



Q3 FY2018 Earnings Presentation

February 1, 2018



Cautionary statement

Forward Looking Statements

This presentation may contain statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to OnMobile Global Limited’s (OnMobile Global or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

OnMobile Global undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

Financial snapshot

Rs. Mn	Q3 FY18	Q2 FY18	Q-o-Q	Q3 FY17	Y-o-Y
Revenue	1,581	1,657	(5%)	1,805	(12%)
Gross Margin	876	911	(4%)	1,038	(16%)
Manpower cost	480	485	(1%)	504	(5%)
Other Opex	236	254	(7%)	282	(16%)
EBITDA	160	171	(7%)	252	(37%)
% Margin	10%	10%	(2%)	14%	(28%)
Operating Profit	35	60	(42%)	117	(70%)
% Margin	2%	4%	(39%)	6%	(66%)
Net Profit	27	19	39%	(10)	>100%
% Margin	2%	1%	45%	(1%)	>100%
EPS (Rs.)	0.25	0.18	53%	-0.09	>100%

Financial snapshot

USD Mn	Q3 FY18	Q2 FY18	Q-o-Q	Q3 FY17	Y-o-Y
Revenue	24.7	25.9	(5%)	28.3	(12%)
Gross Margin	13.7	14.3	(4%)	16.2	(16%)
Manpower cost	7.5	7.6	(1%)	7.9	(5%)
Other Opex	3.7	4.0	(7%)	4.4	(16%)
EBITDA	2.5	2.7	(7%)	3.9	(37%)
% Margin	10%	10%	(2%)	14%	(28%)
Operating Profit	0.5	0.9	(42%)	1.8	(70%)
% Margin	2%	4%	(39%)	6%	(66%)
Net Profit	0.4	0.3	39%	(0.2)	>100%
% Margin	2%	1%	45%	(1%)	>100%
EPS (USD)	0.0039	0.0028	53%	-0.0014	>100%

1USD= 63.88 INR (Closing conversion rate as on Dec 31st.. Source: Thomson Reuters)

Q3 FY2018 performance

Key Financial Highlights

- Revenue is down by 4.6% q-o-q and 12.4% y-o-y mainly on account of Europe led by lower promotions by the operator and continuing impact of subscriber confirmation policy in a large Operator in Asia.
- Gross margin reduction in line with revenue. The margin percentage is stable q-o-q.
- Manpower cost lower by 1.2% q-o-q and by 4.7% y-o-y. Other operating expenses also reduced by 7.2% q-o-q and by 16.4% y-o-y.
- EBITDA margin remains at 10% as compared to the last quarter. Improvement in cash balance on better working capital management.
- Net Profit at Rs. 26 Mn as compared to Rs. 19 Mn in Q2 with a 39% increase q-o-q.

Q3 FY2018 Business highlights

Domestic and International Business

Overall international business was at 78% of total revenue during the quarter and domestic business at 22%:

India

India revenue was Rs. 346 Mn in Q3 FY'18 down by 4% q-o-q.

- We have entered into an arrangement with a large operator to bundle the RBT services for post paid users. We expect this to have a positive impact on revenue from this operator in the future quarters.

Europe

Revenue was down by 5% q-o-q at Rs. 822 Mn in Q3 FY'18 consequent to lower promotions in a major operator in the region.

- We have renewed our Mobile Entertainment contract with a large operator in Europe till mid of 2019, ahead of its scheduled renewal date.

Q3 FY2018 Business highlights

Domestic and International Business

Africa & Middle East

Revenue up by 11% q-o-q at Rs. 226 Mn.

- We have signed a content aggregation agreement with a major operator in the Middle East making us the sole content aggregator in this operator.
- Achieved a service penetration of 25% in a major operator in Mozambique with OnMobile contributing to 95% of VAS revenues in the Operator.

Asia (excluding India)

Revenue down 27% q-o-q impacted by subscriber confirmation policy implemented earlier.

Latam

Revenue down by 15% q-o-q.

- We have launched Mobile Entertainment portal based on family values with a major operator in Guatemala. This is the first in the series of Mobile Entertainment launches that we plan to do in the Latam region.

US

Revenue down by 9% q-o-q.

Q3 FY2018 Financial performance

Strong Balance sheet and cash position

Rs.Mn	Dec 31, 2017	Sept 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016
Cash and Cash Equivalents	2,843	2,782	2,866	3,061	2,551
Net worth	5,667	5,670	5,728	5,635	5,667

USD Mn	Dec 31, 2017	Sept 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016
Cash and Cash Equivalents	44.5	43.5	44.9	47.9	39.9
Net worth	88.7	88.8	89.7	88.2	88.7

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Financial Statements – Balance Sheet

Rs. Mn	Dec 31, 2017	Sept 30, 2017
EQUITY AND LIABILITIES		
Shareholders' Funds	5,667	5,670
Deferred tax liabilities	1	1
Long-term provisions	53	52
Non-Current Liabilities	54	53
Trade payables	1,984	2,013
Other financial liabilities	204	56
Other current liabilities	511	431
Short-term provisions	153	186
Current Liabilities	2,853	2,686
Total	8,573	8,408

Rs. Mn	Dec 31, 2017	Sept 30, 2017
ASSETS		
Fixed assets	656	552
Deferred tax assets	372	378
Financial assets	50	50
Others non current assets	1,325	1,309
Non-Current Assets	2,403	2,289
Current investments	1,261	873
Trade receivables	1,781	1,874
Cash and cash equivalents	1,582	1,909
Loans	31	31
Others financial assets	782	770
Other current assets	733	663
Current Assets	6,170	6,120
Total	8,573	8,408

Financial Statements – Balance Sheet

USD Mn	Dec 31, 2017	Sept 30, 2017	USD Mn	Dec 31, 2017	Sept 30, 2017
EQUITY AND LIABILITIES			ASSETS		
Shareholders' Funds	88.7	88.8	Fixed assets	10.3	8.6
Deferred tax liabilities	0.0	0.0	Deferred tax assets	5.8	5.9
Long-term provisions	0.8	0.8	Financial assets	0.8	0.8
Non-Current Liabilities	0.8	0.8	Others non current assets	20.7	20.5
			Non-Current Assets	37.6	35.8
			Current investments	19.7	13.7
Trade payables	31.1	31.5	Trade receivables	27.9	29.3
Other financial liabilities	3.2	0.9	Cash and cash equivalents	24.8	29.9
Other current liabilities	8.0	6.7	Loans	0.5	0.5
Short-term provisions	2.4	2.9	Others financial assets	12.2	12.1
Current Liabilities	44.7	42.0	Other current assets	11.5	10.4
Total	134.2	131.6	Current Assets	96.6	95.8
			Total	134.2	131.6

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THANK YOU

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