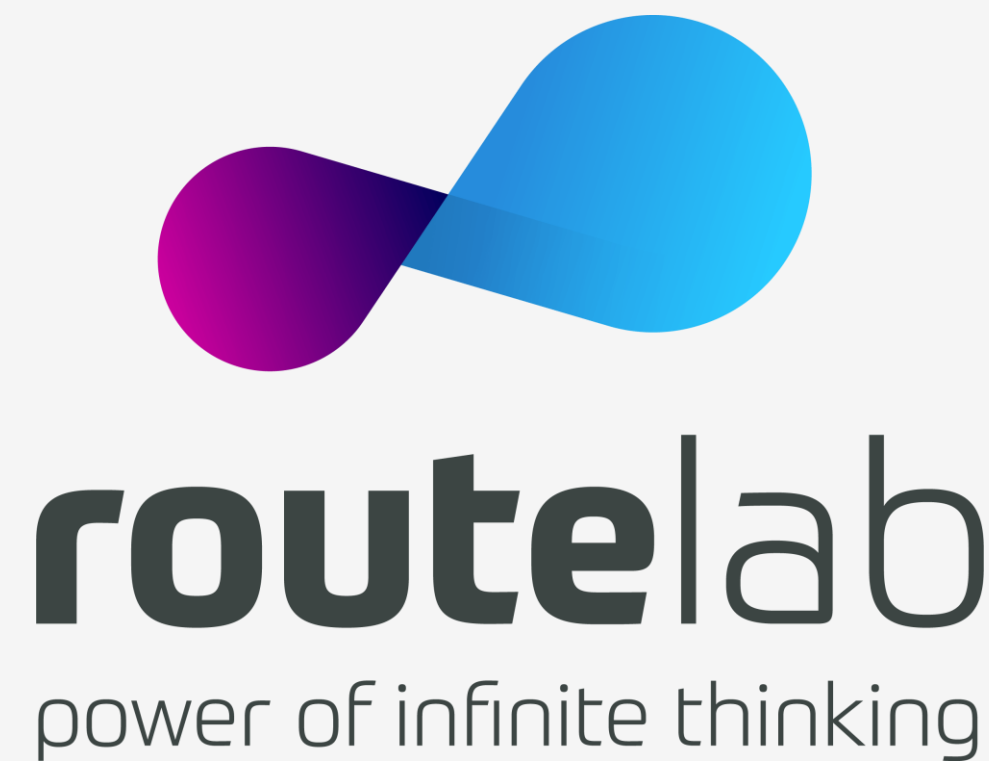


**Route Mobile Limited listed in the Tier 1 position in both MNO and Enterprise edition A2P SMS Messaging Vendor Benchmarking Report 2022 - ROCCO Research**

- **Buyback**, via “Open Market” route through the stock exchange mechanism, approved by the Board of Directors on June 28, 2022
- Buyback Price not exceeding ₹ 1,700 per equity share and for an aggregate amount not exceeding ₹ 1,200mn
- No participation by promoters, promoter group and persons who are in control of the Company
- Buyback commenced on July 11, 2022

## Status of buyback as on July 28, 2022

<b>Total amount earmarked</b>	<b>₹ 1,200mn</b>
<b>Cumulative amount utilised</b>	<b>₹ 498mn</b>
<b>Cumulative number of shares bought back</b>	<b>384,505 Equity Shares</b>



**RouteLab**  
Centre of Excellence for research & development to develop innovations in AI, ML, Mobile Identity & Blockchain in Bengaluru

# Coca-Cola UAE automates their Customer Engagement using Conversational Commerce

## Solution:

- Deliver a smooth conversational experience
- Automating the ordering process
- Seamless integration with their own payment system
- Enable adding products from catalogue, quick reply and interactive list to get user input

## Highlights:

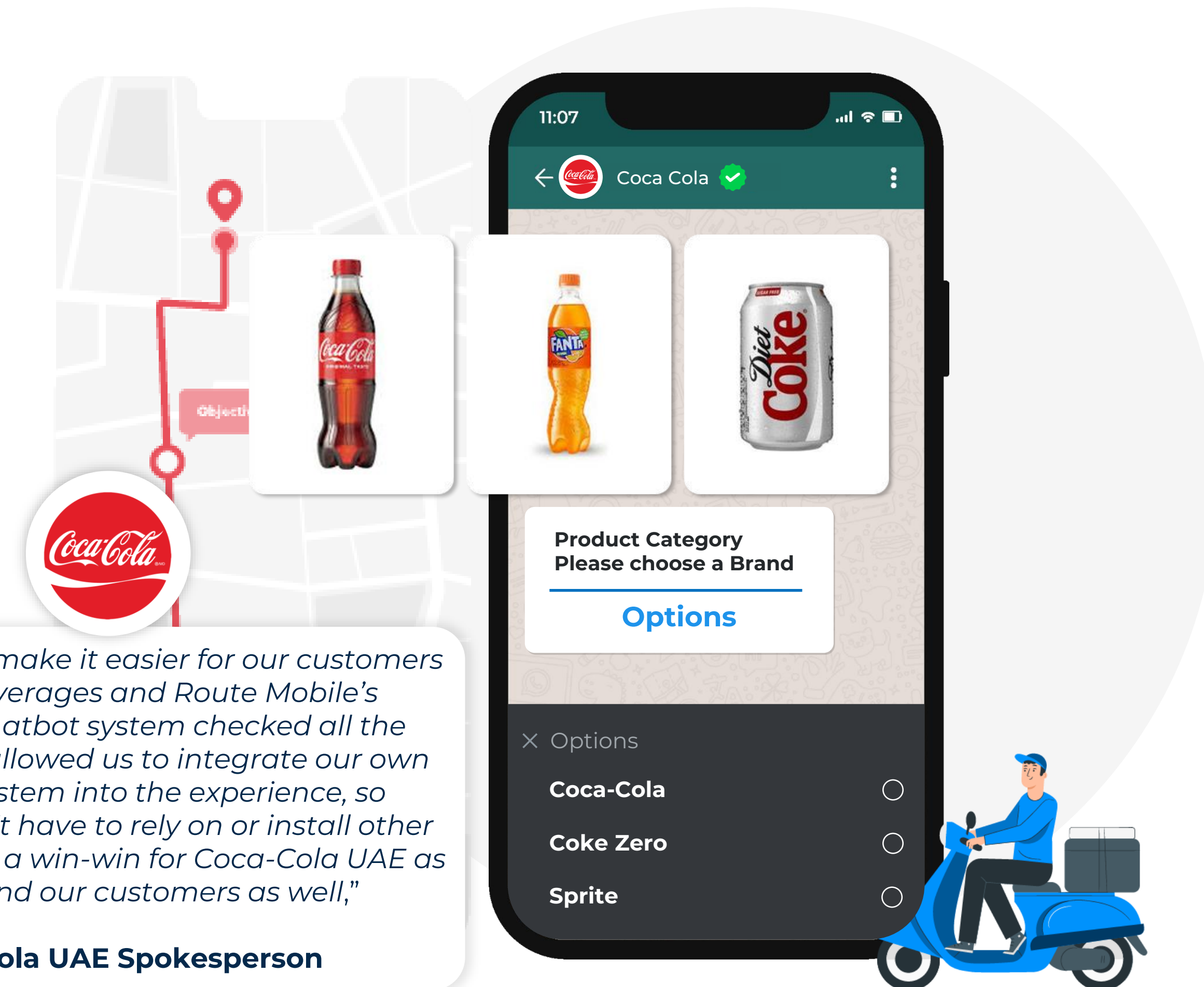
**Digitization of ordering process on an OTT App**

**Enabling Commerce for online transactions**

**Enhanced customer engagement & experience**

*"We wanted to make it easier for our customers to order beverages and Route Mobile's WhatsApp chatbot system checked all the boxes. It even allowed us to integrate our own payment system into the experience, so customers don't have to rely on or install other apps, leading to a win-win for Coca-Cola UAE as a brand and our customers as well,"*

**Coca-Cola UAE Spokesperson**



# Government of Assam delivers Critical Communications to 1mn+ citizens

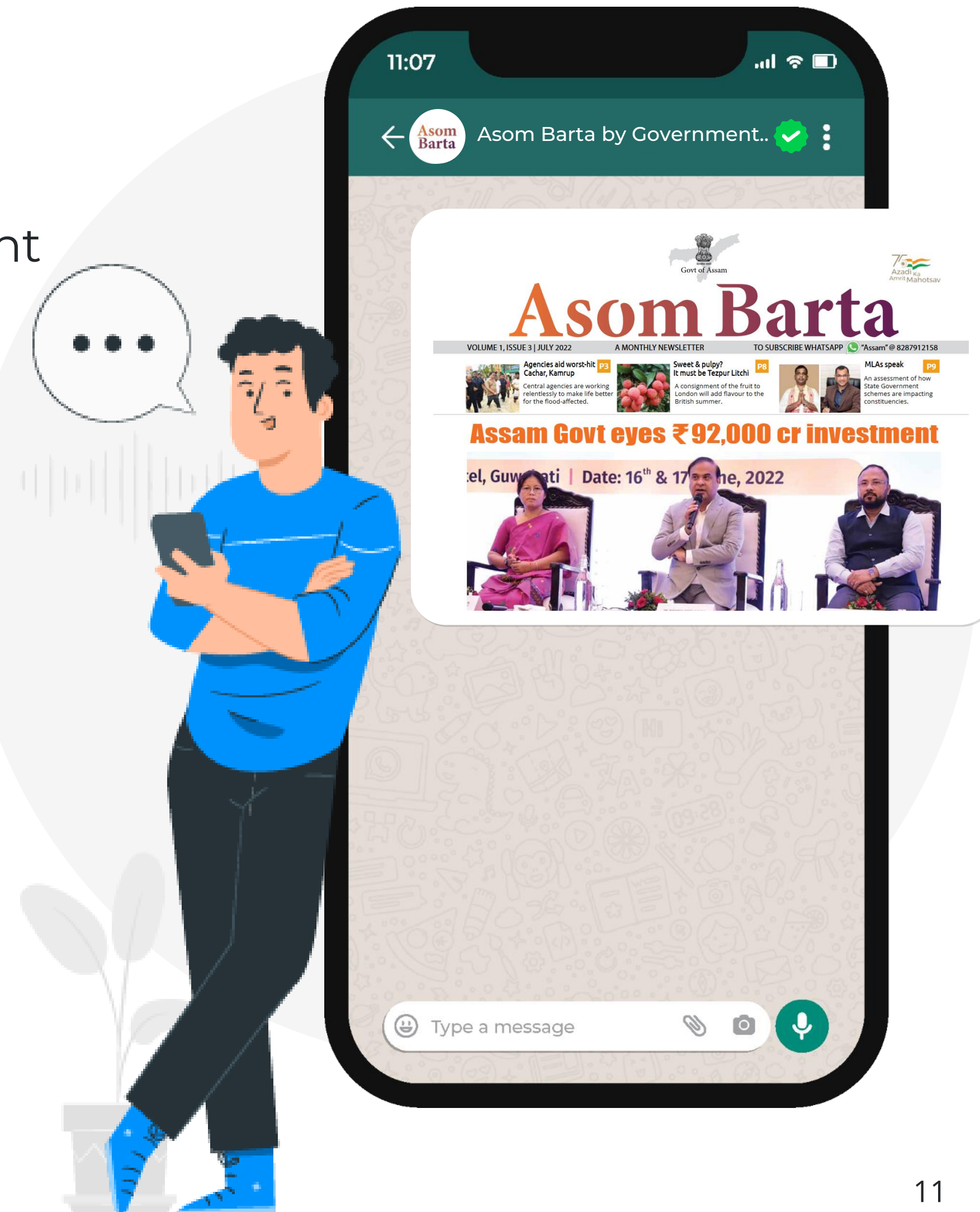
## Solution:

- Digitize State communications activities
- Citizen Awareness via Monthly Newsletter to update about government initiatives, activities on developments in a hassle-free manner
- Flood Relief Campaign to communicate critical and SOS information
- Replacing paper with digital bills in order to reduce carbon footprint
- Ability to engage and connect with customers and then collect feedback, share offers, and increase app installation

## Highlights:

Connected over a million people in a over a short span of time

Enhanced customer engagement & experience



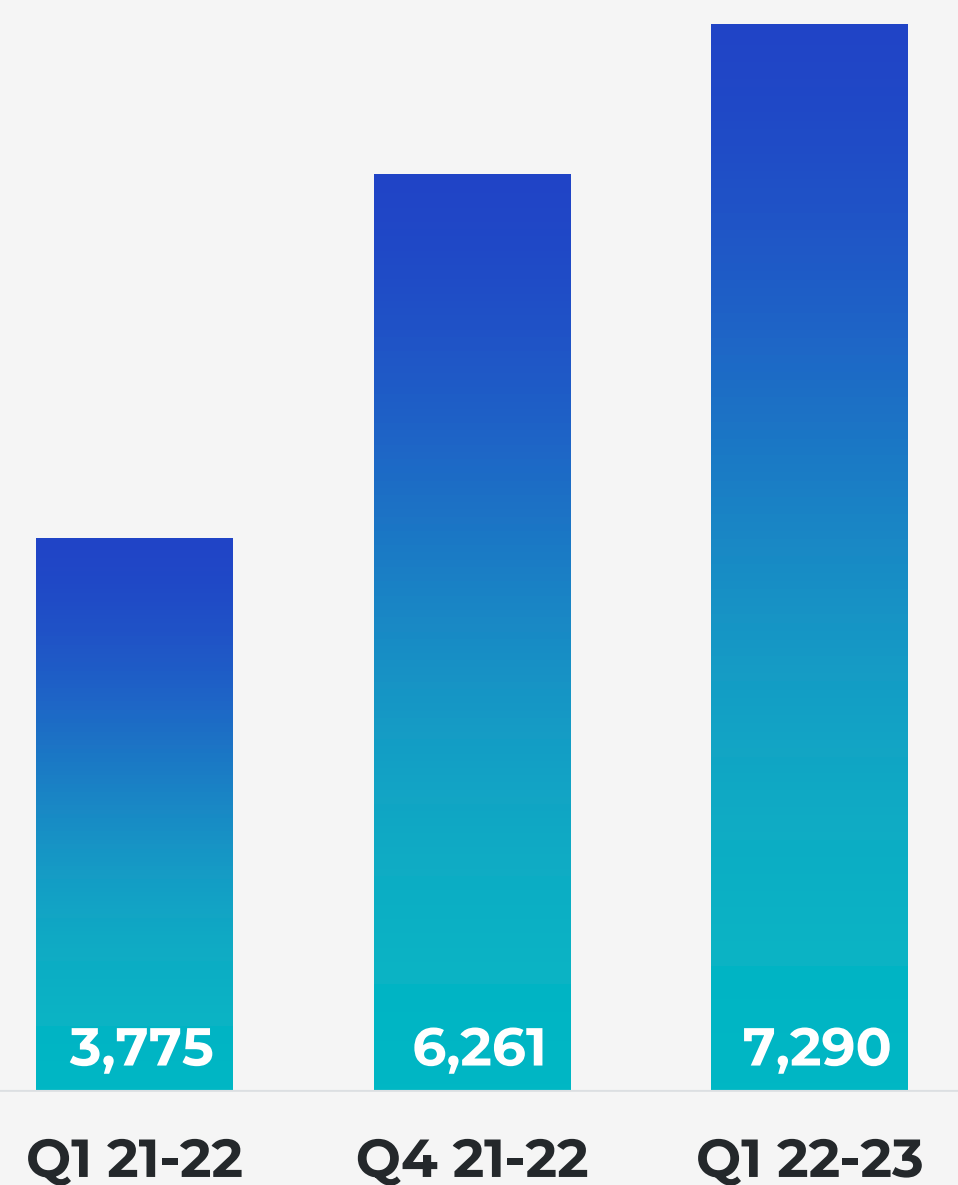


# Financial Highlights



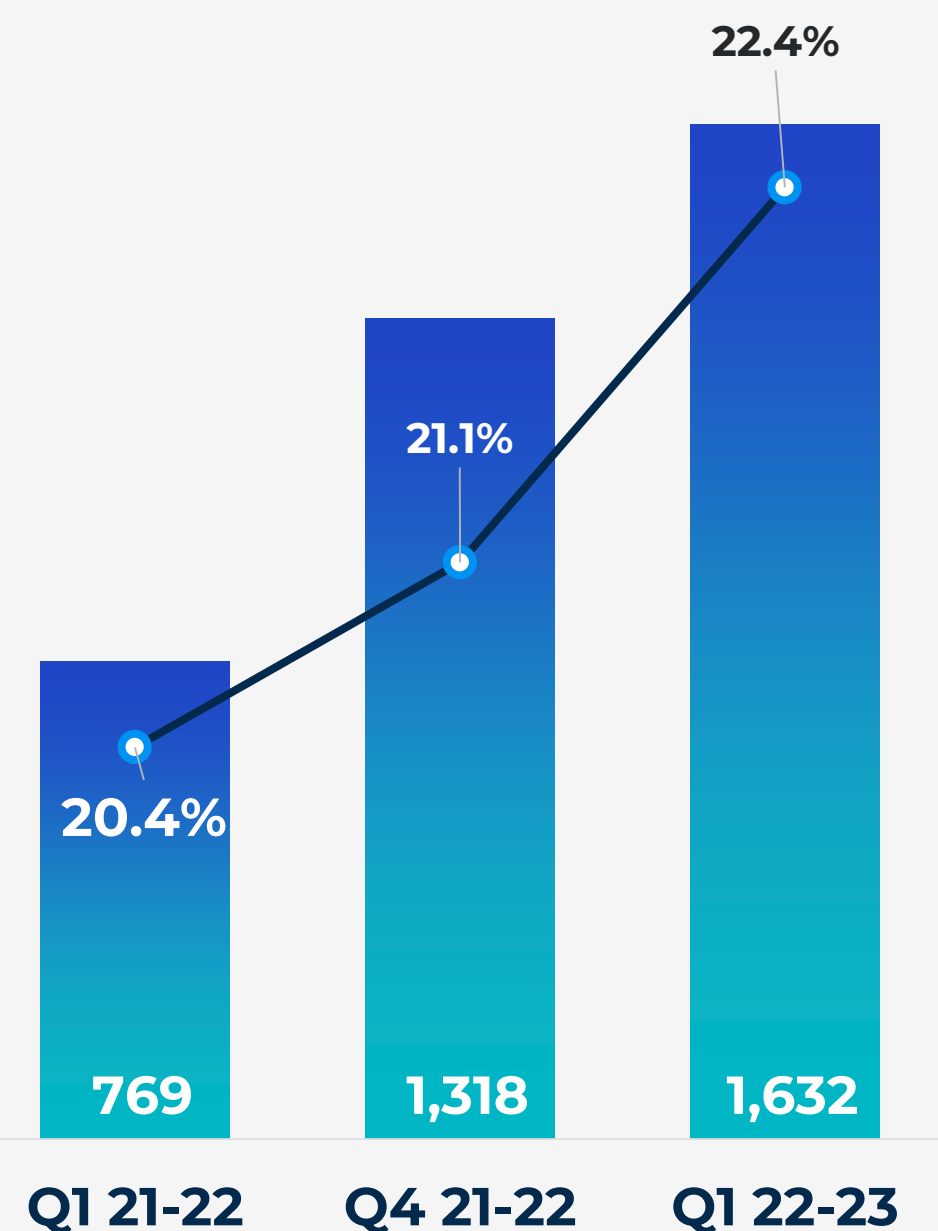
# Q1 FY22-23 Snapshot

## Revenue from Operations (in ₹ mn)



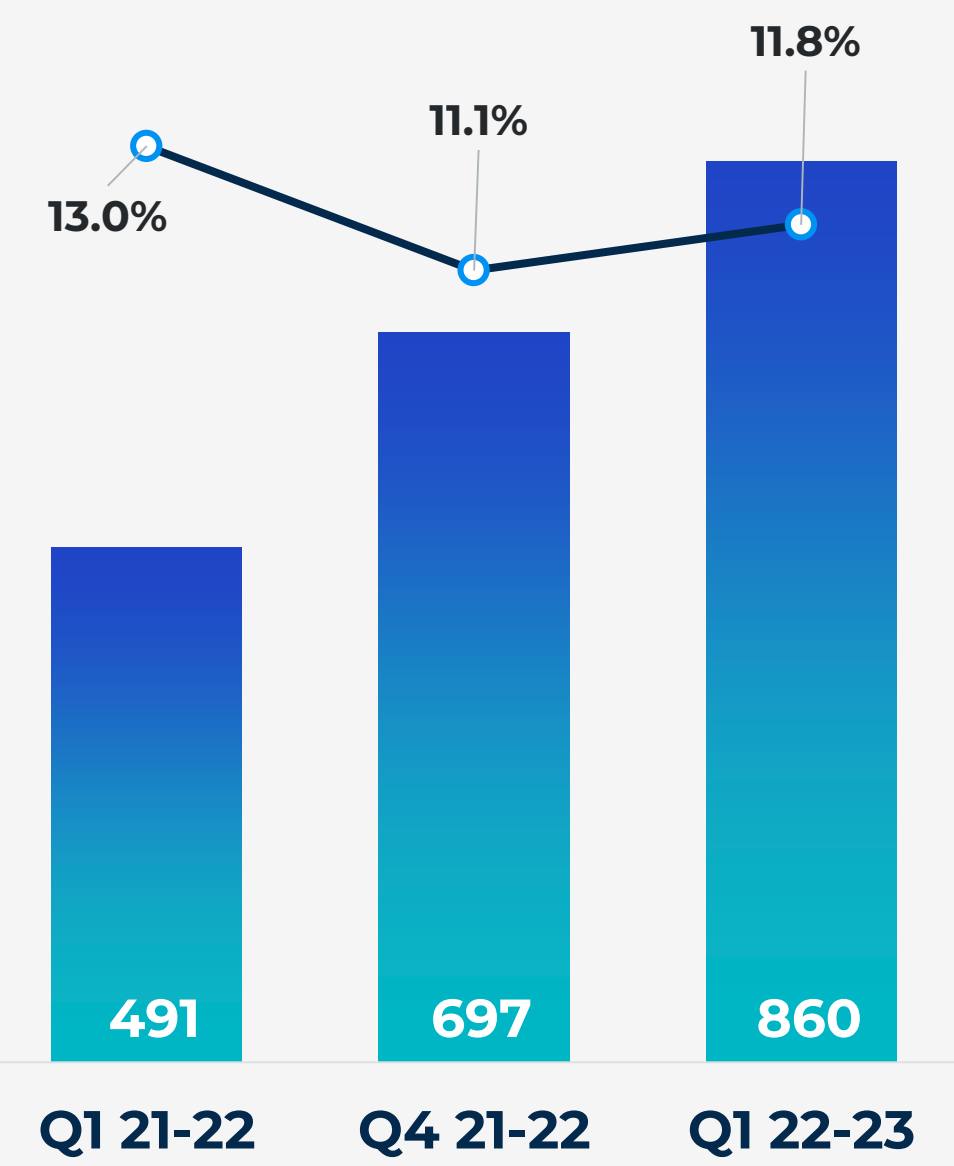
**93% Y-o-Y growth**  
**16% Q-o-Q growth**

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



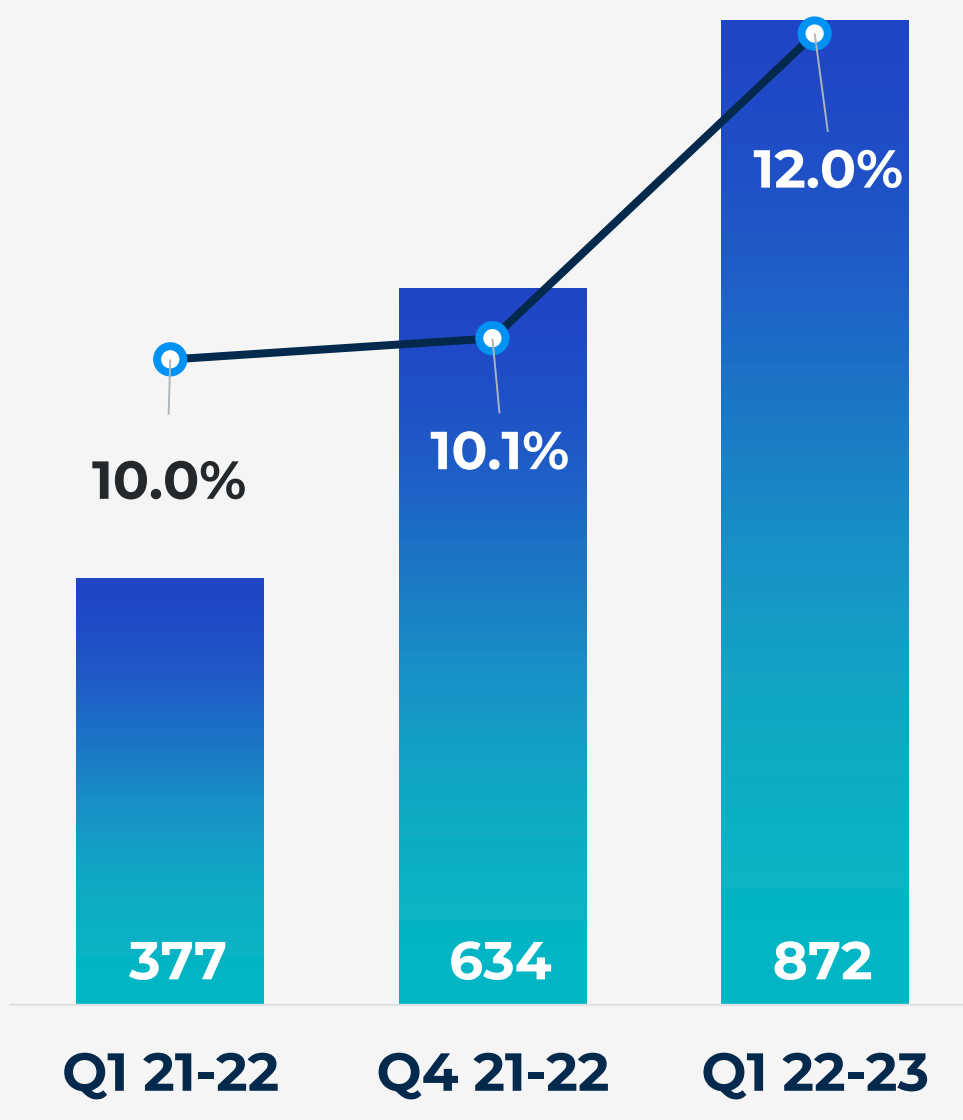
**112% Y-o-Y growth**  
**24% Q-o-Q growth**

## EBITDA<sup>(1)</sup> (In ₹ mn) & EBITDA Margin (%)



**75% Y-o-Y growth**  
**23% Q-o-Q growth**

## Adj. PAT<sup>(2)</sup> (In ₹ mn) & Adj. PAT Margin (%)



**131% Y-o-Y growth**  
**38% Q-o-Q growth**

1) Net loss on FX transactions and translation is excluded from EBITDA, amounting to ₹38mn and ₹36mn for Q4 FY21-22 and Q1 FY21-22 respectively. For Q1 FY22-23 and Q4 FY21-22 ESOP benefit expenses (non cash) amounting to ₹72mn and ₹95mn respectively and Intangible assets under development of ₹ 59mn (in Q1 FY22-23) were adjusted from EBITDA

2) PAT has been adjusted for ESOP benefit expenses; non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions; tax refund pertaining to prior period for 365squared amounting to ₹38mn (in Q4 FY21-22) and Intangible assets under development of ₹ 59mn (in Q1 FY22-23)

# Financial Highlights for Q1 FY22-23

- Closed Q1 FY22-23 with revenue from operations of **₹7,290mn** compared to **₹6,261mn** in Q4 FY21-22 and **₹3,775mn** in Q1 FY21-22
- Y-o-Y growth of **93.1%** and sequential growth of **16.4%** in revenue

- Recorded Gross Profit of **₹1,632mn** in Q1 FY22-23 compared to **₹1,318mn** in Q4 FY21-22 and **₹769mn** in Q1 FY21-22
- Y-o-Y growth of **112.2%** and sequential growth of **23.8%** in Gross Profit
- Gross Profit margin of **22.4%, 21.1%, and 20.4%** in Q1 FY22-23, Q4 FY21-22 and Q1 FY21-22 respectively

- EBITDA of **₹860mn** in Q1 FY22-23 compared to **₹697mn** in Q4 FY21-22 and **₹491mn** in Q1 FY21-22
- Y-o-Y growth of **75.0%** and sequential growth of **23.4%** in EBITDA
- EBITDA margin of **11.8%, 11.1% and 13.0%** in Q1 FY22-23, Q4 FY21-22 and Q1 FY21-22 respectively

- Recorded Profit After Tax of **₹711mn** in Q1 FY22-23 compared to **₹474mn** in Q4 FY21-22 and **₹343mn** in Q1 FY21-22
- Y-o-Y growth of **107.2%** and sequential growth of **50.0%** in Profit After Tax

- Adjusted Profit After Tax of **₹872mn** in Q1 FY22-23 compared to **₹634mn** in Q4 FY21-22 and **₹377mn** in Q1 FY21-22
- Adjusted for ESOP benefit expenses; non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions; tax refund pertaining to prior period for 365squared amounting to ₹38mn (in Q4 FY21-22) and Intangible assets under development of ₹ 59mn (in Q1 FY22-23)
- Adjusted Profit After Tax margin of **12.0%, 10.1% and 10.0%** in Q1 FY22-23, Q4 FY21-22 and Q1 FY21-22 respectively

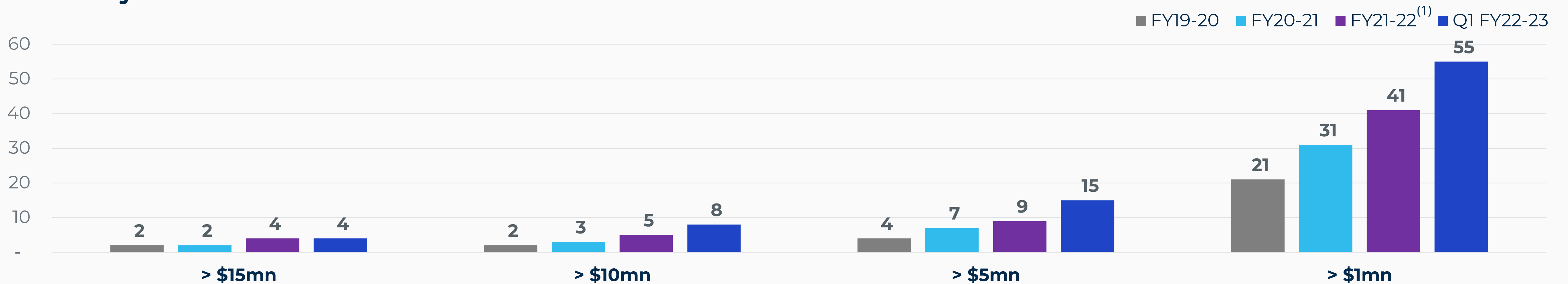
# EBITDA and Adjusted PAT – Non GAAP

Particulars (In ₹ mn)	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
<b>Profit before tax (Ind AS)</b>	<b>757.4</b>	<b>468.1</b>	<b>429.2</b>	<b>1,952.2</b>
(-) Other income	147.9	84.1	44.7	200.6
(+) Finance costs	41.7	33.9	4.8	51.6
<b>EBIT</b>	<b>651.1</b>	<b>417.9</b>	<b>389.3</b>	<b>1,803.2</b>
(+) Depreciation and amortisation expense	195.7	145.3	65.7	383.2
(+) Employee stock option expense (non cash)	72.0	95.4	-	188.7
(+) Net loss on foreign currency transactions and translation	-	38.3	36.3	201.3
(-) Intangible assets under development	58.8	-	-	-
<b>EBITDA (Non-GAAP)</b>	<b>860.2</b>	<b>696.9</b>	<b>491.4</b>	<b>2,576.4</b>
<b>EBITDA margin % on a Non-GAAP basis</b>	<b>11.8%</b>	<b>11.1%</b>	<b>13.0%</b>	<b>12.9%</b>
<b>Profit for the period (Ind AS)</b>	<b>710.7</b>	<b>474.2</b>	<b>343.1</b>	<b>1,700.8</b>
(+) Employee stock option expense (non-cash)	72.0	95.4	-	188.7
(-) Tax refund for prior period - 365sqared	-	37.8	-	37.8
(+) Amortization related to intangibles identified on account of acquisitions	148.3	102.6	34.2	233.1
(-) Intangible assets under development	58.8	-	-	-
<b>Adjusted PAT (Non-GAAP)</b>	<b>872.3</b>	<b>634.4</b>	<b>377.3</b>	<b>2,084.8</b>
<b>Adjusted PAT margin % on a Non-GAAP basis</b>	<b>12.0%</b>	<b>10.1%</b>	<b>10.0%</b>	<b>10.4%</b>

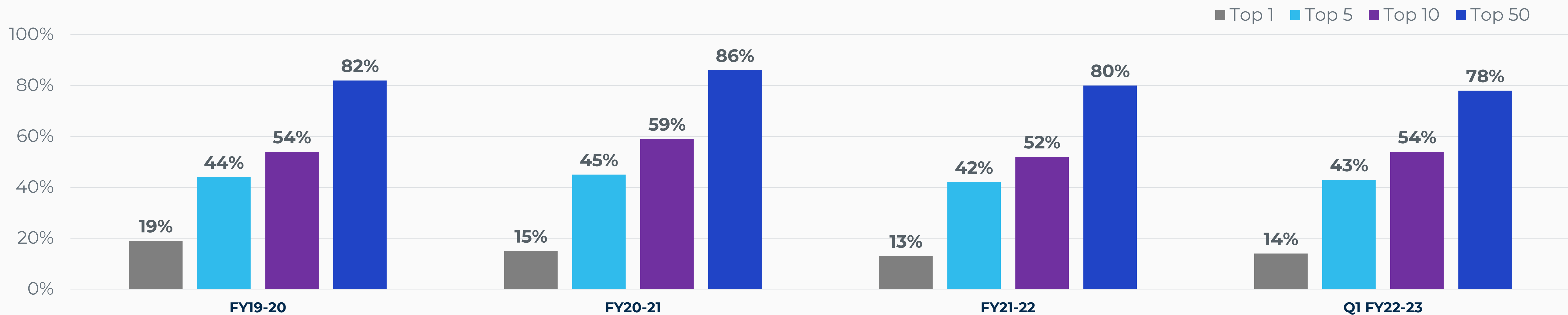
Management uses the non-GAAP financial information, collectively, to evaluate its ongoing operations and for internal planning and forecasting purposes. Non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with Indian Accounting Standard (Ind AS), and may be different from similarly-titled non-GAAP measures used by other companies.

# Growing number of Multi-million dollar accounts with Improving Client Diversification

## Clients by Account Size



## Client Concentration

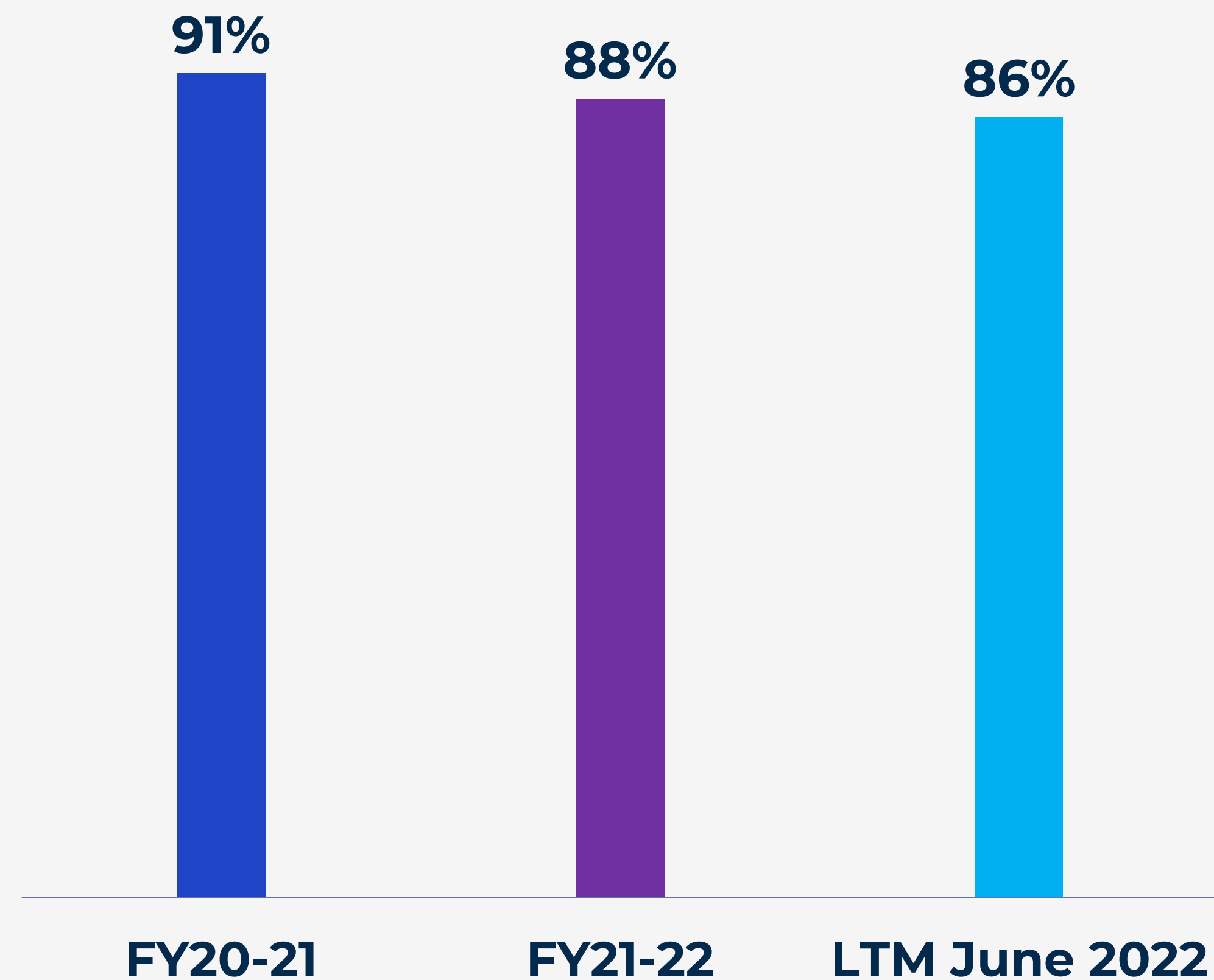


(1) Excludes MRM (one of the clients of RML) from this analysis post acquisition



# Strong Recurring Revenue

**Recurring Revenue<sup>(1)</sup> as % of Operating Revenue**



**125%**

**Net revenue retention<sup>(2)</sup>**

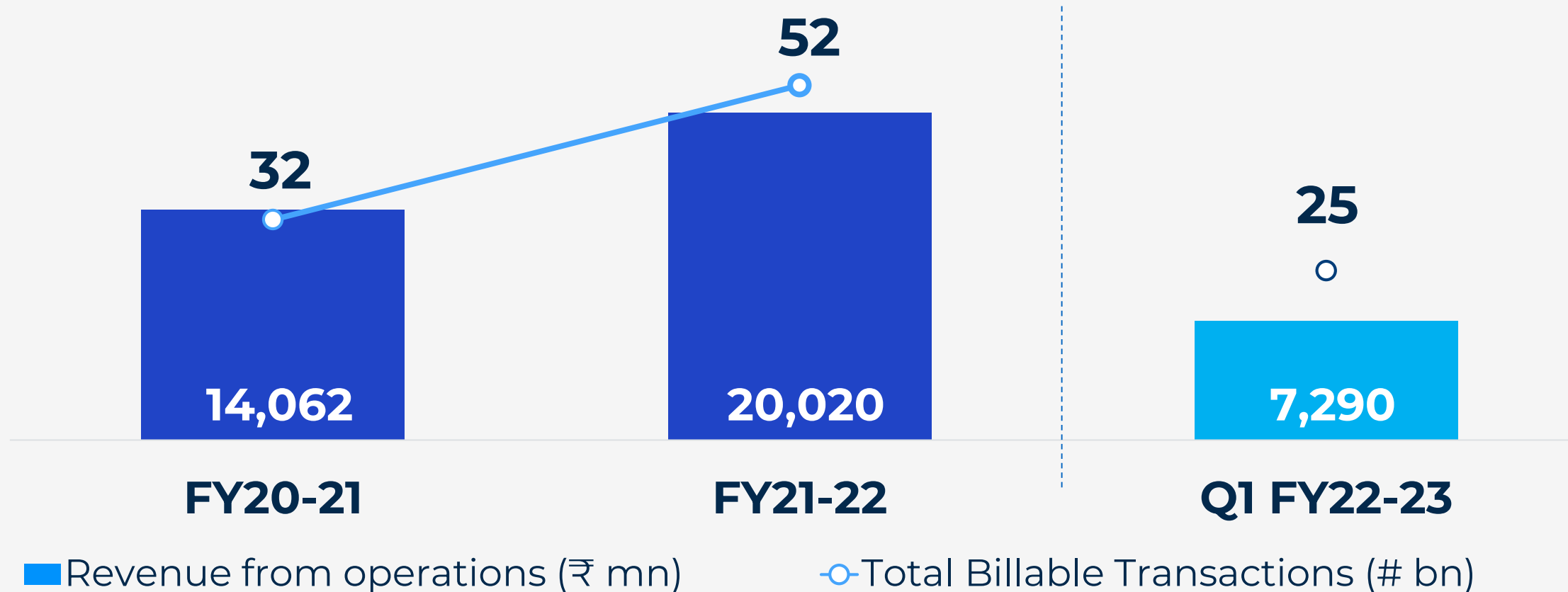
**Deep Customer engagement driving high recurring revenues**

(1) 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, 2022 – June 30, 2022 is a recurring customer for LTM June 2022.

(2) Net revenue retention calculated based on comparison of Q1 FY21-22 revenue with Q1 FY22-23 revenue. M.R Messaging and Masivian customers are not included for like to like comparison.

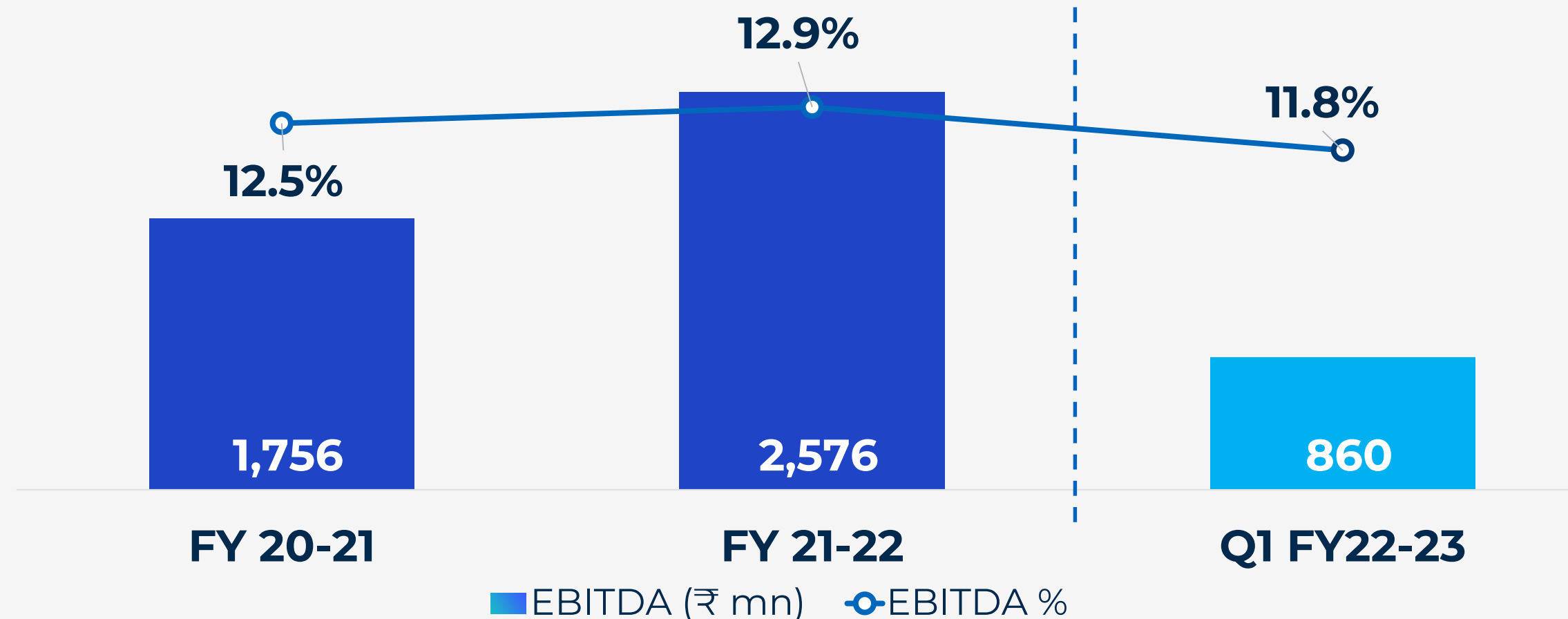
# Robust growth momentum

## Revenue from operations & Total Billable Transaction



Robust growth momentum  
**93%** Y-o-Y growth in Q1 FY22-23  
**34%** CAGR over past 5 years  
 (FY16-17 to FY21-22)

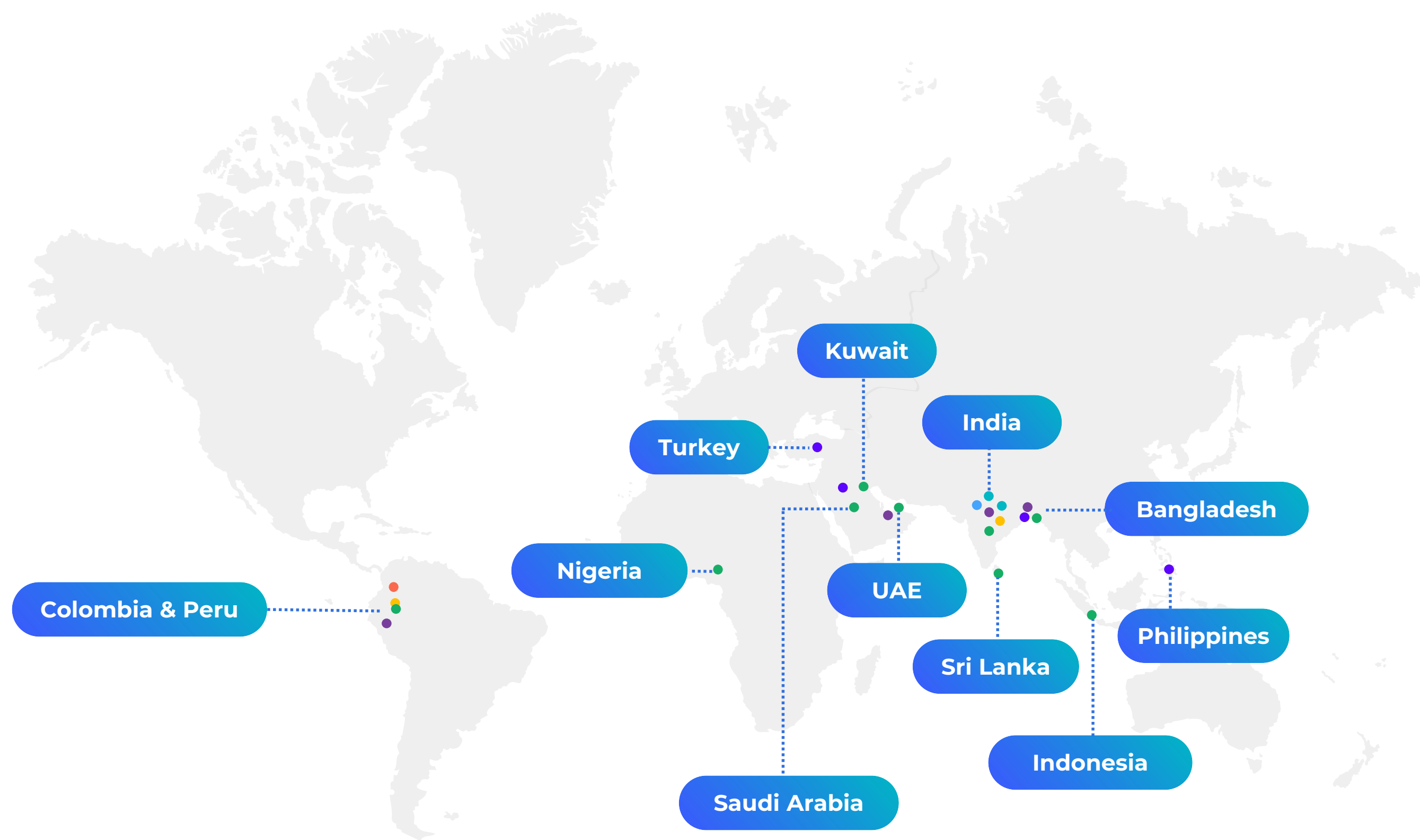
## EBITDA and EBITDA margin



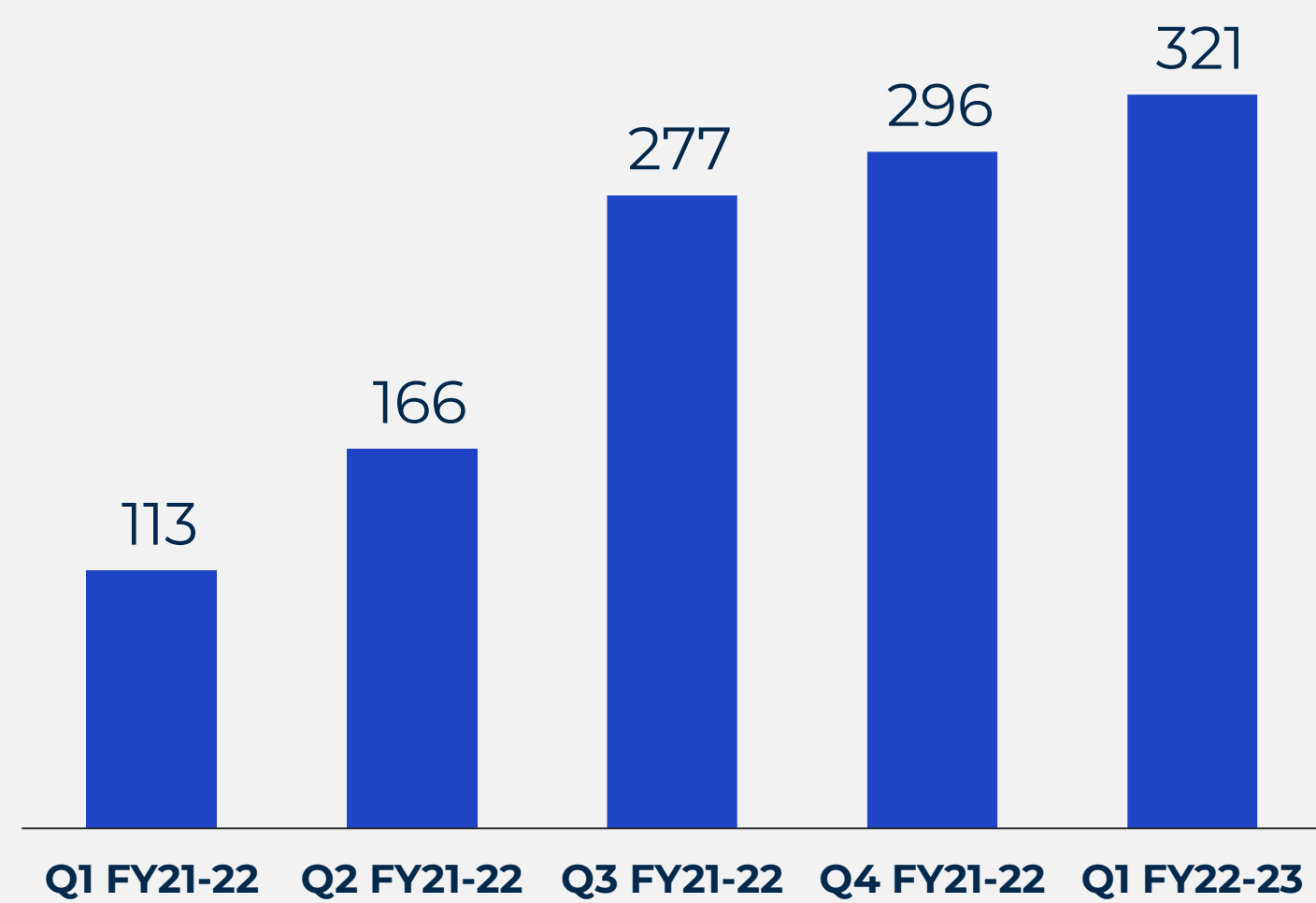
Non-linear business model creates  
**high operating leverage**

EBITDA as % of Gross Profit increased from  
**63%** in FY20-21 to **61%** in FY21-22 and **53%** in  
 Q1 FY22-23

# New Product Revenue Momentum across Geographies



## Quarterly New Product Sales (₹ mn)



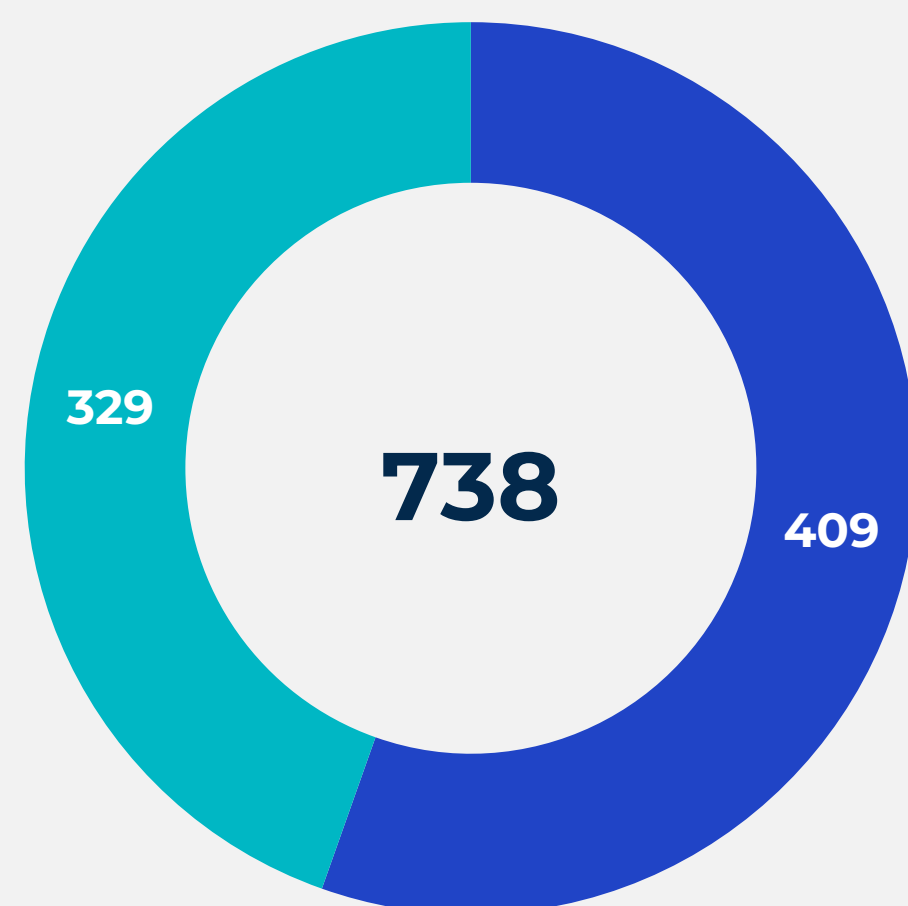
### Q1 FY22-23 growth

- ✓ 184% Y-o-Y
- ✓ 8% Q-o-Q

Revenue from new products in LTM June 2022  
**₹ 1,060mn**

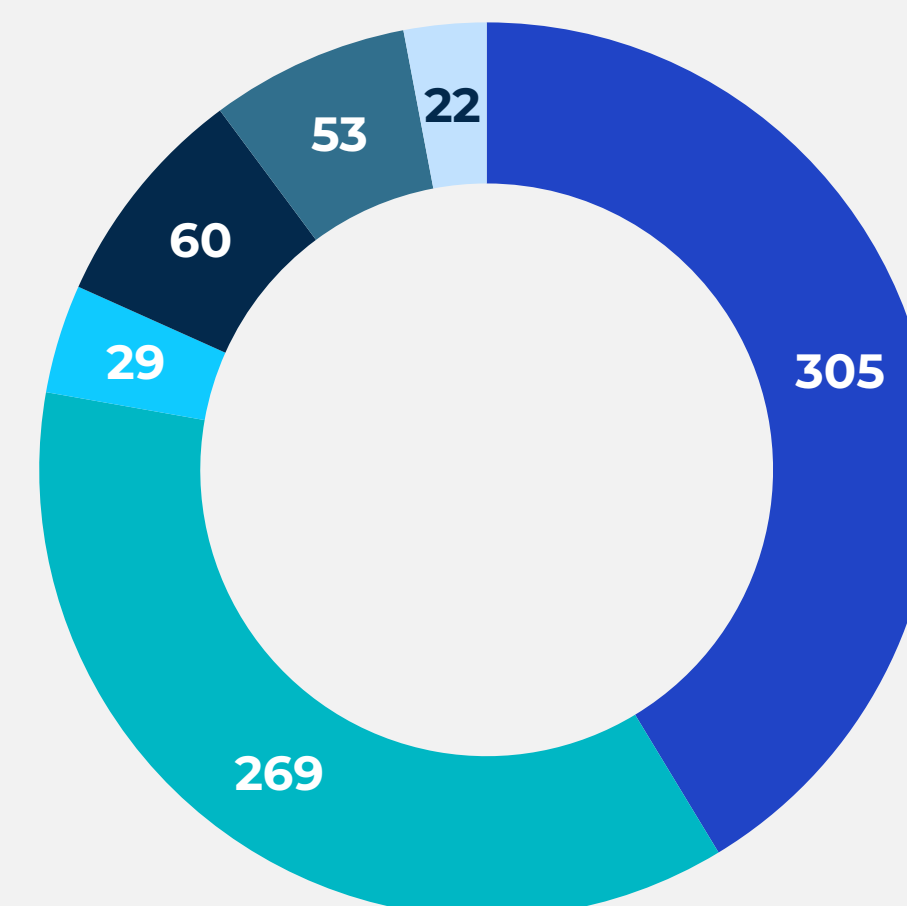
# Human Resource Capital

## Location wise break-up



■ India ■ International

## Function wise break-up



- Tech & Tech Support
- Sales & Marketing
- Firewall & other operator solutions
- General & Admin
- Strategy, Accounts & Finance
- Corporate-Business Heads

**76** New Employees joined in Q1 FY22-23,

**66** Employees resigned in Q1 FY22-23.

# Glossary

2FA	Two-Factor Authentication	MNO	Mobile Network Operator
A2P	Application to Person	OBD	Out-Bound Dialling
API	Application Programming Interface	rapid	Route Mobile API developer
AI / ML	Artificial Intelligence / Machine Learning	RBM	RCS Business Messaging
CPaaS	Communication Platform as a Service	RCS	Rich Communication Services
CRM	Customer Relationship Management	RML	Route Mobile Limited
CxPaaS	Customer Experience Platform as a Service	ROCE	Return on Capital Employed
DLT	Distributed Ledger Technology	ROE	Return on Equity
ESG	Environmental, Social, and Governance	SIs	System Integrators
GBM	Google Business Messaging	SMS	Short Message Service
IVR	Interactive Voice Response	SMSC	Short Message Service Center
ME	Middle East	UCaaS	Unified Communications as a Service
MIDaaS	Market Insights Data as a Service	VBM	Viber Business Messaging
MMSC	Multimedia Messaging Service Center	WBS	WhatsApp Business Solution



# Thank You

[www.routemobile.com](http://www.routemobile.com)

