



Investor presentation

July 2018



Cautionary statement

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.

Agenda

- History and milestones
- Product portfolio
- Strategy FY19
- Financials FY18

Investor Highlights

- Global Reach
- Dominating market share in tones business
- Investment in growth products
- Emerging turnaround story
- Solid cash position
- Debt Free
- High dividend yield

A woman with short brown hair, smiling and looking upwards while holding a smartphone. She is wearing a blue patterned jacket and a beaded necklace. The background is blurred, showing green foliage and a dark structure. A dark blue semi-transparent overlay covers the entire image, with the 'onmobile' logo in the top left and the text 'Global Leader in Mobile Entertainment' in the center.

onmobile

**Global Leader in
Mobile Entertainment**

Global presence

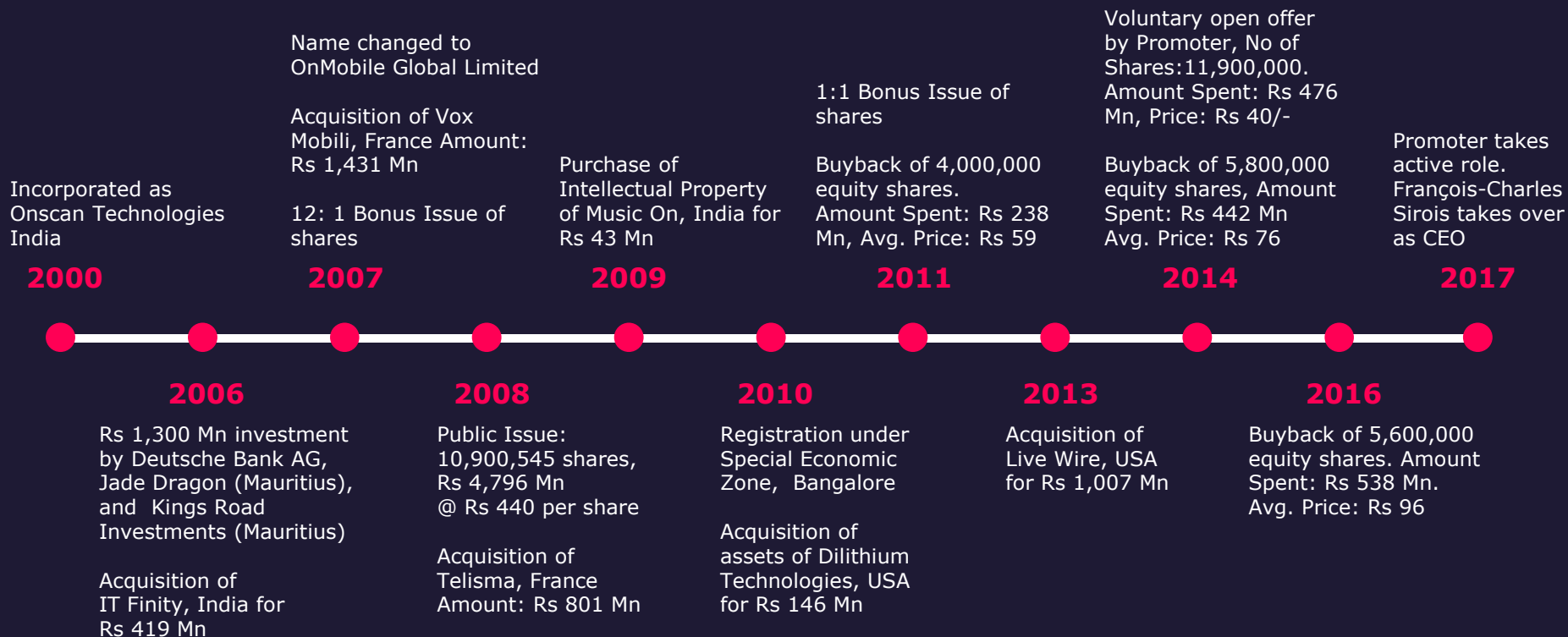
50+
COUNTRIES

90+
OPERATORS

1.5 Bn
MARKET REACH



History and milestones



Product portfolio

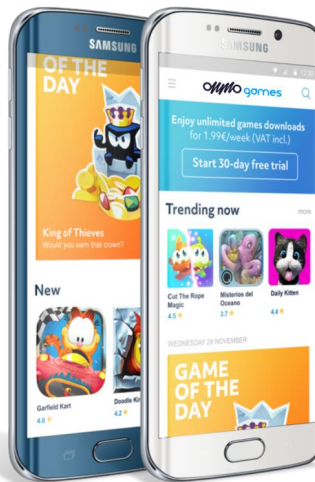


Suite of products

onmo
tones



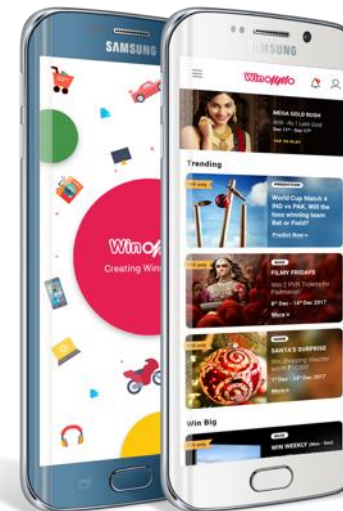
onmo
games



onmo
videos

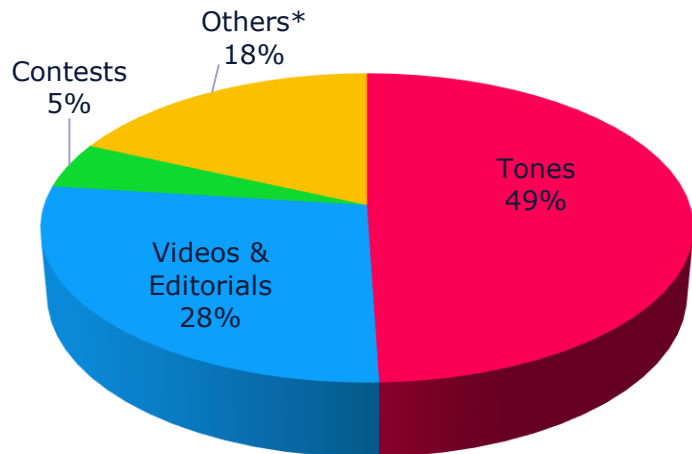


onmo
contests



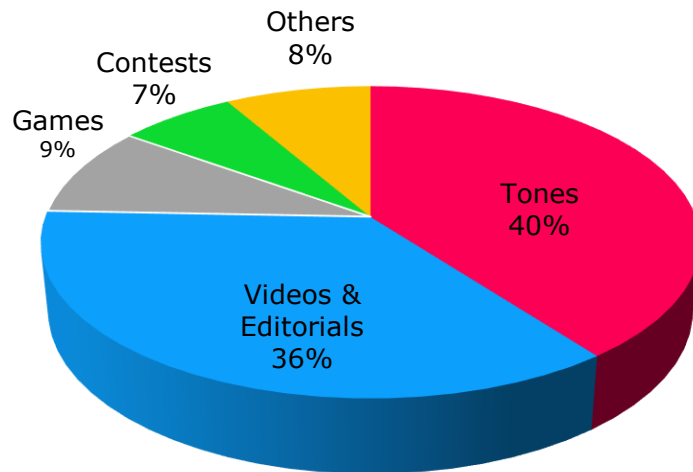
Revenue by products

FY 14-15



■ Tones ■ Videos ■ Contests ■ Others*

FY 17-18



■ Tones ■ Videos ■ Games ■ Contest ■ Others

Strategy FY19

- Grow Videos
- Launch & Expand Games
- Stabilize Tones
- Digitize Contests
- Beyond Operator Wallet

ONMO videos

Entertain yourself
MORE THAN NOW

With amazing curated content on
your fingertips, your entertainment
quotient will be more than now.

Grow Videos

India

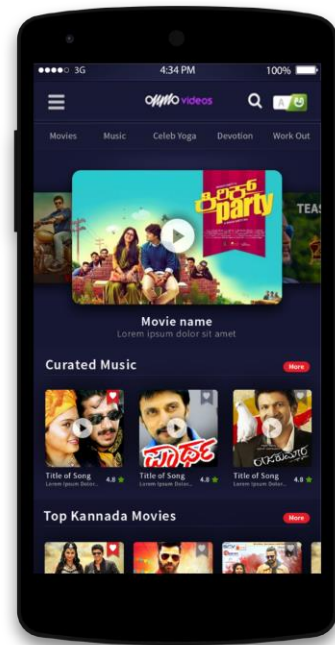
- Launched regional video portal in Vodafone India
- Short video content across 12 categories and in 5 languages to start with
 - Telugu, Tamil, Kannada, Malayalam & Bengali

Middle East and Africa

- Launching short format video services across Middle East and Africa

Latin America

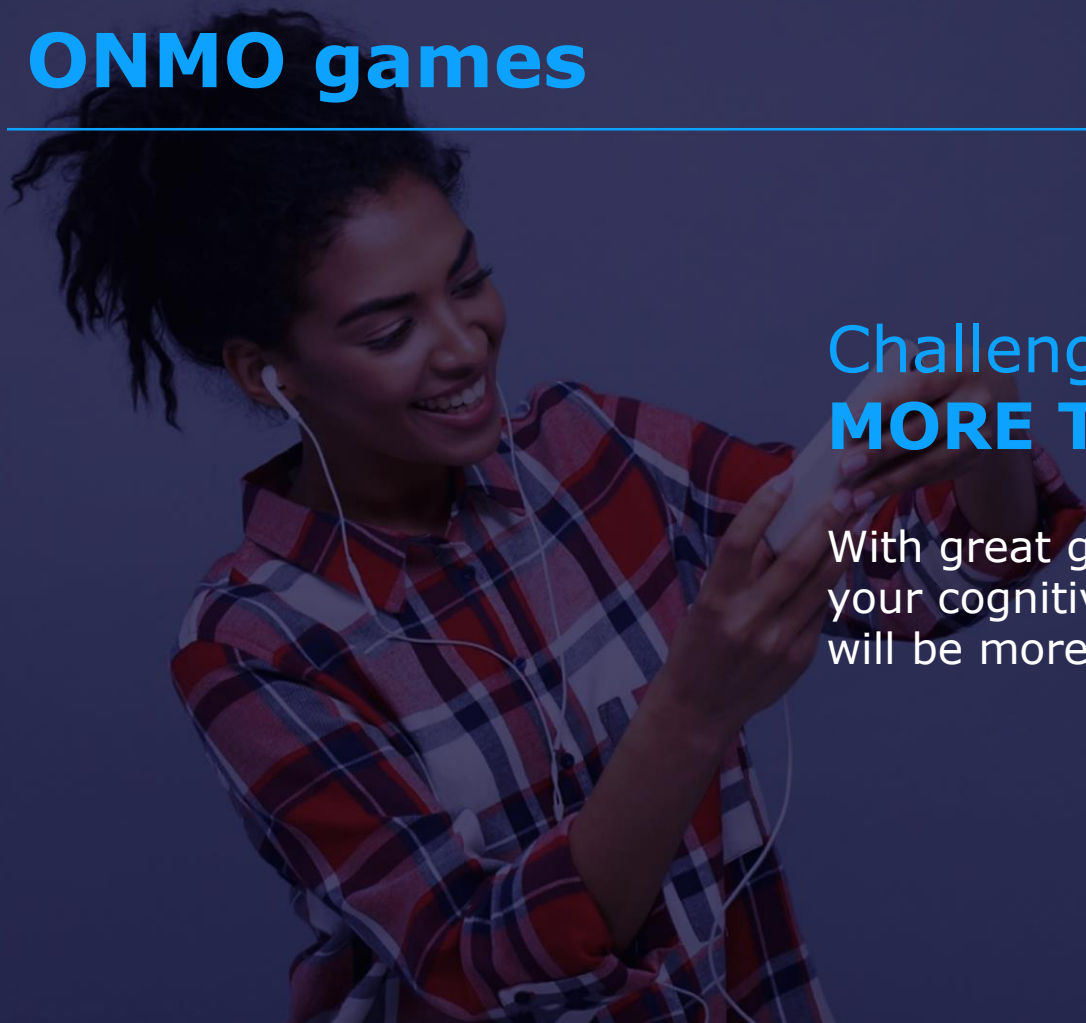
- Quick build & launch of video content stores
- Working with Content Delivery Networks to ensure video download/streaming speed is optimized
- Launched an online web based interface for journalists/ columnists
Content providers can upload video content fast on the digital content portal



ONMO games

Challenge yourself
MORE THAN NOW

With great games to challenge
your cognitive abilities, your zeal
will be more than now.



Launch & expand Games

Europe

Movistar games service launched in April with Movistar Spain under the name and brand "Movistar Juegos"

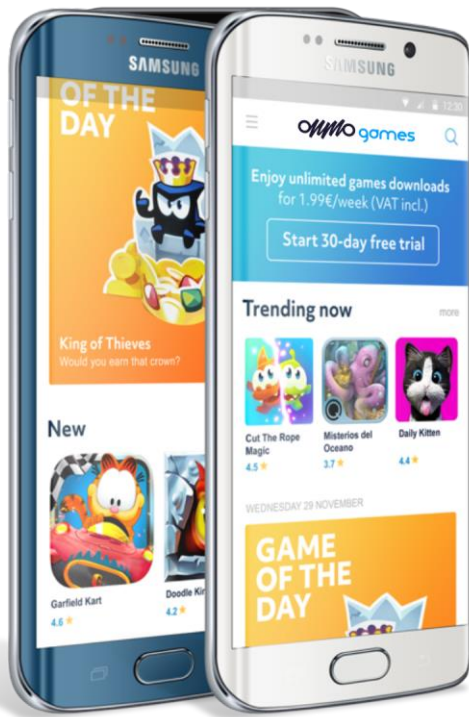
- All You Can Eat (AYCE) service with no in-app purchases & no ads
- Curated Games (games rated above +4 and with more than 1M downloads)
- Parental Control and Family Plan
- Available in Mobile Web and Android app

Latin America

- Our portfolio powers various gaming formats like downloads, HTML5 games, pay per downloads, freemium & premium games
- Launched a quick web based games store builder

Middle East and Africa

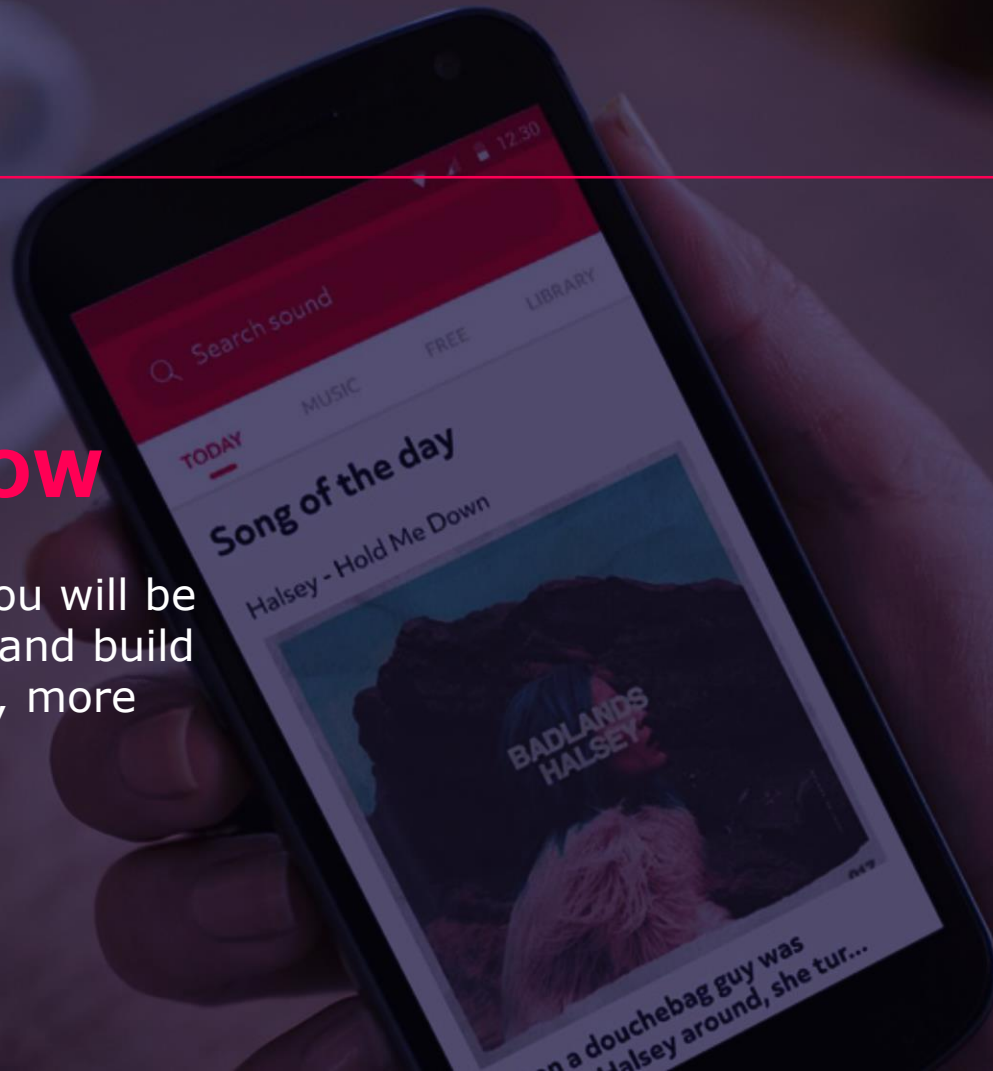
- In discussion with operators in Middle East and Africa region for powering their unlimited gaming platform



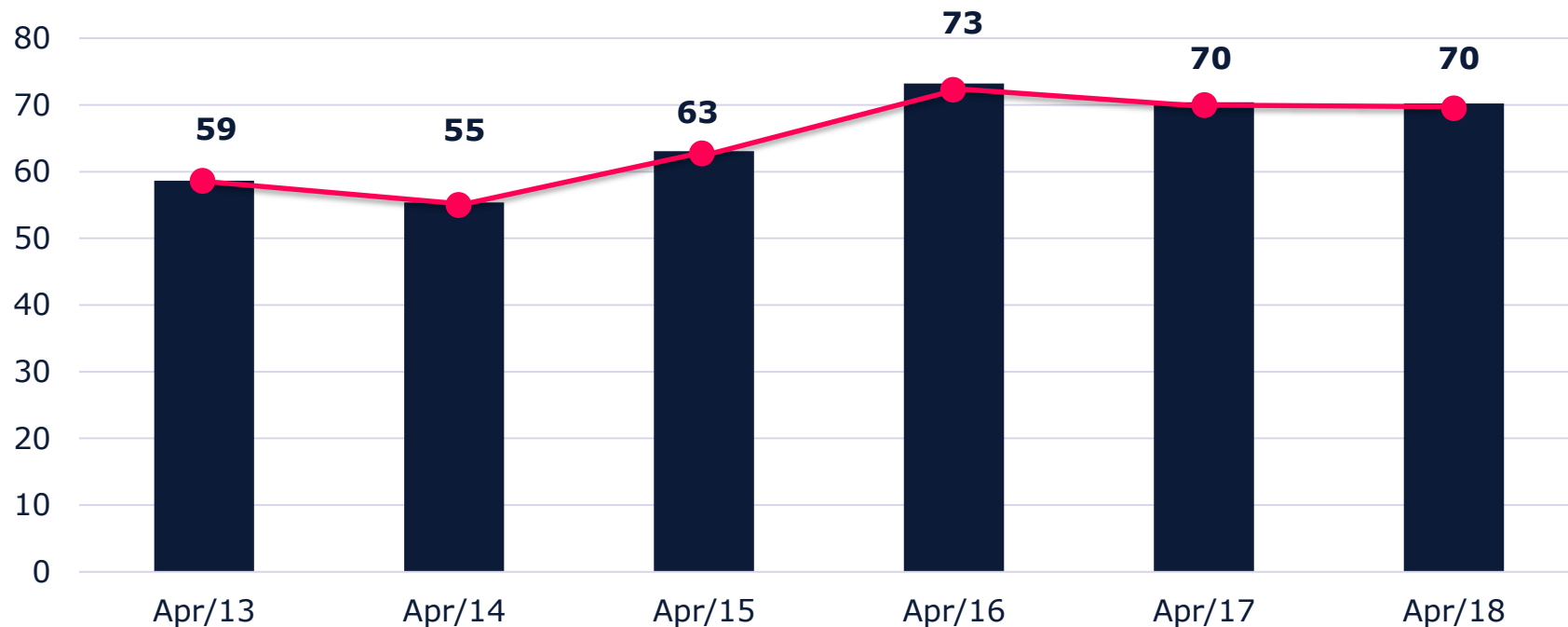
ONMO tones

Express yourself **MORE THAN NOW**

With our ONMO tones, you will be able to express yourself and build meaningful relationships, more than now.



Global Tones Subscriber Base (Mn)



Stabilize Tones

India

- Launched Bundled Pack across Idea, Airtel and BSNL

Americas

- AYCE being targeted for all regions that are on traditional model.
- Focus on Digital marketing to drive new Ring Back Tones (RBT) acquisitions for the region.

Middle East and Africa

- Focus on rolling out Tones App across large RBT markets targeting high-end subscribers

Europe

- Yavoy Lite - Low AYCE pricing model launched successfully in Telefonica Spain



ONMO contests

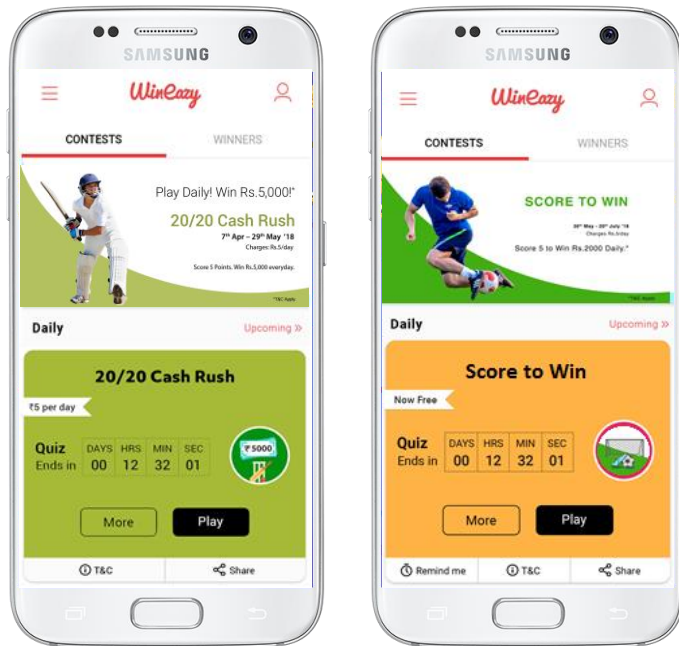
Reward yourself **MORE THAN NOW**

With grand prizes to win from our impressive trivia based quizzes, your enthusiasm will be more than now.



Digitize Contests

- **Transform Contests from:**
 1. Traditional to Digital
 2. Single player to Multiplayer
 3. Trivia based to Agility
- **To create an immersive experience through rich content, social engagement and rewards**
- **Types of Contest**
 - Free contest for new users
 - Periodic Subscription Contests - Daily, Weekly & Monthly Contests
 - Seasonal Surprise Contests - IPL Special / Diwali Special
- **Launched Contests for IPL Lovers**
- **Launched Contest For FIFA Enthusiasts**



FY19 Priorities

OPEX Rationalization

- Closure of dormant legal entities
- Exiting high cost offices
- Bringing Americas back to profitability
- Manpower optimization through automation

Convert content deals from fixed fee to revenue share model

Increasing yield from investments & repatriation of funds to India

Reduction in effective tax rate

A low-angle, upward-looking perspective of several modern skyscrapers with glass facades, reaching towards a bright blue sky with scattered white clouds. The perspective creates a sense of height and scale.

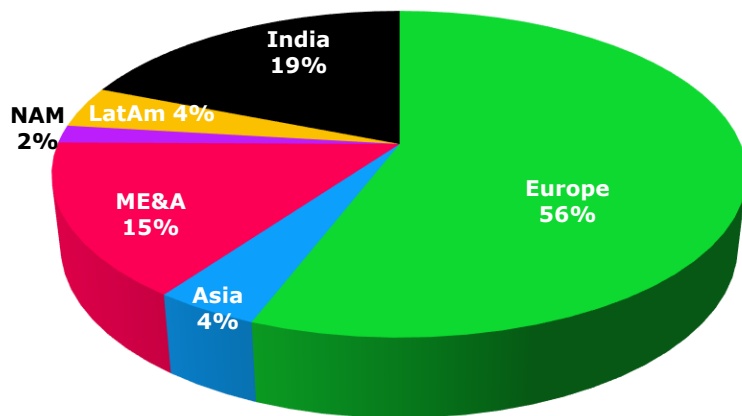
Financials

Q1 FY2019 Key Highlights

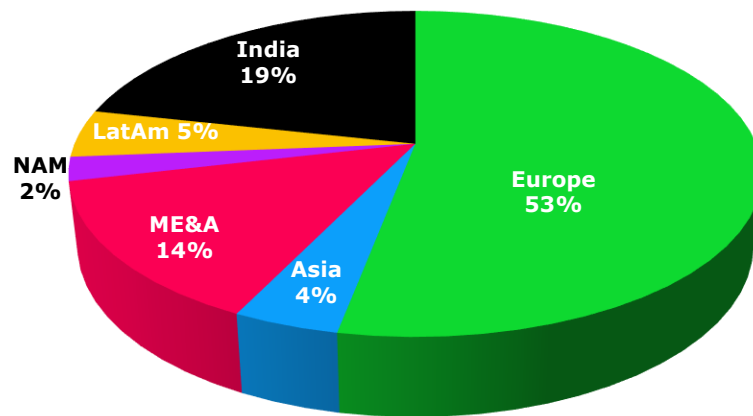
- Overall revenue growth Q-o-Q: 1.7%
- Growth in videos Q-o-Q: 7.5%
- Stabilized tones business with Q-o-Q Growth: 2.6%
- Improvement in Gross Margin with Q-o-Q Growth: 40 Bps
- Reduction in Manpower (Q-o-Q): from 905 to 857
- Cash generated from Operations: INR 123 Mn

Total revenue by geography (Q-o-Q)

Q1 FY 19

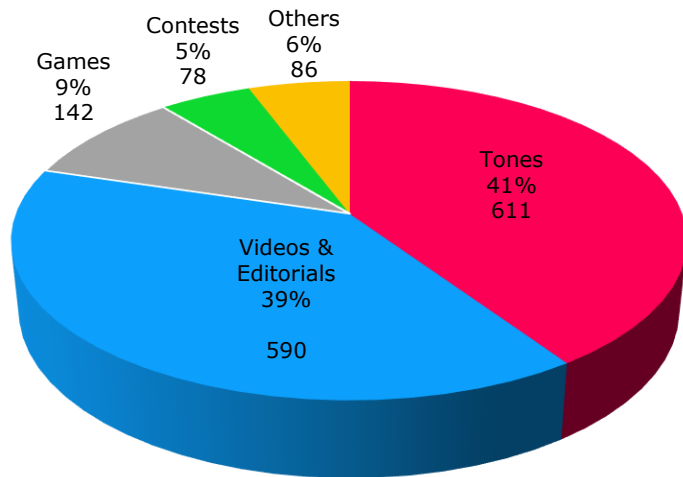


Q4 FY 18



Revenue by products (Q-o-Q)

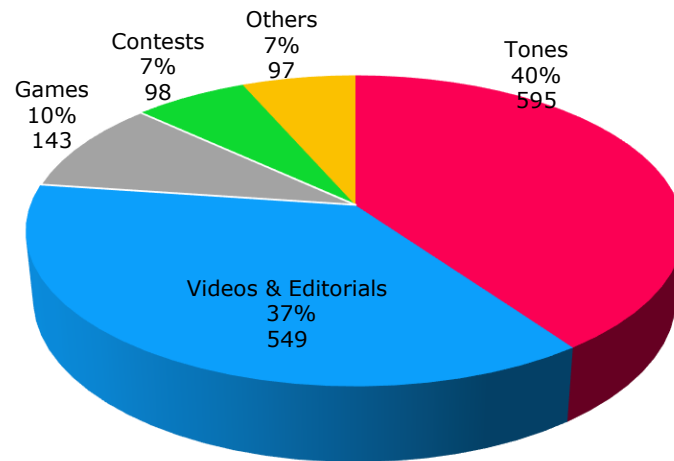
Q1 FY 19



■ Tones ■ Videos ■ Games ■ Contest ■ Others

Q4 FY 18

INR Mn



■ Tones ■ Videos ■ Games ■ Contest ■ Others

P&L Q1 FY2019

INR Mn	Q1 FY19	Q4 FY18	% Growth
Net Revenue	1,507	1,482	2%
Content	603	588	3%
Other COGS	78	88	-11%
Gross Profit	825	806	2%
Margin (%)	55%	54%	
Manpower Cost	460	415	11%
Severance cost	15	17	-15%
Marketing Cost	58	50	17%
Other Opex	186	200	-7%
EBITDA	107	123	-13%
Margin (%)	7%	8%	
Depreciation	99	116	-14%
Operating Profit	8	8	1%
Margin (%)	1%	1%	
Other Income	(6)	60	-110%
Exchange gain (Loss)	32	24	33%
Exceptional Items-Fx	-	(9)	-100%
Profit before Tax	33	83	-60%
Tax	31	40	-24%
Profit After Tax	3	43	-93%
Margin (%)	0%	3%	

Q1 FY2019 Financial Highlights

- Revenue is up by 1.7% q-o-q after 2 consecutive quarters of decline.
 - Congruent to our strategic objective of growing videos, we witnessed a growth of 7.5% in this segment on a Q-o-Q basis.
 - Our new product- U-Games launched in Spain in the current quarter and has started yielding revenues.
 - Our endeavor to stabilize tones has triggered signs of growth in the tones sector with a growth of 2.6% Q-o-Q.
- Upside in revenue combined with renegotiations in content deals resulted in a Gross profit growth of 2.4% in current quarter
- Headcount down from 905 as on end of last quarter to 857 in Q1 FY19 consequent to our efforts in automation. However, manpower cost is higher on account of increments and 100% variable pay in current quarter
- Ongoing efforts in rationalization of spend has ensured an opex reduction of 7.2% Q-o-Q.
- EBITDA margin at 7% in Q1 FY19; Operating profit for Q1FY19 is Rs.8 Mn which is 0.6% improvement over the last quarter.
- Cash balance is at an all time high of Rs. 3,169 Mn on better working capital management and billed DSO improvement by 11 days.
- Net Profit for Q1FY 19 at Rs. 3 Mn as compared to Rs. 43 Mn in previous quarter, a dip of 93.2%. This is mainly due to inclusion of one time loss on sale of property in the current quarter amounting to Rs. 26 Mn and interest on Income tax refund of Rs 32 Mn in last quarter
- High effective tax rate due to tax on sale of property – tax profit but book loss

Cash position

INR Mn	June 30, 2018	Mar 30, 2018	Dec 31, 2017	Sept 30, 2017	Jun 30, 2017	Mar 31, 2017
Gross Cash	3,169	3,052	2,843	2,782	2,866	3,061
Less: Total Debt	-	-	-	-	-	-
Net Cash	3,169	3,052	2,843	2,782	2,866	3,061

Cash flow

INR Mn	Q1 FY19	Q4 FY18
EBITDA	107	122
- Operating non cash items	35	50
Operating profit before working capital changes	142	172
Working Capital Changes:		
(Increase)/ Decrease in Trade Receivables	186	103
Increase/ (Decrease) in Trade Payables	10	(139)
(Increase)/ Decrease in Other assets	(239)	455
Increase/ (Decrease) in Other Liabilities	24	(247)
Cash generated from operations	123	345
Tax (Paid)/Refund	(78)	25
(Purchase)/ Sale of fixed assets	(19)	(197)
Dividend/Interest income	22	18
Cash generated during the period	48	190
Sale of Mumbai Property	62	-
Other financing activities		
- Finance cost	(0.4)	(0.2)
- Dividend Payment	-	(25)
- Others	0.2	9
Fx Impact on Cash balances	8	35
Net increase/(decrease) in cash/cash equivalents	117	209
Opening Cash balance	3,052	2,843
Closing Cash balance	3,169	3,052

Dividend & buyback

INR Mn	March 14	March 15	March 16	March 17	March 18
Dividend Payout (Incl. Tax)	200	197	195	188	190
Dividend %	15%	15%	15%	15%	15%
Buyback (shares in Mn)	-	5.8	-	5.6	-
Buyback amount utilized	-	442	-	538	-

Dividend Policy : 75% Dividend payout or 15% Dividend, whichever is higher

Balance sheet

INR Mn	Jun 30, 2018	Mar 31, 2018
Shareholders' Funds	5,783	5,763
Non-Current Liabilities	37	39
Trade Payables	1,902	1,880
Current Liabilities	479	462
Total Liabilities	8,201	8,143
Fixed Assets	422	575
Deferred Tax Assets (Net)	464	439
Non-Current Assets	1,464	1,430
Cash and Cash Equivalents	3,169	3,052
Trade Receivables	1,517	1,708
Other Current Assets	1,165	940
Total Assets	8,201	8,143

Equity Snapshot

Particulars	Details
Script code (on NSE)	ONMOBILE
Share Price (INR)*	38.30
Shares outstanding (in Mn)**	105
Market Capitalization (INR Mn)**	4,037
Net Debt***	0
Cash and Cash equivalents (INR Mn)**	3,169

Notes:

*Closing share price on NSE on 29th June, 2018.

** Shares outstanding, Market Cap, Cash and cash equivalents as on 30th June, 2018.

*** Net Debt as on 30th June, 2018.

For any queries mail us at:

investors@onmobile.com