

**Ref No:** RML/2024-25/457

**Date:** May 6, 2024

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 herewith the Investor Presentation, that will be presented today to the Analysts in connection with the audited financial results of the Company for the quarter and year ended March 31, 2024.

The same is also available on the Company's website at [www.routemobile.com](http://www.routemobile.com)

You are requested to take the above information on record.

Thanking you,  
Yours truly,

**For Route Mobile Limited**

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**Rathindra Das**  
**Group Head Legal, Company Secretary & Compliance Officer**  
Membership No: F12663

**Encl:** as above



# Earnings Update

## Q4 23-24 & FY 23-24

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Investor Presentation

May 6, 2024

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



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



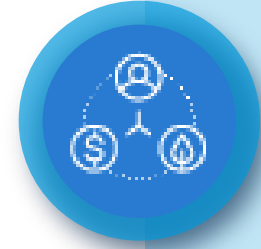
Global footprint across **20+ locations**; **3,300+** active billable clients



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



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



Recognized as a distinguished CPaaS player by Industry experts - **Gartner, Juniper** and **Rocco**



**Strong industry tailwinds:** Global CPaaS market will grow to **\$58bn** in 2028, from \$23bn in 2023 <sup>(1)</sup>



**₹40,233mn** FY 23-24 Revenue  
**40%** Revenue CAGR FY2021 - FY2024



**₹4,949mn** FY23-24 EBITDA  
**41%** EBITDA CAGR FY2021 - FY2024



**126bn** Billable transactions processed FY23-24  
**106%** Net revenue retention in FY23-24



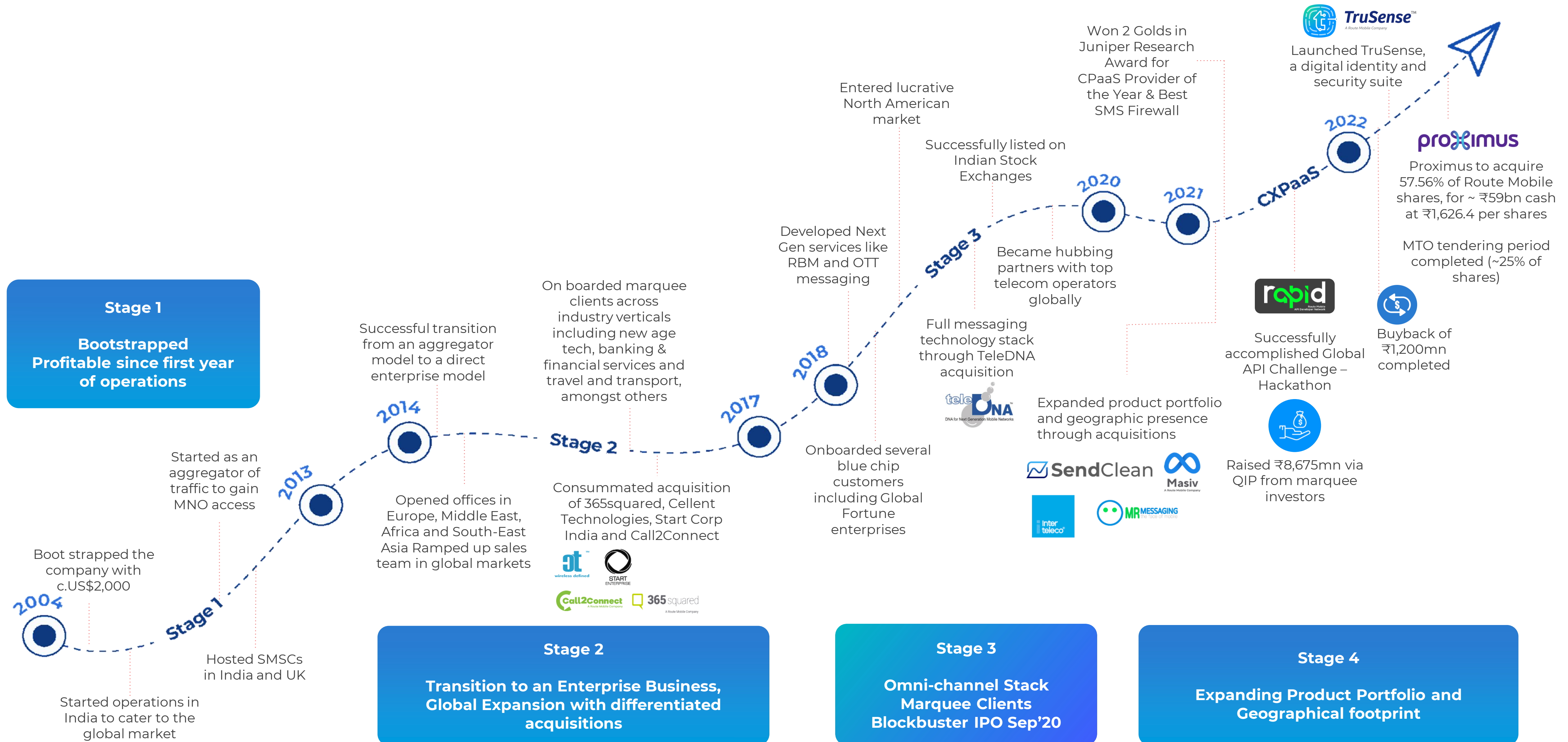
**₹7,526mn** Cash and Cash equivalent &  
**₹4,030mn** Net cash as on 31 Mar 2024



**₹59.95** Basic Earning Per Share (EPS) in FY 23-24  
**₹2 per share** final dividend proposed, in addition to interim dividend of **₹9 per share** paid

(1) Juniper - CPaaS Future Market Outlook, 2024

# Systematic roadmap to create sustained growth momentum



# Global Diaspora - Footprint & Super Network



18 Firewalls deployed

19 virtualized Data Centers

18 Hubs

800+ Employees

280+ Super Network  
Widespread global distribution & reach

# **Key** Developments

# Key Developments in FY 23-24

## New Customer Wins

Signed Direct Contract with one of the largest ecommerce and cloud computing companies for offering **CPaaS services in 10 countries including India**



Signed exclusive deal with Vi India for A2P Monetization. **Contract now active.**



**Appointed as exclusive partner for A2P Monetization for MNO in APAC**



**Partnered with Robi Axiata Limited, Bangladesh** as a Technical Enabler & Sales Partner for RCS Business Messaging



## New Product Achievements

SSC & HSC Results for Gujarat State Board on WhatsApp. **Highest user generated traffic in 3 hours**



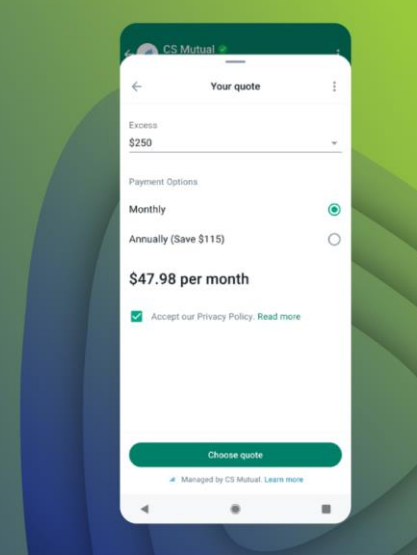
**Enabled WhatsApp based Ticket Booking for Delhi Metro**



**Deployed RCS enabled ticket booking for Pune & Hyderabad Metros**



**Early adopters of Payments API on WhatsApp** and successful deployment across various industries



## Business Milestones

Awarded Best Governance in Mega Category at **India Family Business Awards 2023**



Ranked Tier 1 Vendors in A2P Messaging Market Impact Report by **Rocco in Enterprise and MNO categories**



Awarded **'Best Mobile Authentication Solution – Platinum Winner'** by Juniper Research



Featured as a Major Provider in **Gartner Magic Quadrant for CPaaS & 4 Gartner Hype Cycle Reports**



Hosted the first edition of our flagship event, Route Amplify aimed to create conversations around key themes like **'Customer Engagement and Digital Identity'**





# Proximus transaction on track to close shortly

- Proximus Group to acquire **57.56%** of Route Mobile (fully diluted), through Proximus Opal, for ~ **₹59,224mn** cash at **₹1,626.40 per share**
- Proximus Opal will launch an MTO for up to **26%** of the fully diluted outstanding shares at **₹1,626.40 per share**
- Founding shareholders of Route Mobile to re-invest ~**€299.6mn** in Proximus Opal, for up to **14.5%** of the shares.
- **Rajdip Gupta** (CEO of Route Mobile) will lead the CPaaS activities and **Christophe Van de Weyer** (CEO of Telesign) will lead the Group Digital Identity activities

All the required statutory approvals received and MTO process completed. Final Holding and Deal closing expected in May'24

July'23

Regulatory Approval & MTO tendering process completed

Final holding & deal closing (May '24)

**Regulatory**

**Regulatory Clearance from all the 11 countries received**

**MTO** (Mandatory Tender offer) tendering period completed (~25% of shares)

**Preparation activities**

**Integration Preparation activities**

**Integration Governance**  
Proximus, Route Mobile & Telesign

High-level **Operating Model** defined  
≥ **\$100mn synergies\*** confirmed

**Detailed Design & value sizing completed for all synergy initiatives**  
*Interim analysis captured in the next slide*

Fully prepared with detailed, phased **transition plan** finalized and complete readiness to **start implementation** on "Day 1" after closing

\* Estimated 3<sup>rd</sup> year exit annual run rate total EBITDA synergies

# Value Sizing for Synergies – Interim analysis



Cross sell

**Increase combined revenue** for CPaaS and DI through footprint expansion and cross-sell opportunities



CPaaS platform

**OPEX savings** from consolidation of CPaaS platform



Scale benefits

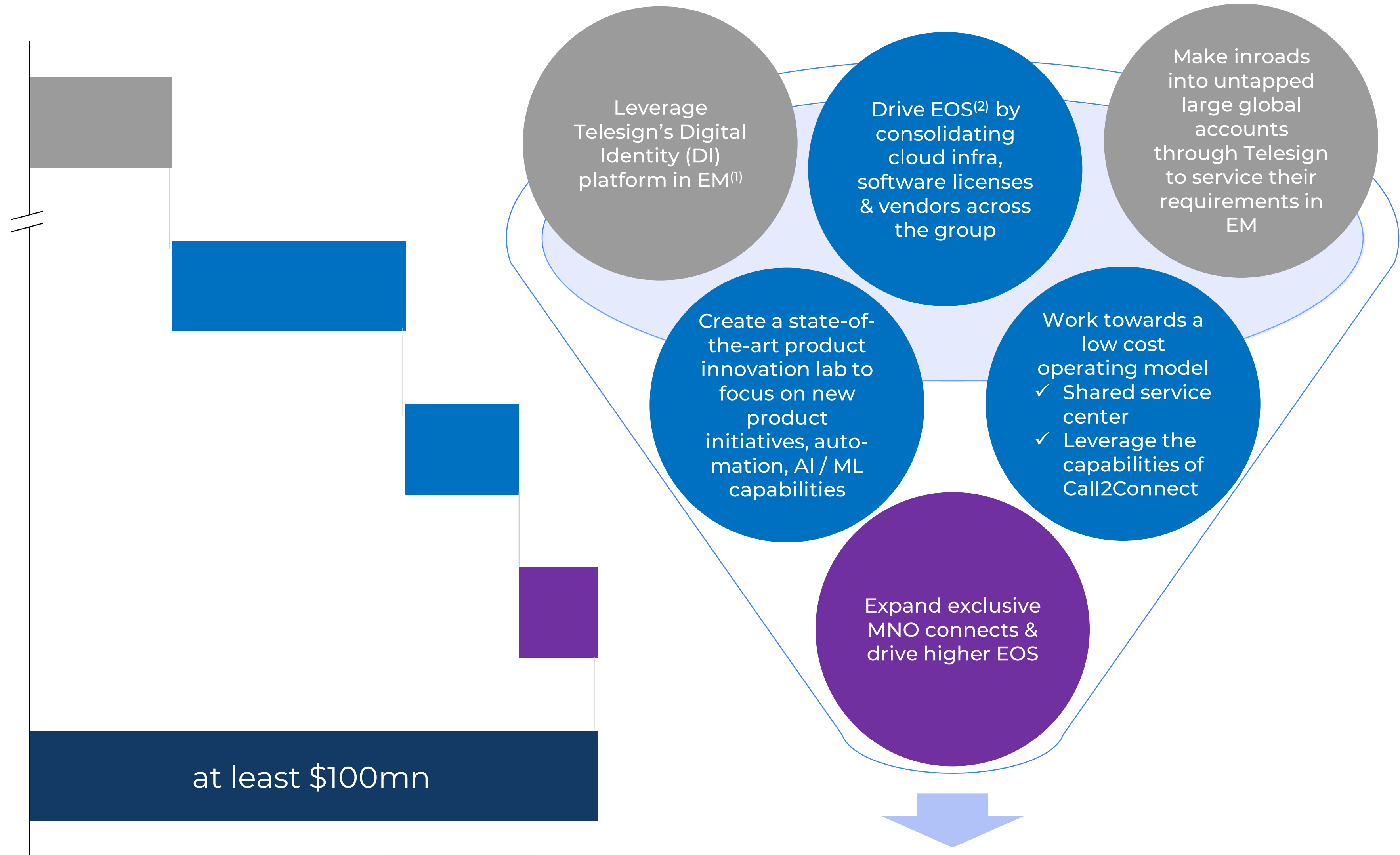
**OPEX synergies** due to scale benefits and improving Group's cost base



COGS

**Platform volume efficiencies** – COGS for voice/messaging delivery

Estimated 3<sup>rd</sup> year exit annual run rate total EBITDA synergies



These initiatives will help Route Mobile accelerate its journey towards a **Billion Dollar** revenue

(1) EM – Emerging Markets viz. Indian subcontinent, Middle East, Africa and LatAm  
 (2) EOS – Economies of Scale

# Focus on Expanding Product Portfolio

## Driving Product momentum through Dedicated SBUs

**Conversational Bot**

**Email**

**TruSense**

**World's First RCS enabled Metro Ticketing for Pune & Hyderabad Metro**

- QR code based ticketing for RCS enabled devices with a smart fall back to WhatsApp.
- First of it's kind deployment with end- to-end experience within app.

7:03  
Pune Metro  
Maharashtra Metro Rail Corporation Limited (MAHA-METRO)

Hi ,

\*Welcome to Maharashtra Metro Rail Corporation Ltd.\*

Click to buy e-Ticket:  
<https://pmr-stag.billeasy.me/?t=8ba54c70e>

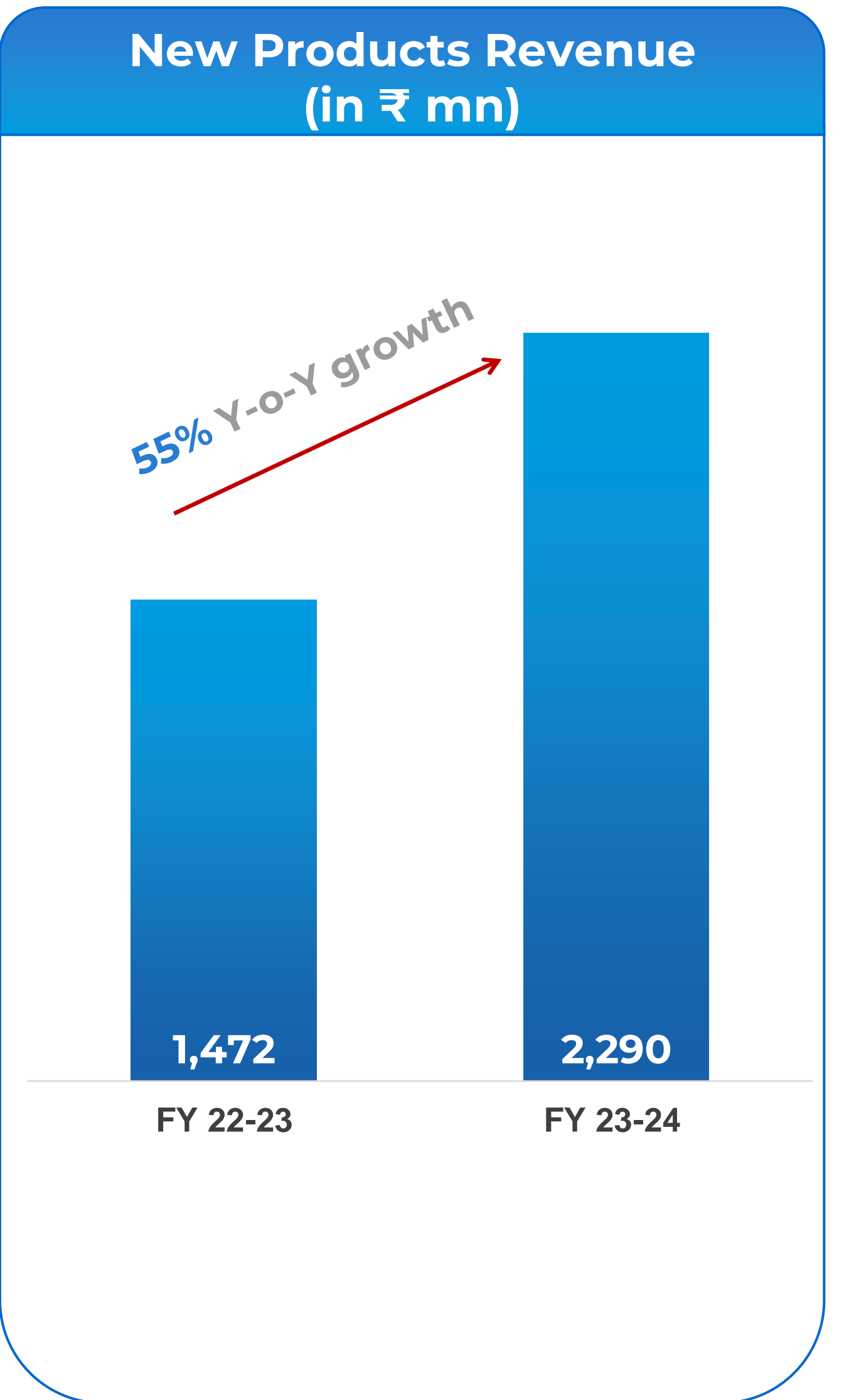
\*OR\*

Share \*eTicket Code - 8876\* to purchase your metro eTicket from the ticketing counter \*(valid for 5 min)\*

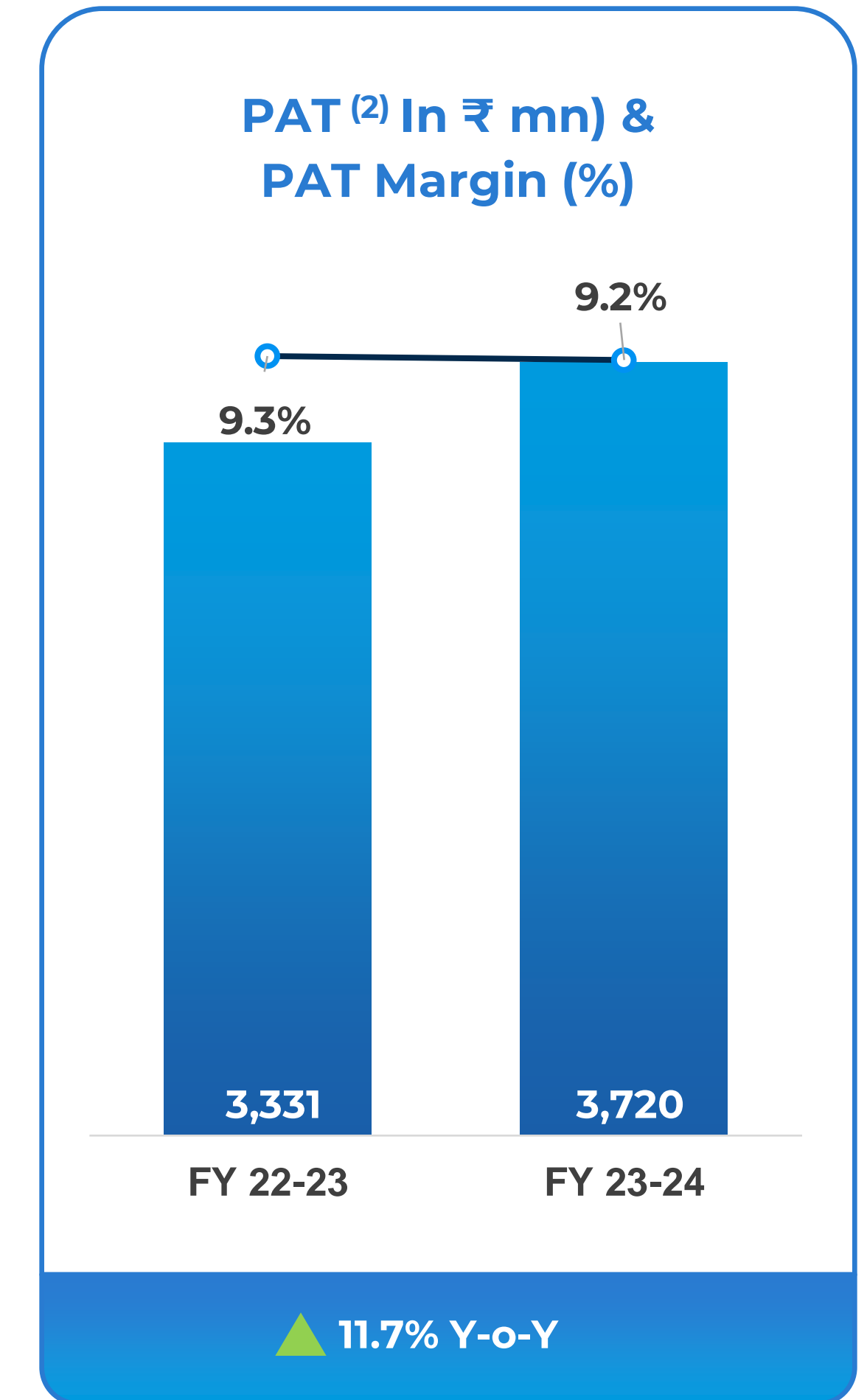
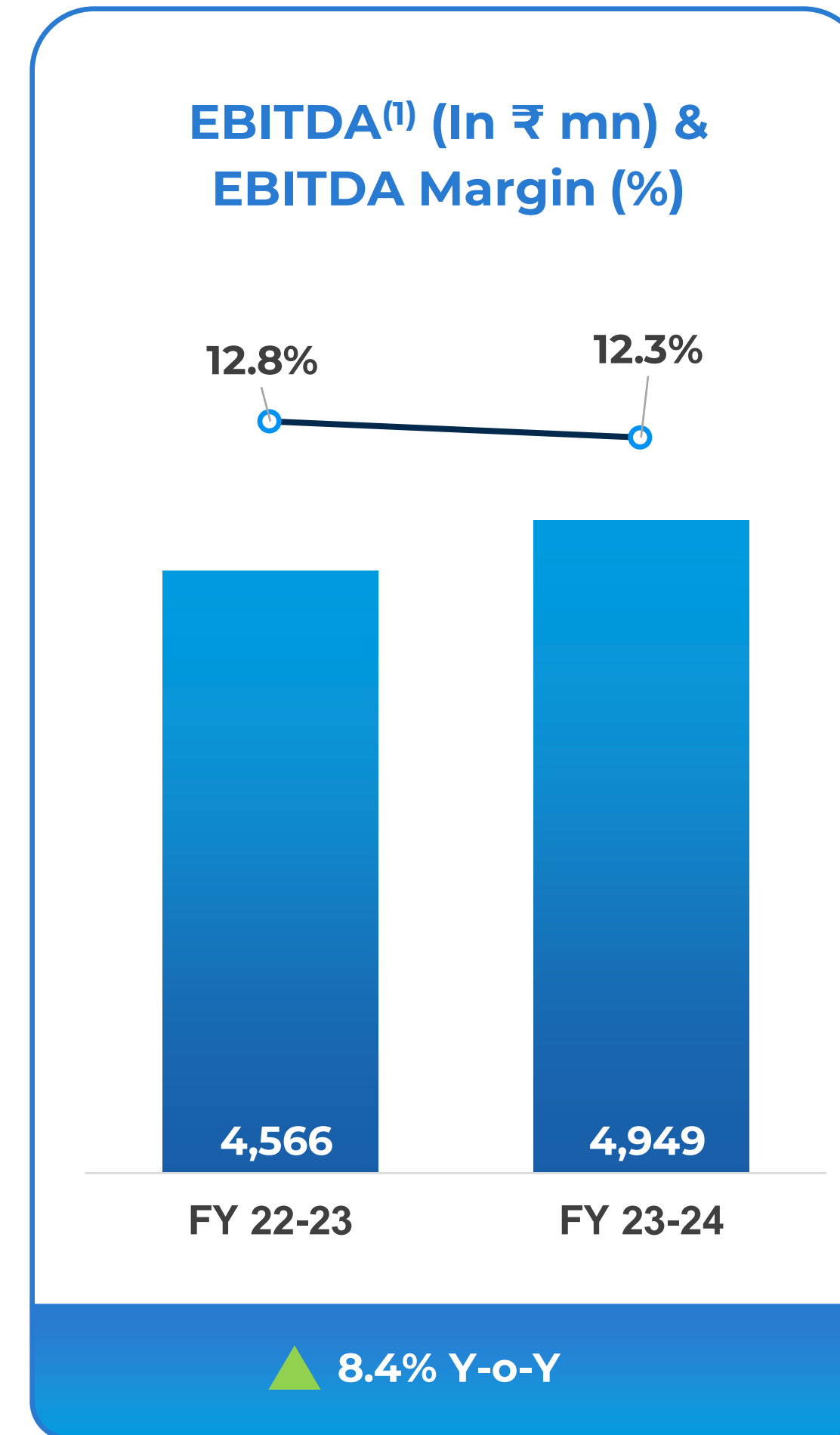
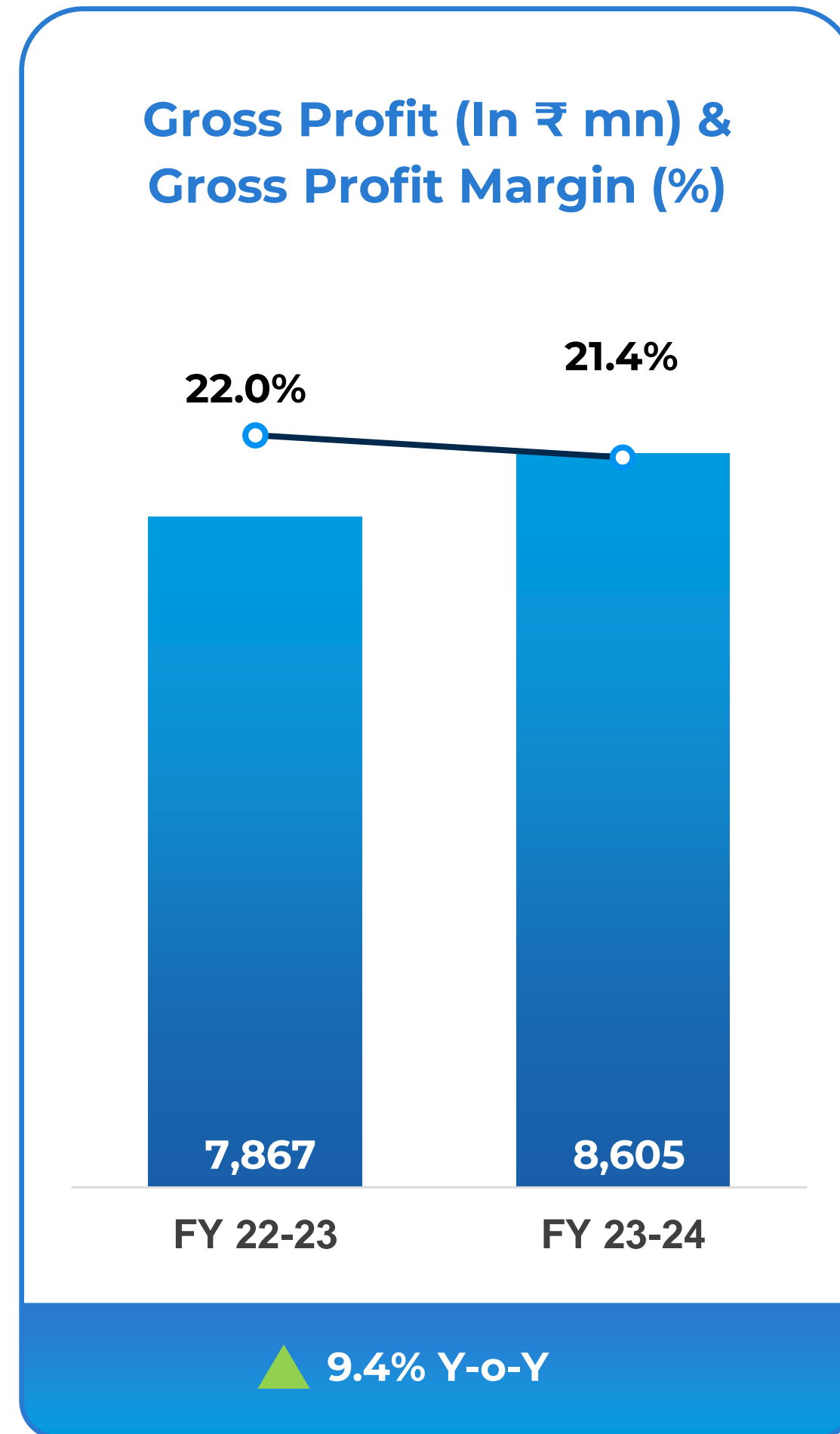
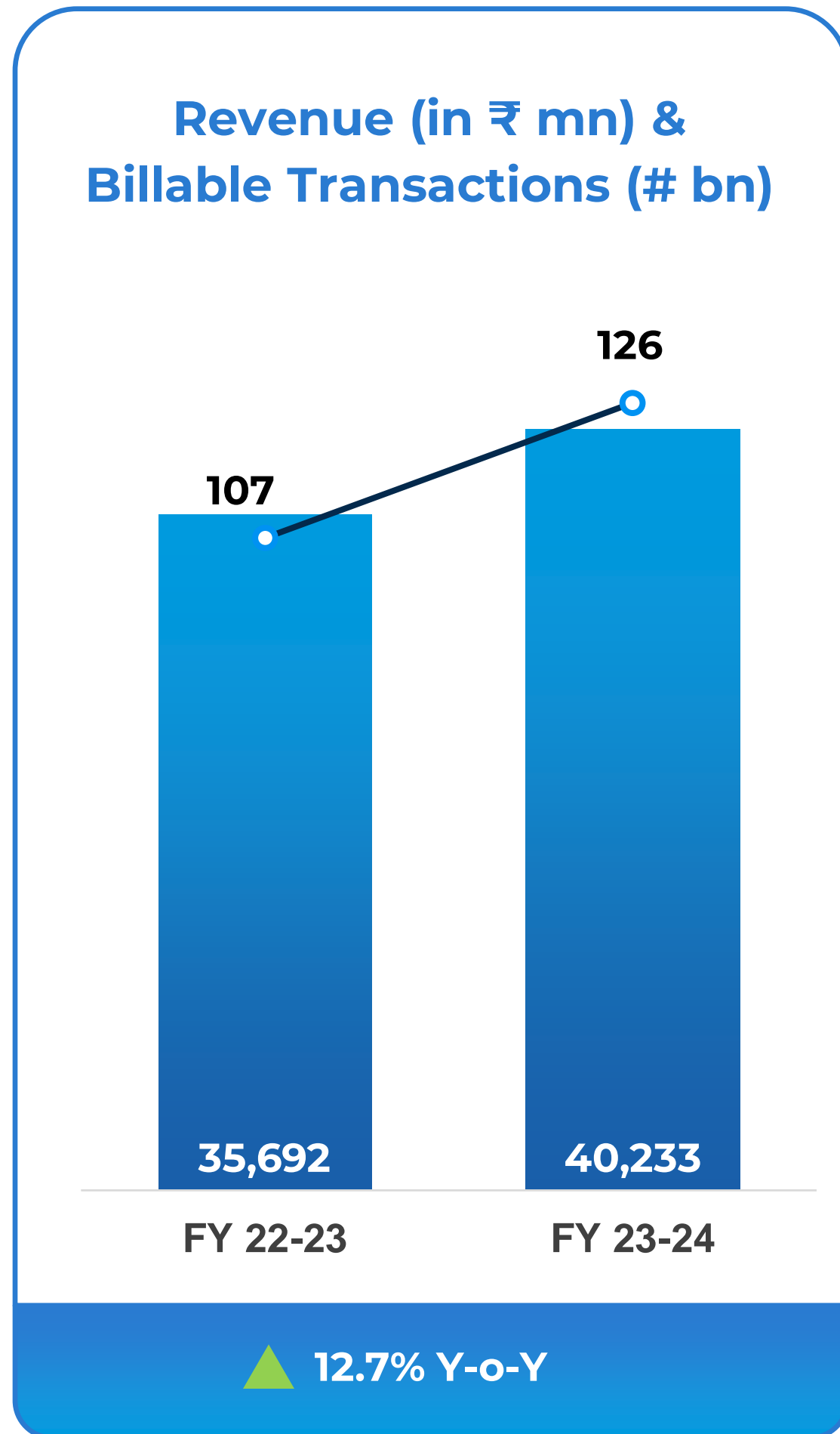
Book your eTicket now & skip the queue!

7:02 pm

RCS message



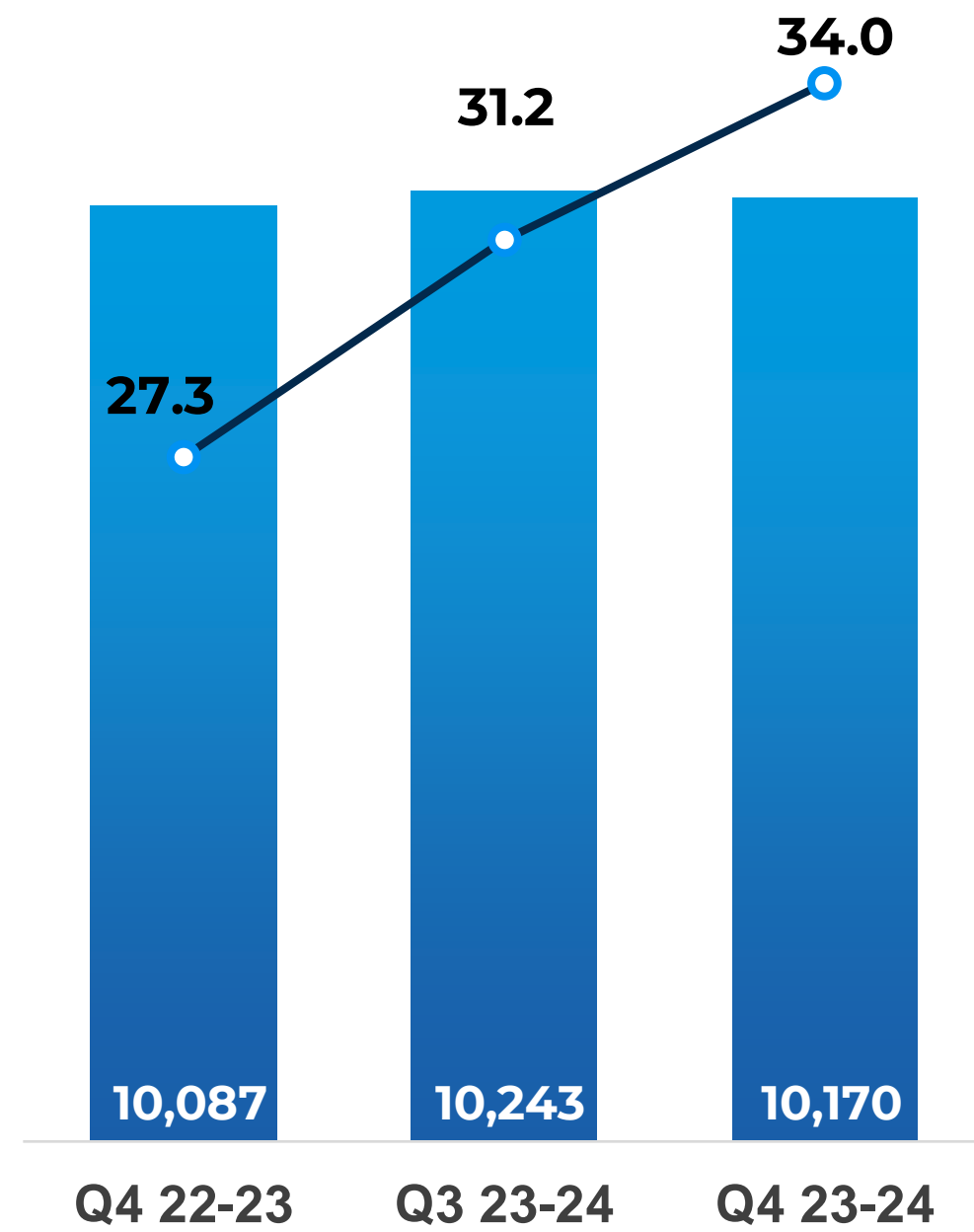
# **Financial** Highlights



1. Refer Slide 15 for calculation of EBITDA (Non GaaP)

2. PAT excludes Exceptional for the quarter and year ended 31 March 2024, pertains to net of the fair value gain of the contingent consideration pertaining to acquisition of a subsidiary in previous years and recognition of impairment loss of goodwill pertaining to a step down subsidiary and provision of an onerous contract.

## Revenue (in ₹ mn) & Billable Transactions (# bn)



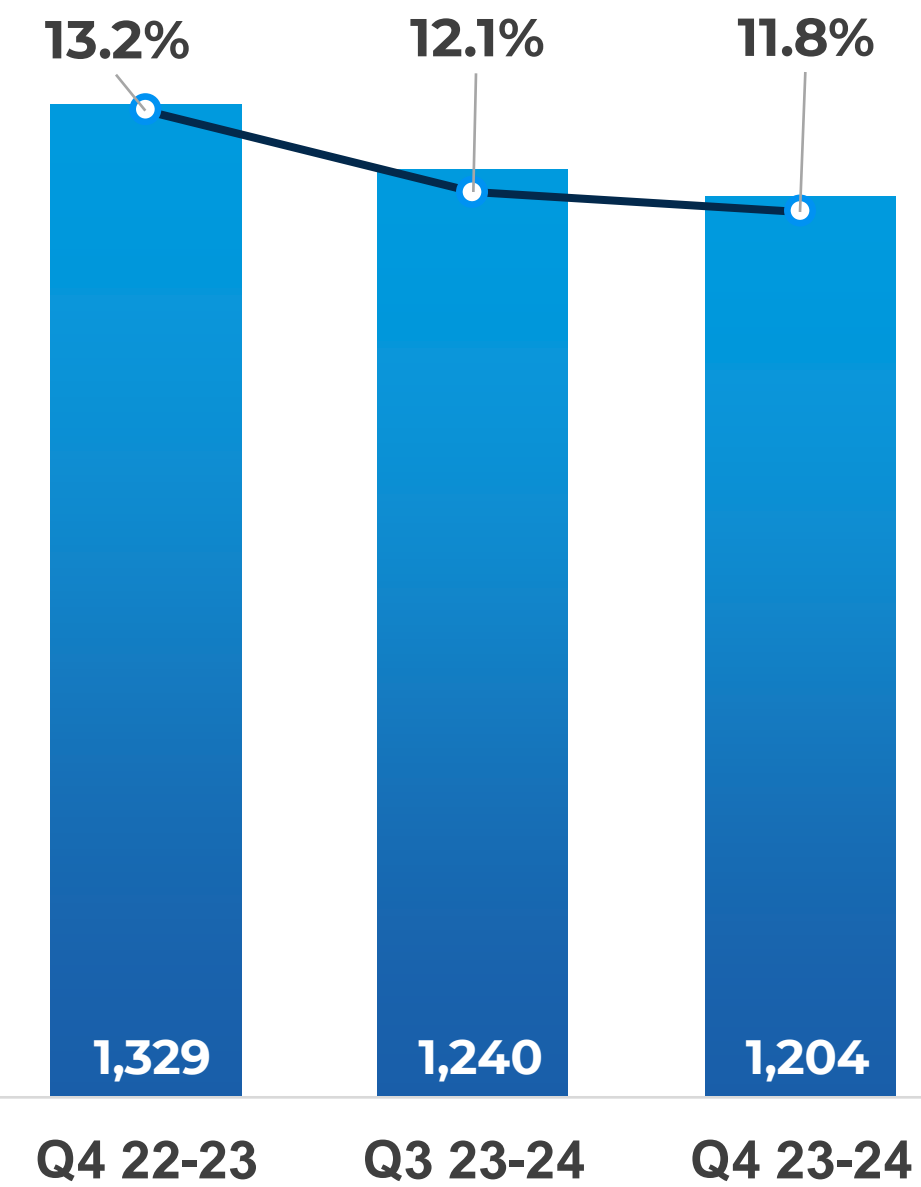
▲ 0.8% Y-o-Y  
▼ (0.7%) Q-o-Q

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



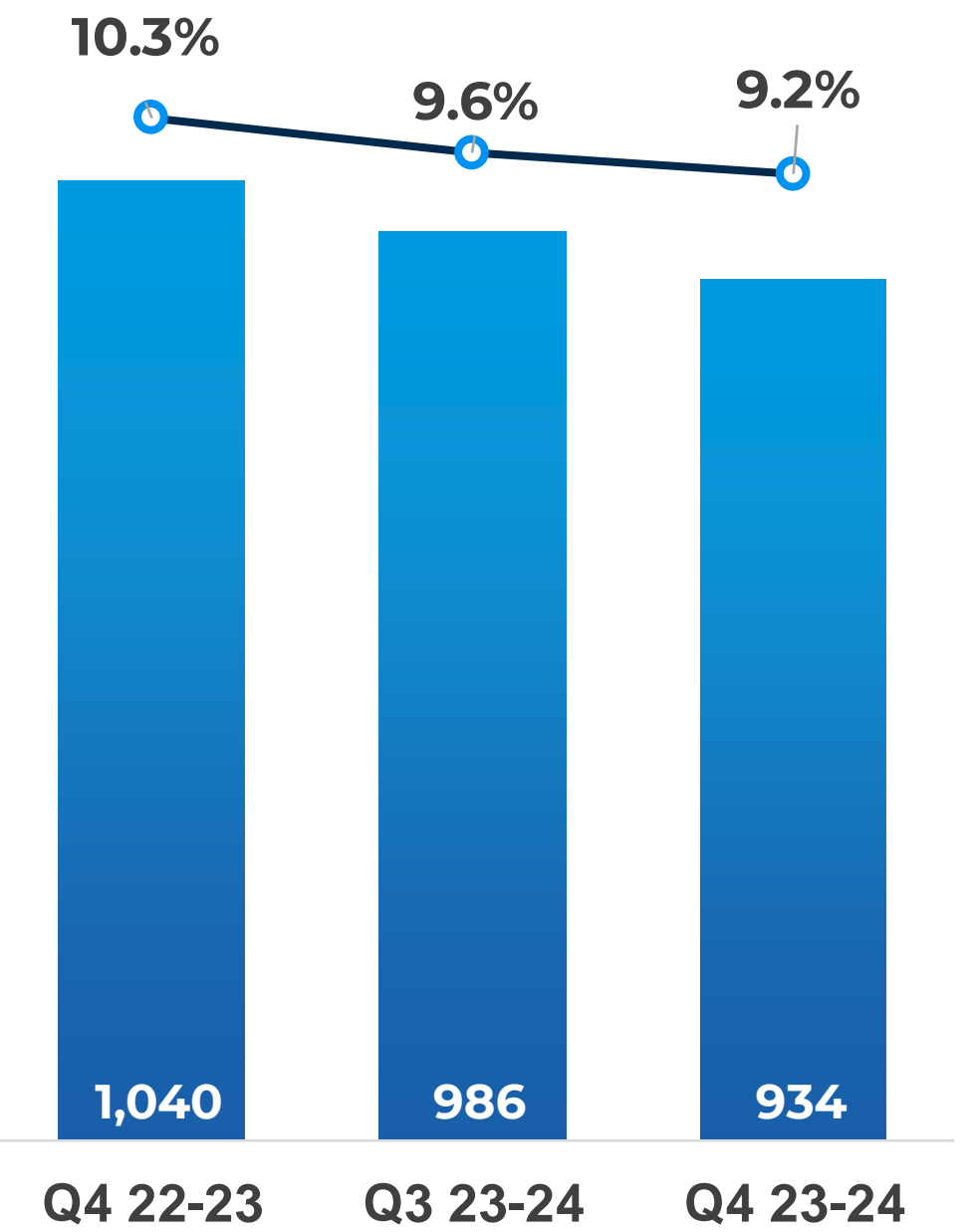
▲ 3.3% Y-o-Y  
▲ 2.2% Q-o-Q

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



▼ (9.4%) % Y-o-Y  
▼ (2.9%) Q-o-Q

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



▼ (10.3%) Y-o-Y  
▼ (5.3%) Q-o-Q

1. Refer Slide 15 for calculation of EBITDA (Non Gaap)

2. PAT excludes Exceptional for the quarter and year ended 31 March 2024, pertains to net of the fair value gain of the contingent consideration pertaining to acquisition of a subsidiary in previous years and recognition of impairment loss of goodwill pertaining to a step down subsidiary and provision of an onerous contract.

# Factors Impacting Financial Performance in FY 23-24

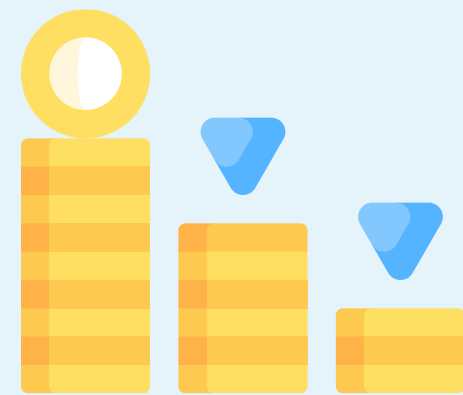
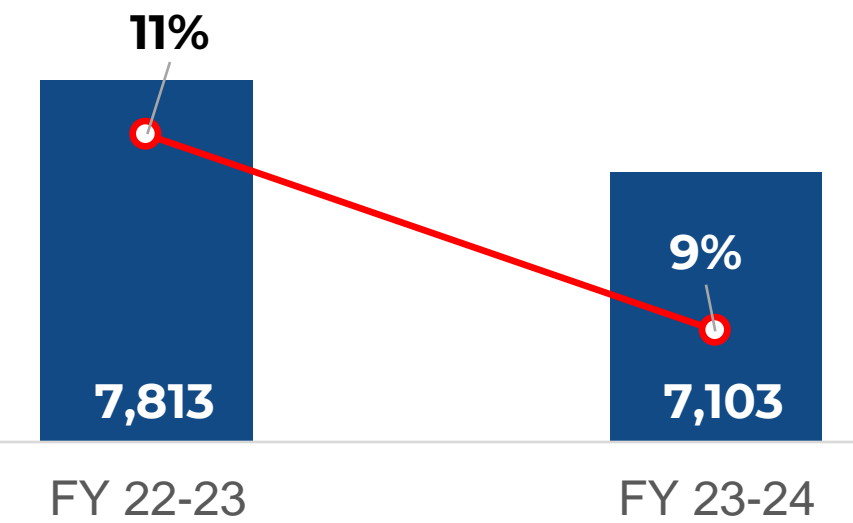


## MR Messaging Revenue & EBITDA declined by 9% and 22% Y-o-Y, respectively, in FY 23-24

### MRM EBITDA decline led to :

- Fair value gain of ₹650.7mn (in FY 23-24) towards contingent consideration payable to the erstwhile shareholders of M.R Messaging FZE
- ₹216.9mn (in FY 23-24) towards impairment in the value of Goodwill
- Drag on Route Mobile consolidated EBITDA to the tune of c. 60bps in FY 23-24

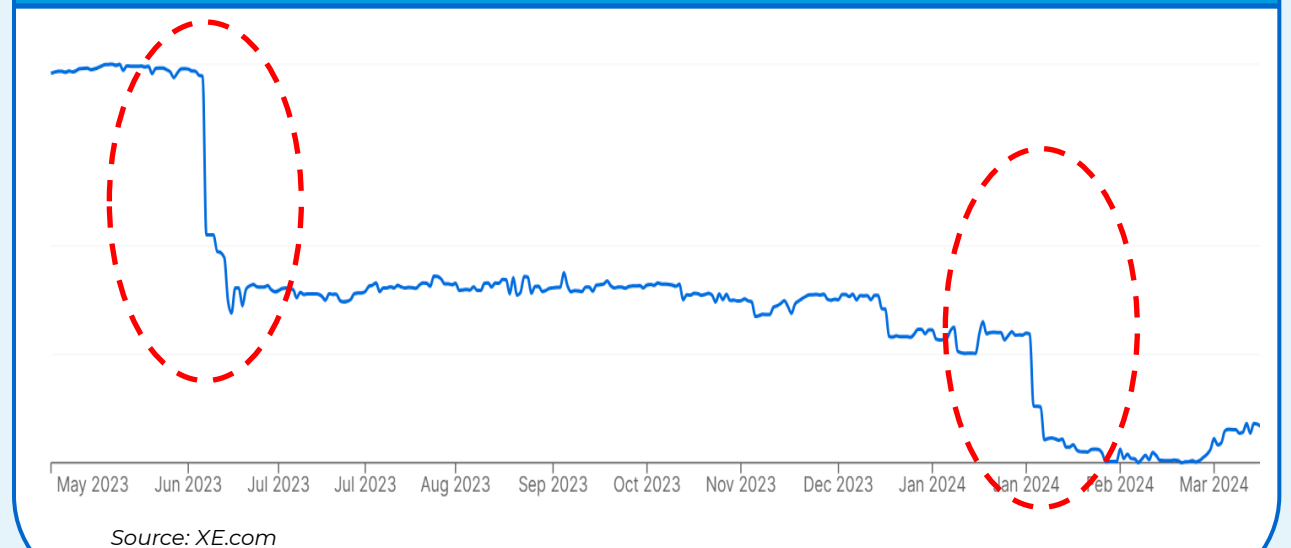
### MRM Revenue (₹ mn) <sup>(1)</sup> & EBITDA margin (%)



## Naira Devaluation

Nigerian currency (NGN) has sharply devalued twice in FY 23-24 (c. 64% drop compared to last year). Our revenue was impacted by c. ₹260mn (in FY23-24) and c. ₹110mn (in Q4 23-24), due to NGN devaluation.

## Naira (NGN) Devaluation in FY23-24



## Provision for an onerous contract

In Q4 FY23-24, provision of ₹265.4mn was accounted for an onerous contract. However, the terms of the contract are being re-negotiated, on grounds of geo-political concerns and changes in market dynamics therein as per the provisions of the contract.

(1) Includes intercompany revenue

# EBITDA – Non GAAP

(In ₹ mn)	Quarter Ended			Full year	
	31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
<b>EBIT <sup>(1)</sup></b>	<b>1,036.0</b>	<b>1,035.7</b>	<b>1,107.4</b>	<b>4,250.0</b>	<b>3,625.5</b>
(+) Depreciation and amortisation expense	218.5	216.3	212.3	860.5	816.0
(+) Employee stock option expense (non cash)	(12.5)	(9.8)	34.2	(61.9)	155.9
(+) Net loss on foreign currency transactions and translation	-	-	(3.5)	-	49.9
(-) Intangible assets under development	37.6	31.8	21.4	129.3	140.1
(+) One time : consultancy fee (Africa) / Retainer fee (Masivian) paid for market expansion <sup>(2)</sup>		29.9	-	29.9	-
(+) MRM's Bad debt written-off pertaining to pre-acquisition period	-	-	-	-	58.5
<b>EBITDA (Non-GAAP)</b>	<b>1,204.4</b>	<b>1,240.4</b>	<b>1,329.1</b>	<b>4,949.3</b>	<b>4,565.6</b>
<b>EBITDA margin % on a Non-GAAP basis</b>	<b>11.8%</b>	<b>12.1%</b>	<b>13.2%</b>	<b>12.3%</b>	<b>12.8%</b>

(1) EBIT = Profit before exceptional item minus (-) Other income plus (+) Finance cost. (2) Retainer fees (Masivian) to be paid over Oct, 2023 to June, 2024.

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.

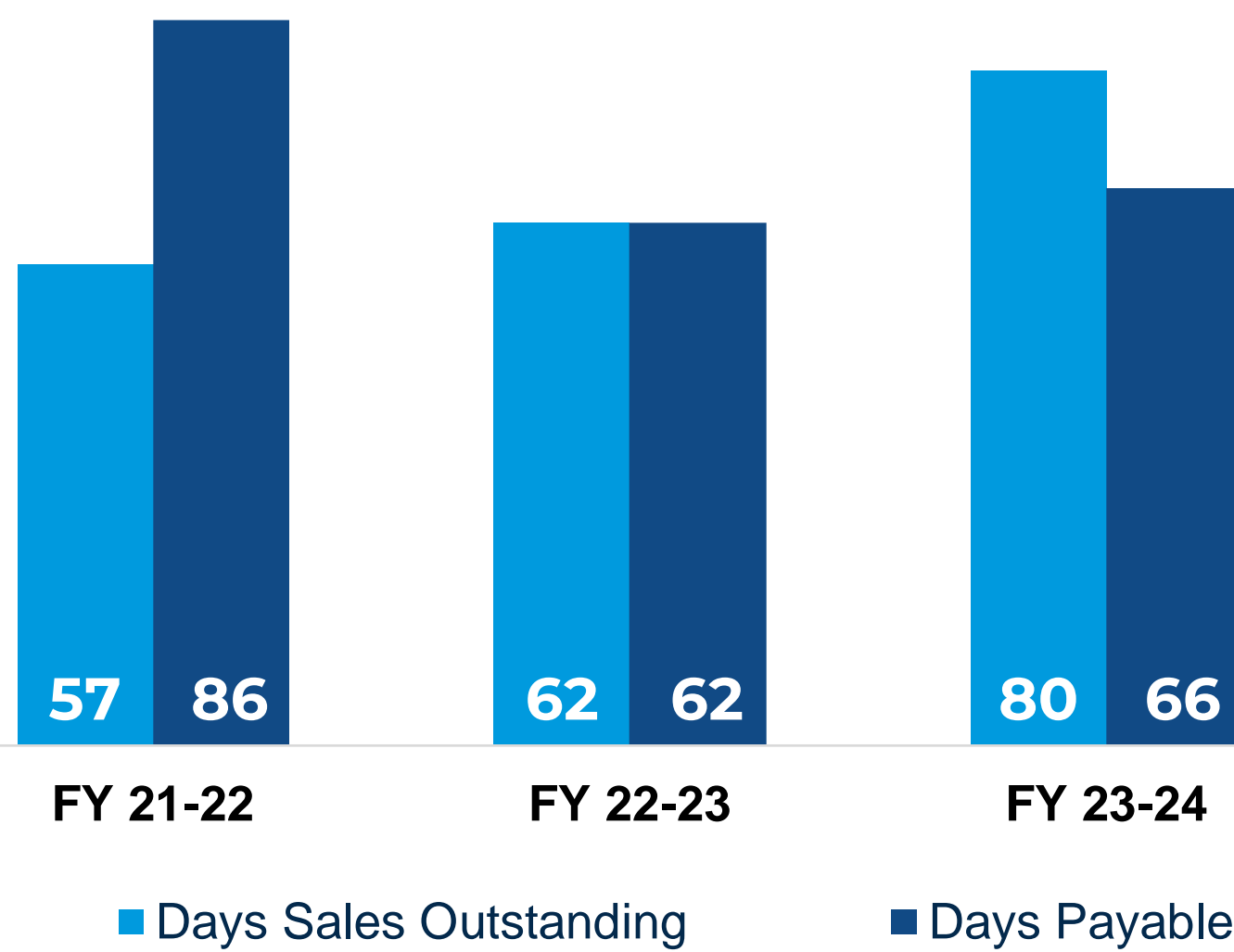


# Normalized Cash Flow

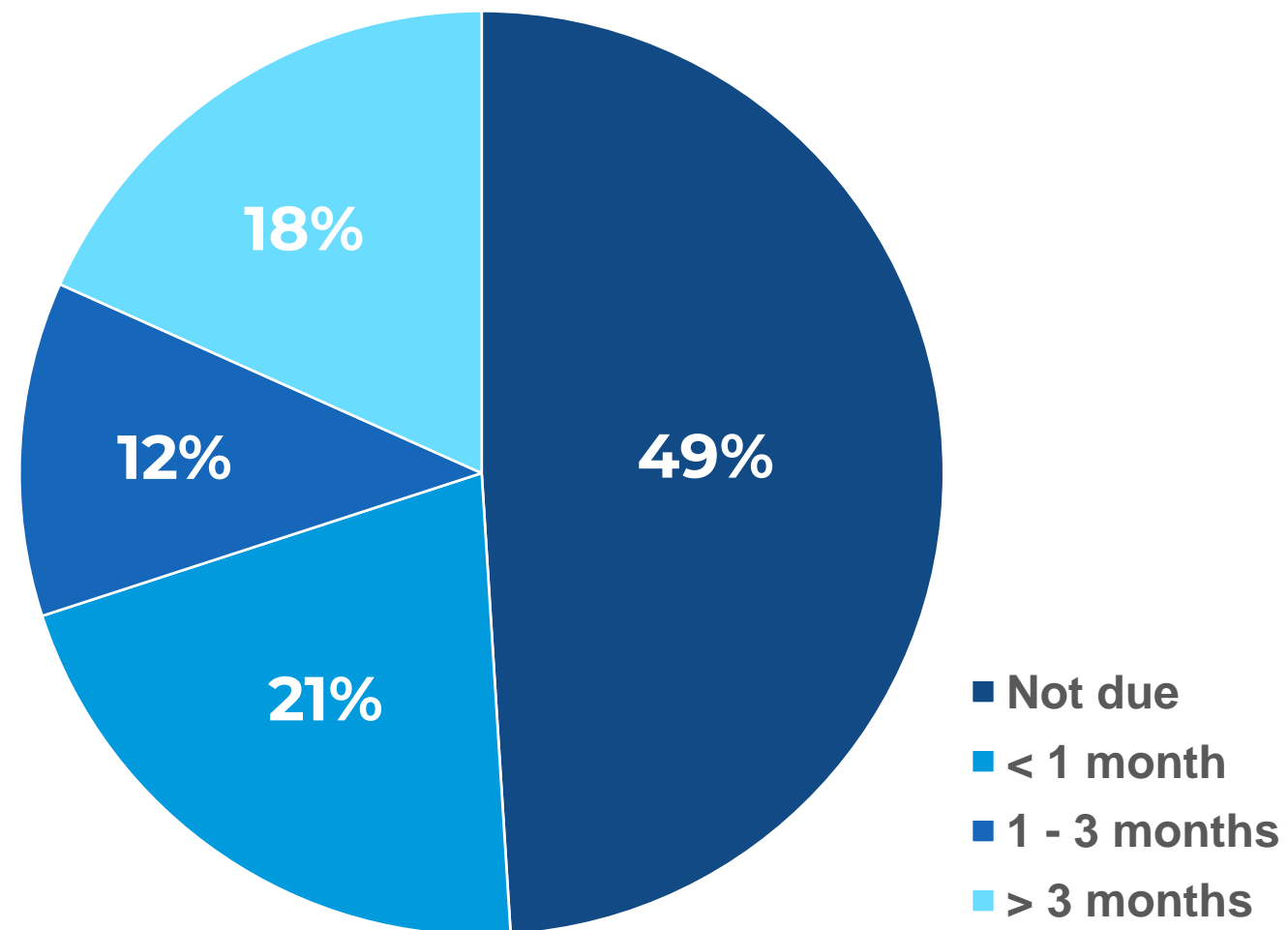
(in ₹ million)	Year ended 31 Mar 2024	Year ended 31 Mar 2023
<b>Profit before tax (Ind AS)</b>	<b>4,550.8</b>	<b>3,815.0</b>
Adjustments for non-cash and non operating items	712.8	1,019.1
Adjustments for working capital		
(Increase) in trade receivables	(3861.2)	(1,995.1)
(Increase) in financial assets and other assets	(3441.4)	(1,567.4)
Increase/(decrease) in trade payables, provisions and other liabilities	1809.1	(205.0)
Direct taxes paid (net)	(746.1)	(334.4)
<b>Net Cash generated from Operation Activities (Ind AS)</b>	<b>(976.0)</b>	<b>732.1</b>
(+) Adjustment for Security deposit for a strategic business initiatives (exclusive Firewall deal)	3,757.1	1,173.9
(+) GST Payment for prior period (FY19-20)	-	161.0
<b>Normalized Cash Flow from Operation (Normalized CFO)</b>	<b>2,781.1</b>	<b>2,067.0</b>
<b>EBITDA (Non-GAAP)</b>	<b>4949.3</b>	<b>4,565.6</b>
<b>Normalized CFO/EBITDA</b>	<b>56%</b>	<b>45%</b>

# Working Capital Trend & Ageing Analysis

## Working Capital Trend

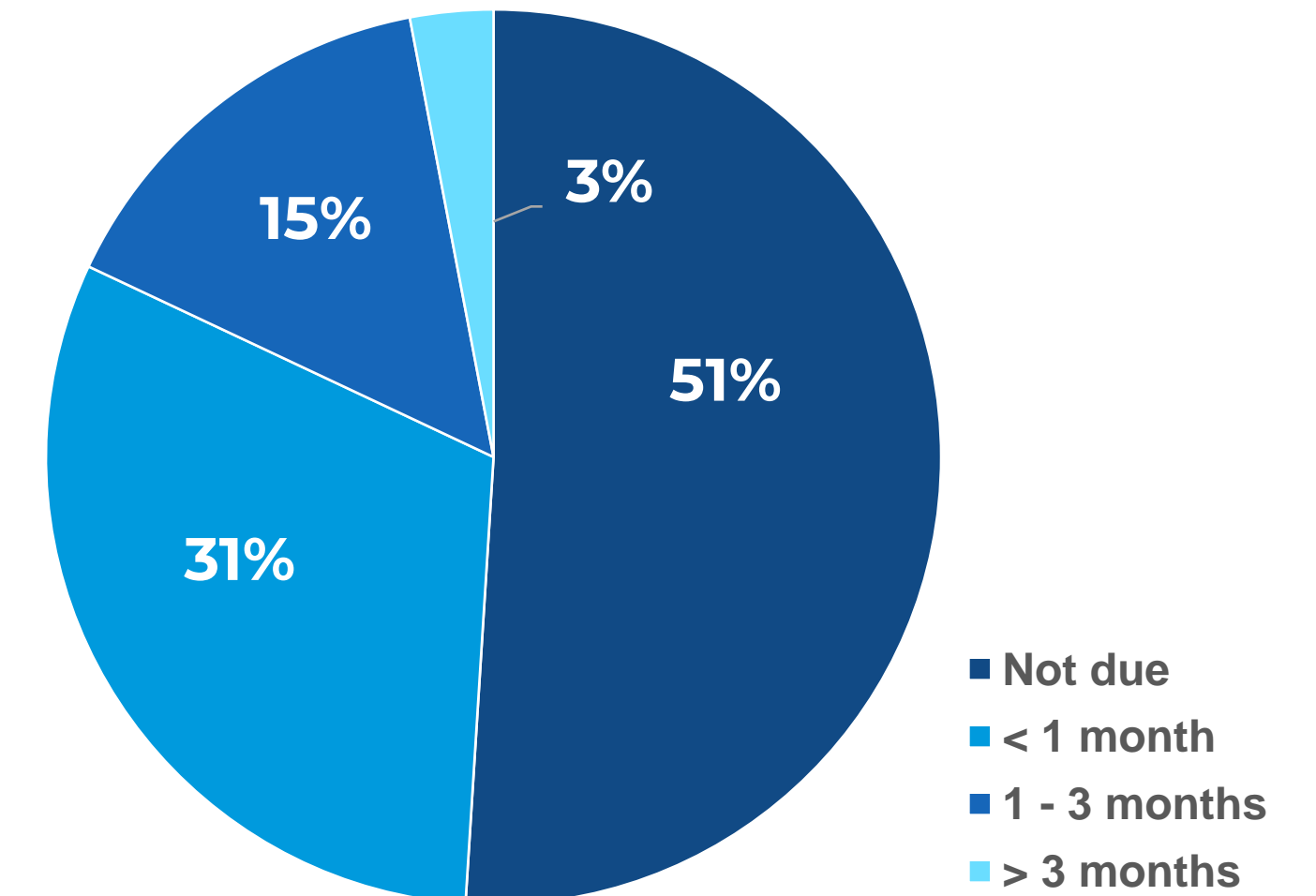


## Trade Receivables Ageing



Trade Receivables as on Mar 31, 2024: ₹10,716mn

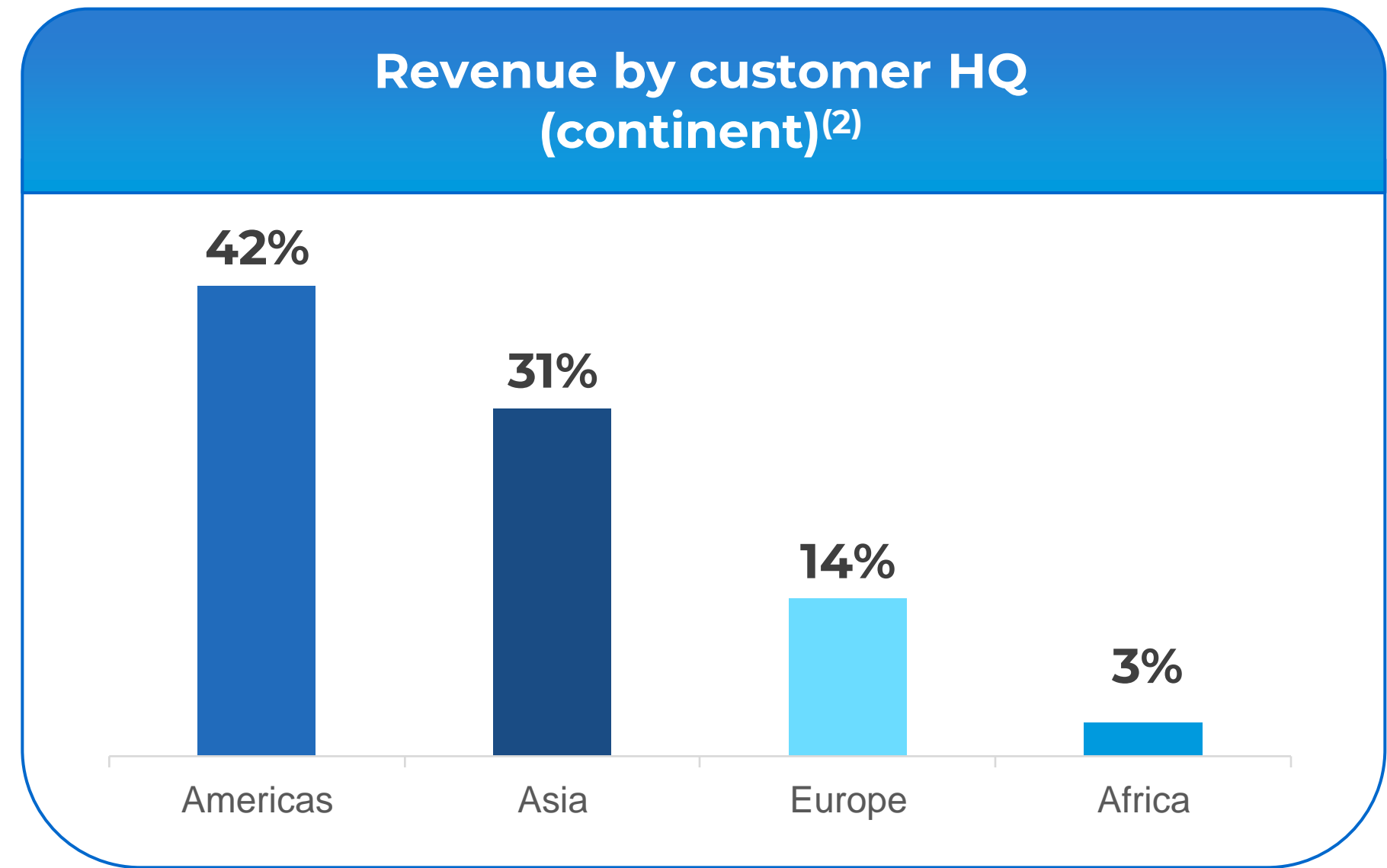
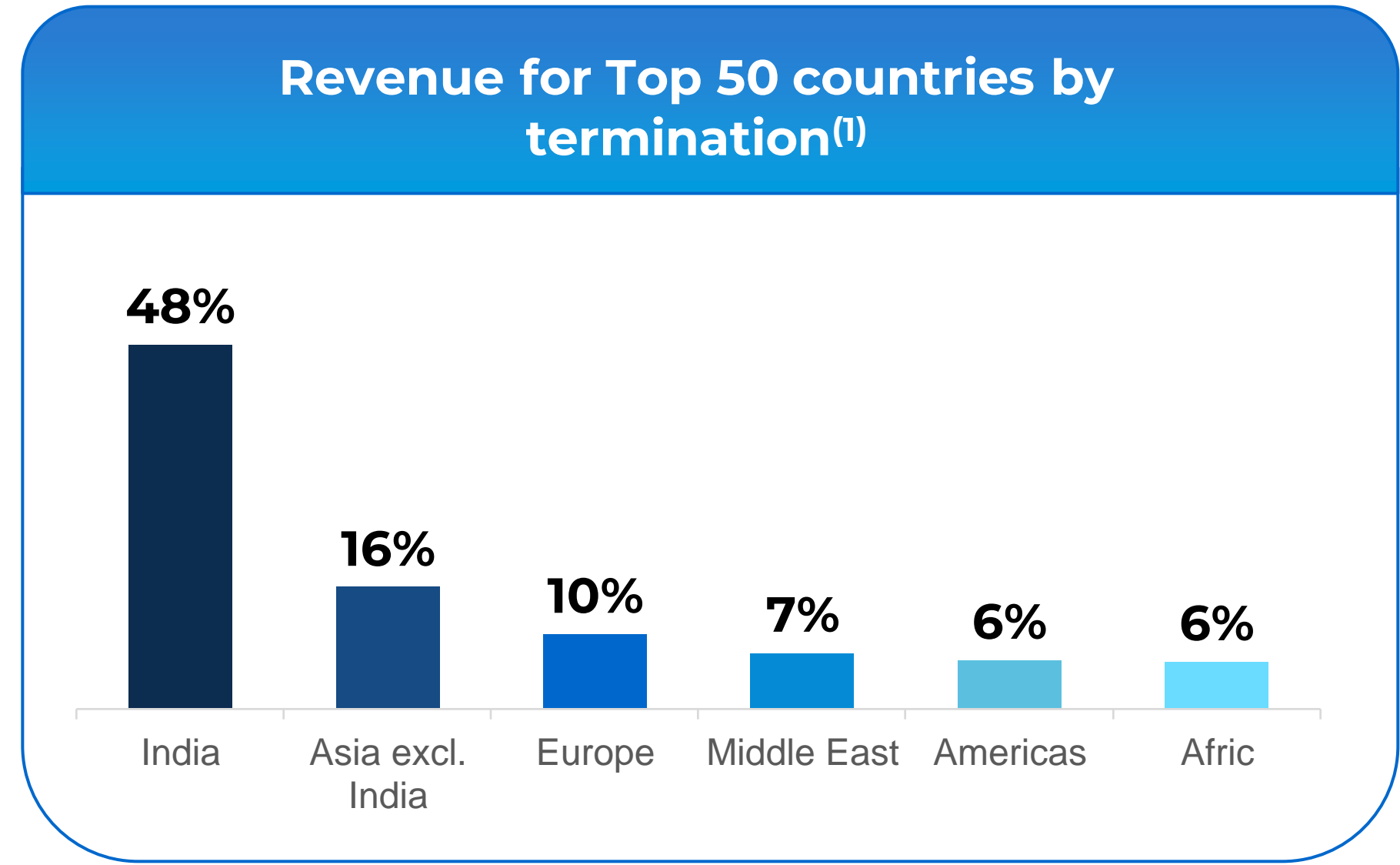
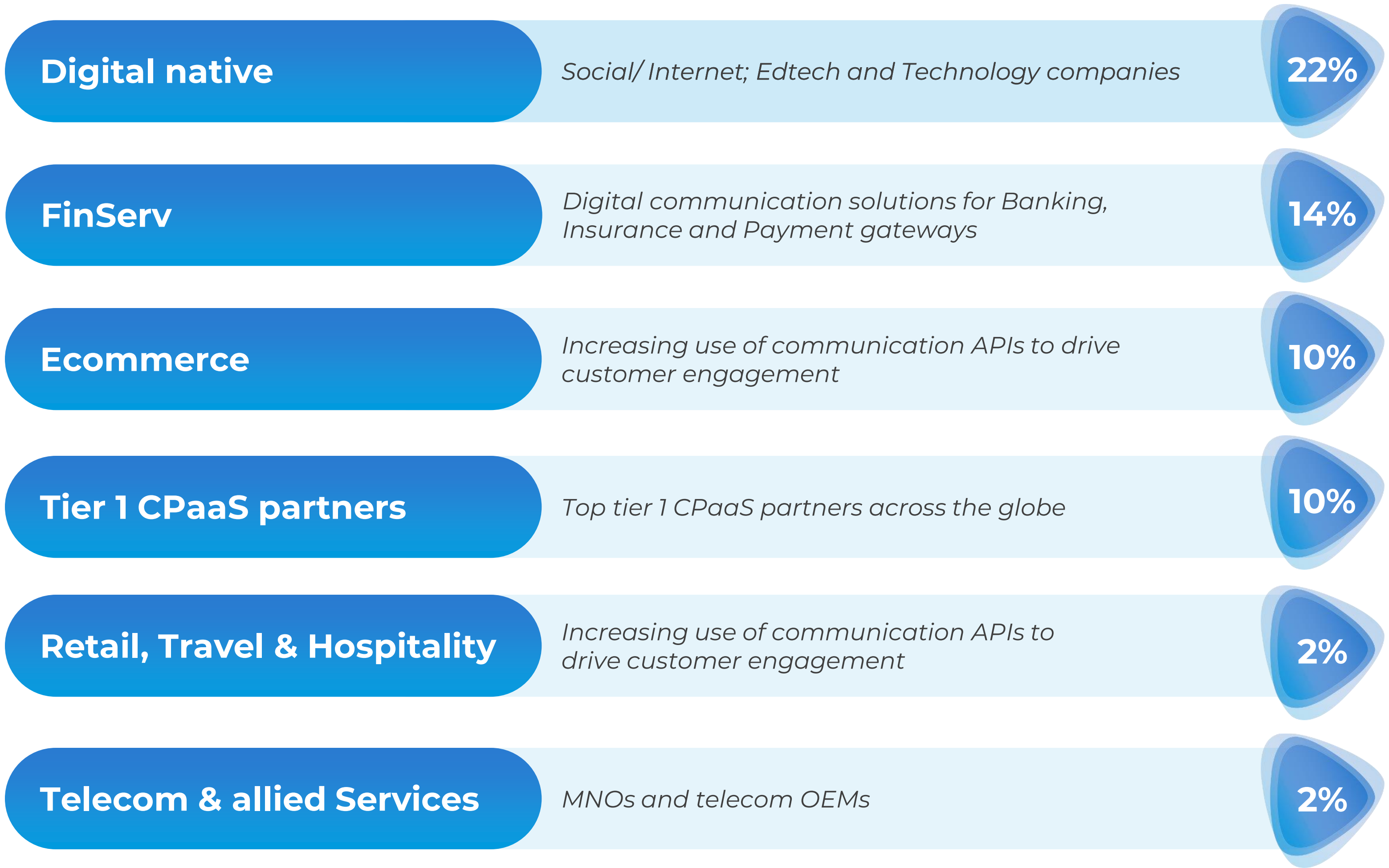
## Trade Payables Ageing



Trade Payables as on Mar 31, 2024: ₹6,733mn

# **Key** Business Metrics

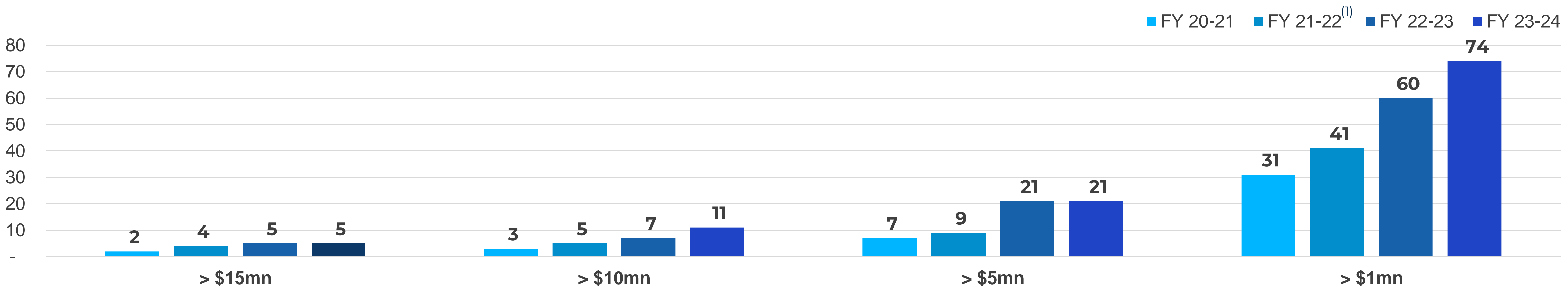
## Revenue contribution from select industries in FY 23-24



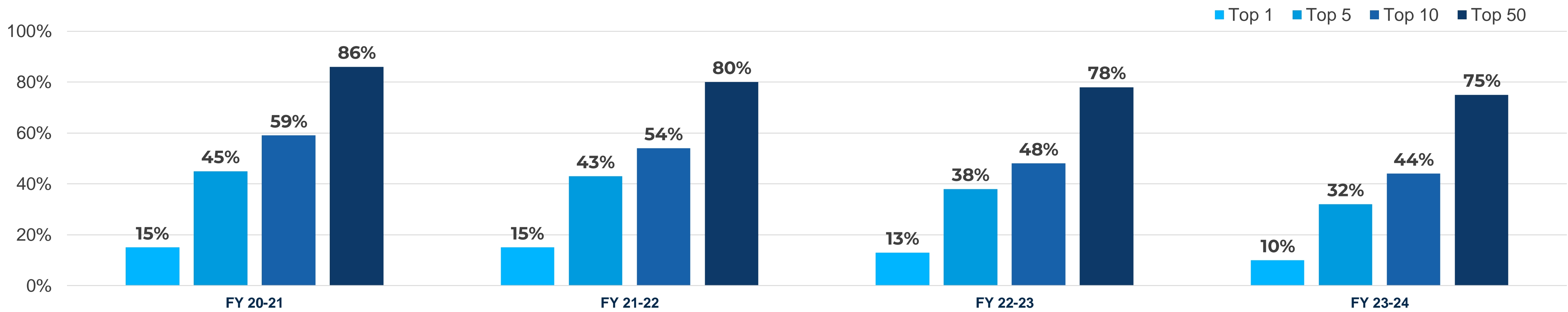
(1) Top 50 countries contribute c. 93% of FY23-24 revenue from operations | (2) Top 150 customers - contribute c. 89% of FY23-24 revenue from operations

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

## Clients by Account Size



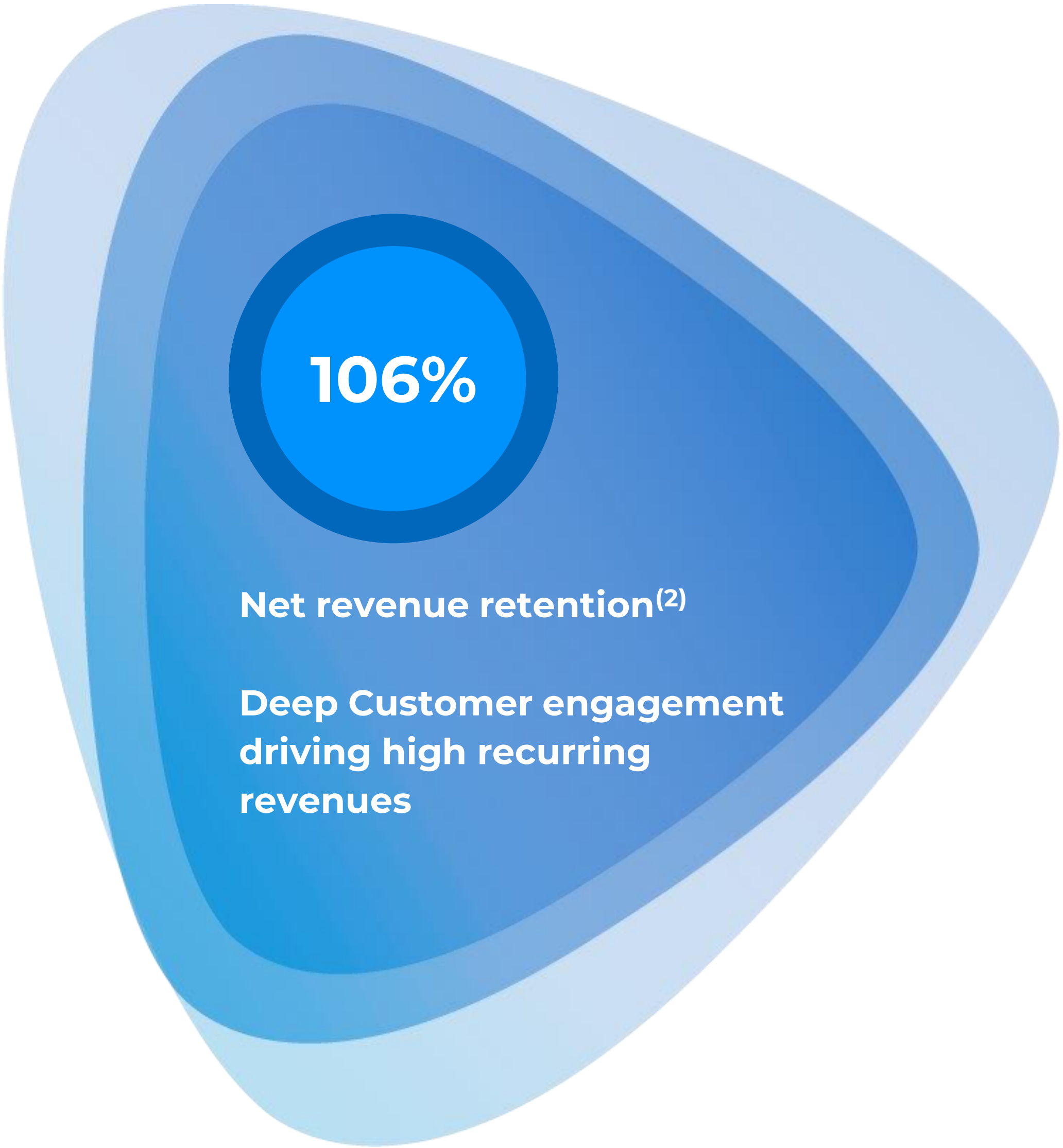
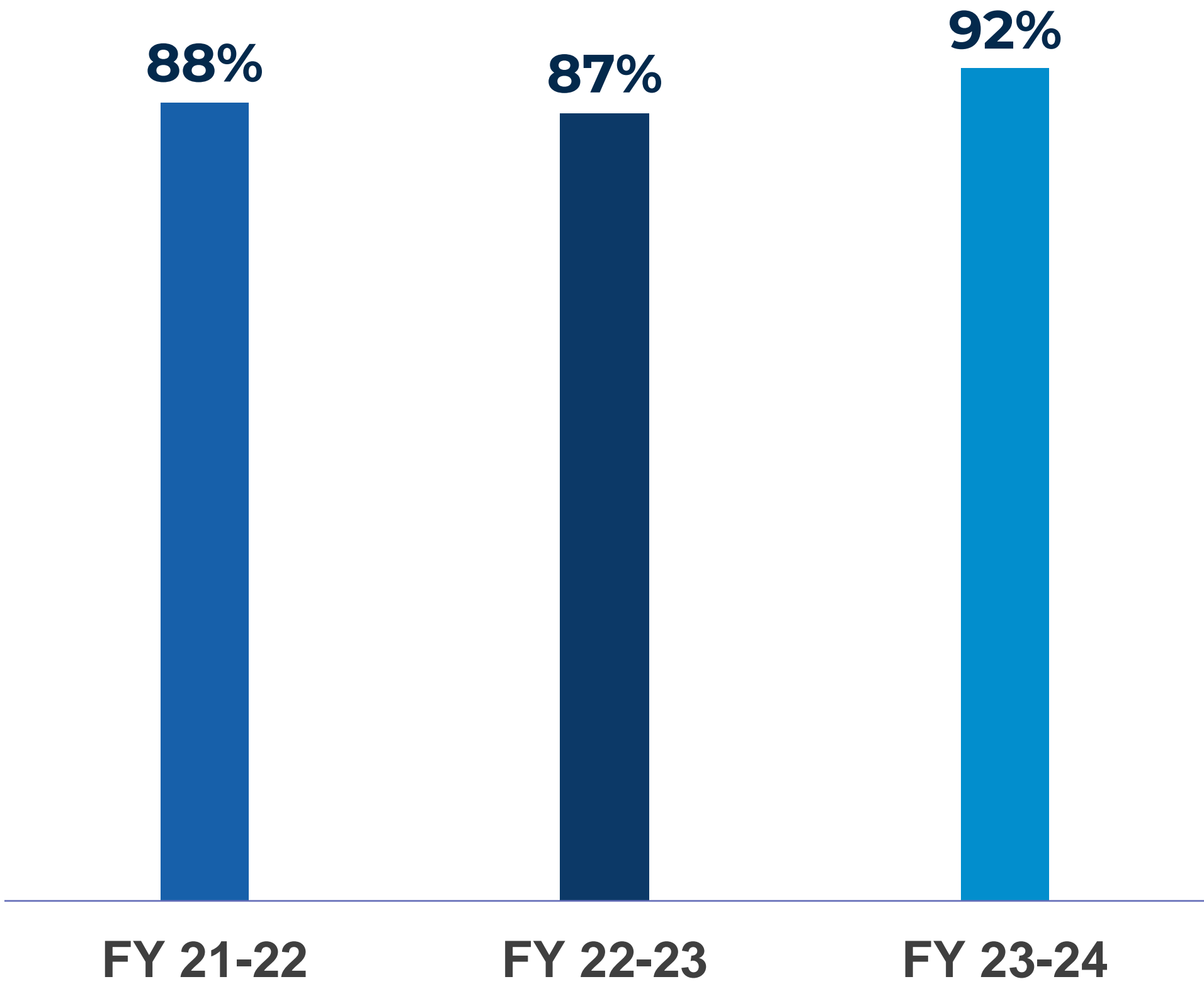
## Client Concentration



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

# Strong Recurring Revenue

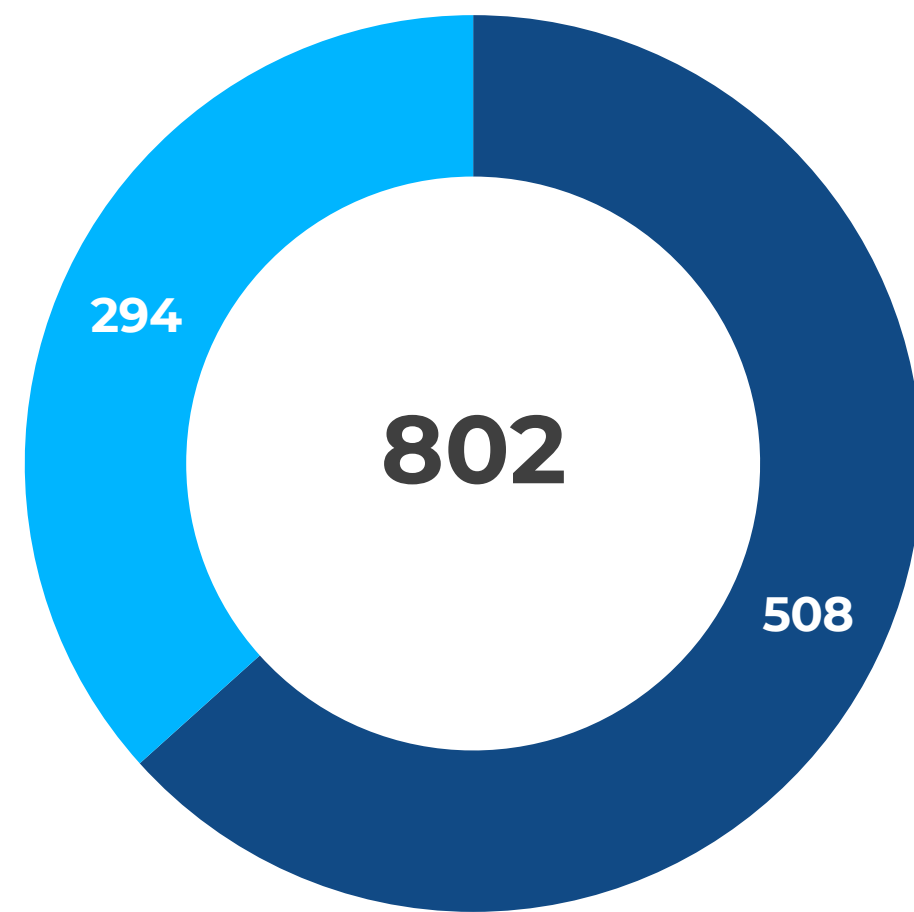
Recurring Revenue<sup>(1)</sup> as % of Operating Revenue



*(1) Recurring customers defined as customers that have been billed in each of the months over the respective period for FY21-22, FY22-23 and FY23-24*

*(2) Net revenue retention calculated based on comparison of FY22-23 revenue with FY23-24 revenue.*

## Location wise break-up

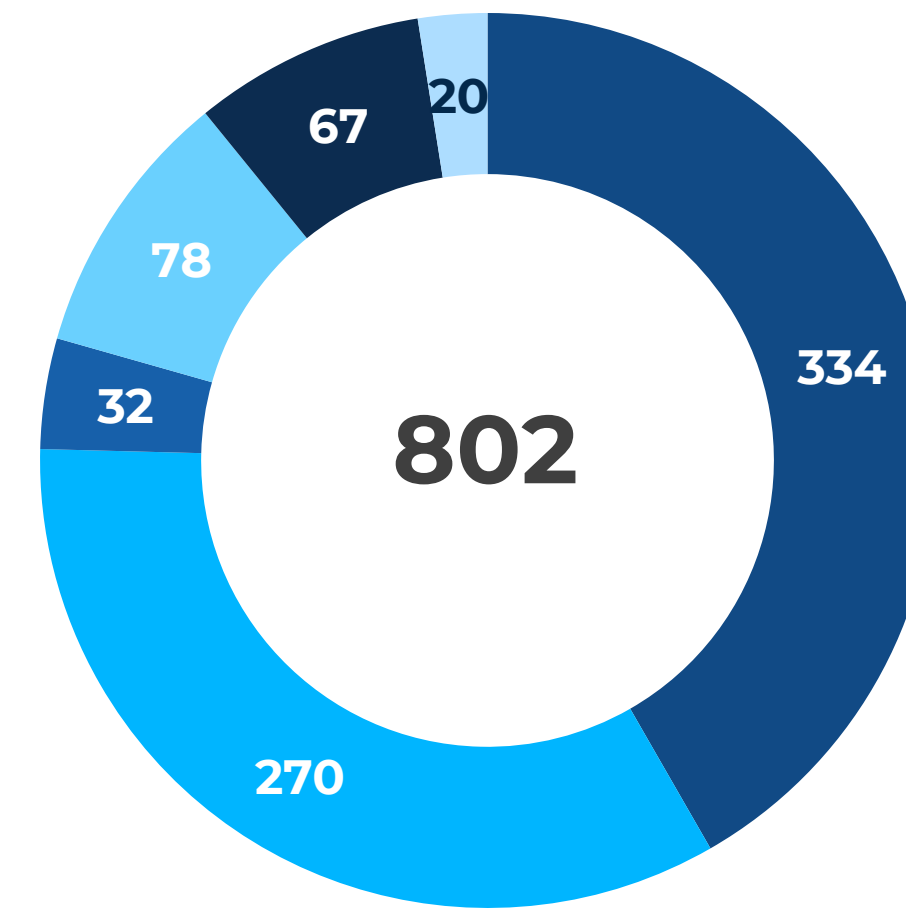


■ India ■ International

**43** New Employees joined in **Q4 FY23-24**

**53** Employees left in **Q4 FY23-24**

## Function wise break-up



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



# Thank You

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

