



Earnings update

Q4 21-22 & FY 21-22

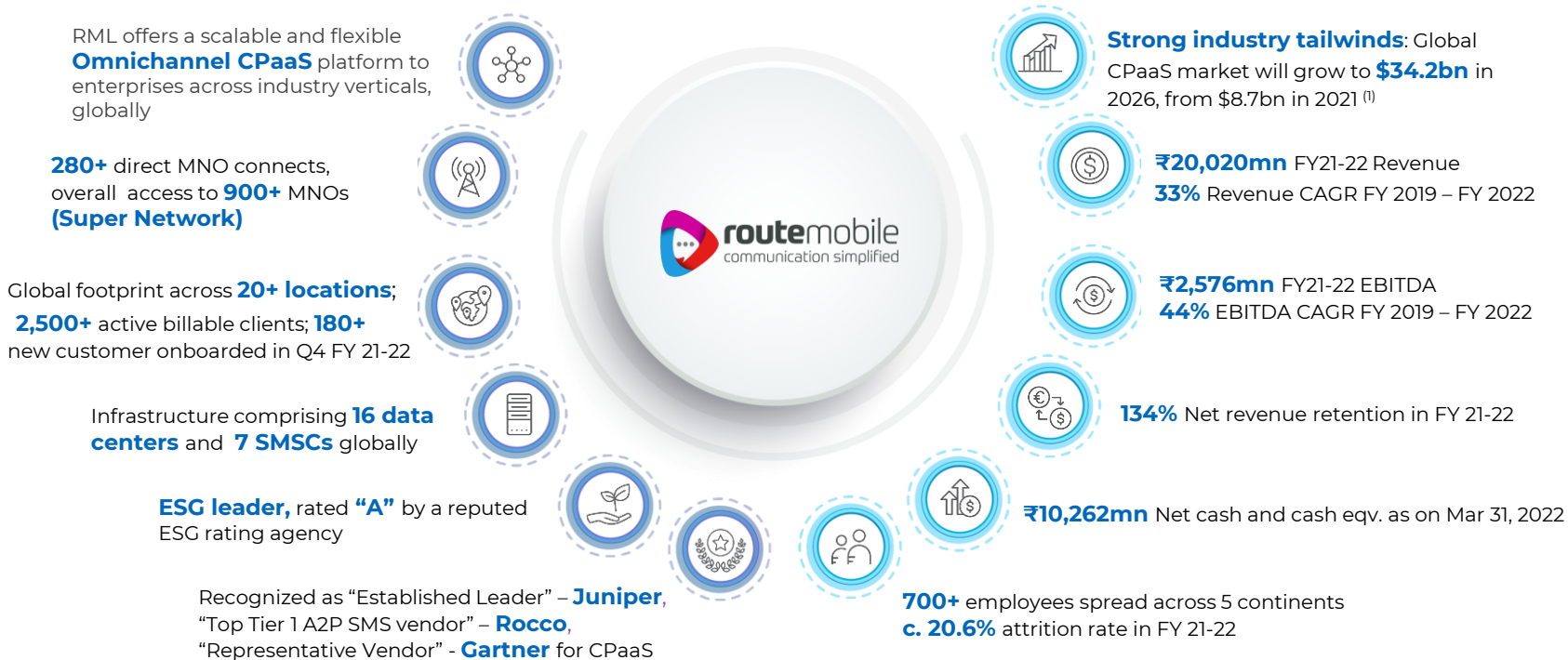
Investor Presentation

May 18, 2022

Safe Harbor

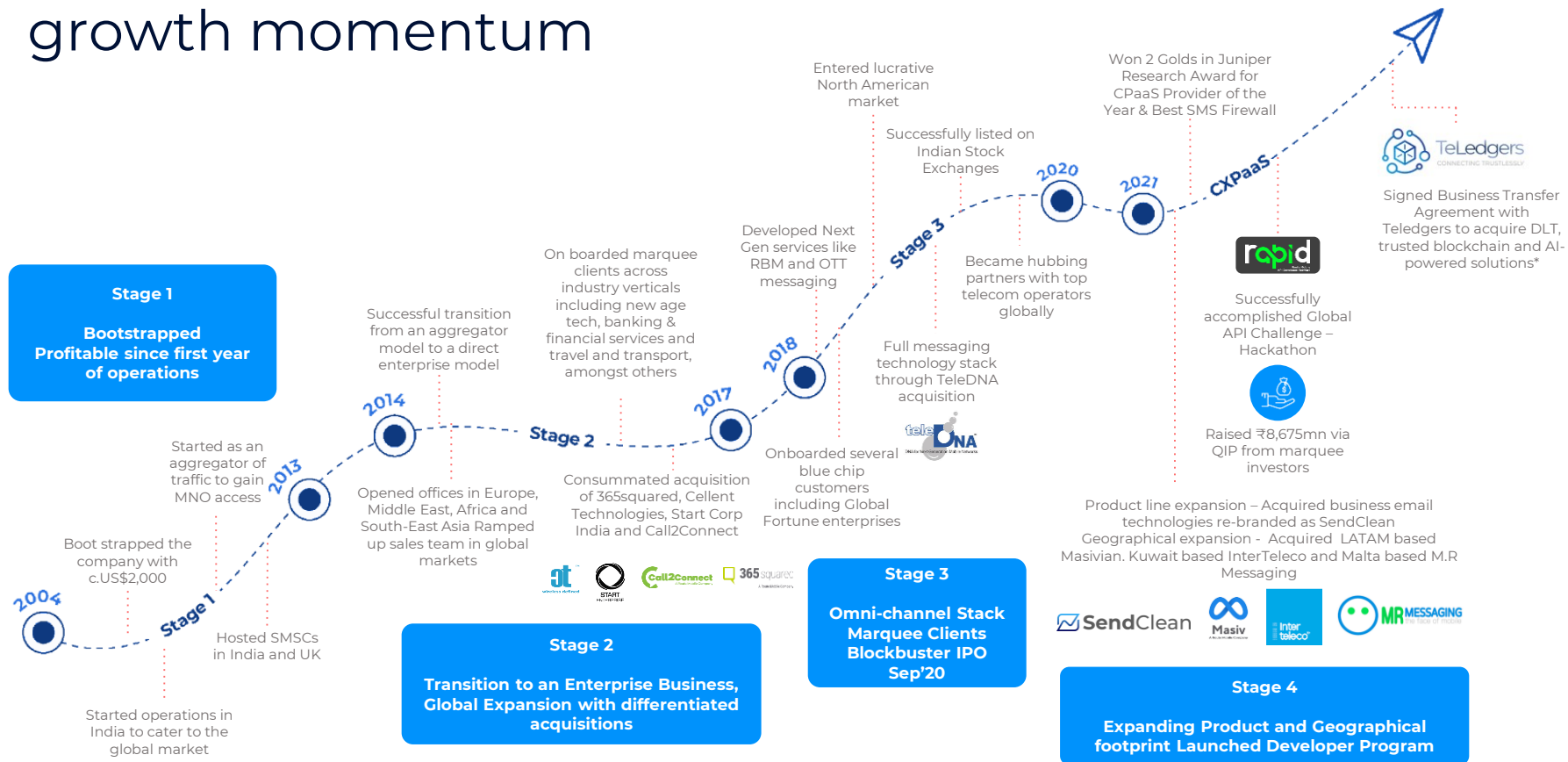
Certain statements mentioned in this presentation concerning our future growth prospects are forward looking statements (the “Forward Statements”) and are based on reasonable expectations of the management, which involves a number of risks, and uncertainties that could cause actual results to differ 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

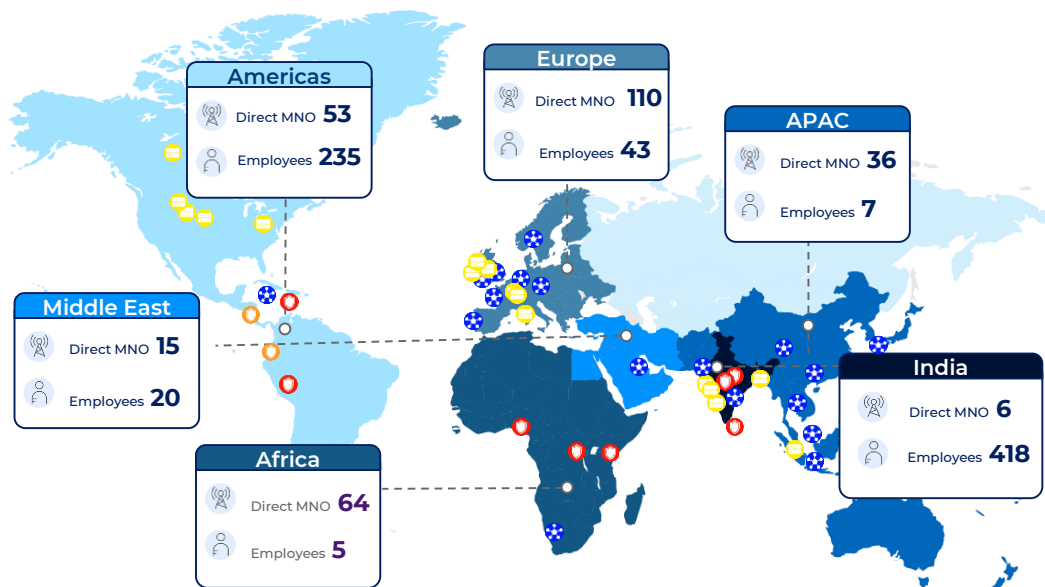


(1) Juniper - CPaaS Future Market Outlook, 2021

Systematic roadmap to create sustained growth momentum



Global Diaspora - Footprint & Super Network



8 Firewall deployments; 3 upcoming (contract signed)*

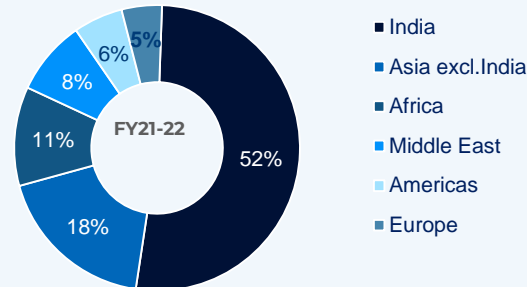
16 virtualized Data Centers

18 Hubs

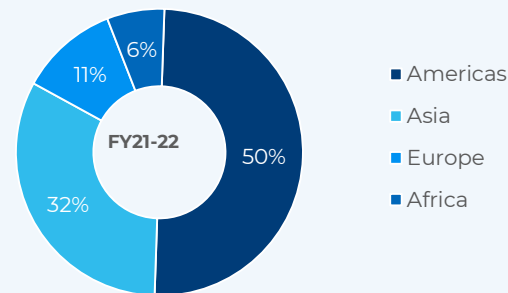
700+ Global Employees base

280+ Super Network
Widespread global distribution & reach

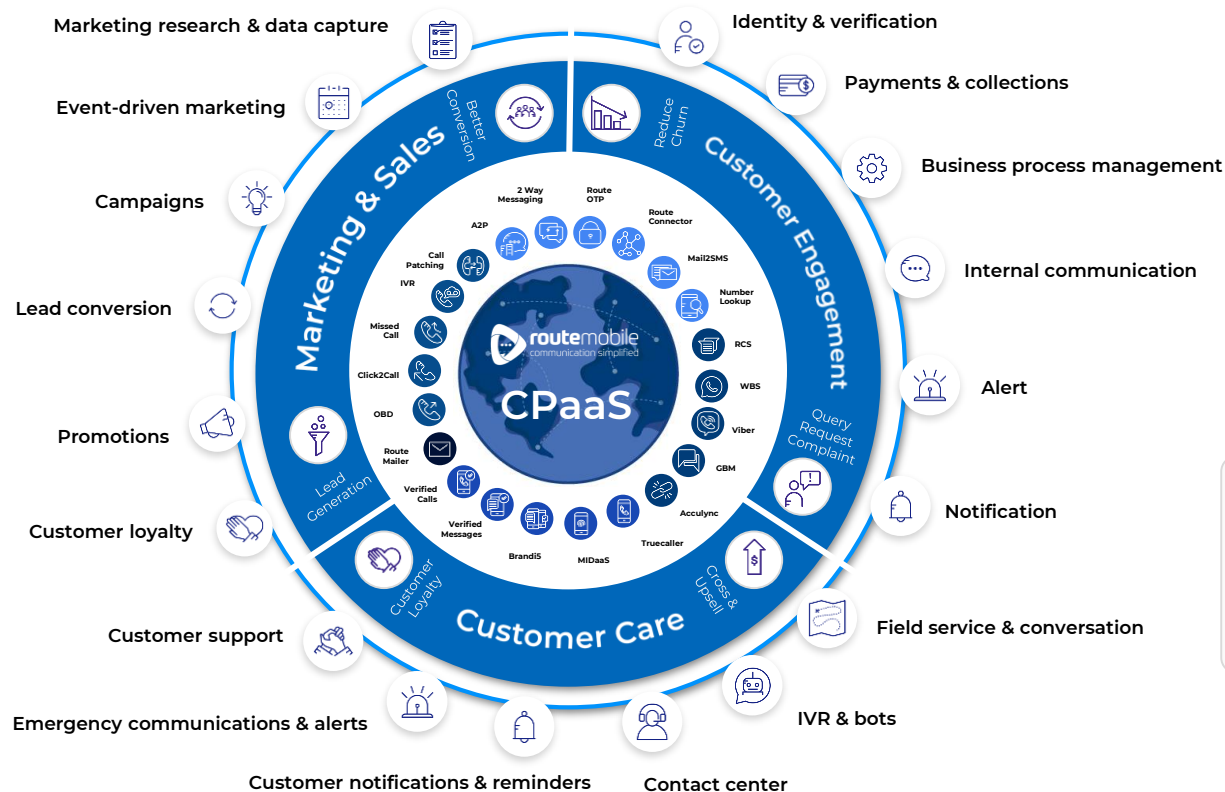
Revenue for Top 50 countries by termination ⁽¹⁾



Revenue by customer HQ (continent) ⁽²⁾



Systematic Roadmap to Create Sustained Growth Momentum





Key Developments

Key Developments in Q4 FY21-22



Route Mobile (UK) Limited listed as one of the Top 3 Fastest - growing Indian companies in the United Kingdom

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Completed the acquisition of MRM during the quarter gone by. MRM's acquisition will help expand Route Mobile's reach to new geographies primarily Europe, South Africa and Japan

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Recently signed Business Transfer Agreement with Teledgers to acquire DLT, trusted blockchain and AI-powered solutions. The closure of this transaction is subject to completion of condition precedents including the outcome of an ongoing arbitration proceeding

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Juniper - Route Mobile Limited Wins Gold At The 2022 Juniper Research Future Digital Awards For Telco Innovation In Rich Communication Services (RCS)

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Route Mobile Limited sets up a dedicated Strategic Business Unit (SBU) for short codes/10 DLC/toll free messaging and intends to scale it globally for P2A messaging

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Rajdipkumar Gupta, Managing Director & Group CEO, Ranked in the Top-25 List of ROCCO 100 2022

[View More](#)

IOCL improved customer communications & enhanced customer loyalty with SMS & Voice API Solution

Solution:

- To enhance customer communications with regular notifications, updates, information
- Ensure seamless connectivity
- Strong solution/platform support



Outcome:

**Resolved SMS
Delivery,
connectivity,
acknowledgment
related challenges**

**Outstanding 24x7
support, pre & post-
integration, and
quick resolution**

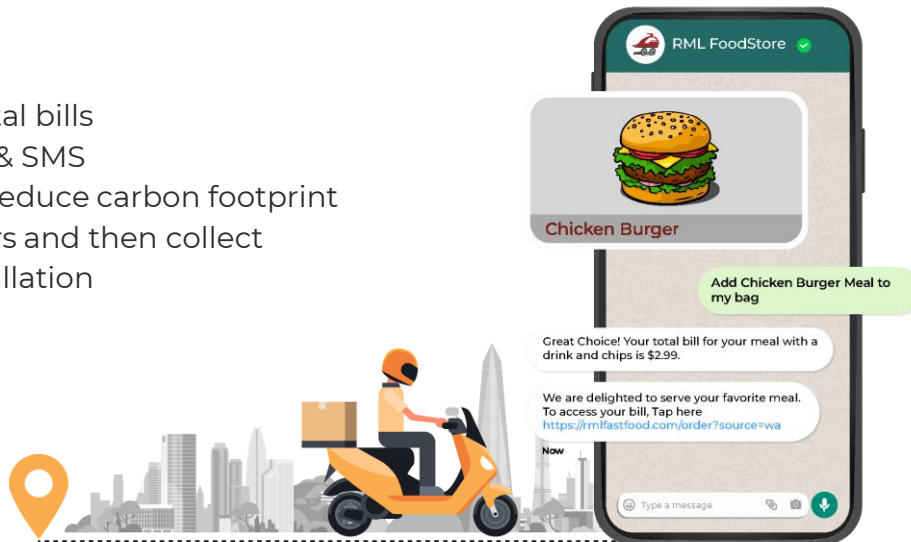
**Enabled to launch
more programs like
virtual transactions,
loyalty with CPaaS
solutions**

**Enhanced customer
engagement &
loyalty**

World's leading fast-food multinational retailer went paperless to reduce their carbon footprint, attain efficiency and better CX using the WhatsApp Business Platform

Solution:

- Omnichannel integration for processing digital bills
- Sharing order details and bills via WhatsApp & SMS
- 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



Southeast Asian multinational electronics brand increased sales using RCS Business Messages

Solution:

- Broadcasting promotional messages to customers
- Carousels used to promote new mobile devices with new features and offers
- Call-to-action buttons such as URL for redirection to the website pages
- Multiple RBM rich cards enabled in a single message

Outcome:

Improved customer engagement using RCS messages

Substantial increase in customer footfall in stores and website

Increased click-through rate for the campaigns

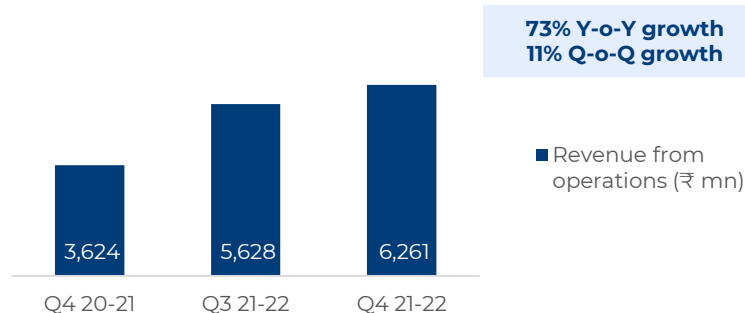


The background of the slide features a dark blue, semi-transparent image of three business professionals (two men and one woman) leaning over a table, seemingly in a collaborative meeting. Overlaid on this image are numerous bright blue, diagonal light streaks that create a sense of motion and technology. The overall color palette is monochromatic, dominated by various shades of blue.

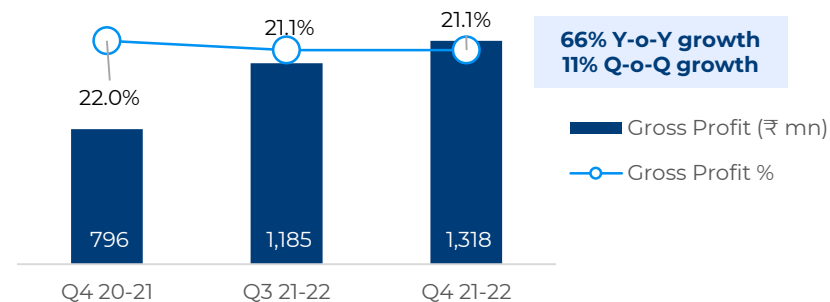
Financial Highlights

Q4 FY21-22 – Snapshot

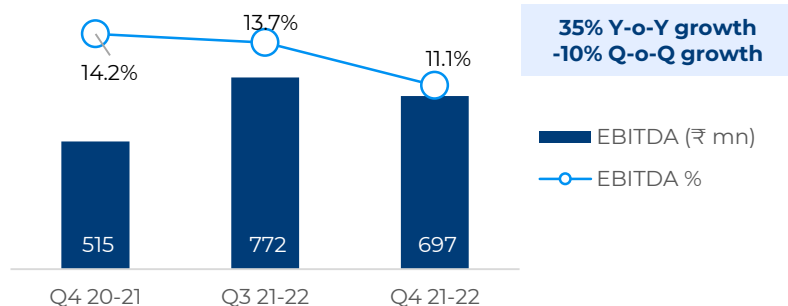
Revenue from Operations (in ₹ mn)



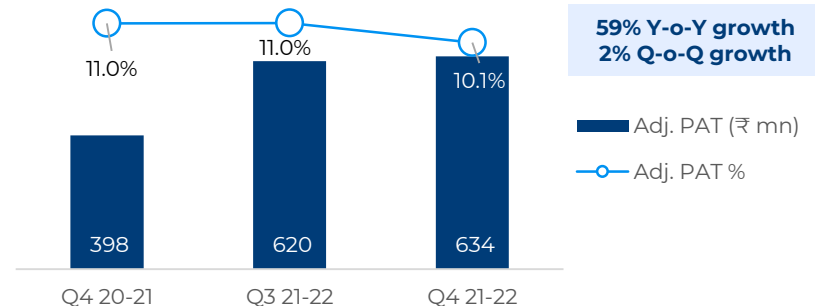
Gross Profit (In ₹ mn) and Gross Profit Margin (%)



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



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



(1) Net loss on FX transactions and translation is excluded from EBITDA, amounting to ₹38mn and ₹70mn for Q4 FY21-22 and Q3 FY21-22 respectively. For Q4 FY21-22 and Q3 FY21-22, ESOP benefit expenses (non cash) were adjusted from EBITDA amounting to ₹95mn and ₹93mn

(2) PAT has been adjusted for non-cash ESOP benefit expenses and amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions.. Q4 FY21-22 is also adjusted for tax refund pertaining to prior period for 365sqared amounting to ₹38mn

Financial Highlights for Q4 FY21-22

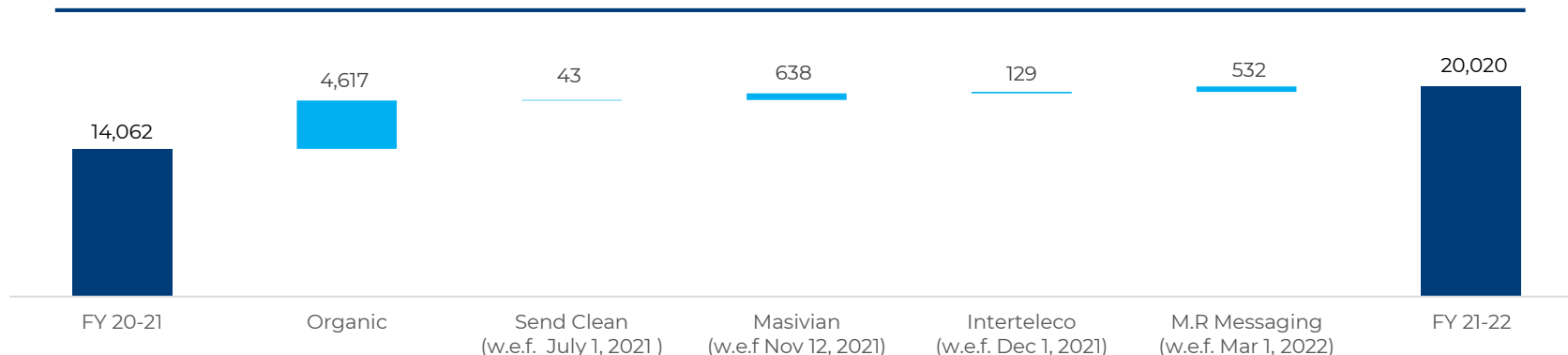
- Closed Q4 FY21-22 with revenue from operations of **₹6,261mn** compared to **₹5,628mn** in Q3 FY21-22 and **₹3,624mn** in Q4 FY20-21
 - Y-o-Y growth of **72.7%** and sequential growth of **11.2%** in revenue
- Recorded Gross Profit of **₹1,318mn** in Q4 FY21-22 compared to **₹1,185mn** in Q3 FY21-22 and **₹796mn** in Q4 FY20-21
 - Y-o-Y growth of **65.7%** and sequential growth of **11.2%** in Gross Profit
 - Gross Profit margin of **21.1%**, **21.1%**, and **22.0%** in Q4 FY21-22, Q3 FY21-22 and Q4 FY20-21 respectively
- EBITDA of **₹697mn** in Q4 FY21-22 compared to **₹772mn** in Q3 FY21-22 and **₹515mn** in Q4 FY20-21
 - Y-o-Y growth of **35.3%** and sequential de-growth of **9.7%** in EBITDA
 - EBITDA margin of **11.1%**, **13.7%** and **14.2%** in Q4 FY21-22, Q3 FY21-22 and Q4 FY20-21 respectively
- Recorded Profit After Tax of **₹474mn** in Q4 FY21-22 compared to **₹463mn** in Q3 FY21-22 and **₹355mn** in Q4 FY20-21
 - Y-o-Y growth of **33.6%** and sequential growth of **2.4%** in Profit After Tax
- Adjusted Profit After Tax of **₹634mn** in Q4 FY21-22 compared to **₹620mn** in Q3 FY21-22 and **₹398mn** in Q4 FY20-21
 - Adjusted for ESOP benefit expenses and non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions. Q4 FY21-22 is also adjusted for tax refund pertaining to prior period for 365sqared amounting to ₹38mn
 - Adjusted Profit After Tax margin of **10.1%**, **11.0%** and **11.0%** in Q4 FY21-22, Q3 FY21-22 and Q4 FY20-21 respectively

Inorganic initiatives in FY 21-22



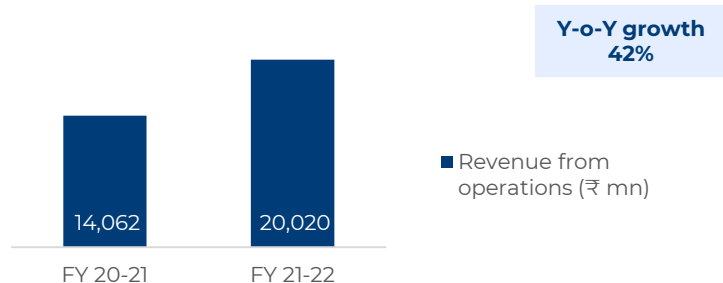
- Acquired 100% stake in M R Messaging FZE (“MRM”) for an equity value of EUR 38 mn (₹ 3,192 mn), subject to revision based on the EBITDA achieved by MRM for FYE March 31, 2023, FYE March 31, 2024 and FYE March 31, 2025
- MRM’s acquisition will expand Route Mobile’s reach into new geographies primarily Europe, South Africa and Japan
- **Total purchase consideration will be paid out as follows:**
 - Upfront cash consideration of EUR 19.38 mn (₹ 1,628 mn) paid at closing
 - Deferred payouts spread over three (3) years, viz. FYE March 31, 2023, 2024 and 2025 and linked to EBITDA performance of MRM for the respective years

FY21-22 Revenue Bridge (in ₹ mn)

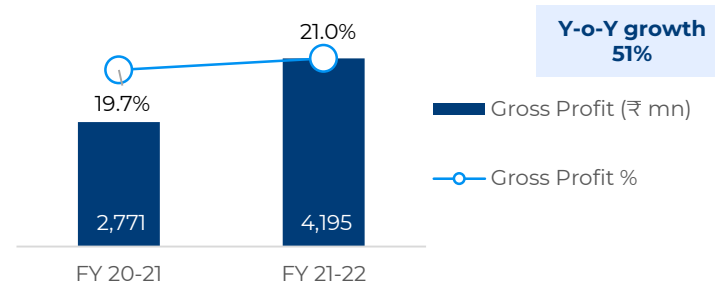


FY 21-22 – Snapshot

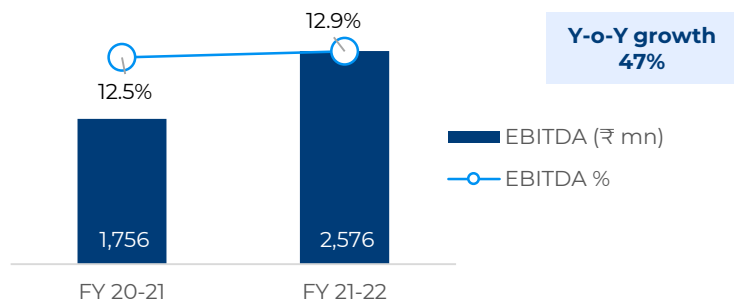
Revenue from Operations (In ₹ mn)



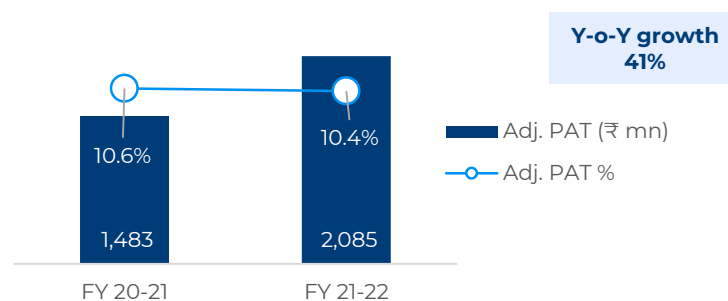
Gross Profit (In ₹ mn) and Gross Profit Margin (%)



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



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



(1) Net loss on FX transactions and translation is excluded from EBITDA, amounting to ₹201mn for FY21-22. For FY21-22, ESOP benefit expenses (non cash) were adjusted from EBITDA amounting to ₹189mn

(2) PAT has been adjusted for ESOP benefit expenses and non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions. FY21-22. is also adjusted for tax refund pertaining to prior period for 365Squared amounting to ₹38mn

Financial Highlights for FY21-22

- Closed FY21-22 with revenue from operations of **₹20,020mn** compared to **₹14,062mn** in FY20-21
 - Y-o-Y growth of **42.4%** in revenue
- Recorded Gross Profit of **₹4,195mn** in FY21-22 compared to **₹2,771mn** in FY20-21
 - Y-o-Y growth of **51.4%** in Gross Profit
 - Gross Profit margin of **21.0%, 19.7%** in FY21-22 and FY20-21 respectively
- EBITDA of **₹2,576mn** in FY21-22 compared to **₹1,756mn** in FY20-21
 - Y-o-Y growth of **46.7%** in EBITDA
 - EBITDA margin of **12.9%, 12.5%** in FY21-22 and FY20-21 respectively
- Recorded Profit After Tax of **₹1,701mn** in FY21-22 compared to **₹1,328mn** in FY20-21
 - Y-o-Y growth of **28.1%** in Profit After Tax
- Adjusted Profit After Tax of **₹2,085mn** in FY21-22 compared to **₹1,483mn** in FY20-21
 - *Adjusted for ESOP benefit expenses and non-cash amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions. FY21-22 is also adjusted for tax refund pertaining to prior period for 365sqared amounting to ₹38mn*
 - Adjusted Profit After Tax margin of **10.4%** and **10.6%** in FY21-22 and FY20-21 respectively

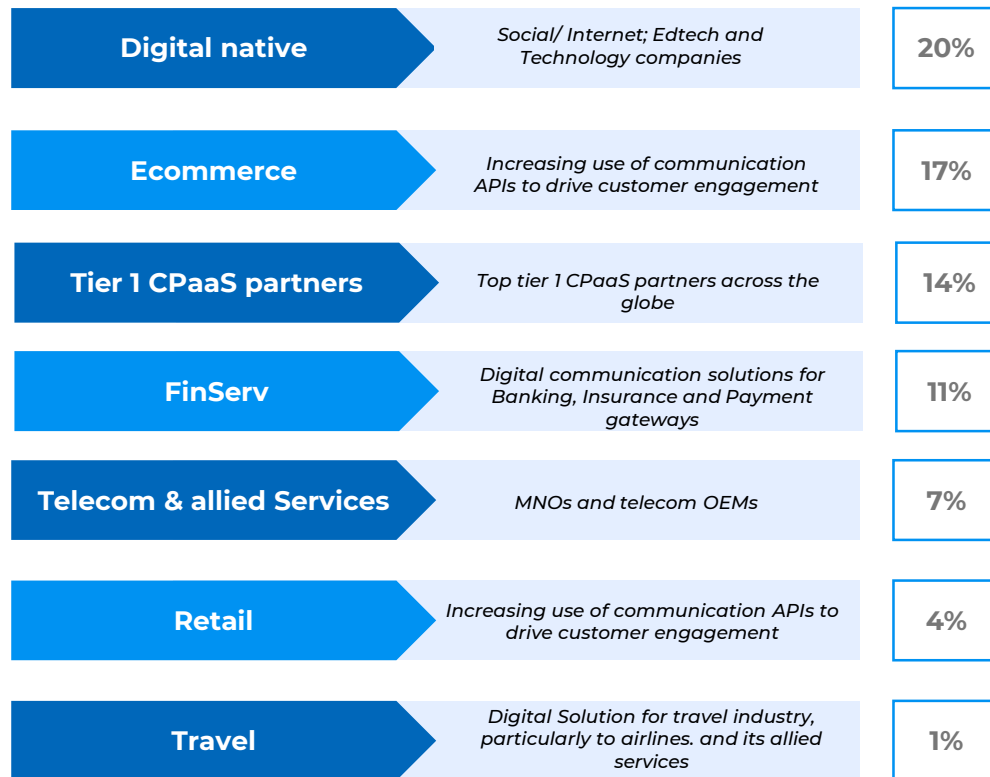
EBITDA and Adjusted PAT – Non GAAP

Particulars (In ₹ mn)	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
Profit before tax (Ind AS)	468.1	550.9	424.6	1,952.2	1,615.5
(-) Other income	84.1	47.3	(6.1)	200.6	159.8
(+) Finance costs	33.9	6.2	4.4	51.6	27.5
EBIT	417.9	509.8	435.1	1,803.1	1,483.1
(+) Depreciation and amortisation expense	145.3	98.5	63.9	383.2	257.6
(+) Employee stock option expense (non cash)	95.4	93.3	-	188.7	-
(+) Net loss on foreign currency transactions and translation	38.3	70.0	-	201.3	-
(+) Stamp duty charges (adjusted for tax)	-	-	15.8	-	15.8
EBITDA (Non-GAAP)	697.1	771.6	514.9	2,576.3	1,756.6
EBITDA margin % on a Non-GAAP basis	11.1%	13.7%	14.2%	12.9%	12.5%
Profit for the period (Ind AS)	474.2	462.9	354.8	1,700.8	1,327.6
(+) Employee stock option expense (non-cash)	95.4	93.3	-	188.7	-
(-) Tax refund for prior period - 365sqared	37.8	-	-	37.8	-
(+) Stamp duty charges (adjusted for tax)	-	-	11.1	-	11.1
(+) Amortization related to intangibles identified on account of acquisitions	102.6	63.4	32.5	233.1	144.1
Adjusted PAT (Non-GAAP)	634.4	619.6	398.5	2,084.8	1,482.8
Adjusted PAT margin % on a Non-GAAP basis	10.1%	11.0%	11.0%	10.4%	10.5%

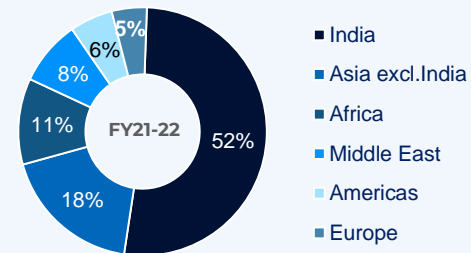
Management uses the non-GAAP financial information, collectively, to evaluate its ongoing operations and for internal planning and forecasting purposes. Non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for financial information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

Diverse customer base

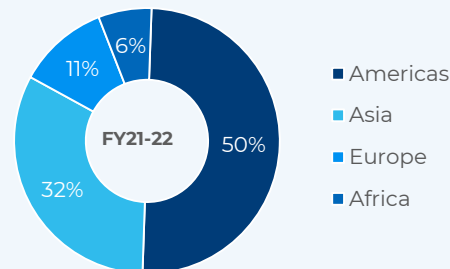
Revenue contribution from select industries in FY21-22



Revenue for Top 50 countries by termination ⁽¹⁾



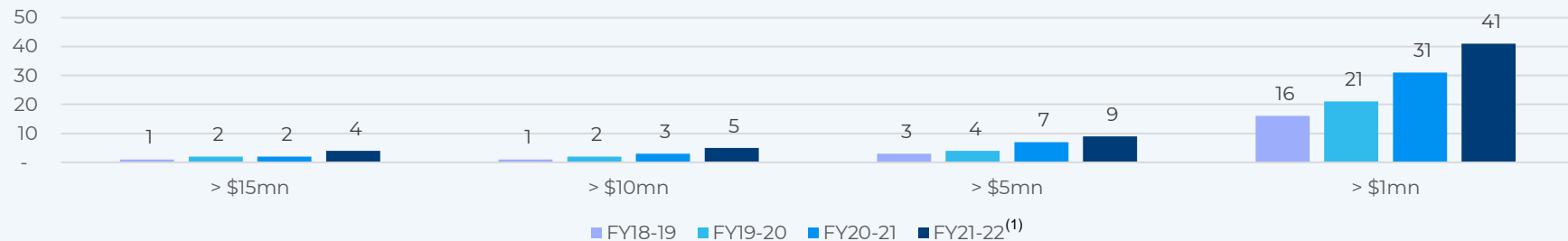
Revenue by customer HQ (continent) ⁽²⁾



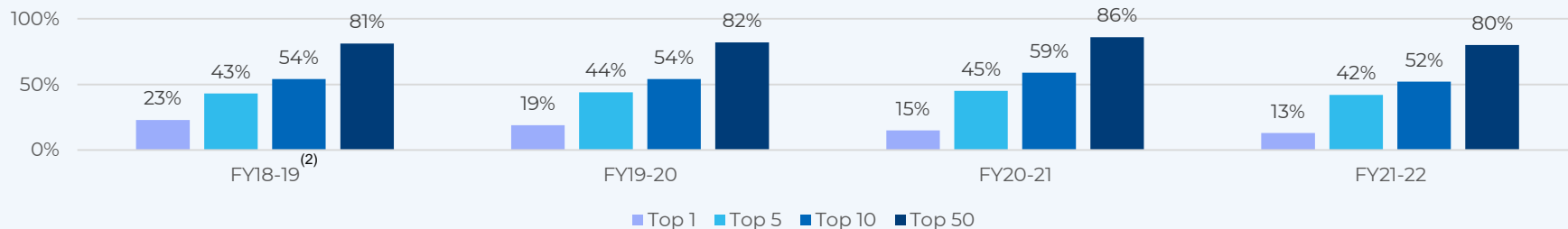
(1) Top 50 countries contribute c.91% of FY21-22 revenue from operation | (2) Based on Top 150 customers - contributes c. 93% of FY21-22 revenue from operation

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

Clients by Account Size



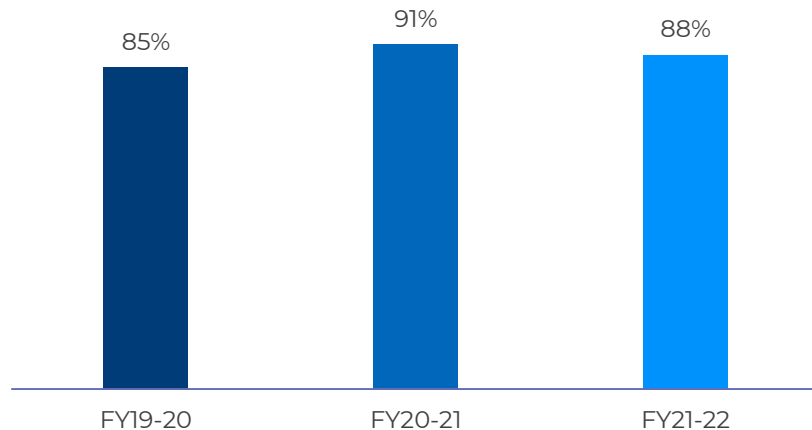
Client Concentration



(1) Excludes MRM (one of the clients of RML) from this analysis post acquisition | (2) FY18-19 excludes the discontinued wholesale voice business

Strong Recurring Revenue

Recurring Revenue⁽¹⁾ as % of Operating Revenue



134% Net revenue retention⁽²⁾

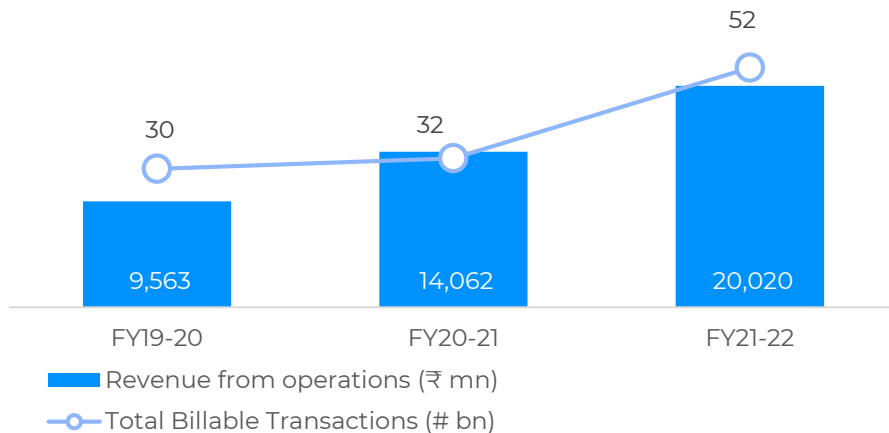
Deep Customer engagement driving high recurring revenues

⁽¹⁾ Recurring customers defined as customers that have been billed in each of the months over the respective period. For instance, a customer billed each month over April 1, 2021 – March 31, 2022 is a recurring customer for FY21-22

⁽²⁾ Net revenue retention calculated based on comparison of FY20-21 revenue with FY21-22 revenue

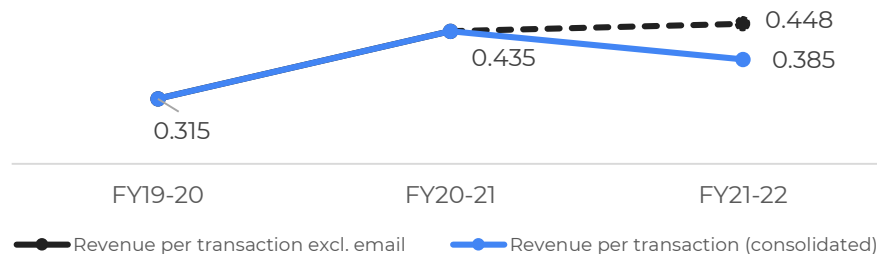
Unit Economics – Revenue

Revenue from operations and Total Billable Transaction



Robust growth momentum
42% Y-o-Y growth in FY21-22
34% CAGR over past 5 years
 (FY16-17 to FY21-22)

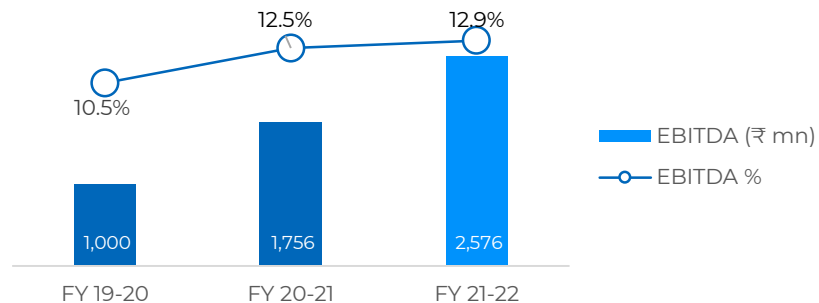
Revenue per transaction (in ₹)



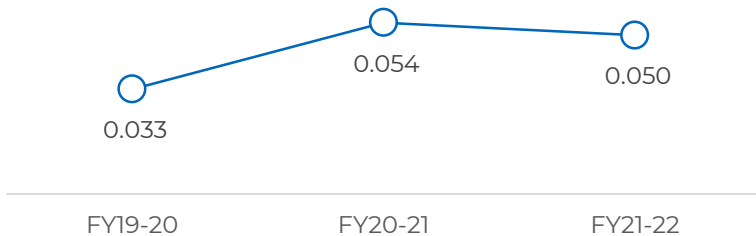
Higher revenue per transaction
 (excluding email)

Unit Economics – EBITDA

EBITDA (In ₹ mn) and EBITDA Margin (%)



EBITDA (In ₹) per transaction

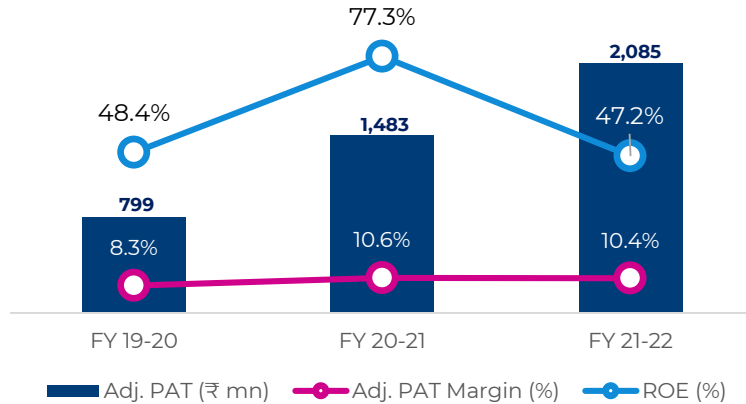


Non-linear business model creates
high operating leverage

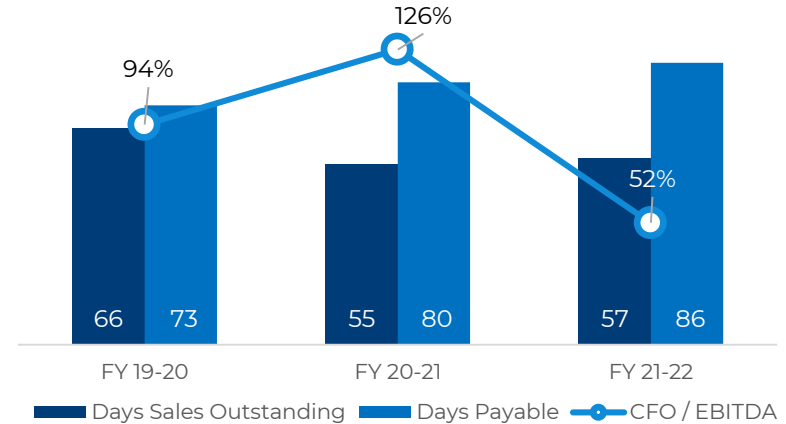
EBITDA as % of Gross Profit increased from
52% in FY19-20 to **63%** in FY20-21 and **61%** in FY21-22

Robust Return Ratios & Healthy Working Capital

Adj. PAT, Adj. PAT Margin and ROE ⁽¹⁾



Working Capital Trend⁽²⁾



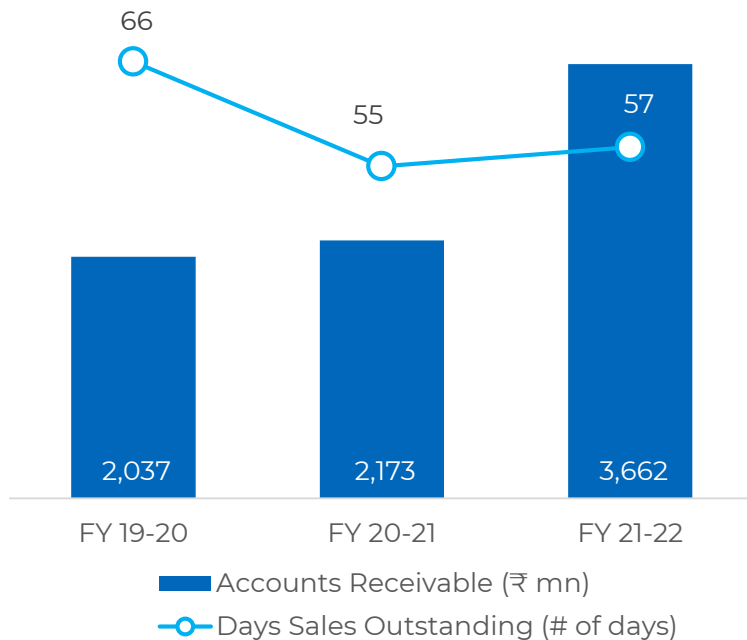
- Non-linear revenue model, creates significant operating leverage
- Robust EBITDA to Cash Flow from Operations conversion rate

⁽¹⁾ PAT has been adjusted for non-cash ESOP expenses and amortization associated with the intangible assets added as a result of purchase price allocation for acquisitions, and for one-time stamp duty charges incurred in FY2021; ROE calculated using average Equity (less cash and cash equivalent) and Adj. PAT

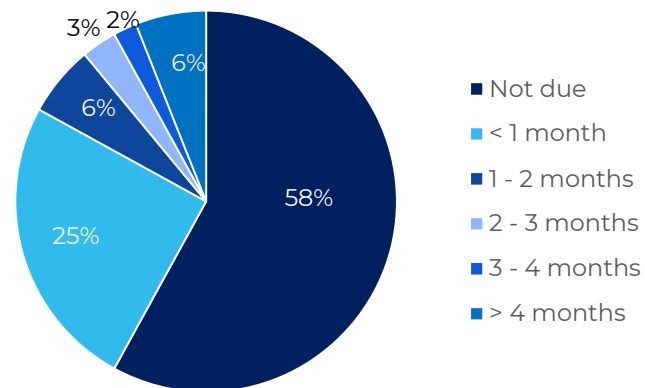
⁽²⁾ Trade Payables include Outstanding expenses

Accounts Receivable Analysis

Trend in Accounts Receivable ⁽¹⁾



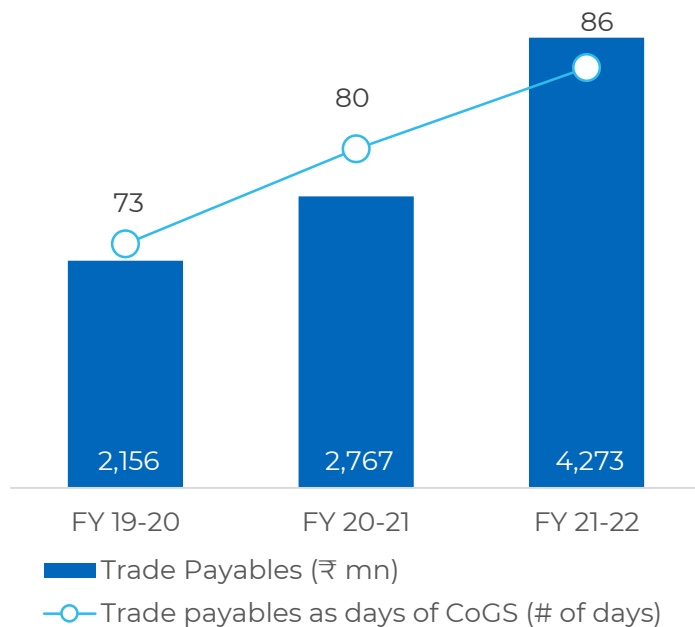
Ageing analysis of Accounts Receivable ⁽¹⁾
as on Mar 31, 2022



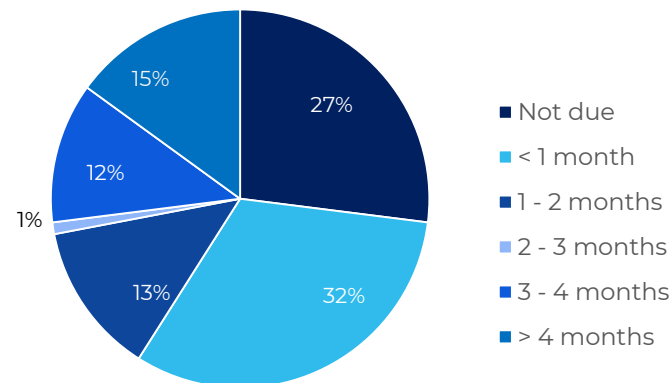
*(1) Days Sales Outstanding and trade receivable ageing analysis excludes MRM, Masivian and Interteleco**

Trade Payables Analysis

Trend in Trade Payables ⁽¹⁾



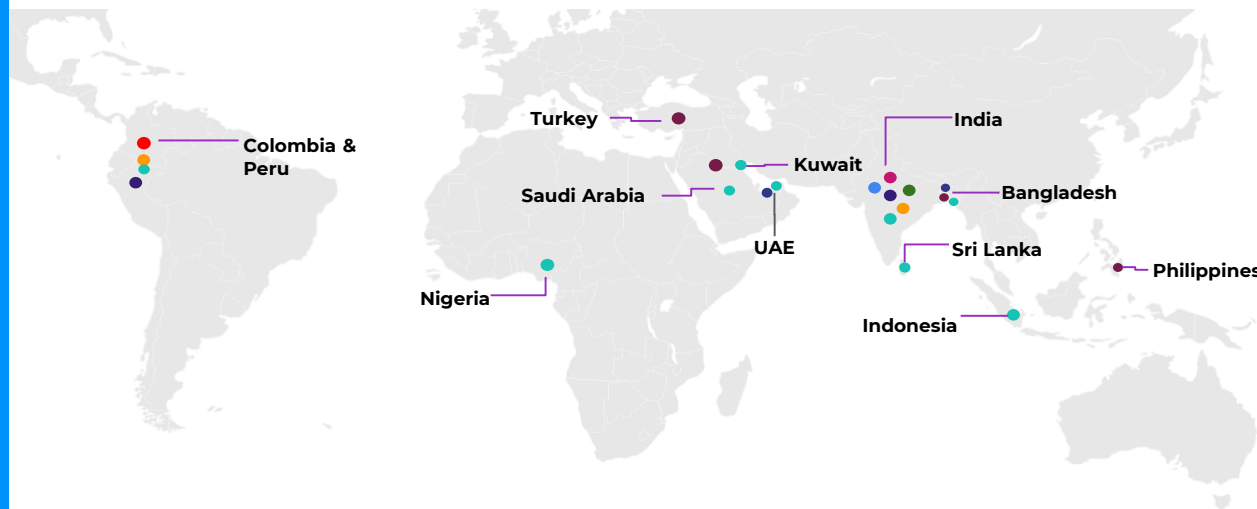
Ageing analysis of Trade Payables ⁽¹⁾ as on Mar 31, 2022



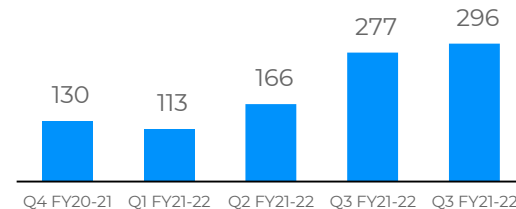
⁽¹⁾ Trade Payables include outstanding expenses

Trade payable days and Trade payable ageing analysis excludes MRM, Masivian and Interteleco

New Product Revenue Momentum across Geographies



Quarterly New Product Sales (₹ mn)



Q4 FY21-22 growth

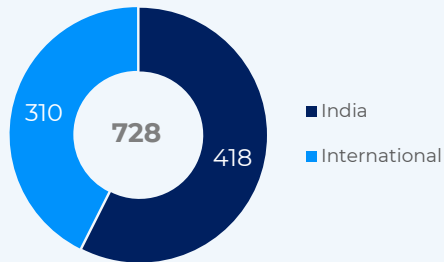
- ✓ 128% Y-o-Y
- ✓ 7% Q-o-Q

Revenue from new products
in FY21-22

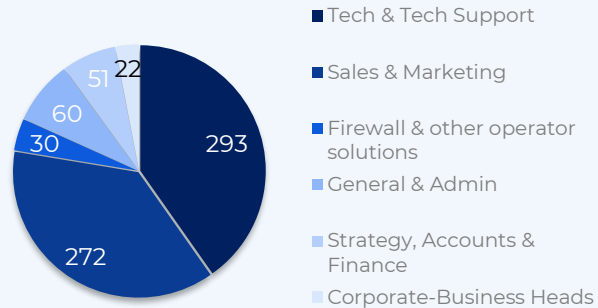
₹ 852mn

Human Resource Capital

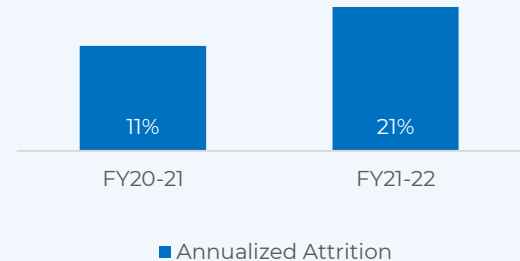
Location wise break-up⁽¹⁾



Function wise break-up⁽¹⁾



Attrition analysis ⁽²⁾



⁽¹⁾ As on Mar 31 2022, Employee information excludes Call2Connect

⁽²⁾ Attrition analysis excludes Masivian, MRM, Interteleco and Call2Connect

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

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