



Earnings Update

Q4 22-23 & FY 22-23

Investor Presentation

May 19, 2023

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




route mobile
communication simplified

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



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



Global footprint across **20+ locations**; **3,000+** active billable clients



Infrastructure comprising **19 data centers** and **6 SMSCs** globally



ESG leader, rated **"A"** by a reputed ESG rating agency



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



Strong industry tailwinds: Global CPaaS market will grow to **\$42.9bn** in 2027, from \$16.6bn in 2022 ⁽¹⁾



₹35,692mn FY 22-23 Revenue
55% Revenue CAGR FY 2020 - FY 2023



₹4,566mn FY 22-23 EBITDA
66% EBITDA CAGR FY 2020 – FY 2023



124% Net revenue retention in FY 22-23



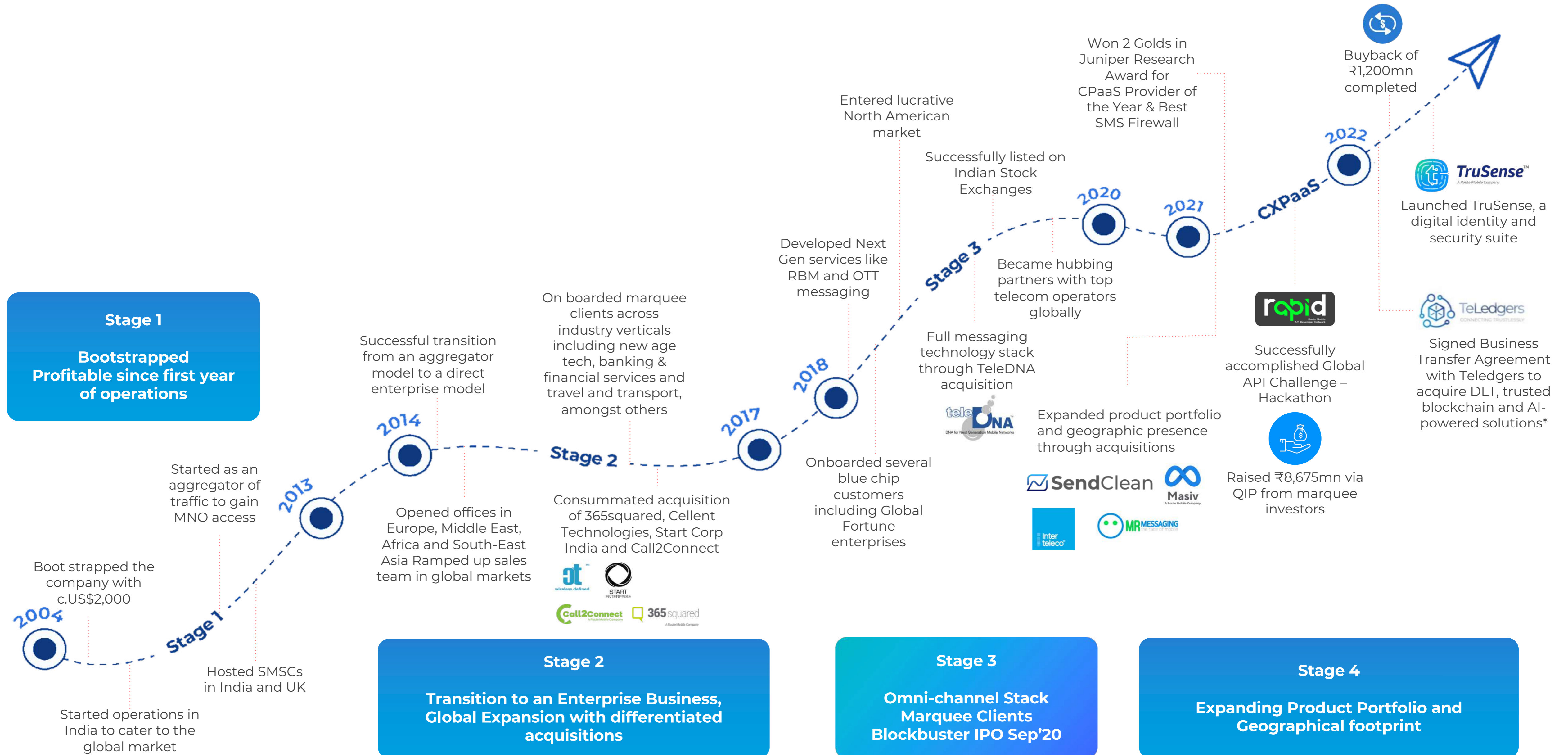
₹8,799mn Cash and Cash equivalent
₹7,737mn Net Cash as on Mar 31, 2023



₹52.3 Earning Per Share (EPS) in FY 22-23
₹2 per share final dividend proposed, in addition to interim dividend of **₹9 per share** paid
₹1,200mn Buyback completed in FY 22-23

(1) Juniper - CPaaS Future Market Outlook, 2023

Systematic roadmap to create sustained growth momentum



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

Global Diaspora - Footprint & Super Network



12 Firewall deployments
2 ongoing deployments

19 virtualized Data Centers

18 Hubs

700+ Employees

280+ Super Network
Widespread global distribution & reach

Key Developments

Key Developments in FY 22-23



 
Robi Axiata (Bangladesh) selects Route Mobile Limited
for the deployment of its UCaaS Solution for Enterprise Customers



 **TruSense**
A Route Mobile Company
Route Mobile Launches TruSense,
A Cutting-edge Digital Identity & Security Service, at Mobile World Congress 2023



 **roubot™**
Route Mobile launches Roubot,
a customisable no-code chatbot platform that easily integrates with ChatGPT and NLP engines




Route Mobile Limited
Secures Exclusive End-to-End Partnership with one of the **Leading Mobile Network Operators** for International A2P Messaging in **Sri Lanka**



 
A Route Mobile Company
Uganda Telecommunications Corporation Limited
appoints **365squared Limited**
as its Exclusive Partner for SMS Firewall and A2P SMS Monetization Solutions and Services



 
Route Mobile strengthens its presence in the GCC region with entry into the Kingdom of Saudi Arabia with CITC License Win



 + 
Coca-Cola UAE Partners With Route Mobile Limited
to Automate their Customer Experience to boost their online engagement

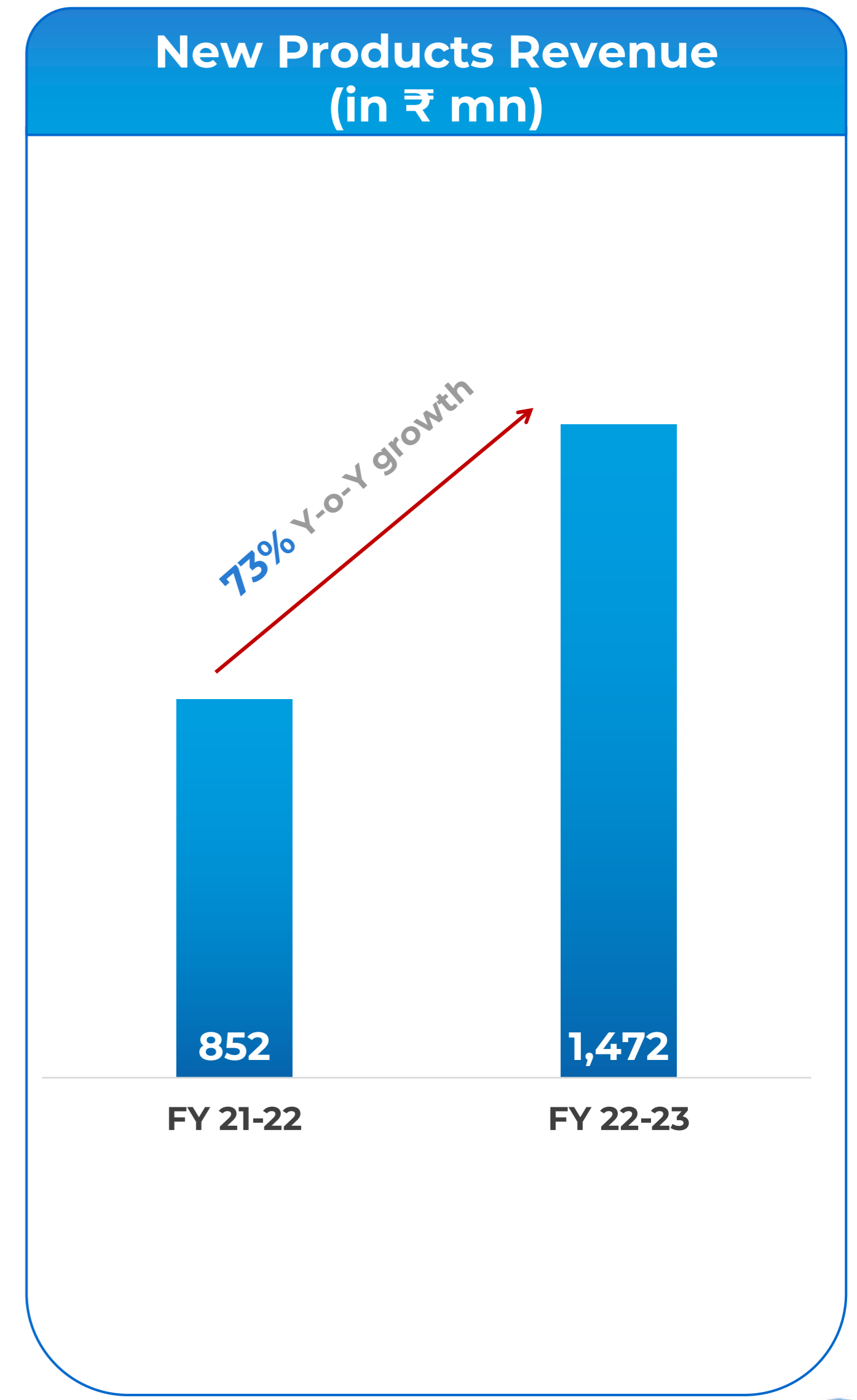


 
R&D & Engineering Center opens in Bangalore
Namaskāra Bangalore

Focus on Expanding Product Portfolio

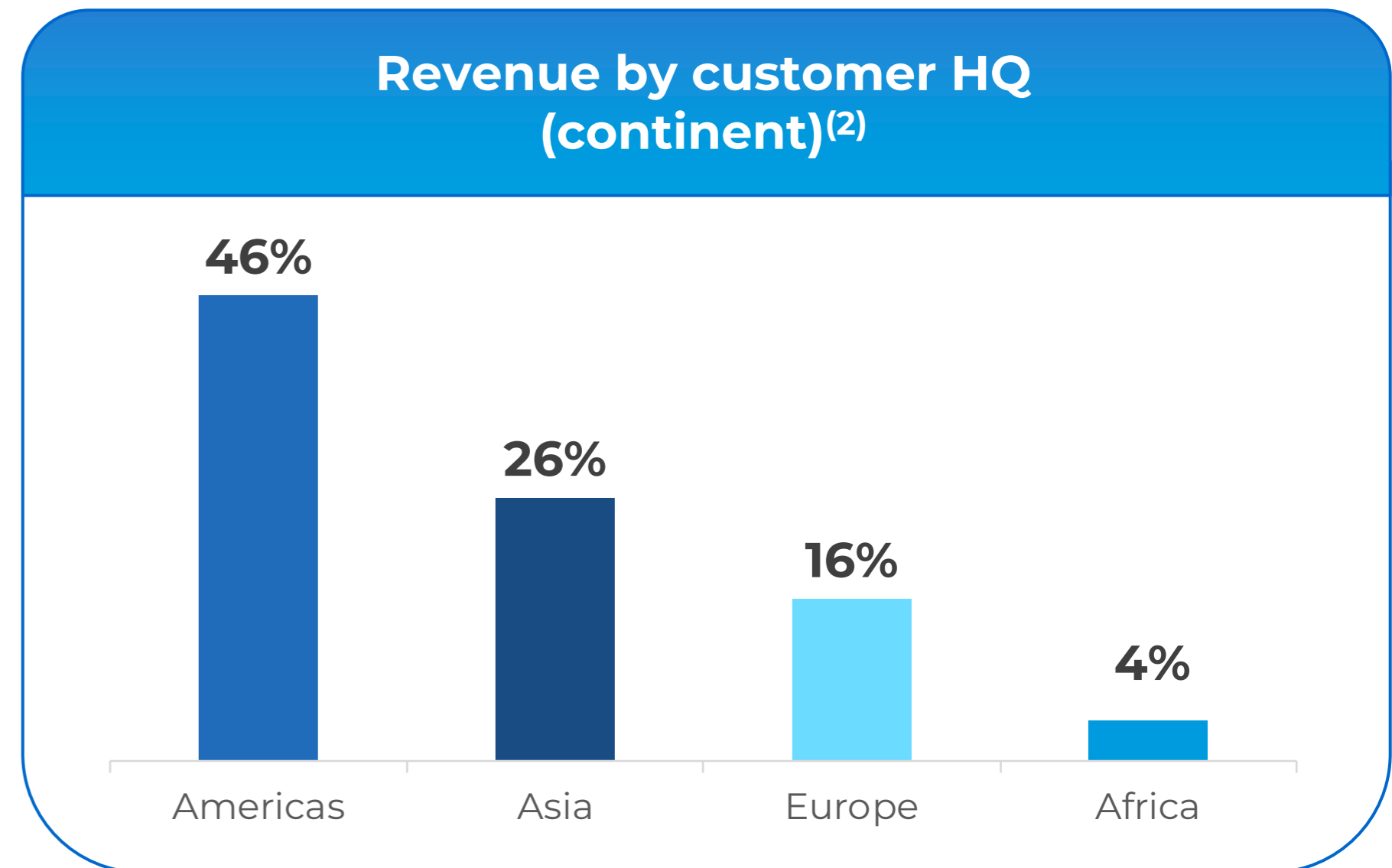
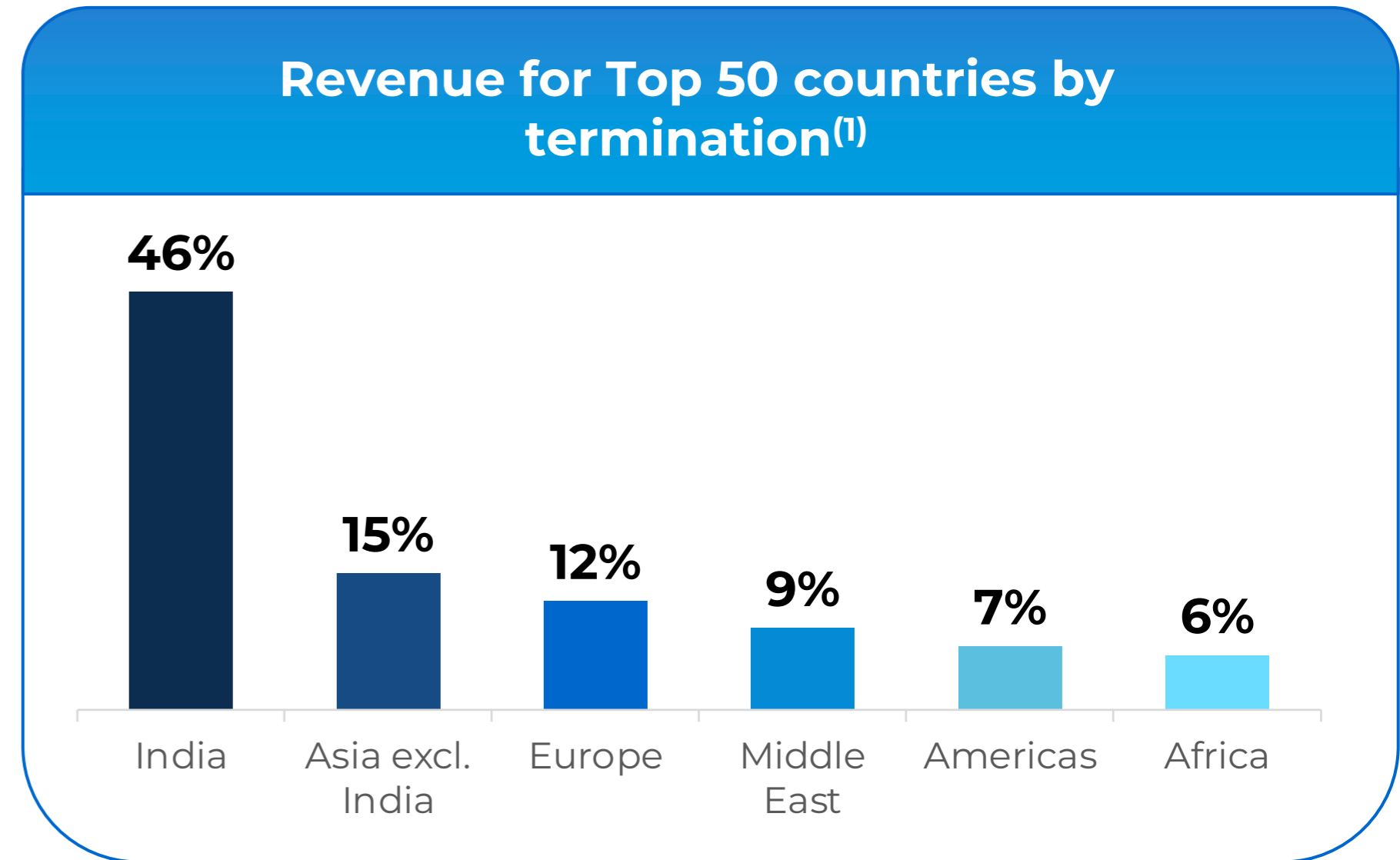
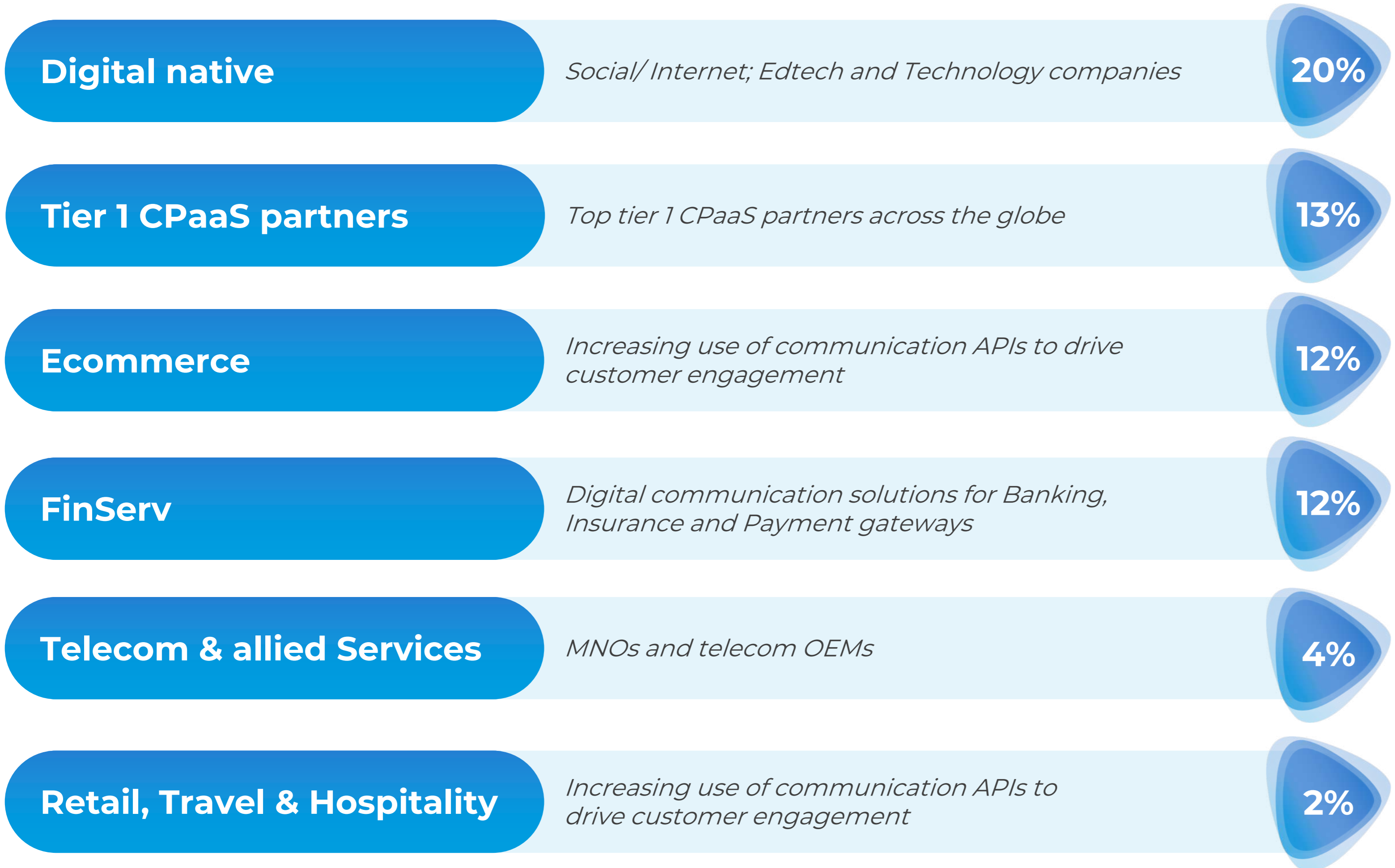
Driving Product momentum through Dedicated SBUs

	Conversational Bot	Email	TruSense
Channel Capability			
Development Centre	Bengaluru / Mumbai	Mumbai / Bengaluru / Jaipur / Colombia	UK (HQ) / Colombia / Mumbai
Target Market	India, Middle East, Bangladesh, Sri Lanka, Africa, LATAM	India, Middle East, Bangladesh, Sri Lanka, Africa, LATAM	LATAM, India
Use Cases	<ul style="list-style-type: none"> • Patient interactions for a leading healthcare provider • Product marketing and lead management solution for a global automotive brand • Civil information dispersal solution for Govt. bodies • End-to-end e-commerce chatbot for a global consumer brand 	<ul style="list-style-type: none"> • Transaction and promotion email solution for one of the largest NBFC in India • Customer engagement and notification email solution for leading airline in UAE • Transaction email solution for a leading corporate registry services provider 	<ul style="list-style-type: none"> • Leading Digital Bank in LATAM simplifies onboarding and minimises documentation • Leading healthcare service provider in LATAM minimises account takeovers and secures their clients • Frictionless OS authentication solution for a global tech giant in India and LATAM



Key Business Metrics

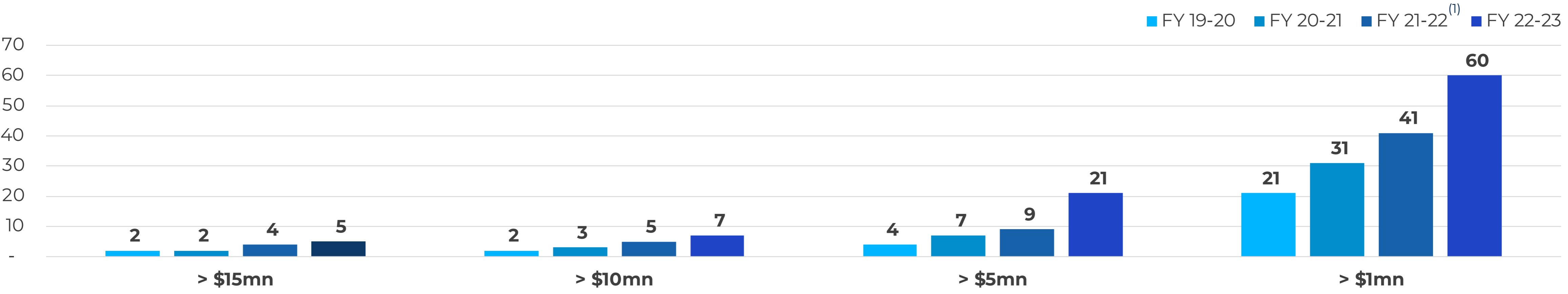
Revenue contribution from select industries in FY 22-23



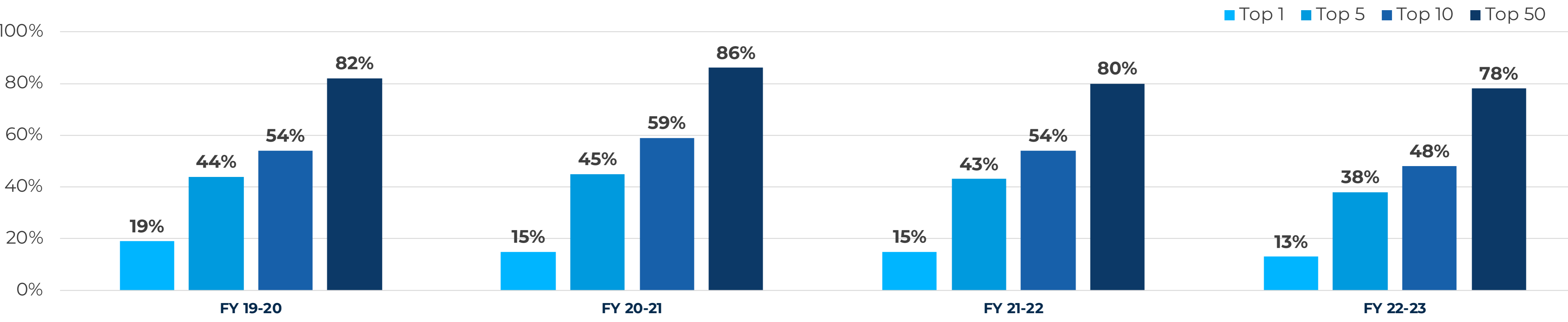
⁽¹⁾ Top 50 countries contribute c.94% of FY 22-23 revenue from operations | ⁽²⁾ Top 150 customers - contribute c. 91% of FY 22-23 revenue from operations

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

Clients by Account Size



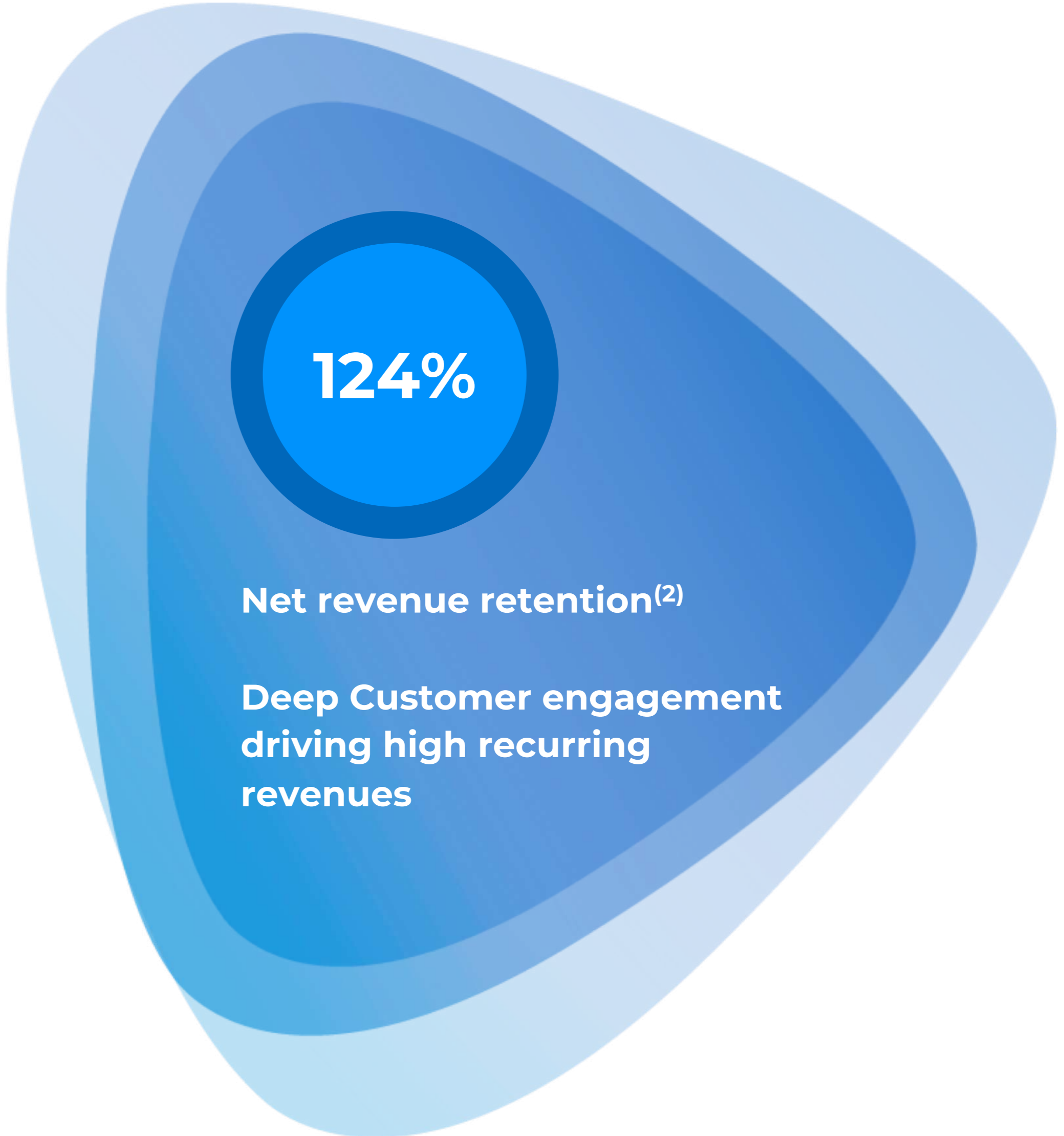
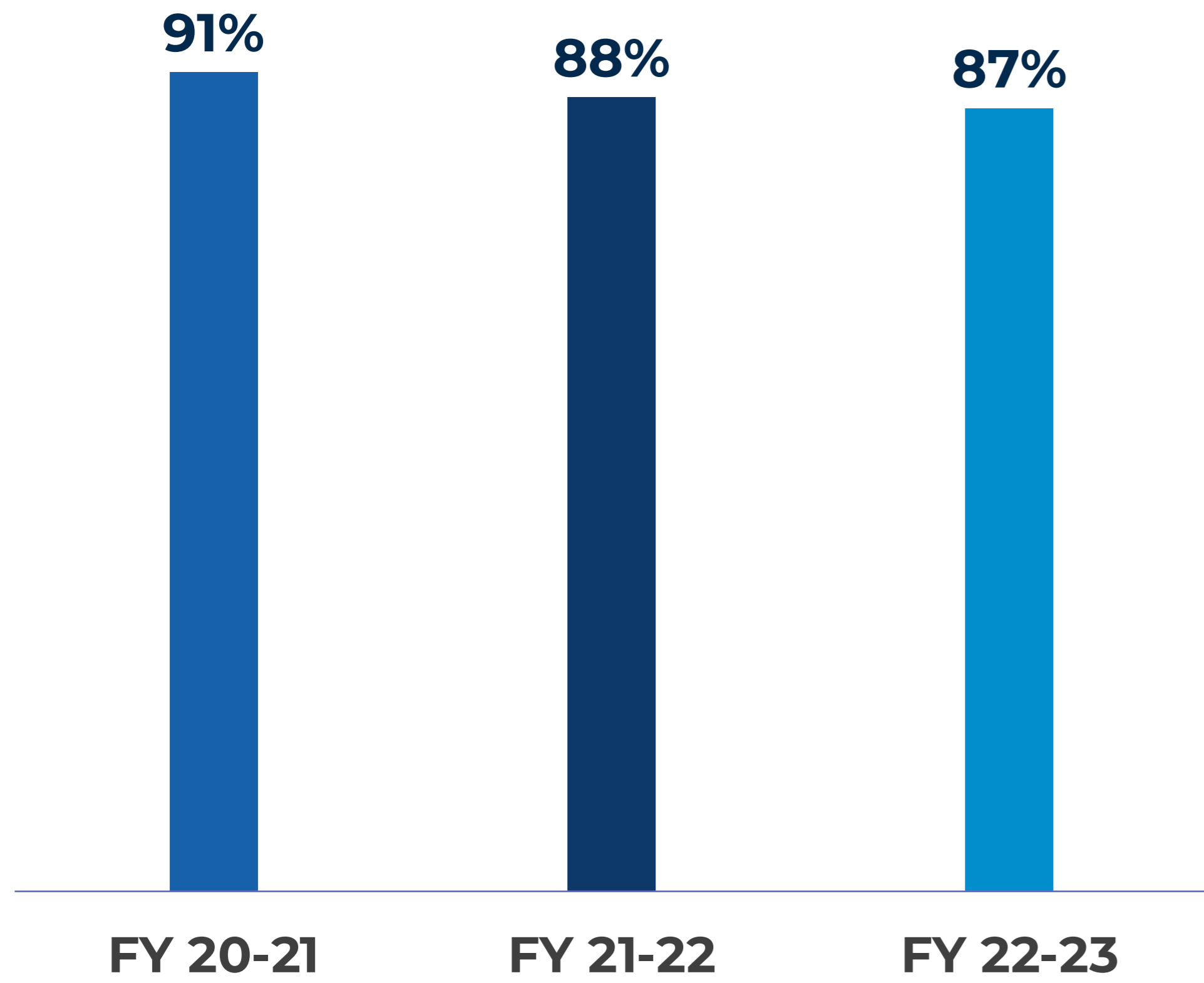
Client Concentration



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

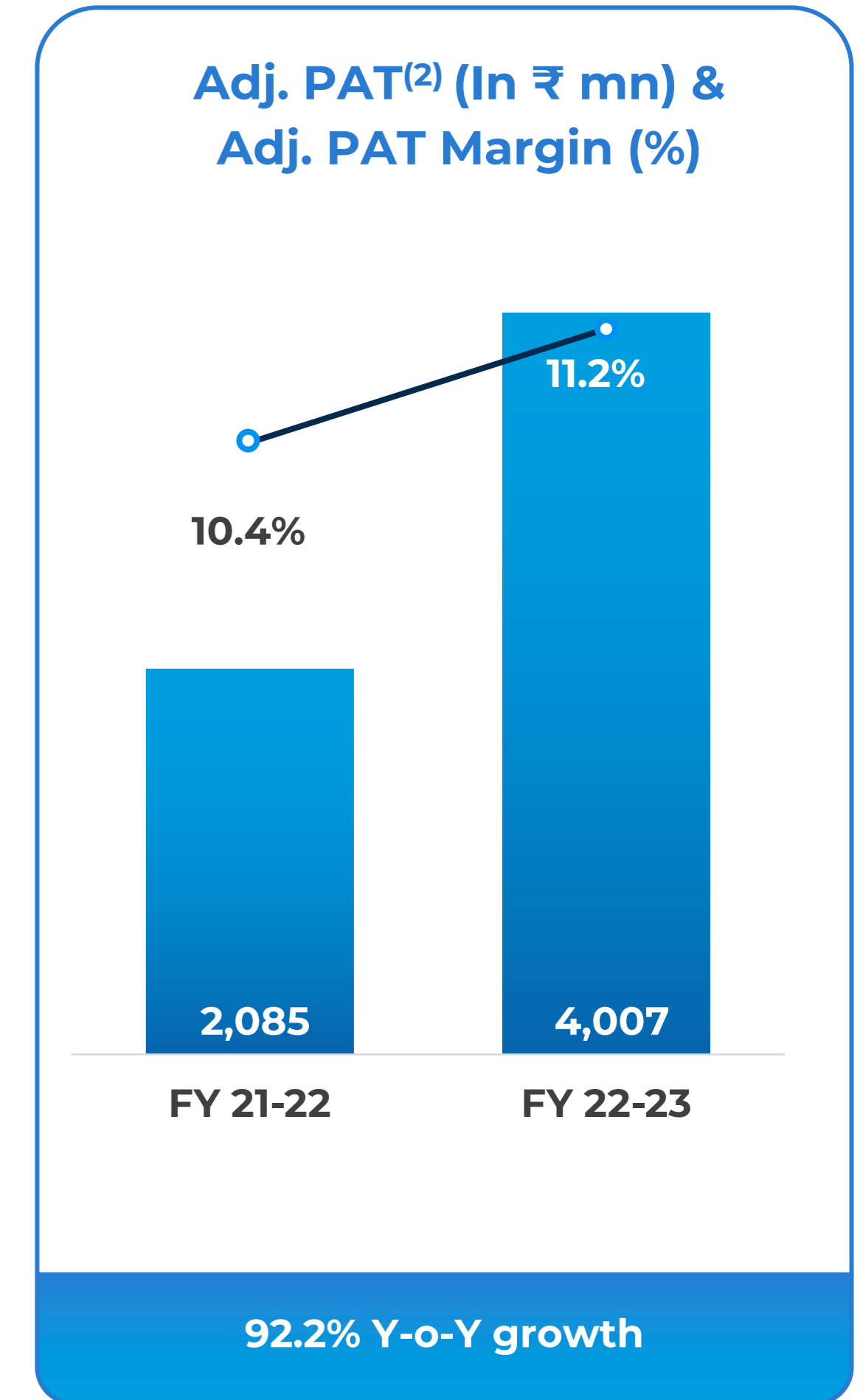
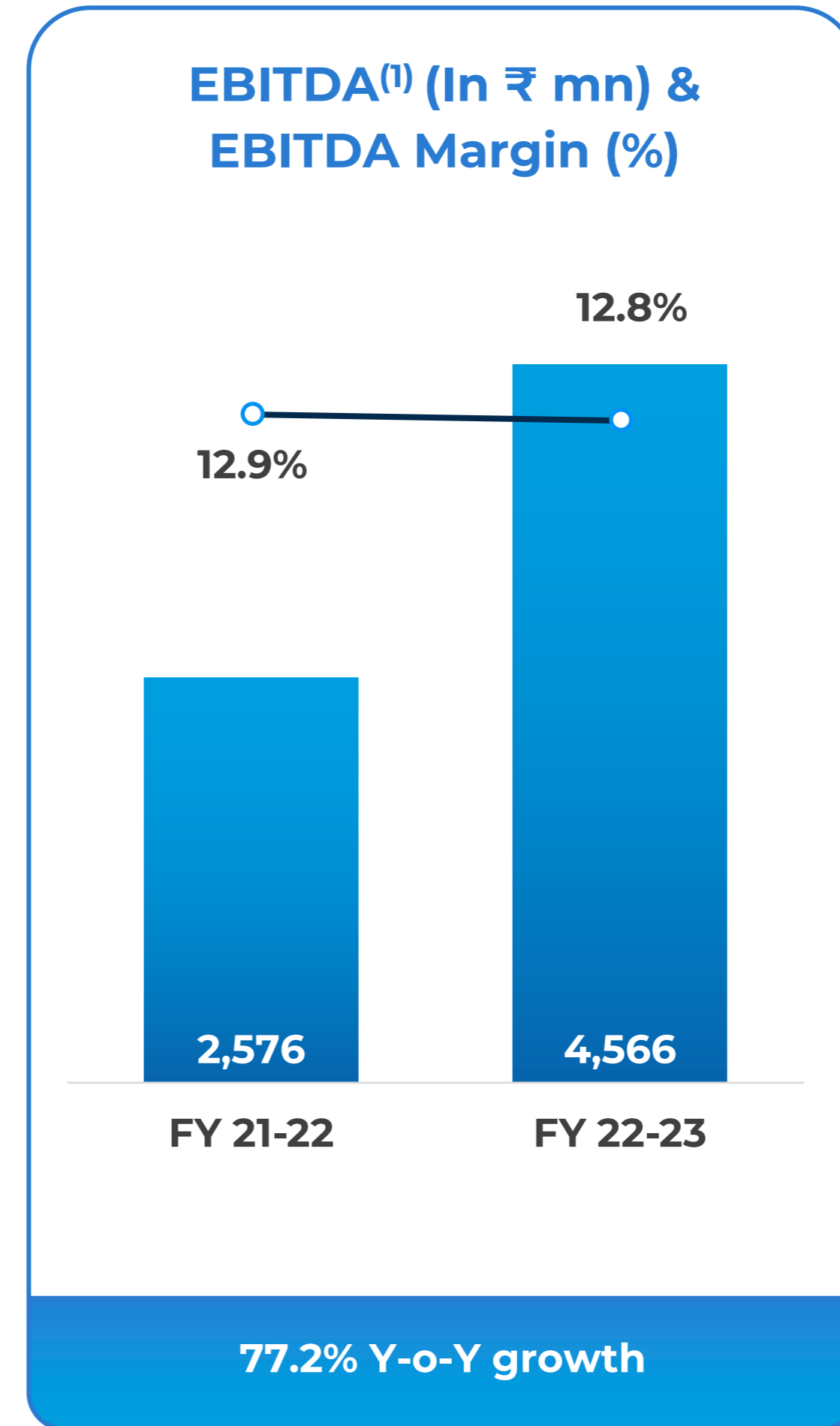
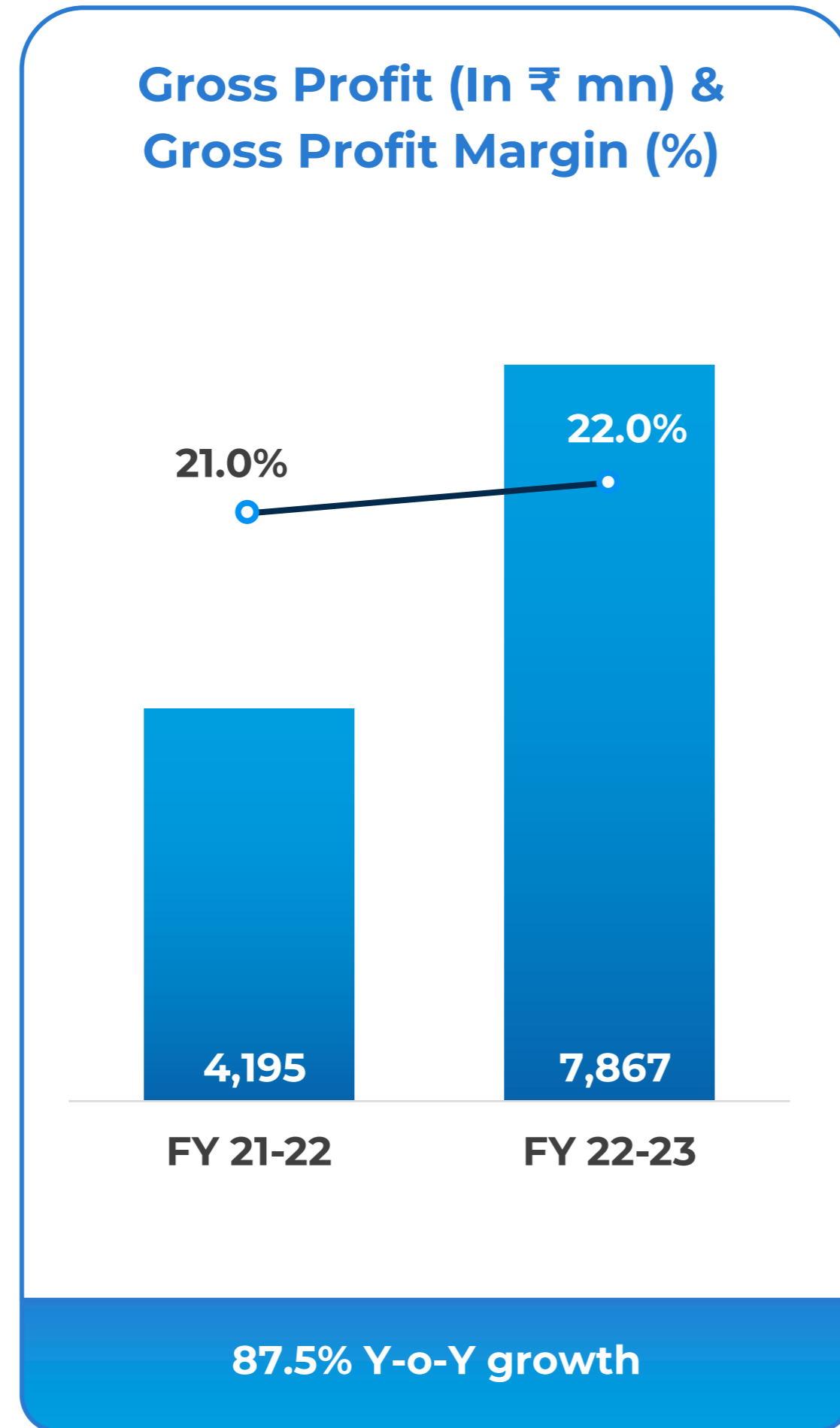
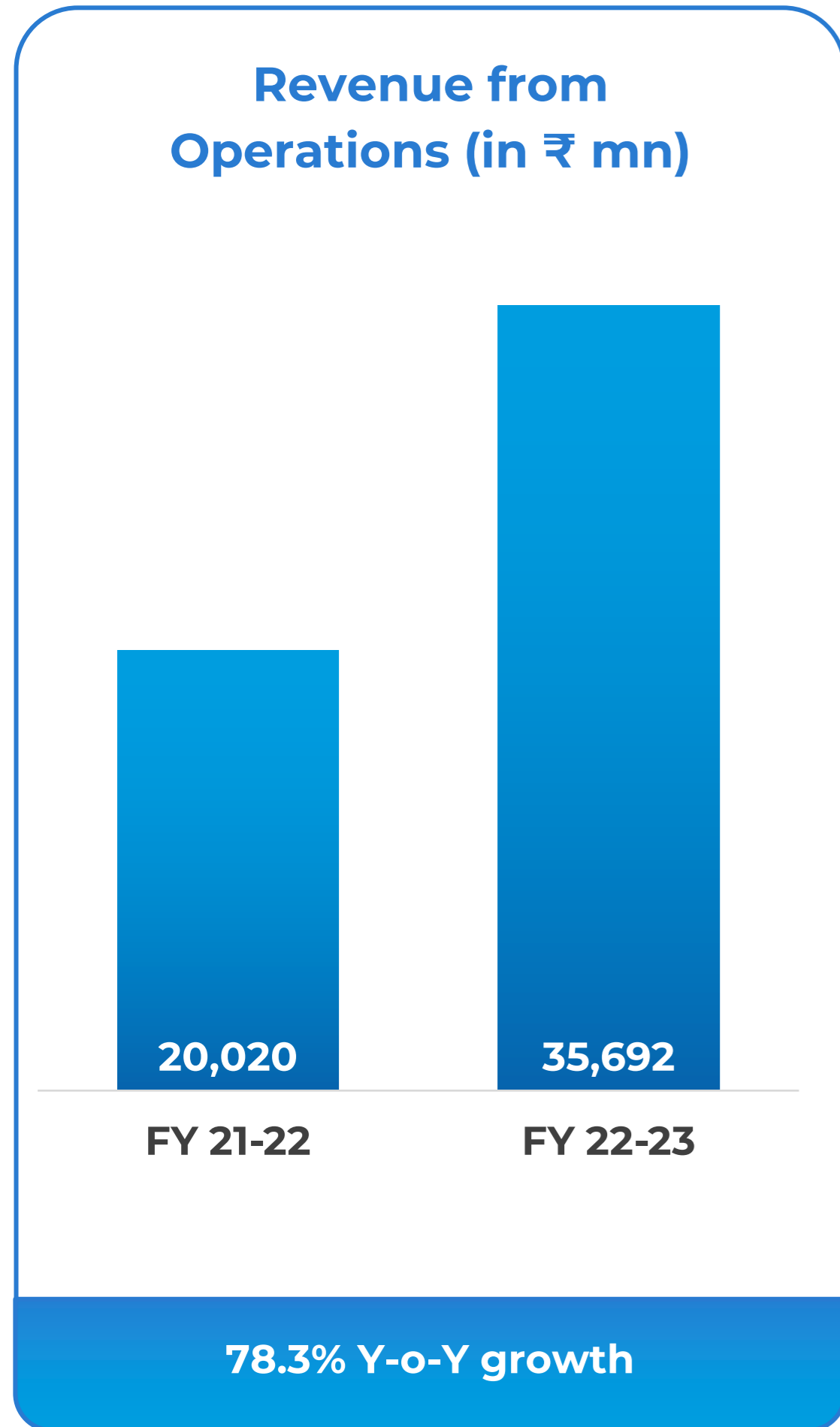
Strong Recurring Revenue

Recurring Revenue⁽¹⁾ as % of Operating Revenue



(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 April 1, 2022 – March 31 2023 is a recurring customer for FY22-23
(2) Net revenue retention calculated based on comparison of FY21-22 revenue with FY22-23 revenue., M.R Messaging (MRM) and Masivian customers are not included for like for like comparison

Financial Highlights



1) Net loss on FX transactions and translation, ESOP benefit expenses (non cash) and Intangible assets under development 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; and Intangible assets under development

Financial Highlights for FY 22-23

- Closed FY 22-23 with revenue from operations of **₹35,692mn** compared to **₹20,020mn** in FY 21-22
- Y-o-Y growth of **78.3%** in Revenue

- Recorded Gross Profit of **₹7,867mn** in FY 22-23 compared to **₹4,195mn** in FY 21-22
- Y-o-Y growth of **87.5%** in Gross Profit
- Gross Profit margin of **22.0%** and **21.0%** in FY 22-23 and FY 21-22 respectively

- EBITDA of **₹4,566mn** in FY 22-23 compared to **₹2,576mn** in FY 21-22
- Y-o-Y growth of **77.2%** in EBITDA
- EBITDA margin of **12.8%** and **12.9%** in FY 22-23 and FY 21-22 respectively

- Recorded Profit After Tax of **₹3,331mn** in FY 22-23 compared to **₹1,701mn** in FY 21-22
- Y-o-Y growth of **95.9%** in Profit After Tax

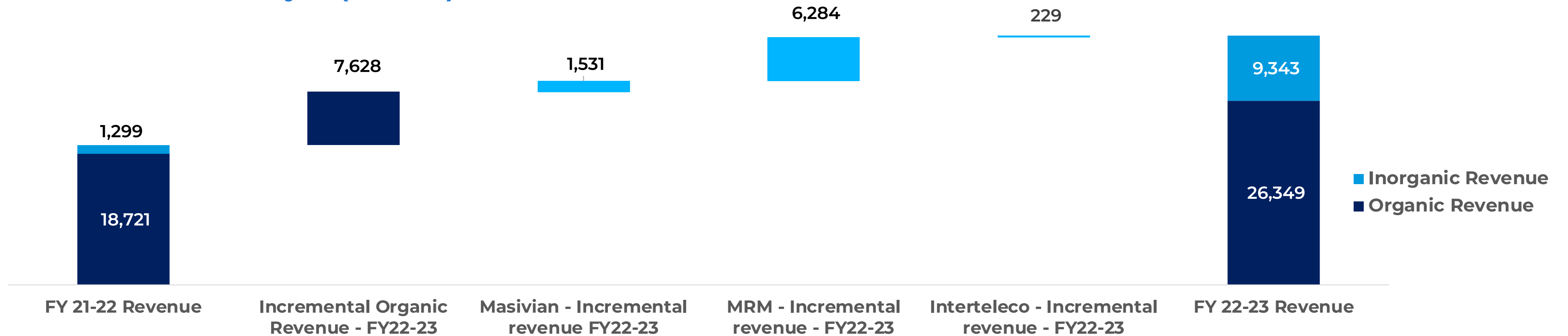
- Adjusted Profit After Tax of **₹4,007mn** in FY 22-23 compared to **₹2,085mn** in FY21-22
- Adjusted for ESOP benefit expenses; non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions and Intangible assets under development of ₹140mn (in FY 22-23)
- Adjusted Profit After Tax margin of **11.2%** and **10.4%** in FY 22-23 and FY 21-22 respectively



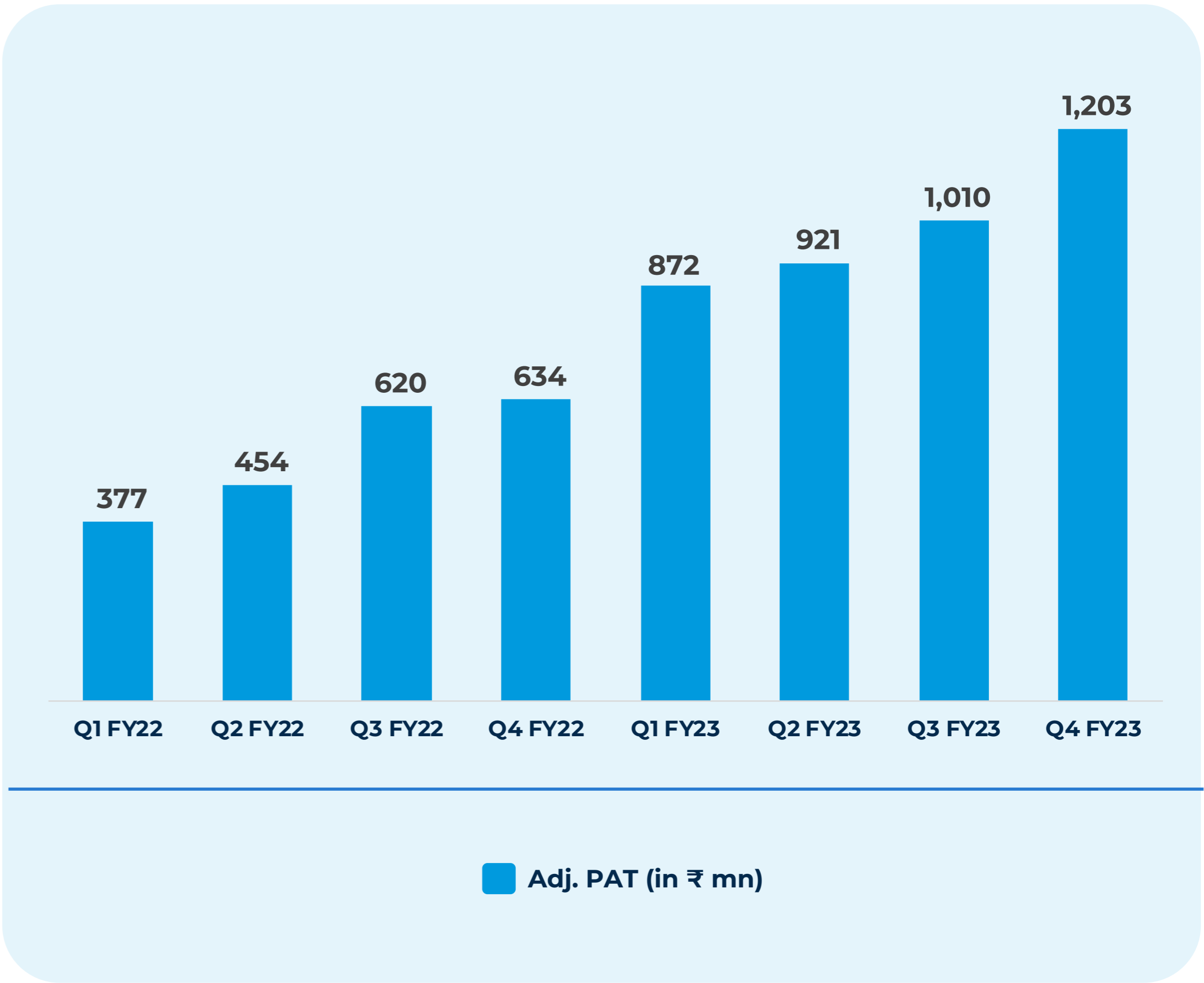
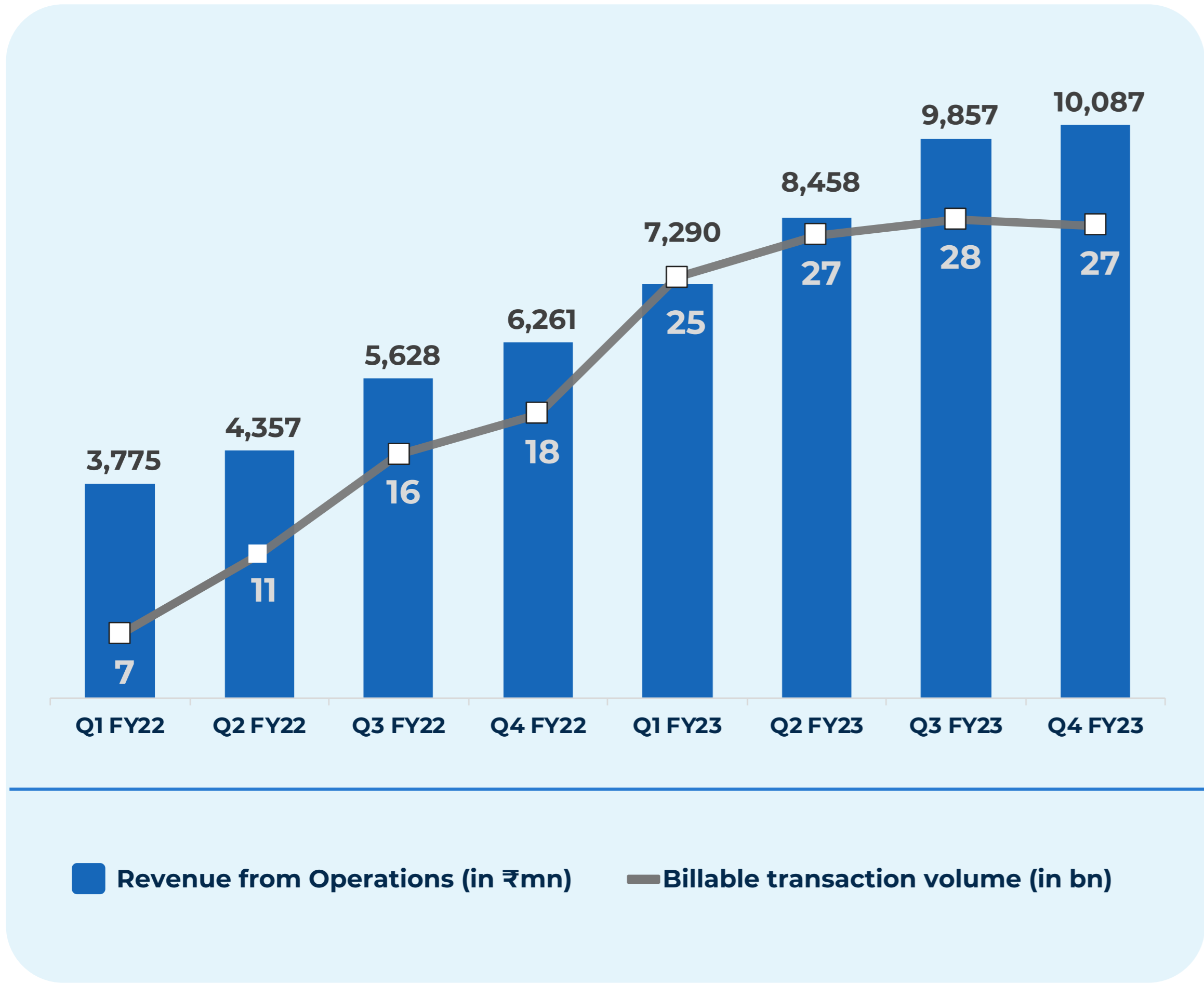
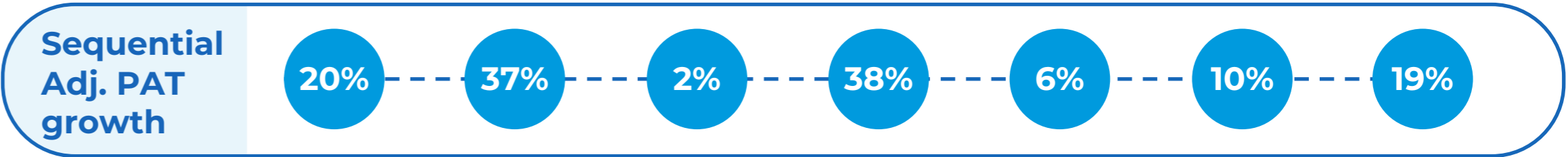
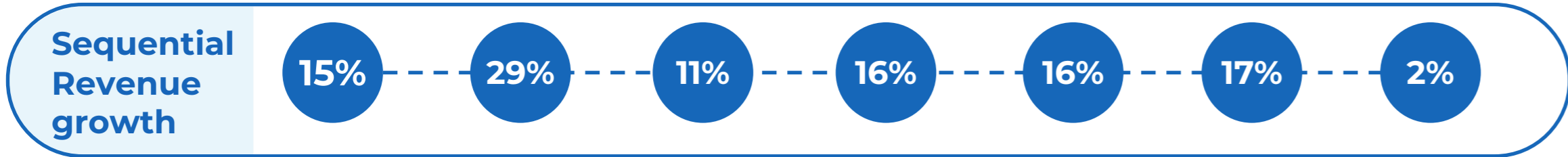
Sustainable revenue expansion driven by robust organic growth and increasing contribution from recent acquisitions

Split by Organic and Inorganic revenue	FY 21-22 revenue (in ₹ mn)	FY 22-23 revenue (in ₹ mn)	Revenue growth (%)
Organic revenue	18,721	26,349	41%
Inorganic revenue	1,299	9,343	Not comparable
Masivian (acquired wef Nov 12, 2021)	638	2,169	
MR Messaging (acquired wef Mar 1, 2022)	532	6,816	
Interteleco (acquired wef Dec 1, 2021)	129	358	
Consolidated	20,020	35,692	78%

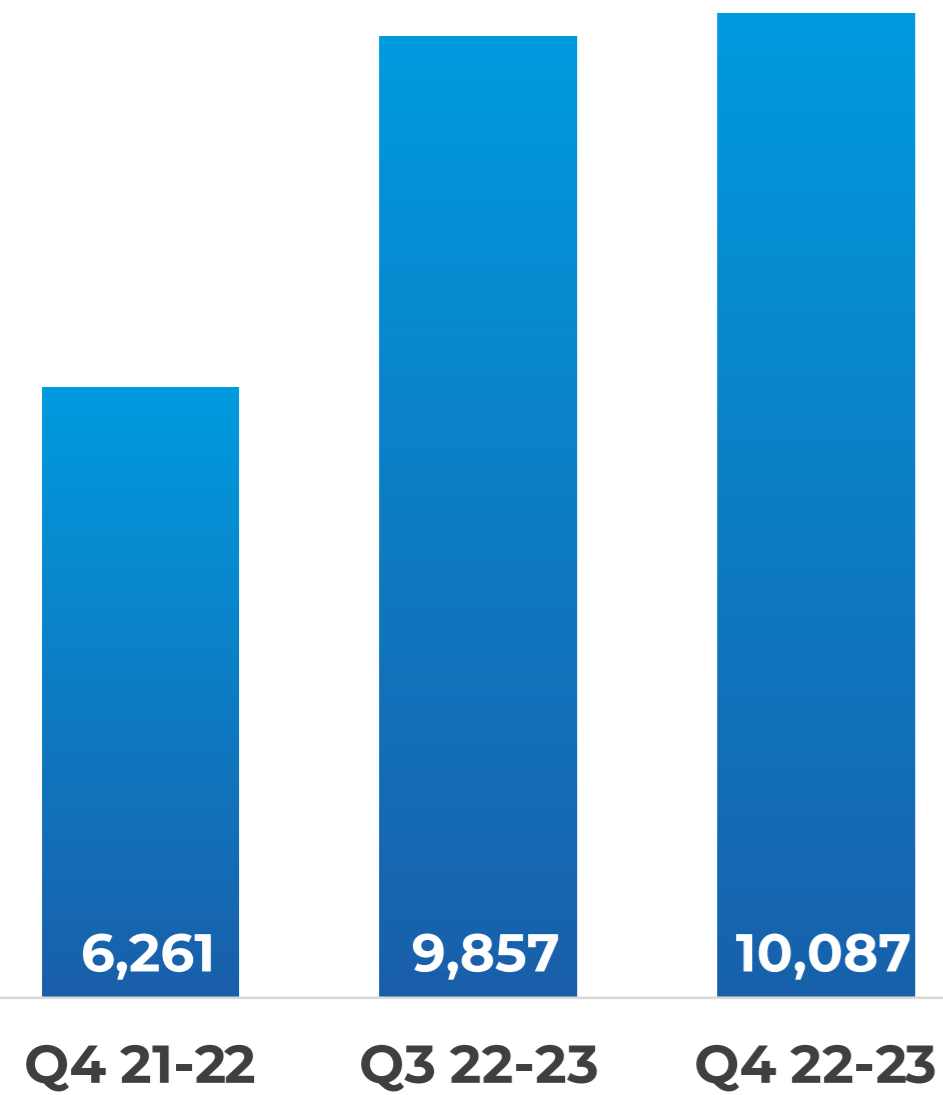
Revenue Growth Analysis (in ₹ mn)



Sustained Growth in Revenue and Adjusted PAT



Revenue from Operations (in ₹ mn)



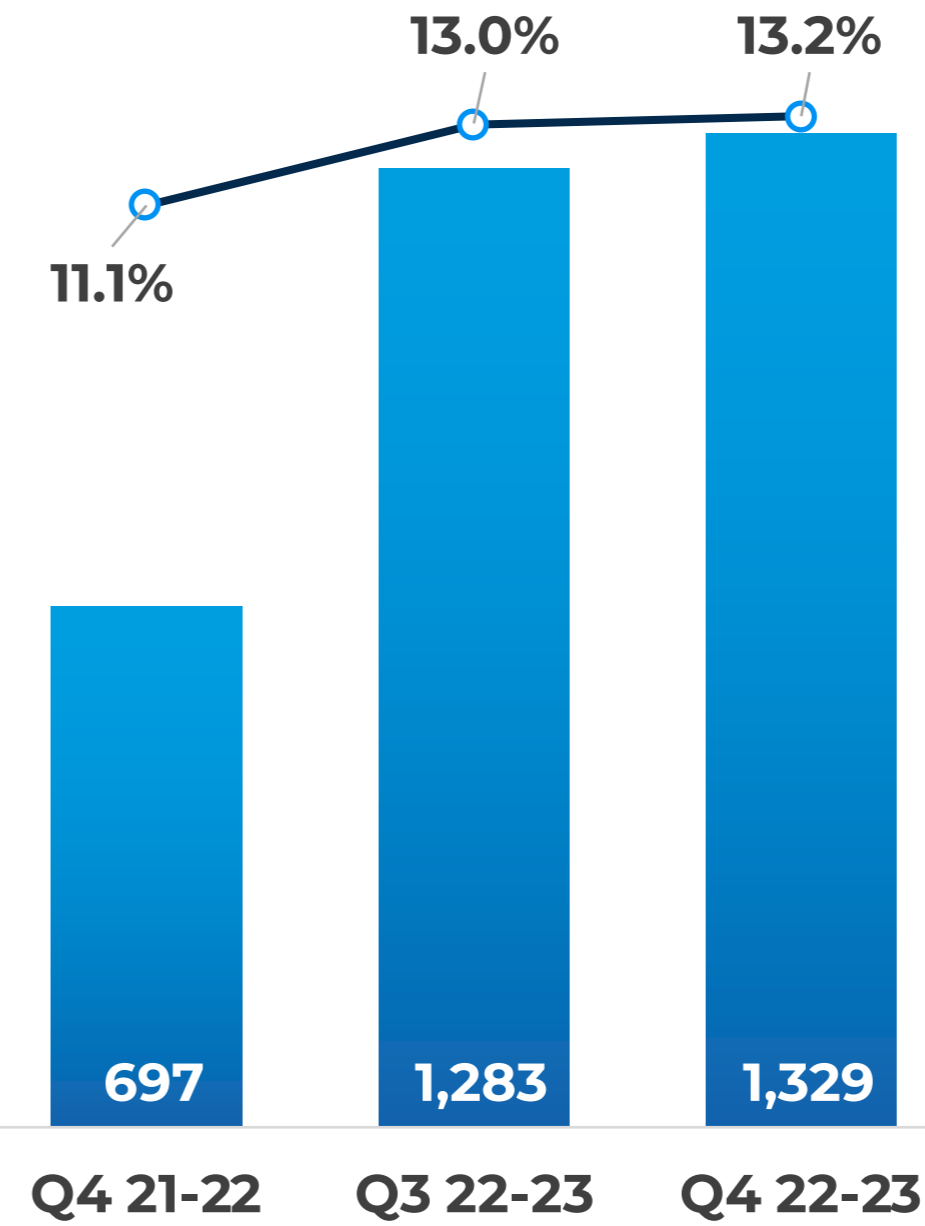
61.1% Y-o-Y growth
2.3% Q-o-Q growth

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



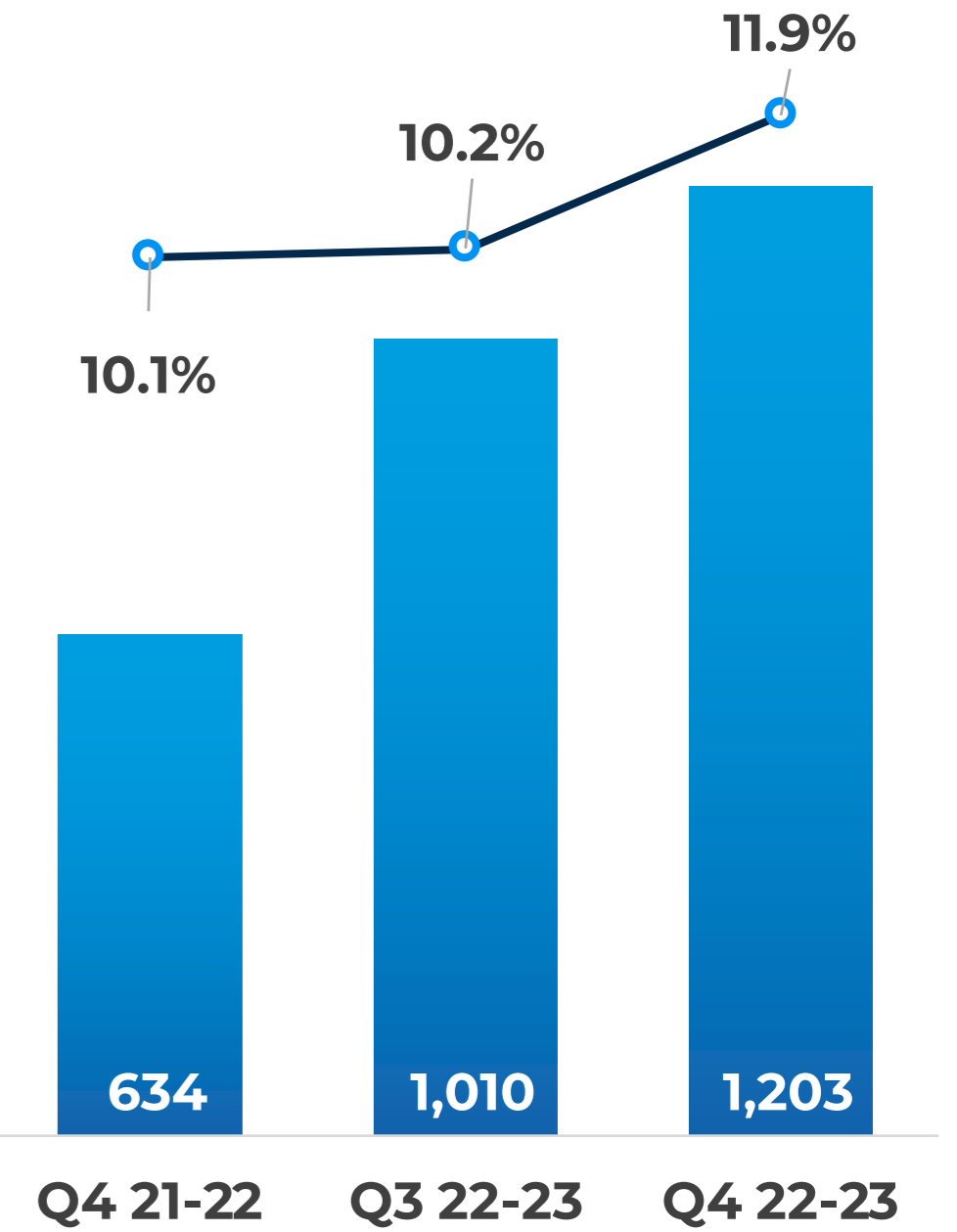
62.6% Y-o-Y growth
-2.7% Q-o-Q growth

EBITDA⁽¹⁾ (In ₹ mn) & EBITDA Margin (%)



90.7% Y-o-Y growth
3.6% Q-o-Q growth

Adj. PAT⁽²⁾ (In ₹ mn) & Adj. PAT Margin (%)



89.7% Y-o-Y growth
19.2% Q-o-Q growth

1. Net loss on FX transactions and translation, ESOP benefit expenses (non cash) and Intangible assets under development 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; and Intangible assets under development

Financial Highlights for Q4 FY 22-23

- Closed Q4 FY 22-23 with revenue from operations of **₹10,087mn** compared to **₹9,857mn** in Q3 FY 22-23 and **₹6,261mn** in Q4 FY 21-22
 - Y-o-Y growth of **61.1%** and sequential growth of **2.3%** in revenue
-
- Recorded Gross Profit of **₹2,144mn** in Q4 FY 22-23 compared to **₹2,203mn** in Q3 FY 22-23 and **₹1,319mn** in Q4 FY 21-22
 - Y-o-Y growth of **62.6%** and sequential de-growth of **2.7%** in Gross Profit
 - Gross Profit margin of **21.3%, 22.4%, and 21.1%** in Q4 FY 22-23, Q3 FY 22-23 and Q4 FY 21-22 respectively
-
- EBITDA of **₹1,329mn** in Q4 FY22-23 compared to **₹1,283mn** in Q3 FY 22-23 and **₹697mn** in Q4 FY 21-22
 - Y-o-Y growth of **90.7%** and sequential growth of **3.6%** in EBITDA
 - EBITDA margin of **13.2%, 13.0%** and **11.1%** in Q4 FY 22-23, Q3 FY 22-23 and Q4 FY 21-22 respectively
-
- Recorded Profit After Tax of **₹1,041mn** in Q4 FY 22-23 compared to **₹854mn** in Q3 FY 22-23 and **₹474mn** in Q4 FY 21-22
 - Y-o-Y growth of **119.4%** and sequential growth of **21.9%** in Profit After Tax
-
- Adjusted Profit After Tax of **₹1,203mn** in Q4 FY 22-23 compared to **₹1,010mn** in Q3 FY 22-23 and **₹634mn** in Q4 FY 21-22
 - Adjusted for ESOP benefit expenses; non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions and Intangible assets under development of ₹ 21mn (in Q4 FY22-23)
 - Adjusted Profit After Tax margin of **11.9%, 10.2%** and **10.1%** in Q4 FY 22-23, Q3 FY 22-23 and Q4 FY 21-22 respectively



EBITDA and Adjusted PAT – Non GAAP

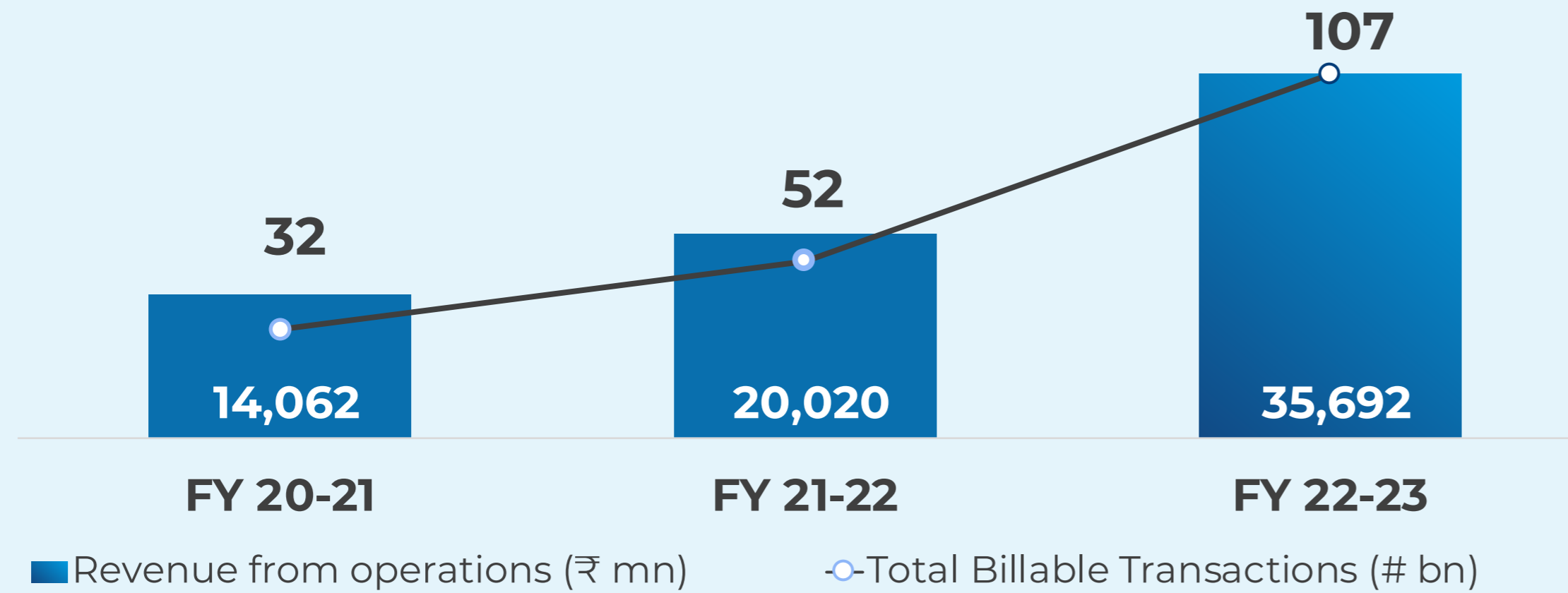
Particulars (In ₹ mn)	Quarter Ended			Full Year	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
Profit before tax (Ind AS)	1,203.6	1,031.3	468.1	3,815.0	1,952.2
(-) Other income	146.0	77.5	84.1	394.0	200.6
(+) Finance costs	49.8	72.1	33.9	204.5	51.6
EBIT	1,107.4	1,025.9	417.9	3,625.5	1,803.1
(+) Depreciation and amortisation expense	212.3	219.6	145.3	816.0	383.2
(+) Employee stock option expense (non cash)	34.2	(36.0)	95.4	155.9	188.7
(+) Net loss on foreign currency transactions and translation	(3.5)	38.5	38.3	49.9	201.3
(-) Intangible assets under development	21.4	23.7	-	140.1	-
(+) MRM's Bad debt written-off pertaining to pre-acquisition period	-	58.5	-	58.5	-
EBITDA (Non-GAAP)	1,329.1	1,282.7	697.1	4,565.6	2,576.3
EBITDA margin % on a Non-GAAP basis	13.1%	13.0%	11.1%	12.8%	12.9%
Profit for the period (Ind AS)	1,040.5	853.6	474.2	3,331.1	1,700.8
(+) Employee stock option expense (non-cash)	34.2	(36.0)	95.4	155.9	188.7
(+) Amortization related to intangibles identified on account of acquisitions	149.9	157.3	102.6	601.1	233.1
(-) Intangible assets under development	21.4	23.7	-	140.1	-
(+) MRM's Bad debt written-off pertaining to pre-acquisition period	-	58.5	-	58.5	-
(-) Tax refund for prior period - 365sqared	-	-	37.8	-	37.8
Adjusted PAT (Non-GAAP)	1,203.2	1,009.6	634.4	4,006.5	2,084.8
Adjusted PAT margin % on a Non-GAAP basis	11.9%	10.2%	10.1%	11.2%	10.4%

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.

Normalized Cash Flow

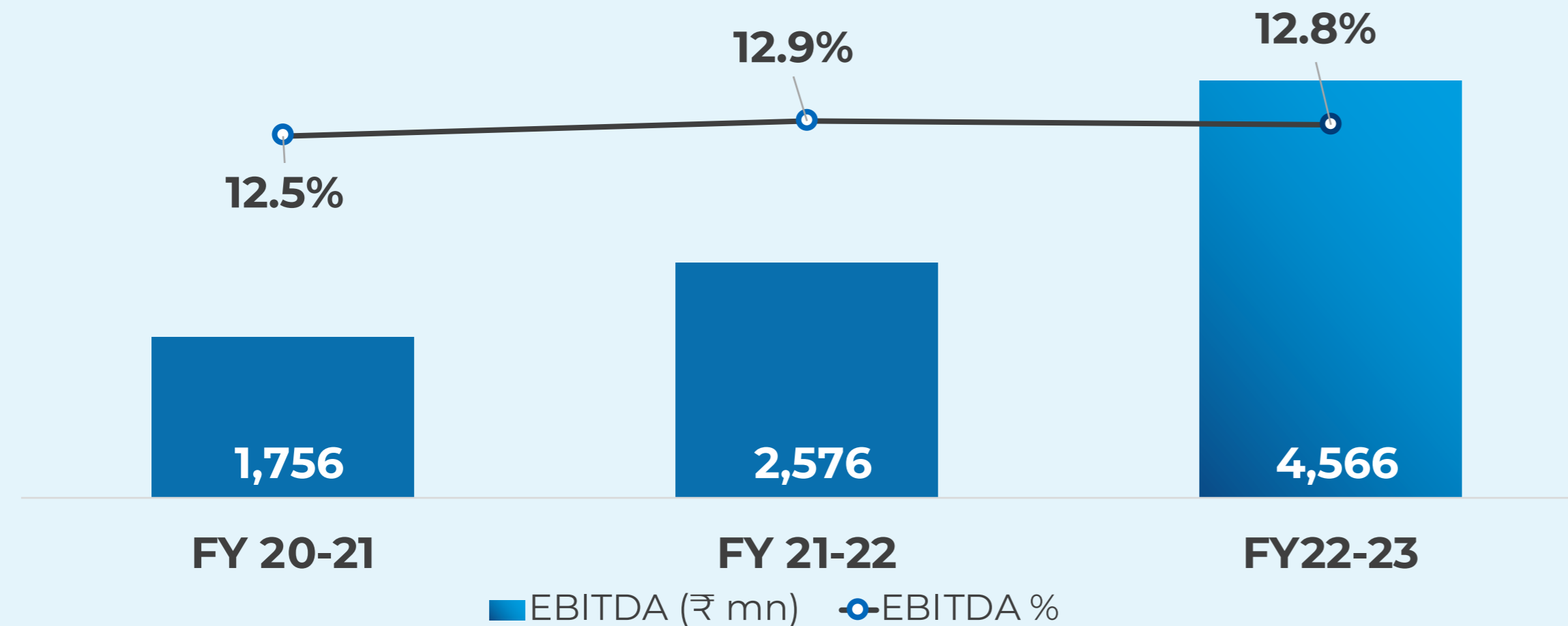
(₹ in million)	H2 FY22-23 (6M ended 31 Mar 2023)	H1 FY22-23 (6M ended 30 Sep 2022)	Year ended 31 Mar 2023
Profit before tax (Ind AS)	2,234.9	1,580.1	3,815.0
Adjustments for non-cash and non operating items	377.6	641.5	1,019.1
Adjustments for working capital			
(Increase) in trade receivables	(1,378.8)	(616.3)	(1,995.1)
(Increase) in financial assets and other assets	(736.6)	(830.7)	(1,567.4)
Increase/(decrease) in trade payables, provisions and other liabilities	264.7	(469.7)	(205.0)
Direct taxes paid (net)	(268.9)	(65.4)	(334.4)
Net Cash generated from Operation Activities (Ind AS)	493.0	239.7	732.1
(+) Adjustment for Security deposit for a strategic business initiatives (exclusive Firewall deal, expected to go live in Q1 FY23-24)	1,173.9	-	1,173.9
(+) GST Payment for prior period (FY19-20)	161.0	-	161.0
Normalized Cash Flow from Operation (Normalized CFO)	1,827.9	239.7	2,067.0
EBITDA (Non-GAAP)	2,611.8	1,953.8	4,565.6
Normalized CFO/EBITDA	70%	12%	45%

Revenue from operations & Total Billable Transaction



Robust growth momentum
78% Y-o-Y growth in FY 22-23
48% CAGR over past 5 years
 (FY 17-18 to FY 22-23)

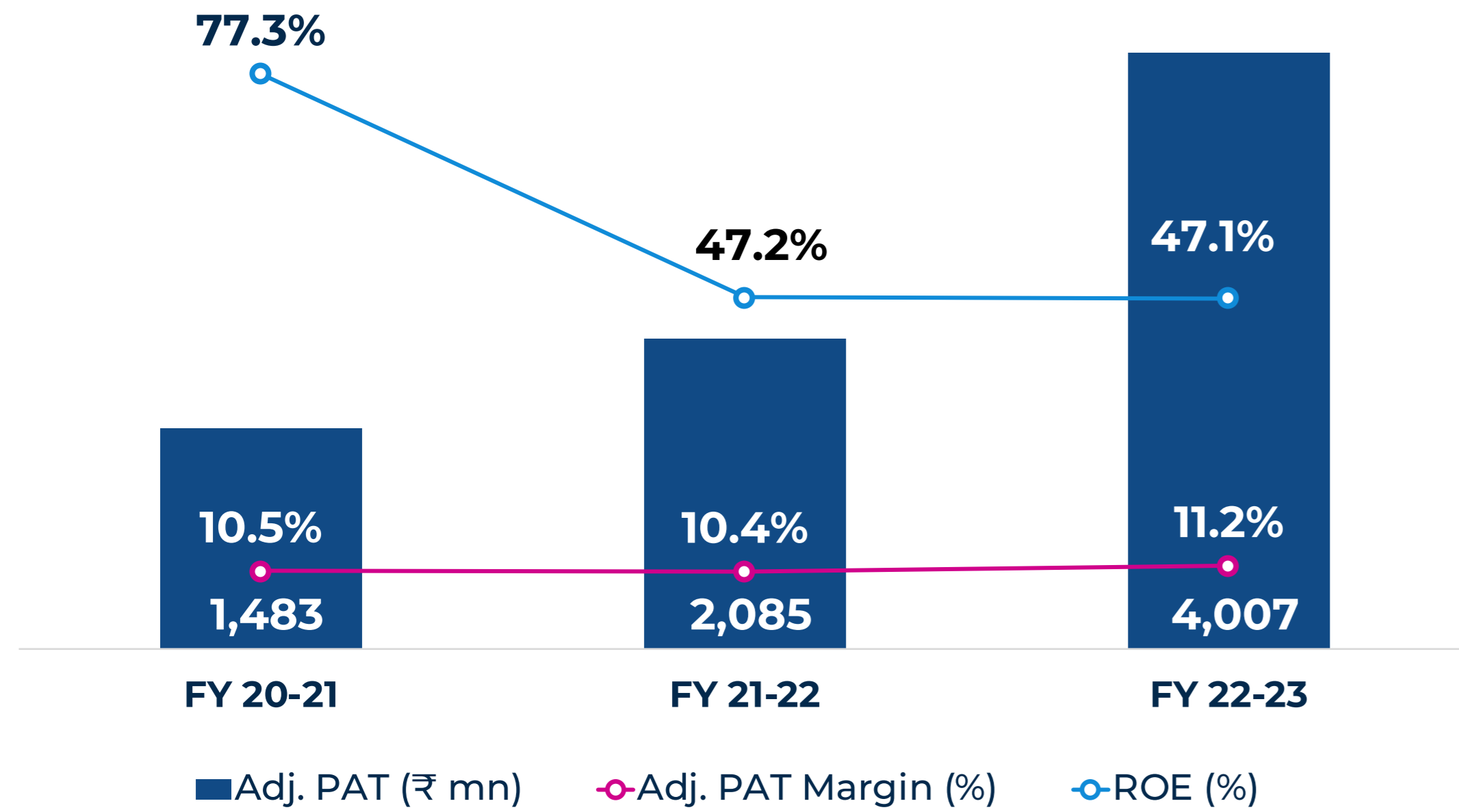
EBITDA and EBITDA margin



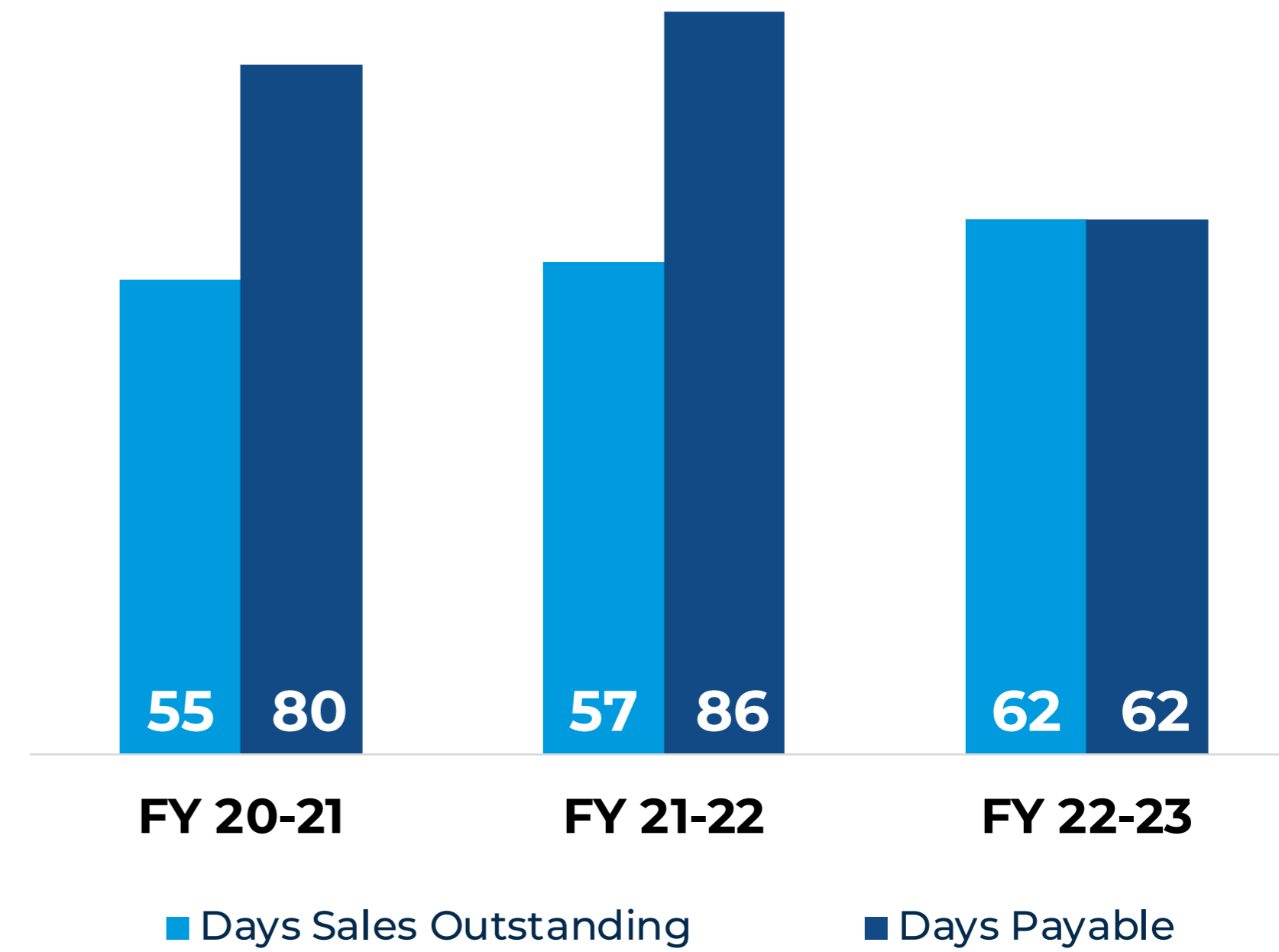
Non-linear business model creates
high operating leverage

EBITDA as % of Gross Profit stood at
58% in FY 22-23

Adj. PAT, Adj. PAT Margin and ROE⁽¹⁾

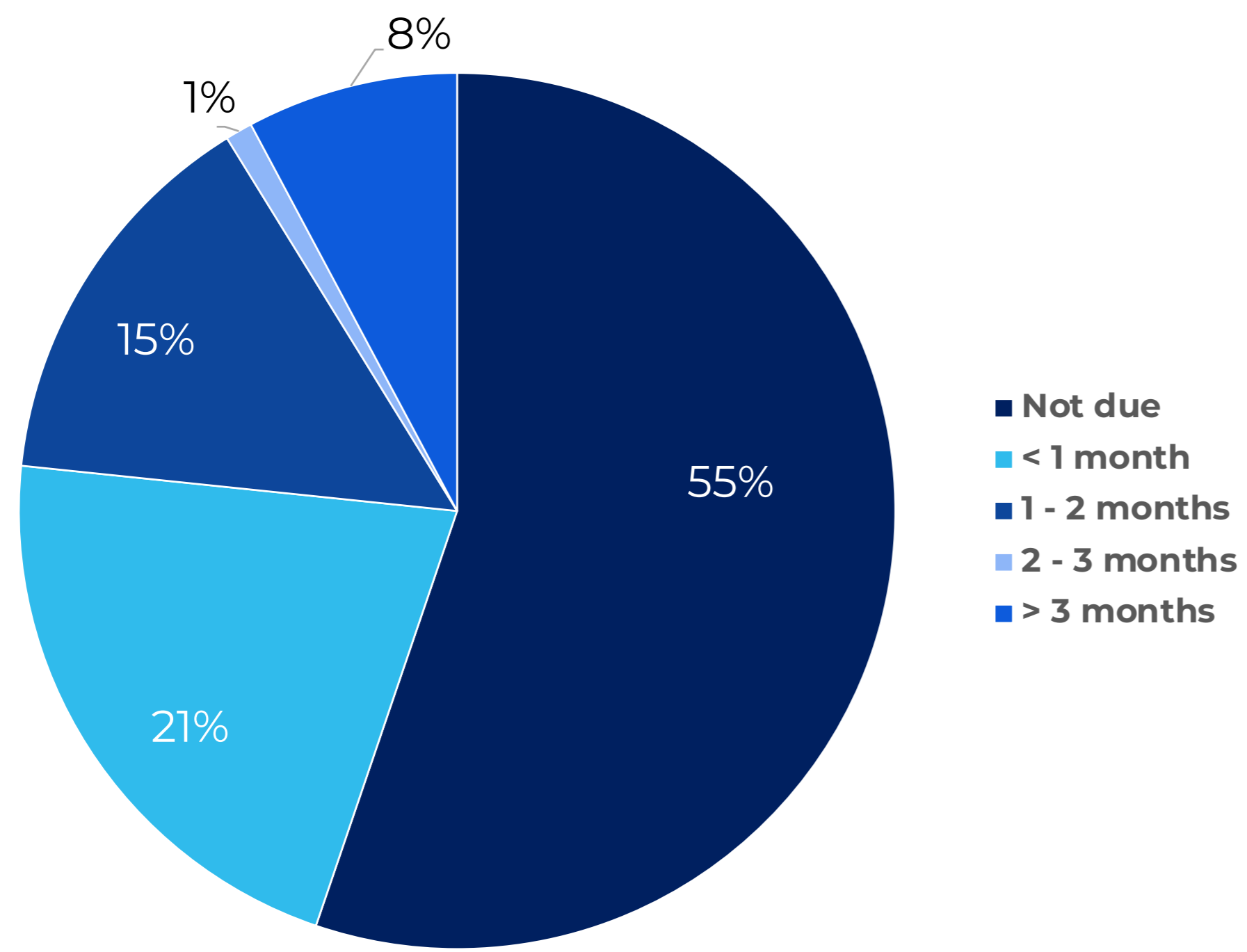


Working Capital Trend



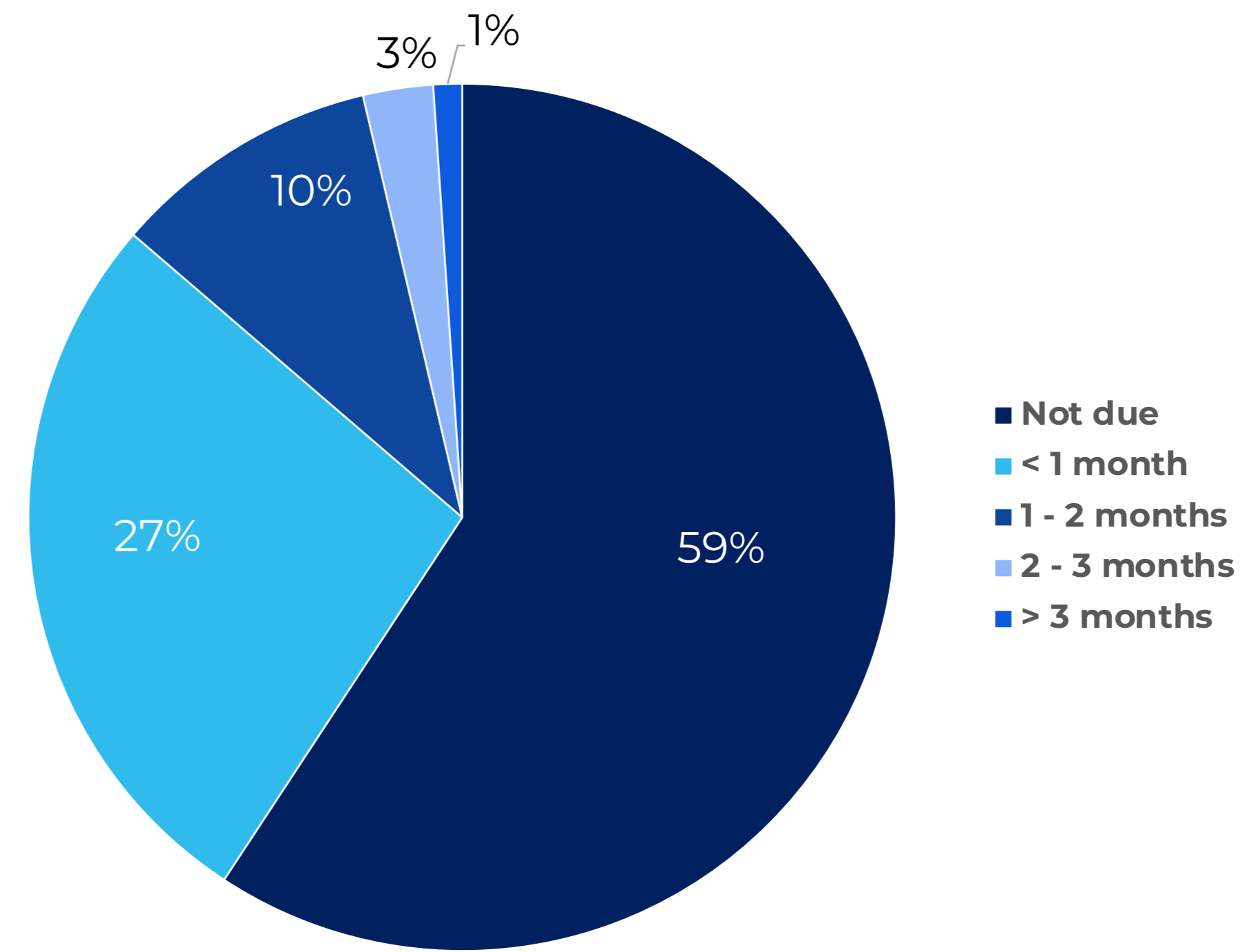
(1) ROE calculated using average Equity (less cash and cash equivalent) and Adj. PAT

Trade Receivables Ageing



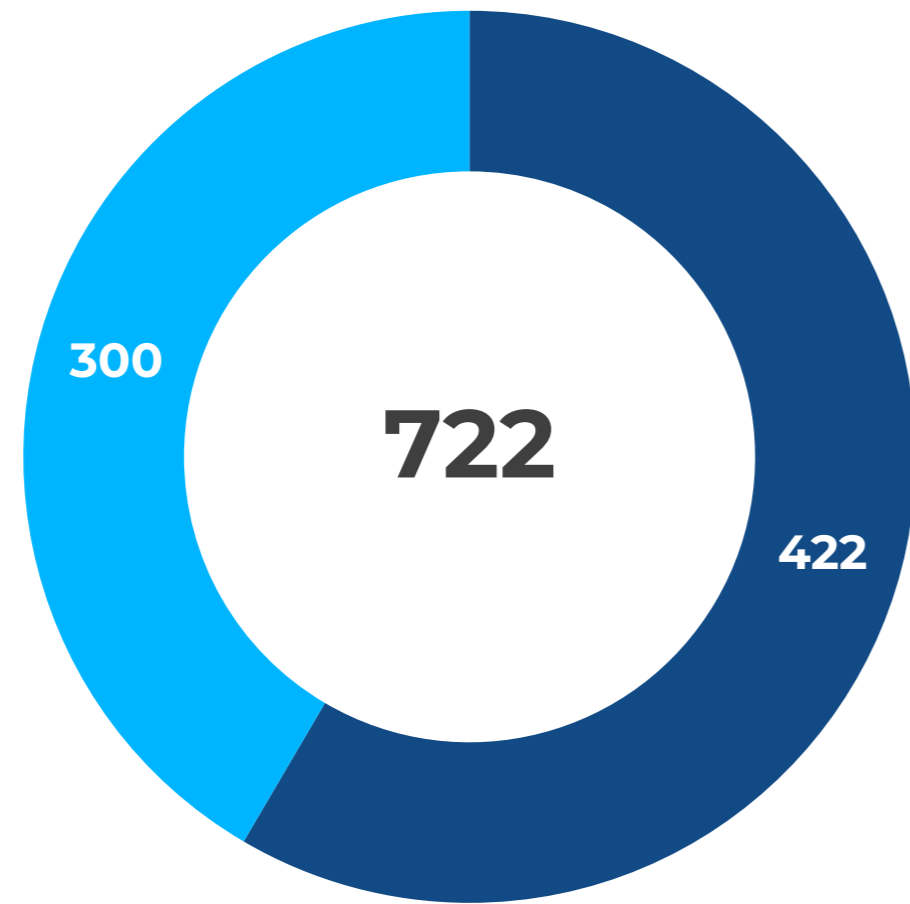
Trade Receivables as on March 31, 2023: ₹ 7,015mn

Trade Payables Ageing



Trade Payables as on March 31, 2023: ₹ 4,670mn

Location wise break-up

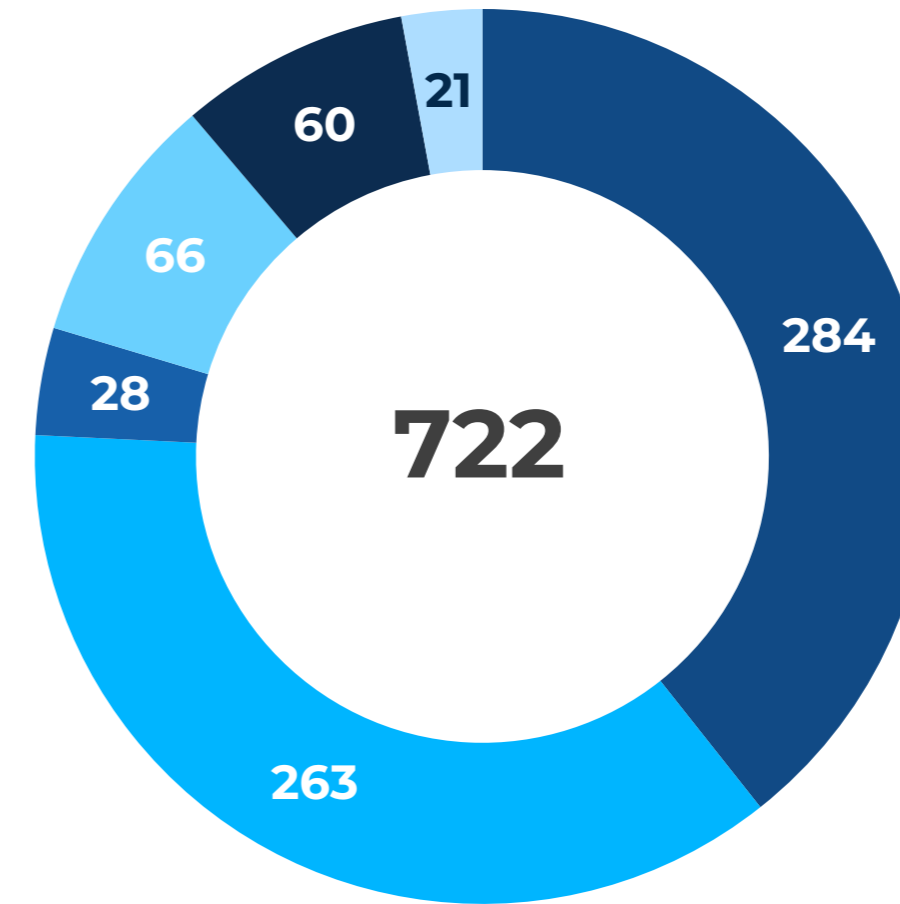


■ India ■ International

49 New Employees joined in **Q4 FY 22-23**

56 Employees left in **Q4 FY 22-23**

Function wise break-up



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

Awards & Rankings





Thank You

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