



Q4 FY2018 Earnings Presentation

May 16, 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	Q4 FY18	Q3 FY18	Q-o-Q	Q4 FY17	Y-o-Y
Revenue	1,482	1,581	(6%)	1,640	(10%)
Gross Margin	806	876	(8%)	943	(15%)
Manpower cost	433	480	(10%)	487	(11%)
Other Opex	250	235	6%	260	(4%)
EBITDA	124	161	(23%)	197	(37%)
% Margin	8%	10%	(18%)	12%	(31%)
Operating Profit	8	36	(78%)	66	(88%)
% Margin	1%	2%	Nm	4%	Nm
Net Profit	43	26	64%	16	>100%
% Margin	3%	2%	Nm	1%	>100%
EPS (Rs.)	0.41	0.26	54%	0.16	156%

Financial snapshot

USD Mn	Q4 FY18	Q3 FY18	Q-o-Q	Q4 FY17	Y-o-Y
Revenue	23.0	24.4	(6%)	24.5	(6%)
Gross Margin	12.5	13.5	(8%)	14.1	(15%)
Manpower cost	6.8	7.5	(9%)	7.3	(11%)
Other Opex	3.9	3.6	7%	3.9	(0%)
EBITDA	1.9	2.5	(23%)	2.9	(35%)
% Margin	8%	10%	(18%)	12%	(30%)
Operating Profit	0.1	0.6	(78%)	1.0	(88%)
% Margin	1%	2%	(76%)	4%	(86%)
Net Profit	0.7	0.4	66%	0.2	>100%
% Margin	3%	2%	77%	1%	>100%
EPS (USD)	0.006	0.004	55%	0.002	156%

Quarterly average translation rate used: 1 USD = Rs 64.7 Q3, Rs 64.3 Q4 Y18 and Rs 67.01 Q4 FY17

P&L FY'17-18

Rs. Mn	FY18	FY17	Change	Gr%
Revenue	6,356	7,202	(846)	(12%)
Gross Margin	3,548	4,219	(671)	(16%)
Manpower cost	1,890	2,060	(169)	(10%)
Other Opex	973	1,158	(185)	(16%)
EBITDA	685	1,001	(316)	(32%)
% Margin	11%	14%		
Operating Profit	206	446	(241)	(54%)
% Margin	3%	6%		
Net Profit	113	141	(28)	(20%)
% Margin	2%	2%		
EPS (Rs.)	1.08	1.34	(0.25)	(19%)

P&L FY'17-18

USD Mn	FY18	FY17	Change	Gr%
Revenue	98.6	107.4	(8.8)	(8%)
Gross Margin	55.1	62.9	(7.8)	(13%)
Manpower cost	29.3	30.7	(1.4)	(6%)
Other Opex	15.1	17.3	(2.2)	(13%)
EBITDA	10.6	14.9	(4.3)	(29%)
% Margin	11%	14%		
Operating Profit	3.2	6.7	(3.5)	(52%)
% Margin	3%	6%		
Net Profit	1.7	2.1	(0.3)	(17%)
% Margin	2%	2%		
EPS (Rs.)	0.017	0.020	(0.003)	(16%)

Yearly average translation rate used 1 USD =Rs. 67.1 for FY 17 and Rs 64.45 for FY18

Q4 FY2018 performance

Key Financial Highlights

- Revenue is down by 6.3% q-o-q and 9.6% y-o-y. Q-o-Q reduction mainly driven by lower promotional spend in Europe resulting in lower revenues, decline in India revenues due to intense competition in the telecom sector and revenue drop in Bangladesh due to change in subscriber confirmation policy implemented by a major operator
- Marginal dip in gross margin percentage despite reduction in revenues
- Benefits continue to accrue from process engineering and automation efforts resulting in reduction of manpower cost: decline of 9.8% q-o-q and 11.2% y-o-y. Manpower costs include a one time expense of Rs. 17 Mn
- Other operating expenses increased by 6.3% q-o-q and reduced by 3.7% y-o-y. Quarterly increase is mainly due to one-time spend on sales & strategy initiatives
- EBITDA margin at 8.3% in Q4 and 10.8% for the full year '17-18. Excluding one-time, EBITDA margin would be 10.2% in the current quarter
- Improvement in cash balance on better working capital management
- Net Profit at Rs. 43 Mn as compared to Rs. 26 Mn in Q3 with a 63.5% increase q-o-q

Q4 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. 320 Mn in Q4 FY'18: down by 7.6% q-o-q and 22.4% y-o-y
- After successful launch of RBT bundling services in a major operator in India, we have closed commercials with another operator on the same front and the services are planned to go live in June

Asia (excluding India)

- Revenue down 13.9% q-o-q and 40.9% y-o-y impacted by subscriber confirmation policy implemented in previous quarters
- RBT subscriber base doubled within 6 months of migration in one of the major operators in Bangladesh where we had gone live in Sep'17 with an increase of revenues by over 30% in Mar'18 as compared to Dec'17

Q4 FY2018 Business highlights

Domestic and International Business

Africa & Middle East

- Revenue down by 7.4% q-o-q at Rs. 210 Mn, y-o-y growth of 2%

Europe

- Revenue was down by 4.4% q-o-q at Rs. 786 Mn in Q4 FY'18 consequent to lower promotions in a major operator in the region. y-o-y up by 3%

Latam

- Revenue down by 7% q-o-q and 31.9% y-o-y
- We have closed RBT AYCE (bundling) agreement with a major operator in Chile, Ecuador and Peru
- Launch of RBT service in Digicel Haiti - OnMobile's first deployment in the Caribbean region

US

- Revenue down by 10.2 % q-o-q and 32.5% y-o-y

Q4 FY2018 Financial performance

Strong Balance sheet and cash position

Rs. Mn	Mar 31, 2018	Dec 31, 2017	Sept 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016
Cash and Cash Equivalents	3,052	2,843	2,782	2,866	3,061	2,551
Net worth	5,763	5,667	5,670	5,728	5,635	5,667

USD Mn	Mar 31, 2018	Dec 31, 2017	Sept 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016
Cash and Cash Equivalents	46.8	44.5	42.6	44.4	47.2	37.6
Net worth	88.4	88.7	86.9	88.7	86.9	83.4

Quarterly closing translation rate of the respective quarters used.

Financial Statements – Balance Sheet

Rs. Mn	Mar 31, 2018	Dec 31, 2017	USD Mn	Mar 31, 2018	Dec 31, 2017
EQUITY AND LIABILITIES			ASSETS		
Shareholders' Funds	5,763	5,667	Fixed assets	574	656
Deferred tax liabilities	1	1	Deferred tax assets	439	372
Long-term provisions	38	53	Financial assets	50	50
Non-Current Liabilities	39	54	Others non current assets	1,380	1,325
			Non-Current Assets	2,443	2,403
Trade payables	1,880	1,984	Cash and cash equivalents	3,052	2,843
Other financial liabilities	34	204	Loans and advances	32	31
Other current liabilities	262	511	Others financial assets	650	782
Short-term provisions	166	153	Other current assets	1,967	2,515
Current Liabilities	2,341	2,853	Current Assets	5,700	6,170
Total	8,143	8,573	Total	8,143	8,573

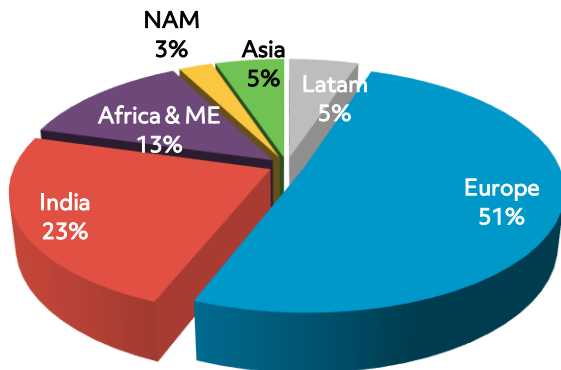
Financial Statements – Balance Sheet

USD Mn	Mar 31, 2018	Dec 31, 2017	USD Mn	Mar 31, 2018	Dec 31, 2017
EQUITY AND LIABILITIES			ASSETS		
Shareholders' Funds	88.4	88.7	Fixed assets	8.8	10.3
Deferred tax liabilities	0.0	0.0	Deferred tax assets	6.7	5.8
Long-term provisions	0.6	0.8	Financial assets	0.8	0.8
Non-Current Liabilities	0.6	0.8	Others non current assets	21.2	20.7
			Non-Current Assets	37.5	37.6
Trade payables	28.8	31.1	Cash and cash equivalents	46.8	44.5
Other financial liabilities	0.5	3.2	Loans and advances	0.5	0.5
Other current liabilities	4.0	8.0	Others financial assets	10.0	12.2
Short-term provisions	2.5	2.4	Other current assets	30.2	39.4
Current Liabilities	35.9	44.7	Current Assets	87.4	96.6
Total	124.9	134.2	Total	124.9	134.2

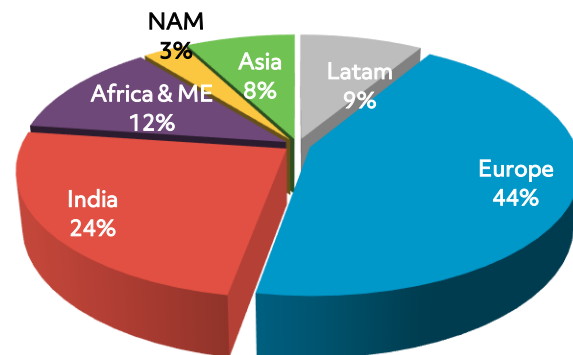
Quarterly closing translation rate used: 1 USD = Rs 63.88 Q3 and Rs 65.18 Q4

Revenue by Geography

FY 2018



FY 2017



THANK YOU

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