

Ref No: RML/2024-25/487

Date: July 19, 2024

To,

BSE Limited
Scrip Code: 543228

National Stock Exchange of India Limited
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 on July 22, 2024 to the Analysts/ Investors in connection with the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2024.

The same is also available on the Company's website at www.routemobile.com

You are requested to take the above information on record.

Thanking you,
Yours truly,
For Route Mobile Limited

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

Encl: as above



routeMobile
communication simplified

Earnings Update

Q1 FY 24-25

Investor Presentation

July 19, 2024

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



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



Global footprint across **20+ locations**; **2,300+** active billable clients



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



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



Niche Player in Magic Quadrant for CPaaS 2024 – **Gartner**
Key Vendor in four Hype Cycle Reports – **Gartner**
“Top Tier 1 A2P SMS vendor” – **Rocco**



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



₹41,594mn Revenue for LTM ended 30 June 2024
40% Revenue CAGR FY2021 - FY2024



₹5,091mn EBITDA for LTM ended 30 June 2024
41% EBITDA CAGR FY2021 – FY2024



37bn Billable transactions processed in Q1 FY24-25



105% Net revenue retention



₹12.51 Earning Per Share (EPS) in Q1 FY 24-25



Global Diaspora - Footprint & Super Network



18 Firewalls deployed
19 virtualized Data Centers
18 Hubs
800+ Employees
280+ Super Network Widespread global distribution & reach

Data as on June 30, 2024

Key Developments

Proximus completes the acquisition of a majority stake in Route Mobile



Route Mobile embarks on a new strategic direction by becoming part of the Proximus Group

"I'm proud of Route Mobile's first quarter results, making us one of the fastest growing companies in the CPaaS industry, thanks to the exposure to fast growing markets and economies. These results, along with our expectations for the year, underscore the advantages of our international strategy. The fact that these growth rates were reached during the integration phase with the Proximus Group is a clear testimonial of the team's remarkable determination and adaptability."

- **Guillaume Antoine Boutin**
Chairman & Non-Executive Director



On **May 8, 2024**, Proximus Opal completed the acquisition of 83.1% stake in Route Mobile

With this acquisition, Route Mobile is now a part of the Proximus Group, making Proximus Opal **one of the world's largest CPaaS players** by messaging volume

The acquisition will help Route Mobile in entering mature markets like the **USA and Europe**, expanding product portfolio and unlocking **synergies with Telesign**

Rajdip Gupta will continue as the Chief Executive Officer of Route Mobile and will also **spearhead the CPaaS** business, globally.

"We have started the new financial year with a strong performance in Q1. This is our highest quarterly revenue so far. We became the largest enabler of WhatsApp based ticketing for metros in India and we continue to deploy such unique solutions at scale, across industries".

- **Rajdipkumar Gupta**
Managing Director & Group CEO

Board of Directors

...



Mr. Guillaume Antoine Boutin
Chairman & Non-Executive Director



Rajdipkumar Gupta
Managing Director & Group CEO



Mr. Mark James Reid
Non-executive Director



Mr. Anil Kumar Chanana
Independent Director



Ms. Harita Gupta
Independent Director



Mr. Prakash Advani
Independent Director

Key Developments in Q1 FY 24-25



Our largest firewall deal with Vodafone Idea became live on April 1, 2024

 + 



We have featured as a Niche Player in Gartner Magic Quadrant for CPaaS 2024

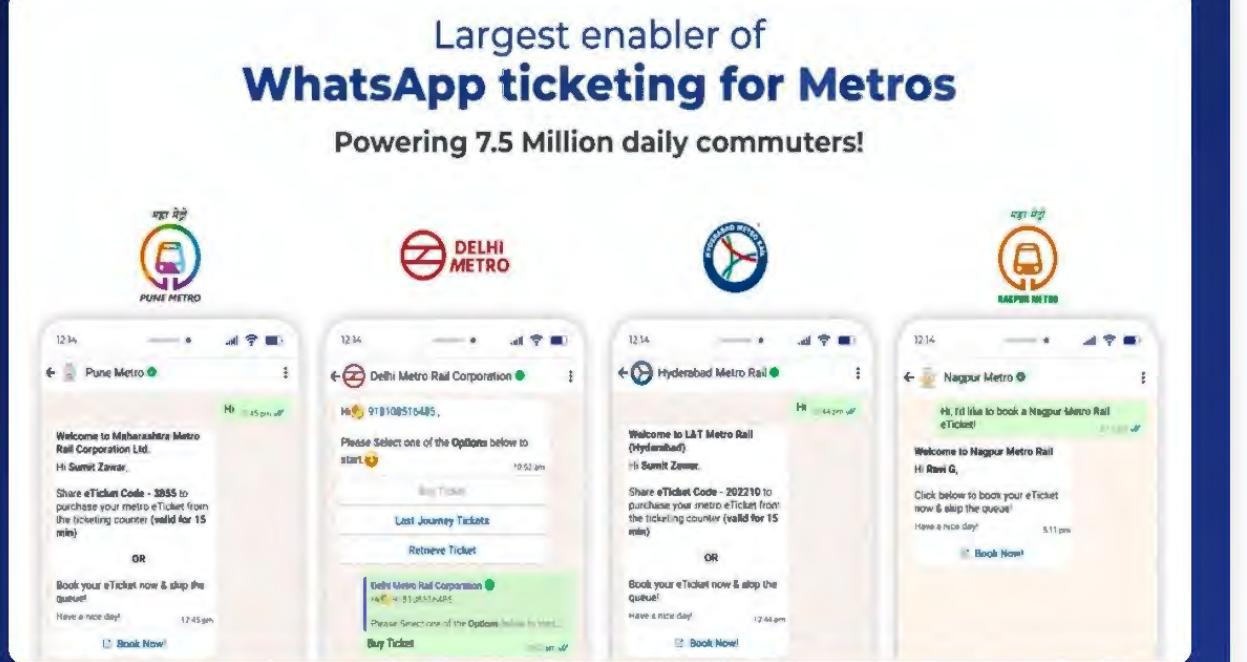


Group Synergy

Proximus & Microsoft have formed a five-year strategic partnership on digital communication services

Largest enabler of **WhatsApp ticketing for Metros**
Powering 7.5 Million daily commuters!



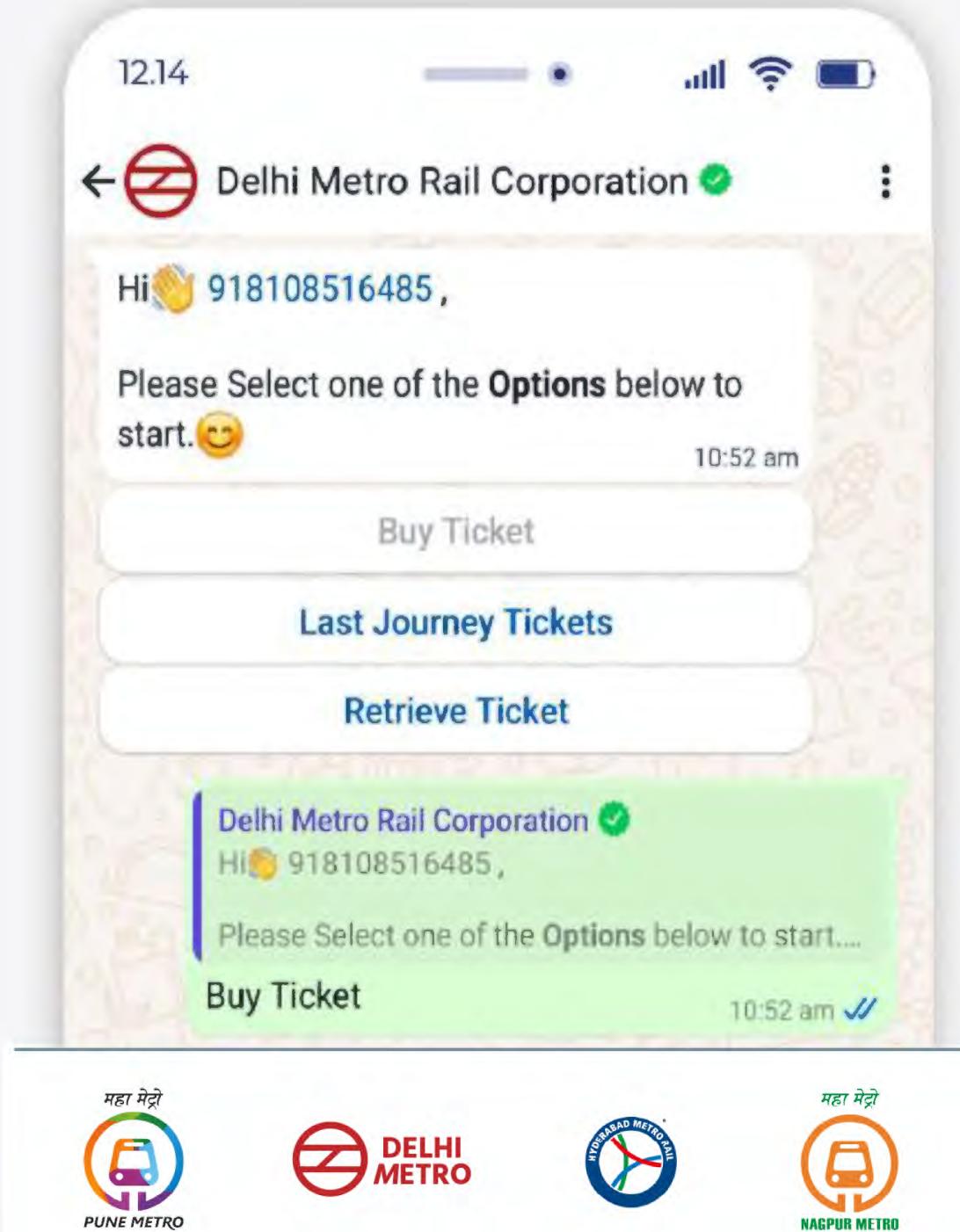
We have received **Transfer Pricing approval from minority shareholders**



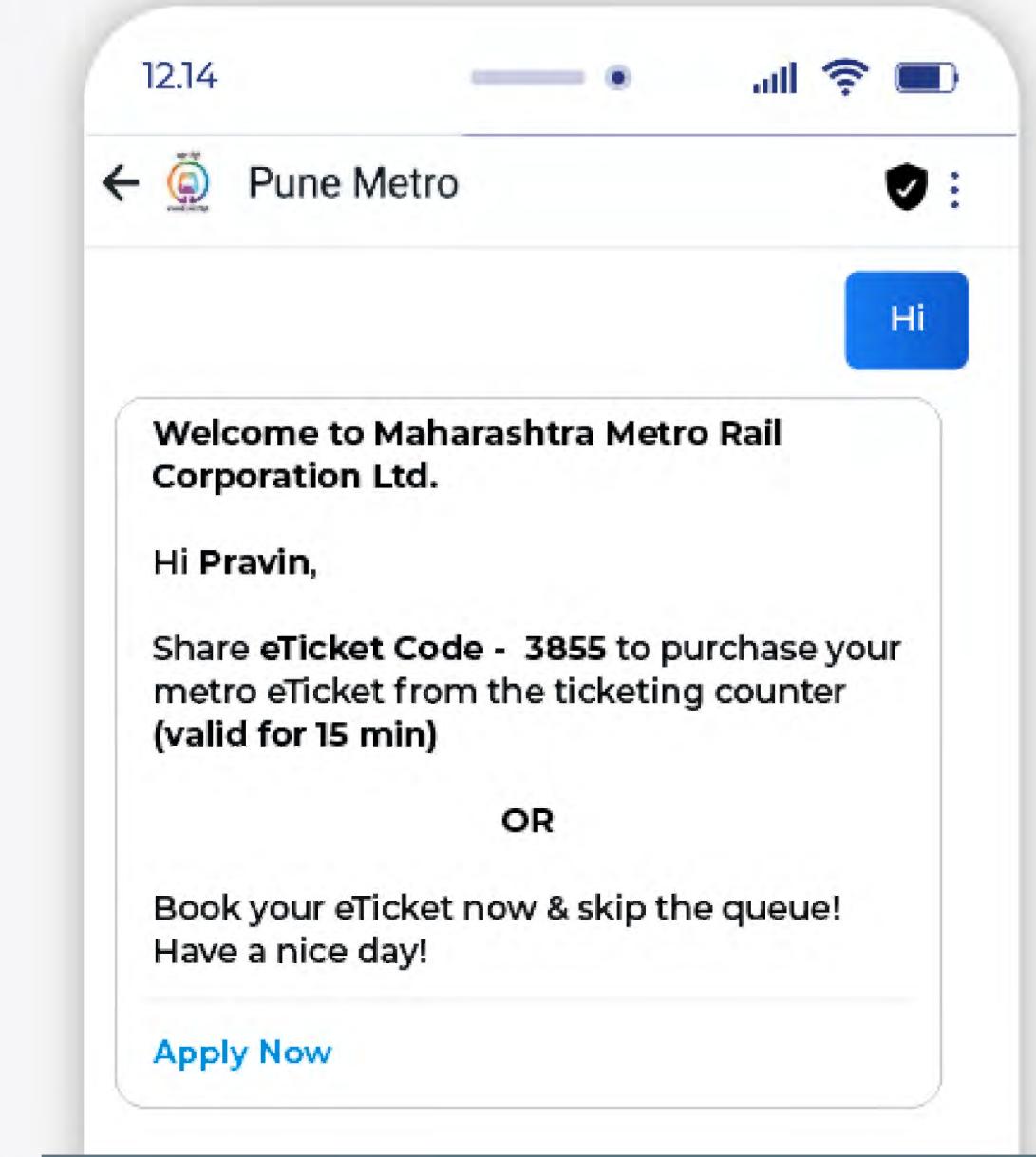
Focus on Expanding Product Portfolio



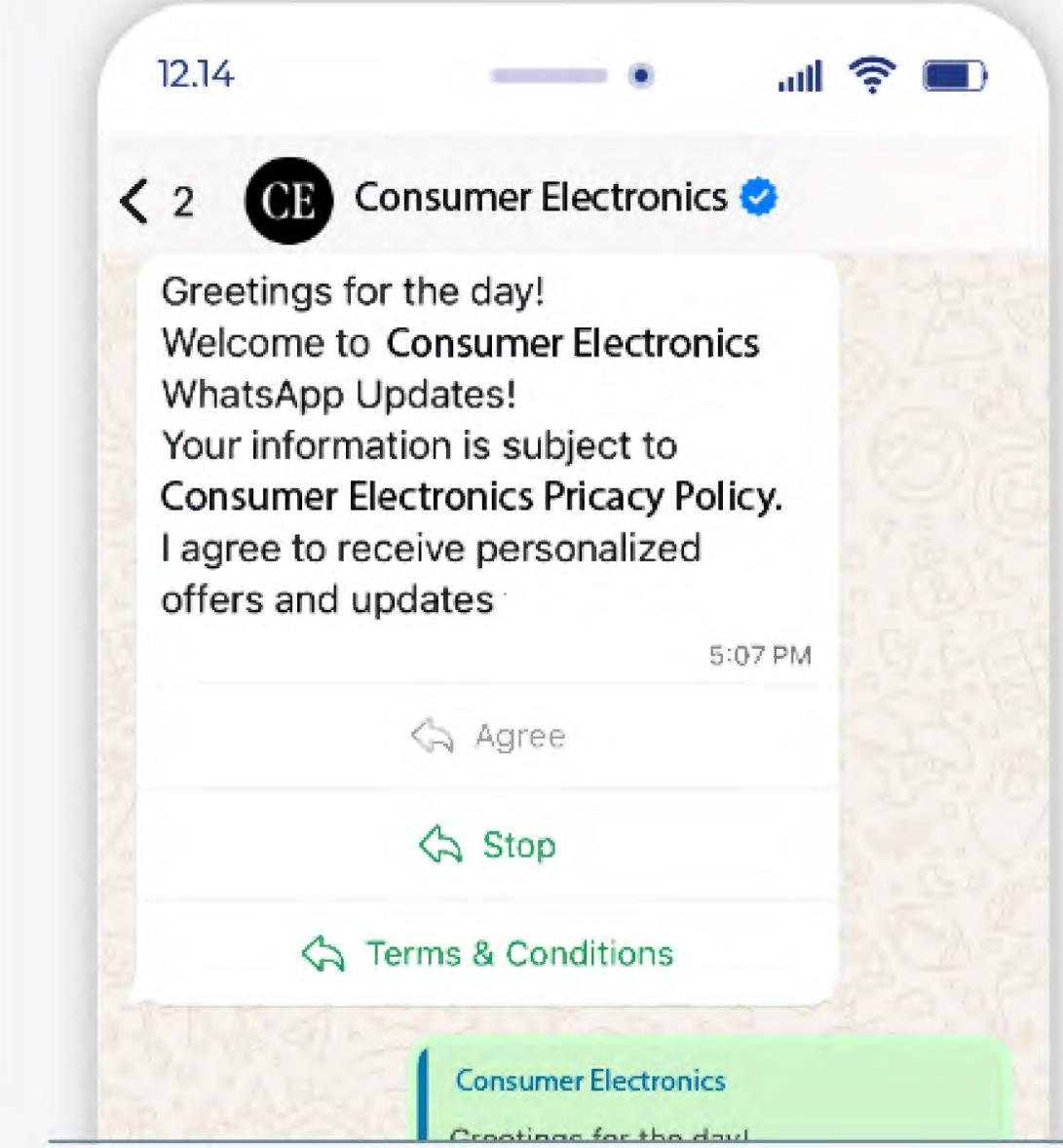
Implemented unique & impactful solutions across industries



We are India's **largest WhatsApp ticketing enabler for Metros** as a **Premier partner of Meta**



Implemented **RCS** ticketing for Maharashtra Metro's annual passenger traffic of **> 9.3 Million**



Empowered **> 6 Million** customers with quality service and support on **WhatsApp** for India's largest OEM of consumer electronics



Key Business Metrics

Diverse Customer Base

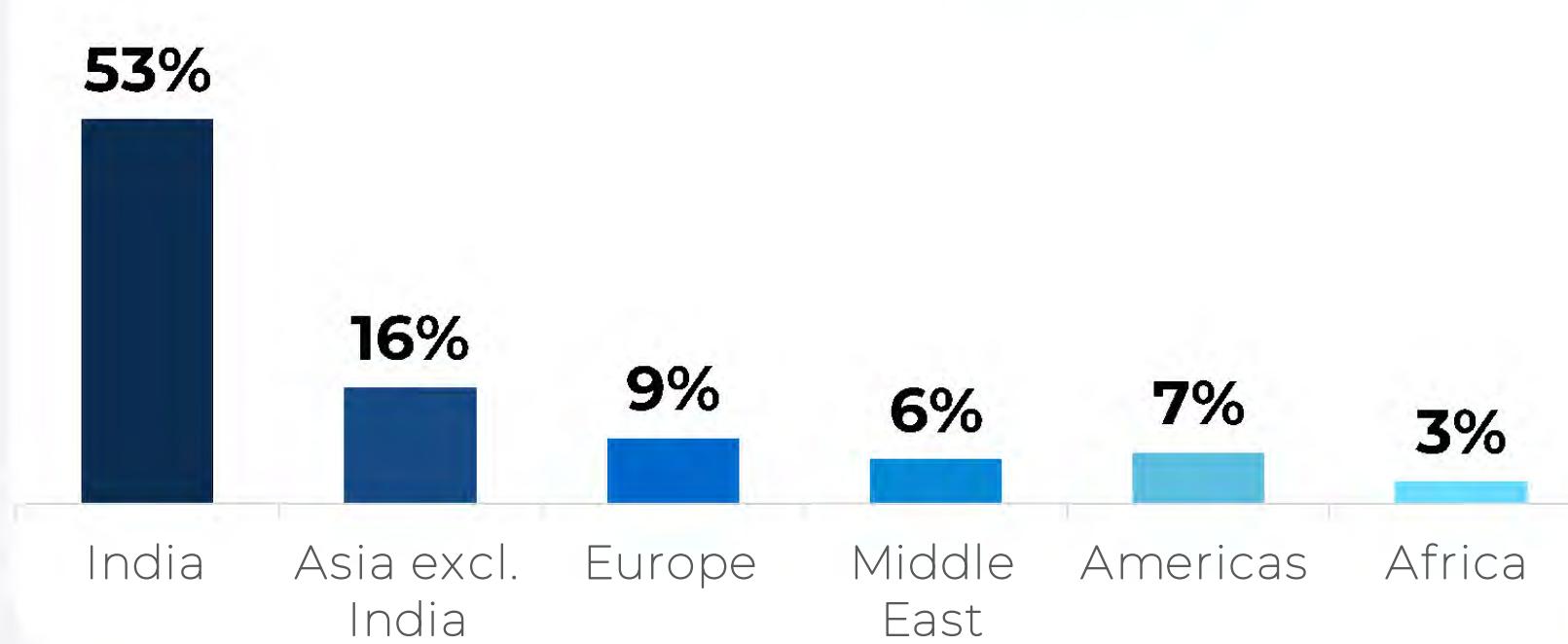


Revenue contribution from select industries in Q1 FY 24-25

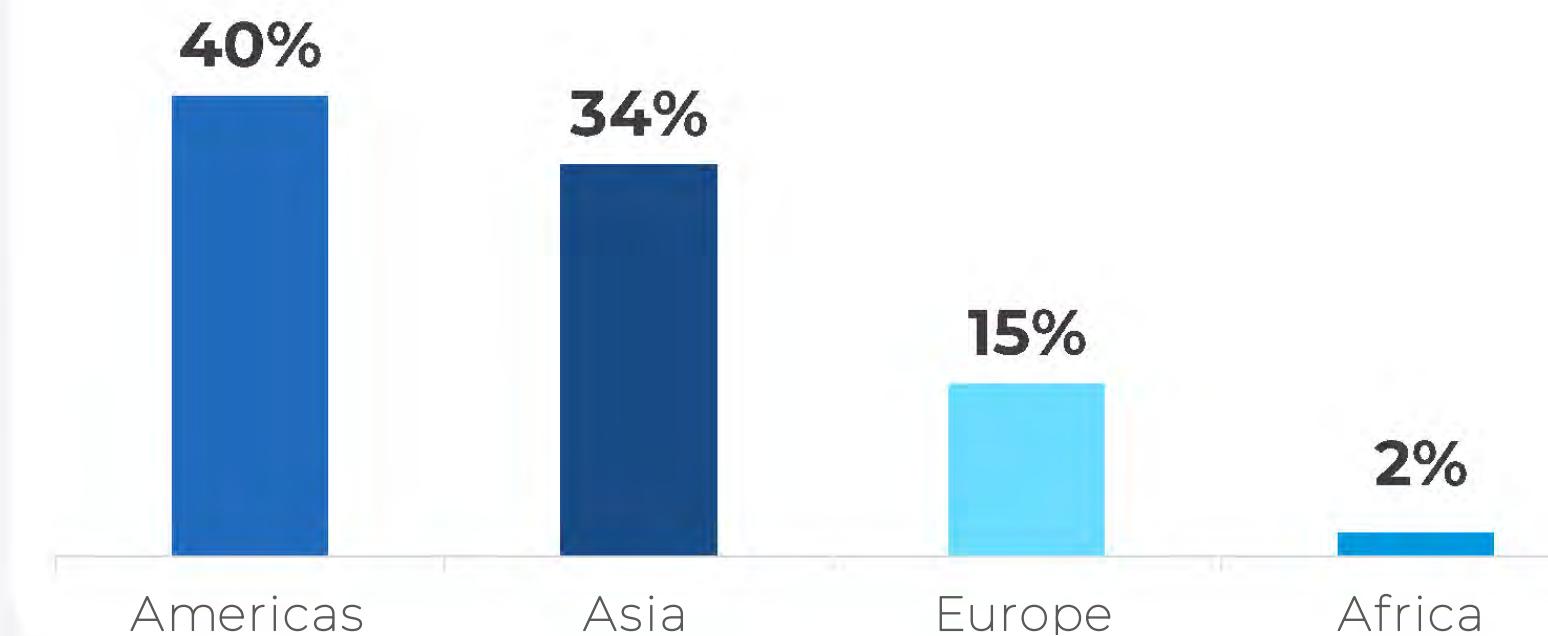


(1) Top 50 countries contribute c. 94% of Q1 FY24-25 revenue from operations | (2) Top 150 customers - contribute c. 91% of Q1 FY24-25 revenue from operations

Revenue for Top 50 countries by termination⁽¹⁾



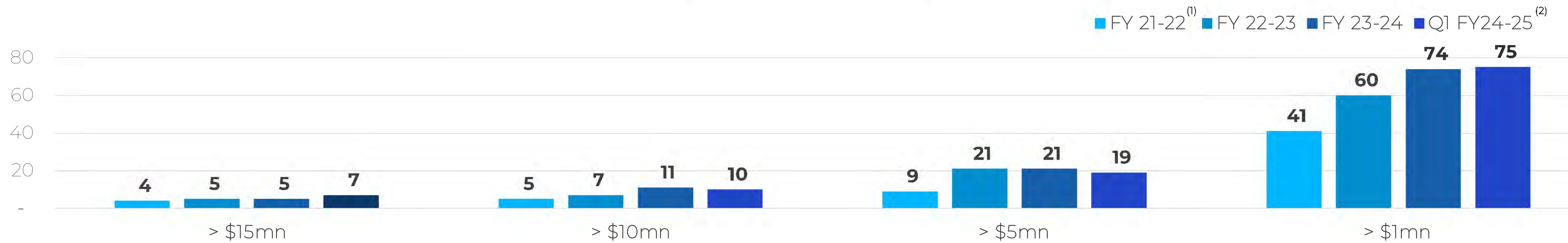
Revenue by customer HQ continent⁽²⁾



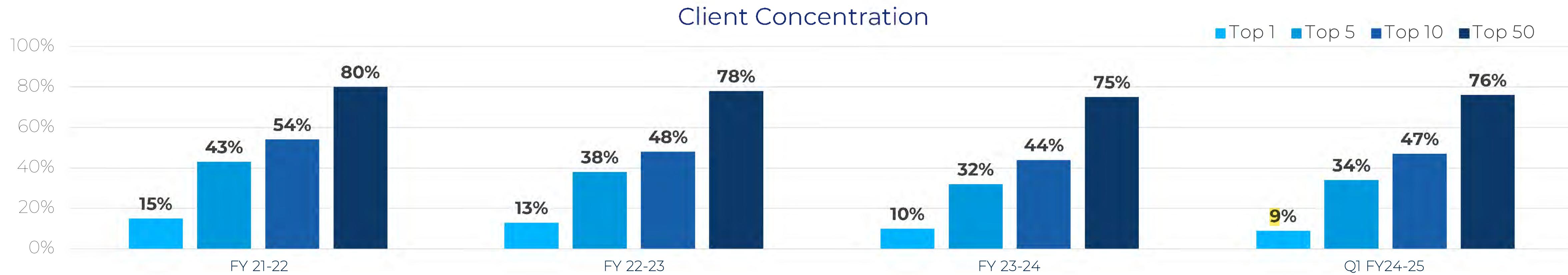
Growing number of Multi-million dollar accounts with Improving Client Diversification



Clients by Account Size

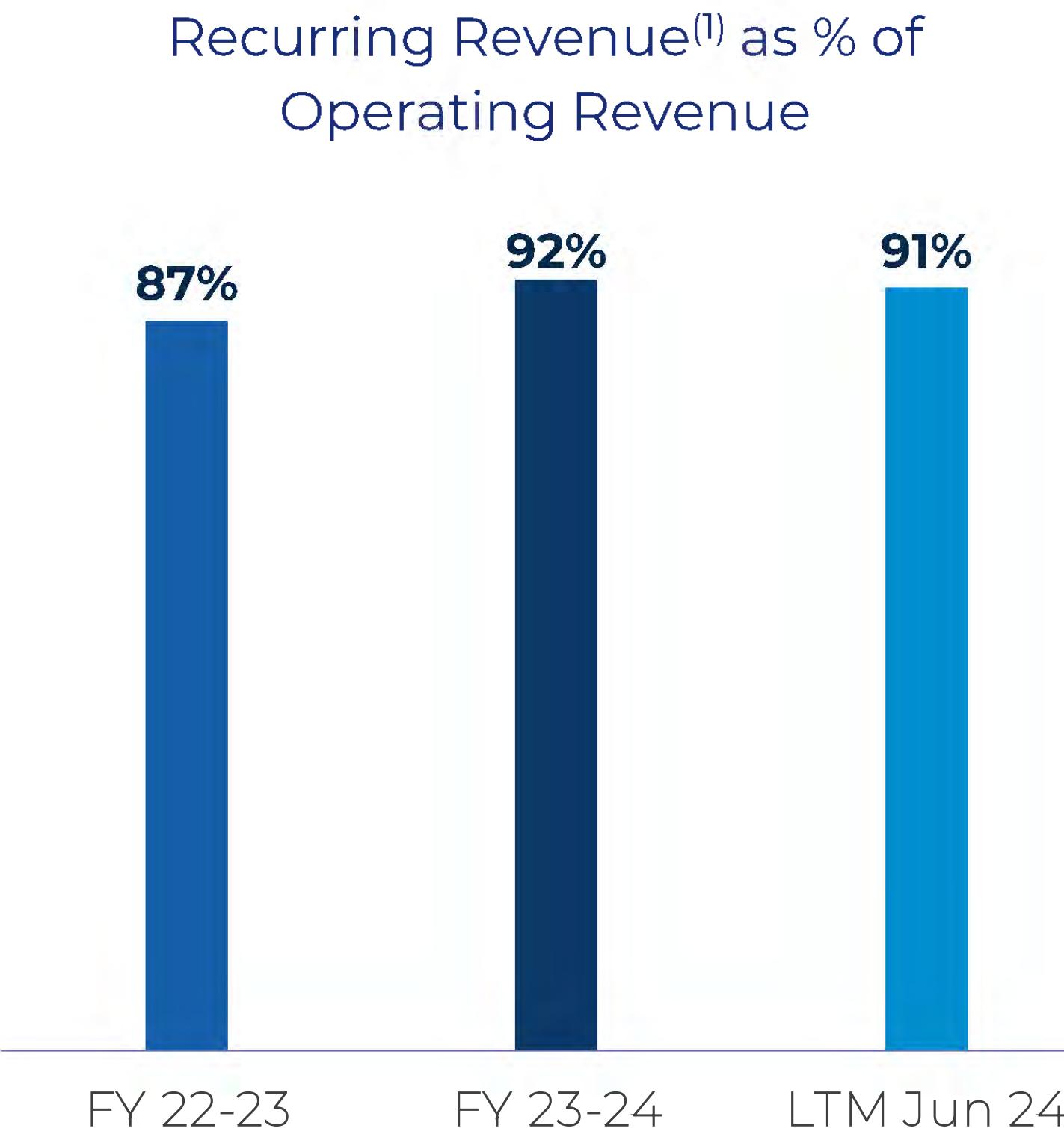


Client Concentration



(1) Excludes MRM (one of the clients of RML) from this analysis post acquisition; (2) Q1 FY24-25 Annualized

Strong Recurring Revenue



105%

Net revenue retention⁽²⁾

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 FY22-23, FY23-24 and customers billed each month over July 1, 2023 – June 30, 2024 for LTM June 2024

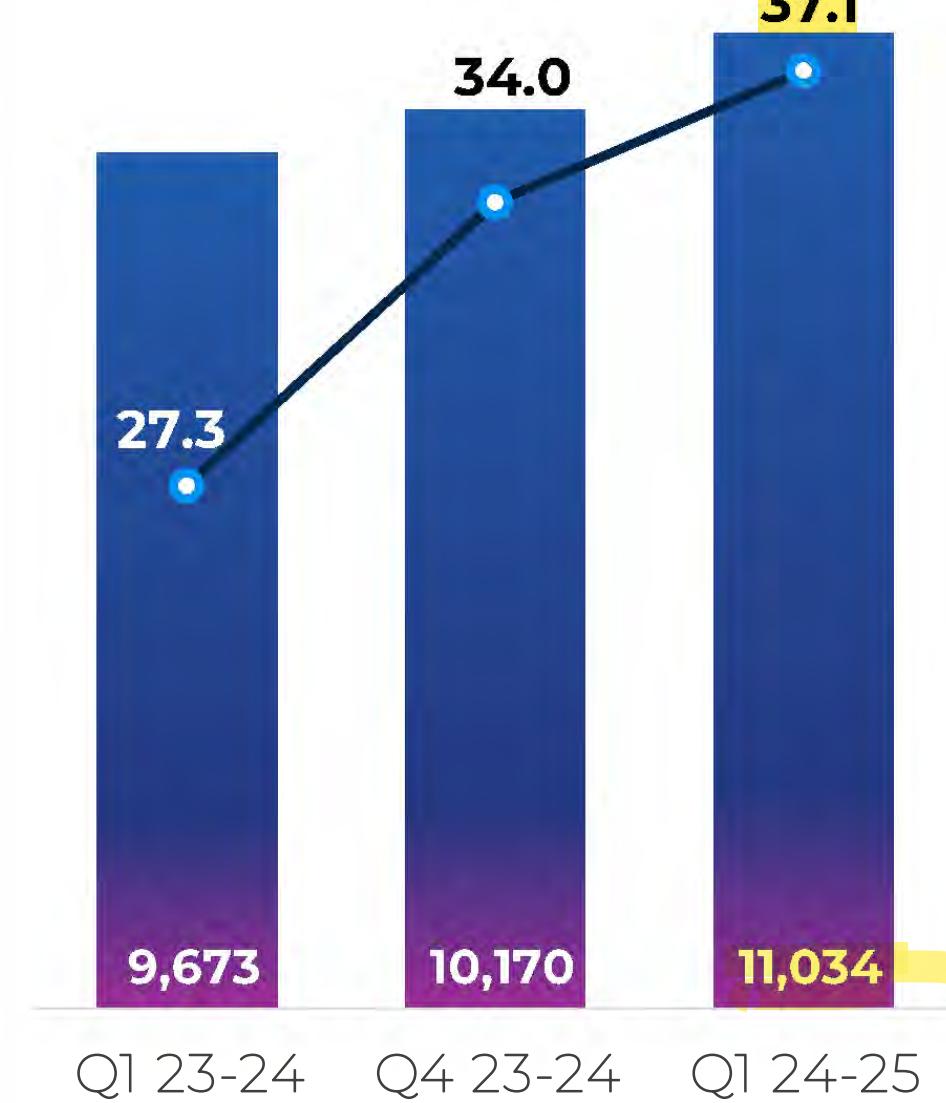
(2) Net revenue retention calculated based on comparison of Q1 FY23-24 revenue with Q1 FY24-25 revenue.

Financial Highlights

Q1 FY 24-25 Snapshot

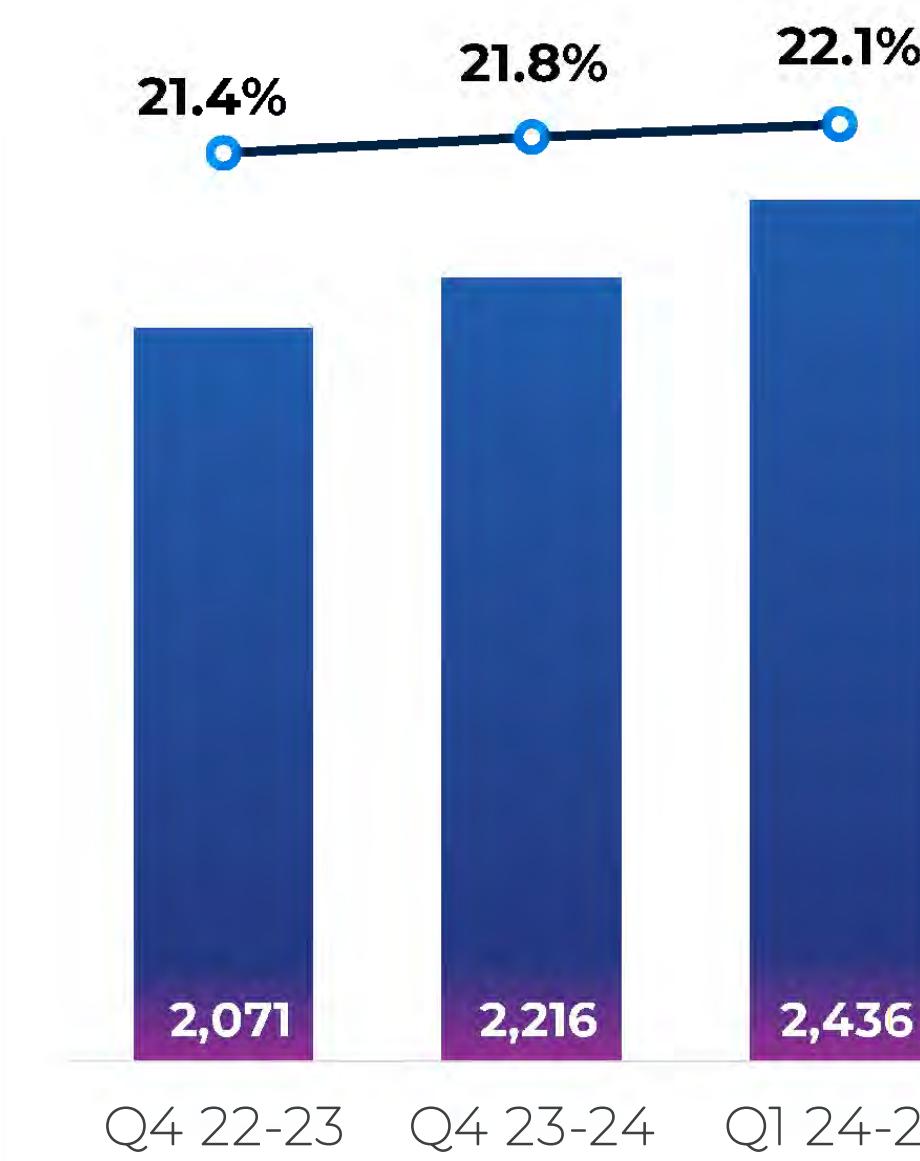


Revenue (in ₹ mn) &
Billable Transactions (# bn)



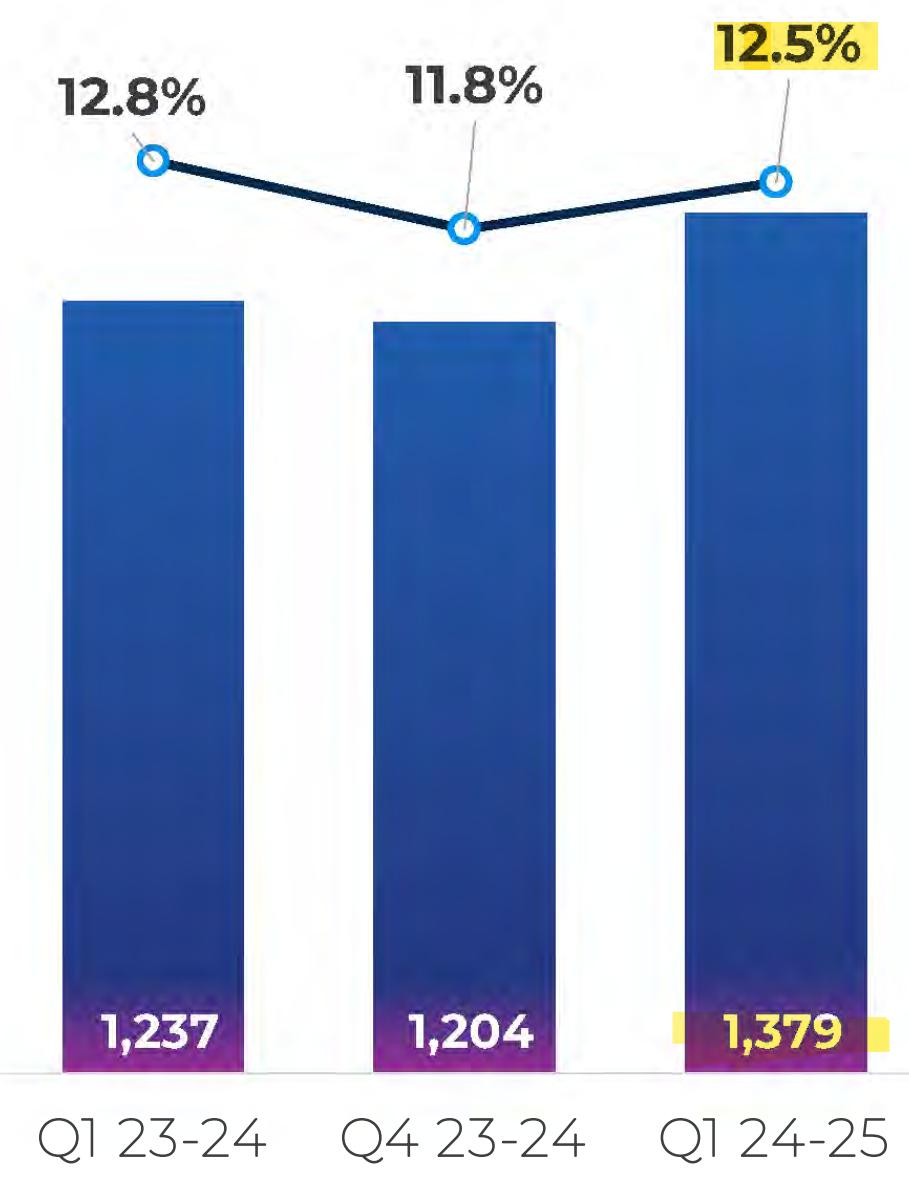
▲ 14.1% Y-o-Y
▲ 8.5% Q-o-Q

Gross Profit ⁽¹⁾ (In ₹ mn) &
Gross Profit Margin (%)



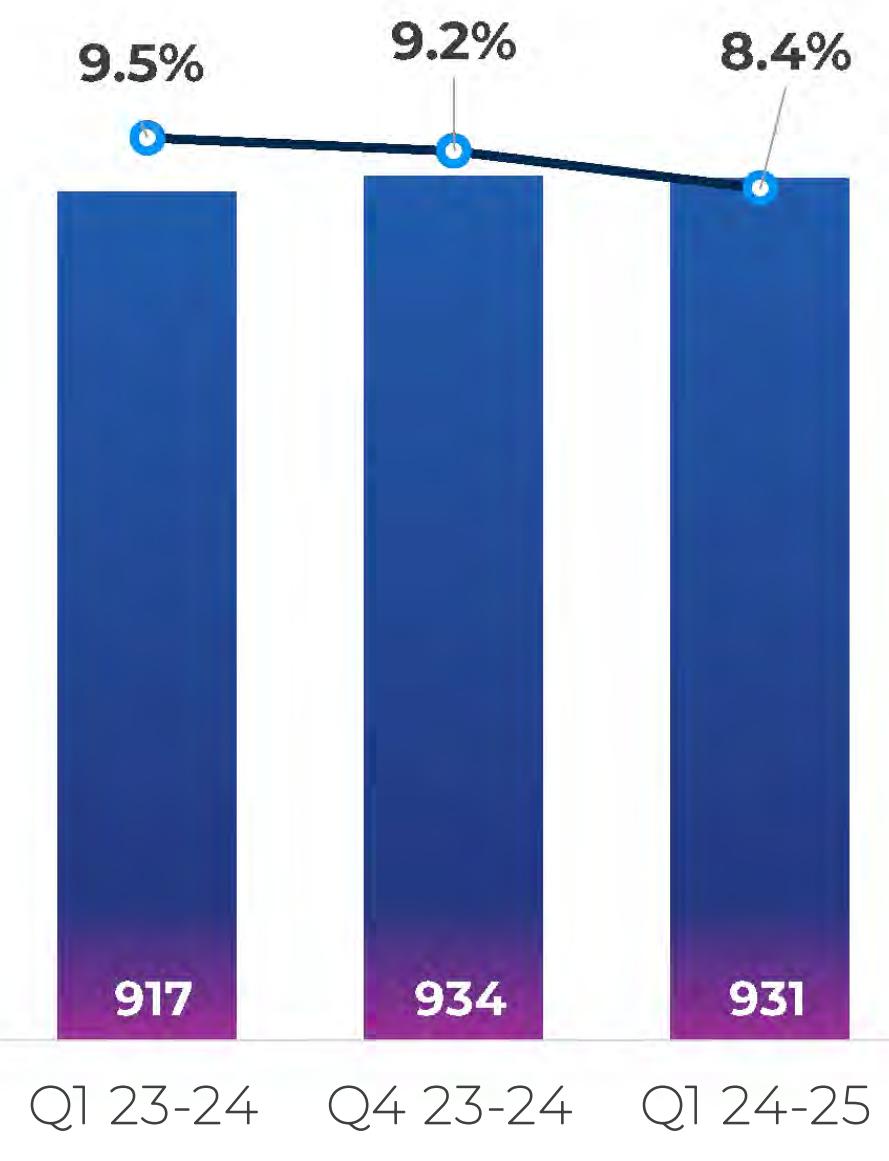
▲ 17.6% Y-o-Y
▲ 10.0% Q-o-Q

EBITDA⁽²⁾ (In ₹ mn) &
EBITDA Margin (%)



▲ 11.5% Y-o-Y
▲ 14.5% Q-o-Q

PAT ⁽³⁾ (In ₹ mn) &
PAT Margin (%)



▲ 1.5% Y-o-Y
▼ (0.3%) Q-o-Q

1. Gross profit adjusted for Non cash impact of ₹ 38.8mn related to refundable security deposit provided to MNO. The difference between the transaction price and the fair value of security deposit is amortized during the quarter and has been booked under Purchase account (IND AS 109)
2. Refer Slide 16 for calculation of EBITDA (Non GaaP)
3. PAT excludes FX and Exceptional items. Exceptional items in Q4 23-24 pertained 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

EBITDA - Non GAAP



(In ₹ mn)	Quarter Ended			Full year
	30.06.2024	31.03.2024	30.06.2023	31.03.2024
EBIT⁽¹⁾	1,014.5	1,036.0	1,020.2	4,250.0
(+) Depreciation and amortisation expense	223.0	218.5	211.3	860.5
(+) Employee stock option expense (non cash)	12.1	(12.5)	34.7	(61.9)
(+) Net loss on foreign currency transactions and translation	119.3	-	-	-
(-) Intangible assets under development	28.7	37.6	29.3	129.3
(+) One time : consultancy fee / Retainer fee (Masivian) paid for market expansion ⁽²⁾	-	-	-	29.9
(+) Non-cash impact related to refundable security deposit provided to MNO	38.8	-	-	-
EBITDA (Non-GAAP)	1,379.0	1,204.4	1,236.9	4,949.3
EBITDA margin % on a Non-GAAP basis	12.5%	11.8%	12.8%	12.3%

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



Normalized Cash flow (in ₹ million) ⁽¹⁾	Q1 FY 24-25	Year ended 31.03.2023
Profit before tax (Ind AS)	1,028.8	4,550.8
Adjustments for non-cash and non operating items	294.9	712.8
Adjustments for working capital		
(AIncrease) in trade receivables	893.3	(3861.2)
(AIncrease) in financial assets and other assets	(3,568.2)	(3441.4)
Increase/(decrease) in trade payables, provisions and other liabilities	(56.4)	1809.1
Direct taxes paid (net)	(84.7)	(746.1)
Net Cash generated from Operation Activities (Ind AS)	(1,492.3)	(976.0)
(+) Adjustment for Advance to supplier (short term for 6 months) ⁽²⁾ in Q1 FY24-25 / Security deposit for exclusive Firewall deal in FY23-24 for a strategic business initiatives	3,015.2	3,757.1
Normalized Cash Flow from Operation (Normalized CFO)	1,522.9	2,781.1
EBITDA (Non-GAAP)	1,379.0	4,949.3
Normalized CFO/EBITDA	110%	56%

(1) Normalized Cash flow is based on management accounts

(2) Advance to supplier will be adjusted with the consumption of the services during the course of this calendar year

Route Mobile| FY Guidance

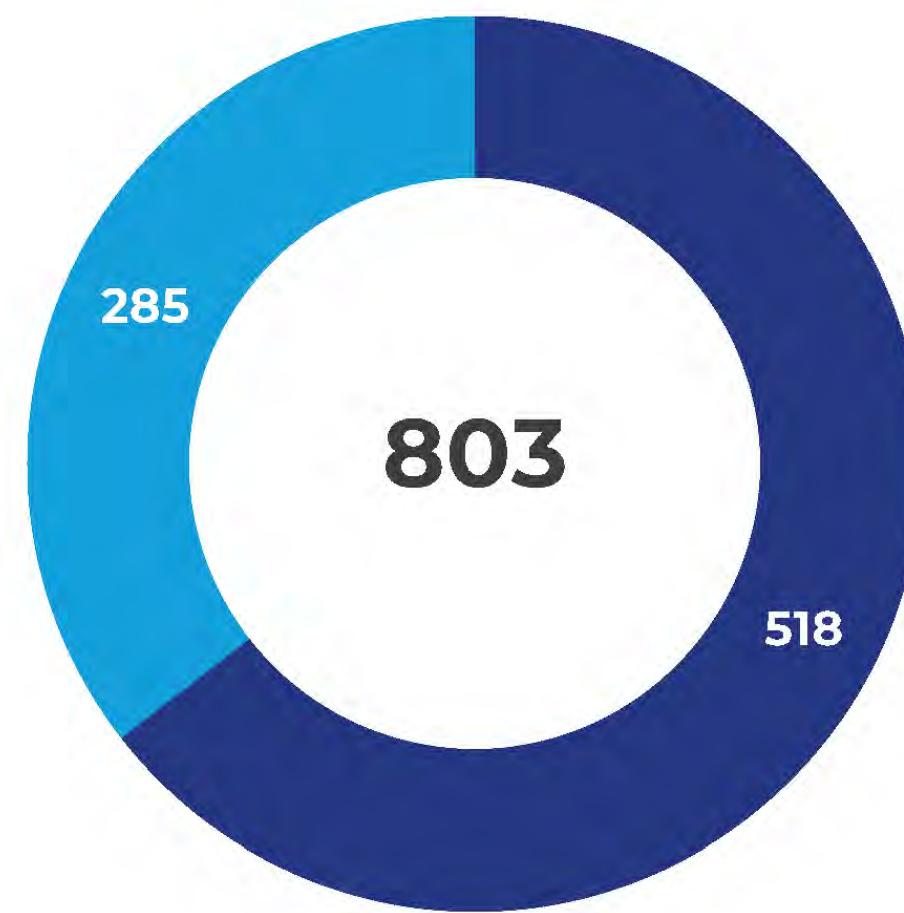


Group (underlying)	Guidance FY24-25
Revenue from operations	18%-22% Y-o-Y growth
EBITDA (Non-GAAP) Margin	c. 13% margin
CFO/EBITDA	50%-75%
Dividend Payout	Up to 20% of Profit after Tax (PAT)

Human Resource Capital



Location wise break-up

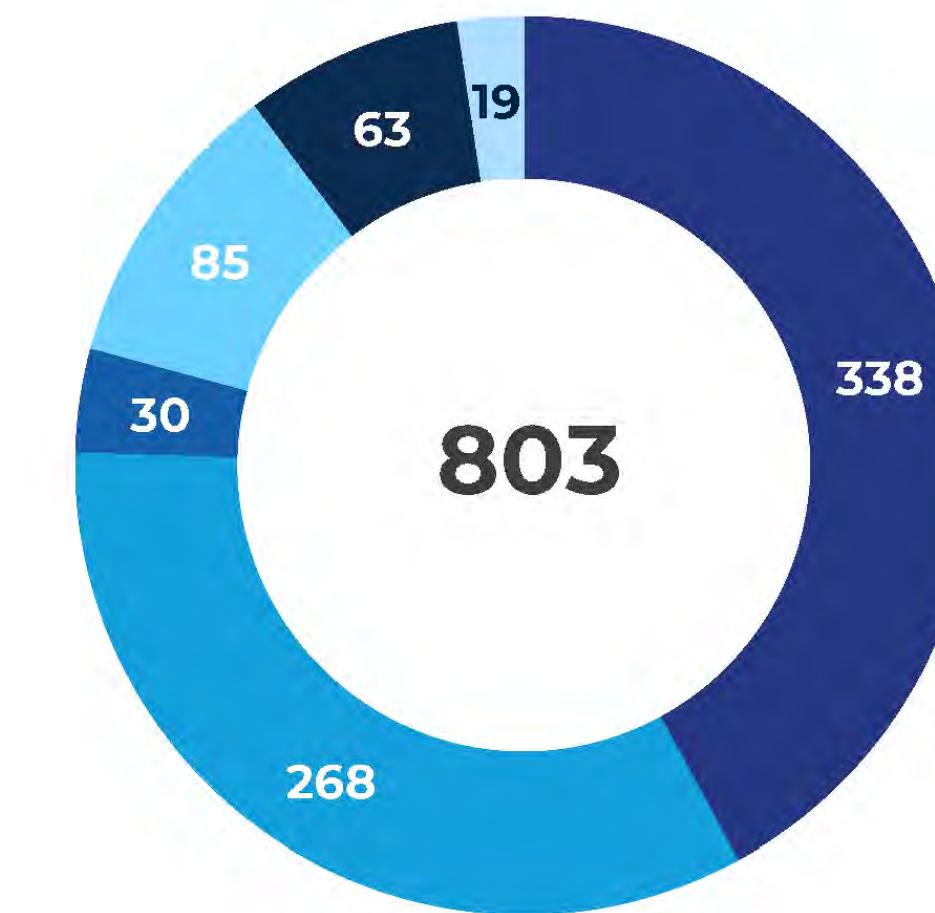


■ India ■ International

61 New Employees joined in **Q1 FY24-25**

60 Employees left in **Q1 FY24-25**

Function wise break-up



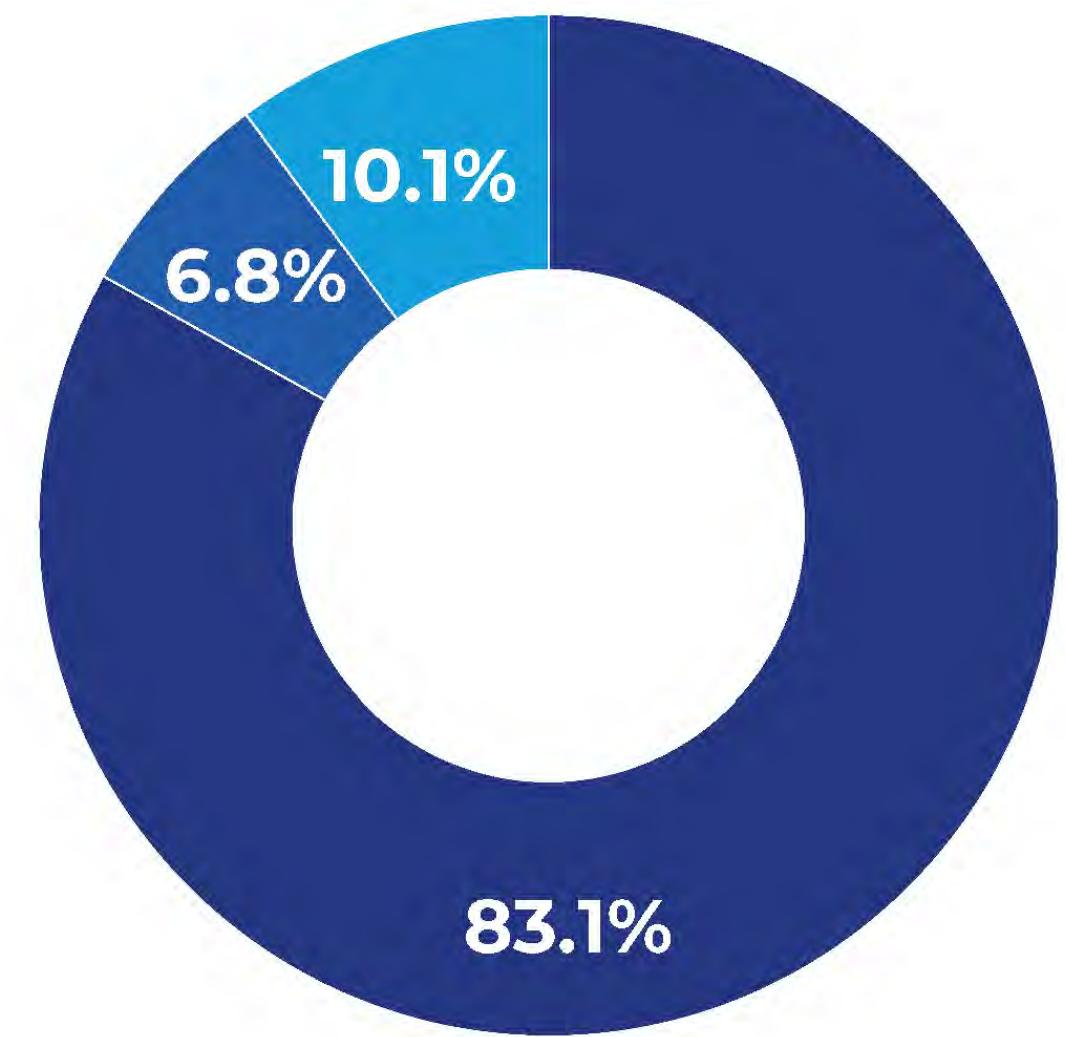
■ Tech & Tech Support
■ Sales & Marketing
■ Firewall & other operator solutions
■ General & Admin
■ Strategy, Accounts & Finance
■ Corporate-Business Heads

As on June 30, 2024, Employee information excludes Call2Connect

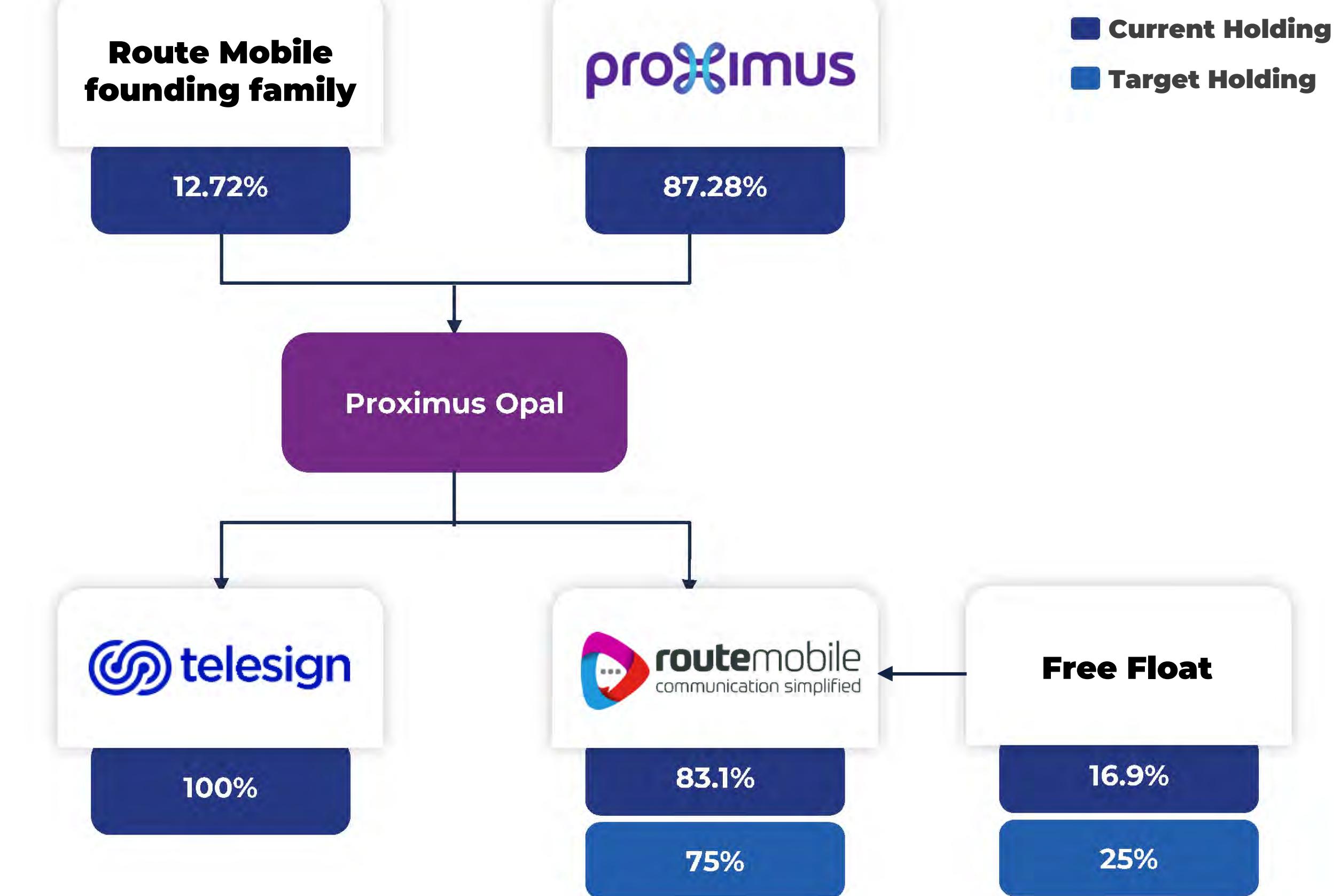
Shareholding Pattern



Total Equity Shares Outstanding as
on June 30, 2024 – **62,788,532**



- Proximus Opal (Promoter & Promoter Group)
- Institutional Investors
- Non-Institutions (including Foreign Nationals)





Thank You

www.routemobile.com

