

Ref No: RML/2023-24/433

Date: January 23, 2024

To,

BSE Limited
Scrip Code: 543228

National Stock Exchange of India Limited
NSE 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 today to the Analysts in connection with the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2023.

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
M. No. F12663

Encl: as above



Earnings Update

Q3 & 9M FY23-24

Investor Presentation
January 23, 2024

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**; **3,000+** active billable clients



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



ESG leader, rated **"A"** by a reputed ESG rating agency



Major Provider in CPaaS Magic Quadrant 2023 – **Gartner**
Key Vendor in four Hype Cycle Reports – **Gartner**
Recognized as “Established Leader” – **Juniper**
“Top Tier 1 A2P SMS vendor” – **Rocco**



Strong industry tailwinds: Global CPaaS market will grow to **\$84.6bn** in 2028, from \$56.2bn in 2023 ⁽¹⁾



₹40,149mn LTM ended 31 Dec 2023 Revenue
55% Revenue CAGR FY2020 - FY2023



₹5,074mn LTM ended 31 Dec 2023 EBITDA
66% EBITDA CAGR FY2020 – FY2023



110% Net revenue retention in 9M FY23-24



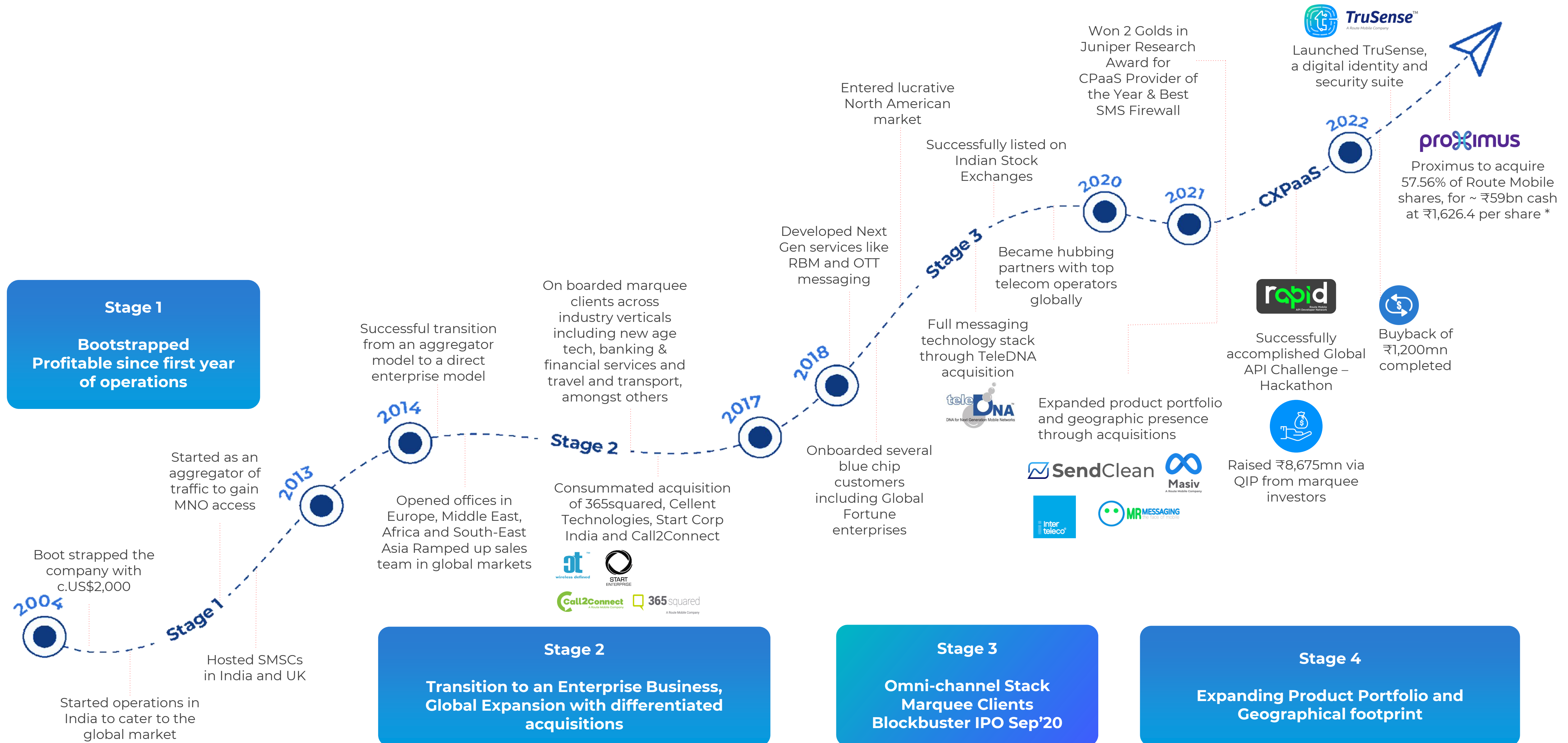
c.92bn Billable Transactions processed in 9M FY23-24



₹45.9 Basic Earning Per Share (EPS) in 9M FY23-24;
Board recommended **₹3 per share** interim dividend

(1) Juniper - CPaaS Future Market Outlook, 2024

Systematic roadmap to create sustained growth momentum



*Transaction closure is contingent upon receipt of regulatory approvals and completion of Mandatory Tender Offer (MTO)

Global Diaspora - Footprint & Super Network



16 Firewalls deployed
1 contract won

19 virtualized Data Centers

18 Hubs

800+ Employees

280+ Super Network
Widespread global distribution & reach

Key Developments

Key Developments since Q2 FY 23-24

Exclusively showcased 'RCS Business Messaging' at India Mobile Congress 2023



Route Mobile completed the deployment of **ILD SMS Hub on Vi Network in record time**



Route Mobile Ltd awarded as 'Enterprise MarTech Vendor of the Year 2023' by e4m



Awarded 'Best Mobile Authentication Solution – Platinum Winner' by Juniper Research



Proximus transaction update – Indicative Timelines

- Proximus Group to acquire **57.56%** of Route Mobile (fully diluted), through Proximus Opal, for ~ **₹59,224mn** cash at **₹1,626.40 per share**
- Proximus Opal will launch an MTO for up to **26%** of the fully diluted outstanding shares at **₹1,626.40 per share**
- Founding shareholders of Route Mobile to re-invest ~**€299.6mn** in Proximus Opal, for up to **14.5%** of the shares.
- **Rajdip Gupta** (CEO of Route Mobile) will lead the CPaaS activities and **Christophe Van de Weyer** (CEO of Telesign) will lead the Group Digital Identity activities

Expect to receive all the required statutory approvals, complete the MTO process and close the underlying transaction in Q1 CY2024

July'23

Start/mid Q1 CY2024

Expected Deal Closing
Around end Q1 CY2024



Regulatory

Regulatory approvals

- The underlying transaction and MTO are subject to regulatory approvals:
 - Committee for Foreign Investment in the United States (**CFIUS**),
 - Belgian Inter-Federal Service Commission (**Belgian ISC**), and
 - Merger-control related approvals in **9 countries**, Kuwait, UAE, Saudi Arabia, Nigeria, Morocco, Cyprus, Ireland, Albania and Colombia **2 (Two) Approvals pending**
- The process to obtain the regulatory approvals for the closure of the underlying transaction is **currently ongoing**

Mandatory Tender Offer (MTO)

- The Draft Letter of Offer (DLoF) for the MTO was filed by the Acquirer (Proximus Opal) on **31 July 2023** and is currently under review with SEBI
- The MTO process would begin post receipt **of all requisite statutory approvals**



Preparation activities

Integration Preparation activities

Integration Governance
Proximus, Route Mobile & Telesign



High-level **Operating Model** defined
≥ **\$100mn synergies*** confirmed



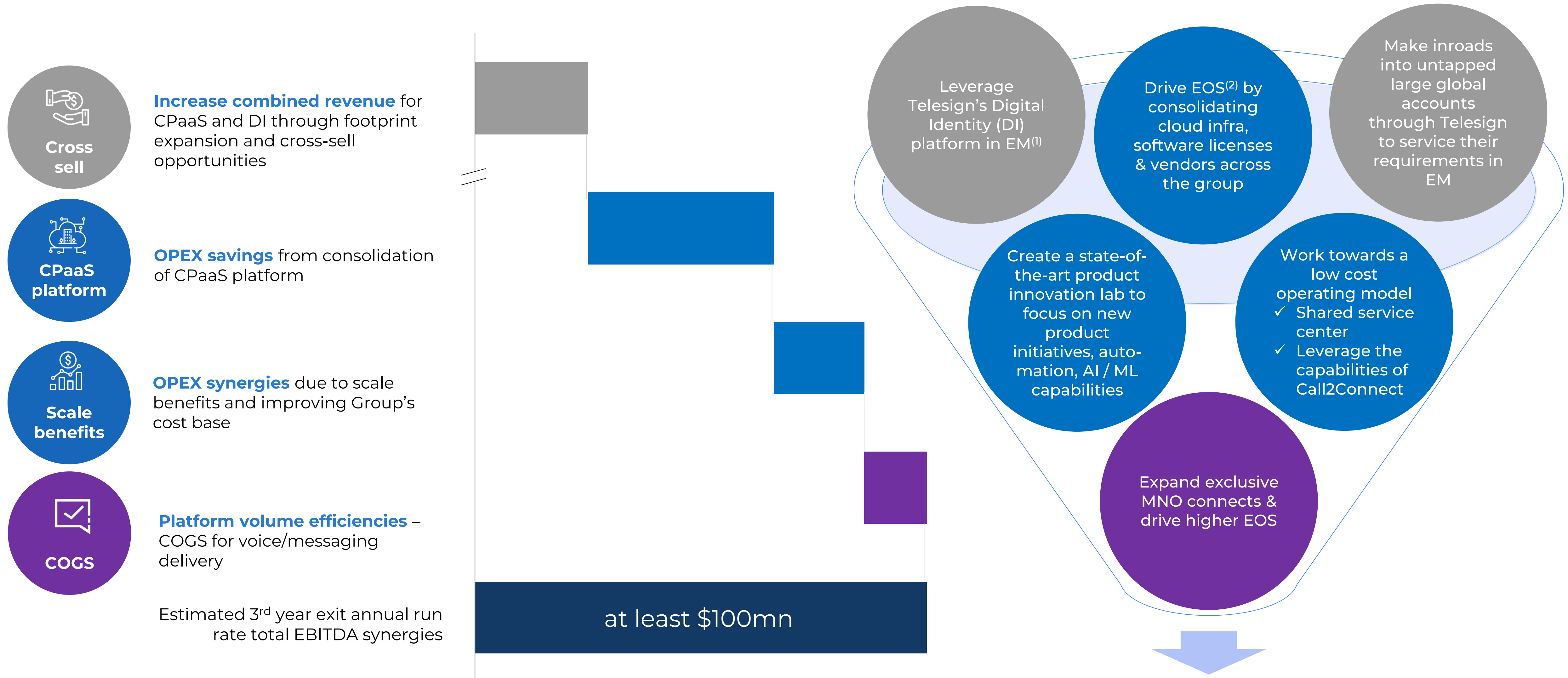
Detailed Design & value sizing
completed for all synergy initiatives

Interim analysis captured in the next slide

Fully prepared with detailed, phased **transition plan** finalized and complete readiness to **start implementation** on "Day 1" after closing

* Estimated 3rd year exit annual run rate total EBITDA synergies

Value Sizing for Synergies – Interim analysis



These initiatives will help Route Mobile accelerate its journey towards a **Billion Dollar** revenue and achieve the **15% EBITDA margin** target by 2027

(1) EM – Emerging Markets viz. Indian subcontinent, Middle East, Africa and LatAm
 (2) EOS – Economies of Scale

Focus on Expanding Product Portfolio

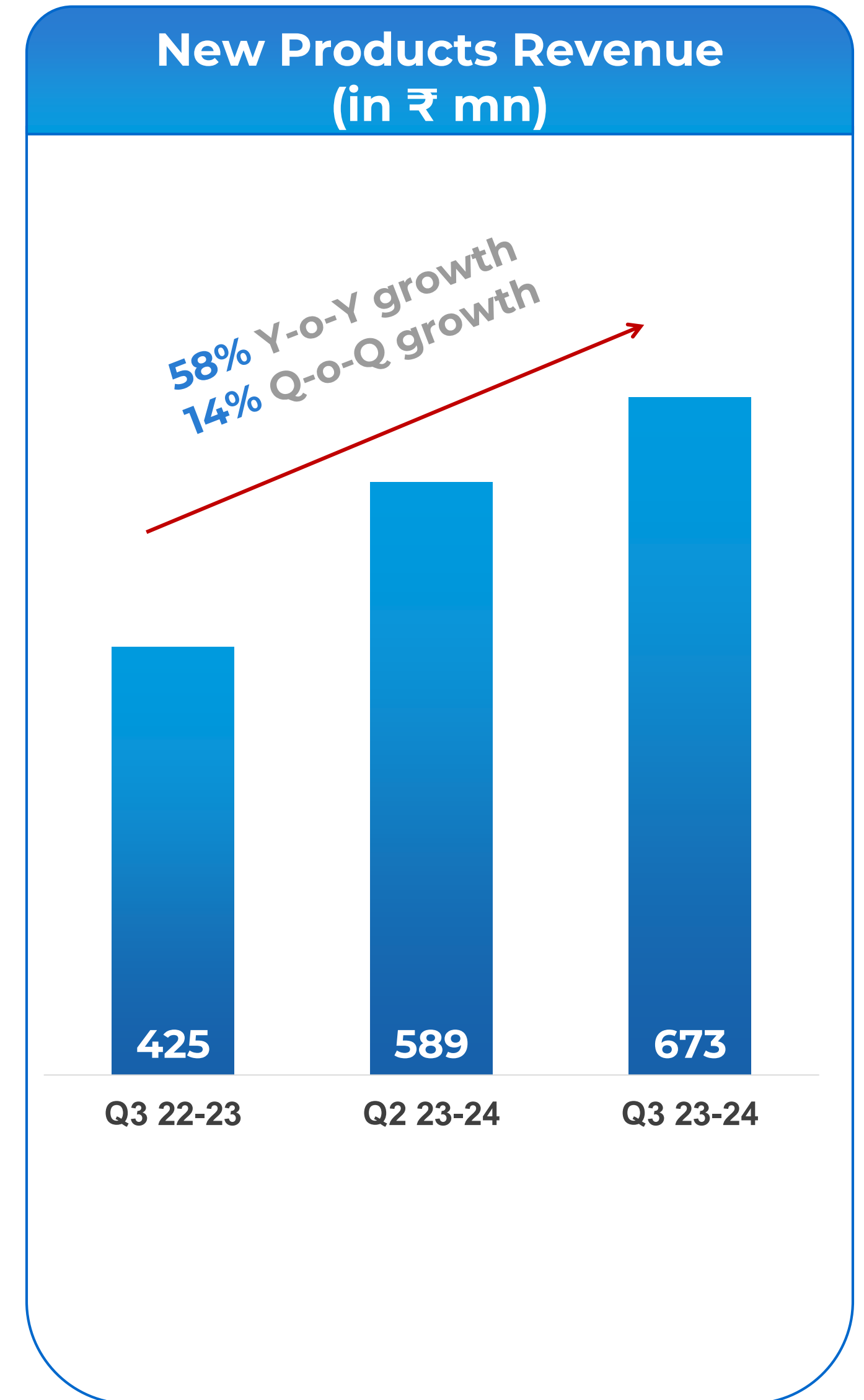
Driving Product momentum through Dedicated SBUs

Conversational Bot

Email

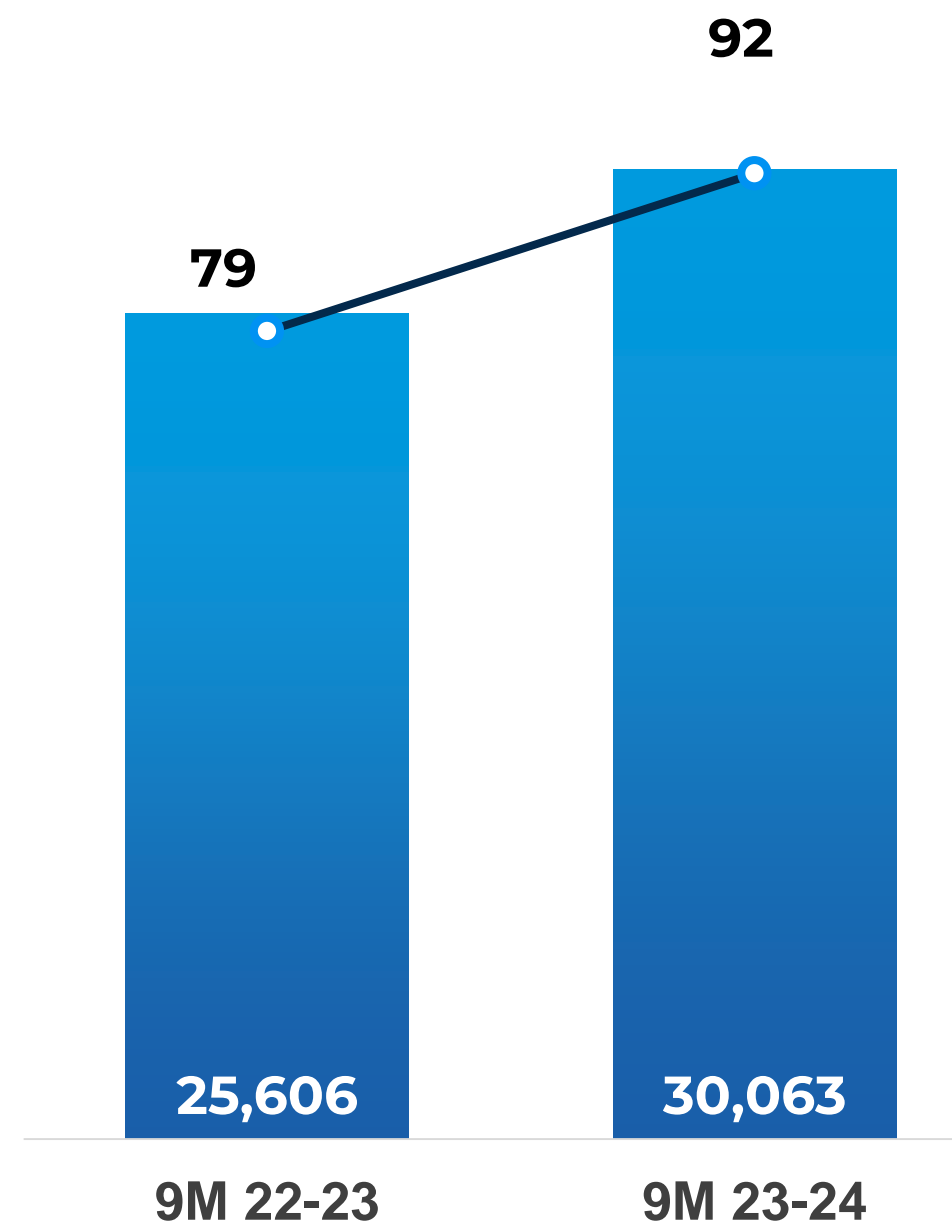
TruSense

- 36 Million Messages sent in 24 hours for a State Government in India.
- One of the largest campaigns proving the platform capability and reliability



Financial Highlights

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



17.4% Y-o-Y growth

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



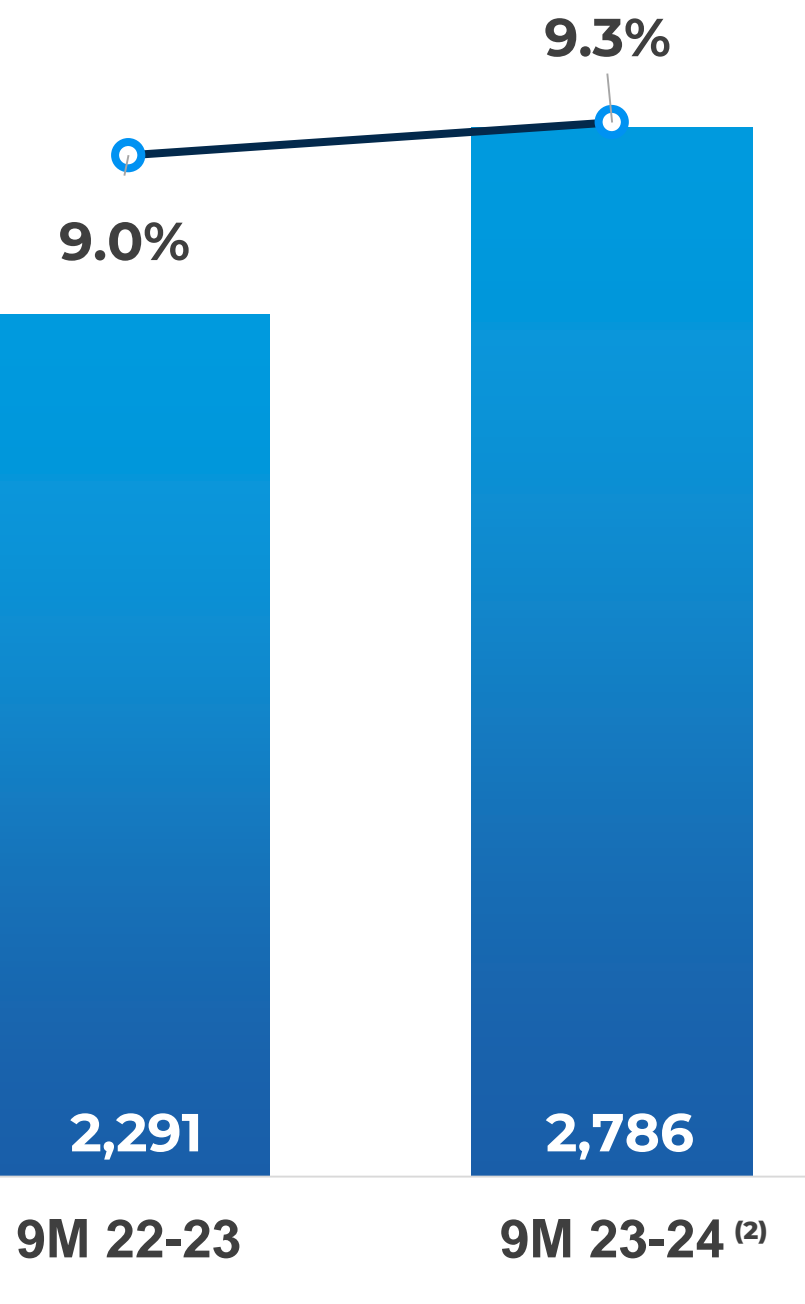
11.7% Y-o-Y growth

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



15.7% Y-o-Y growth

PAT (In ₹ mn) & PAT Margin (%)

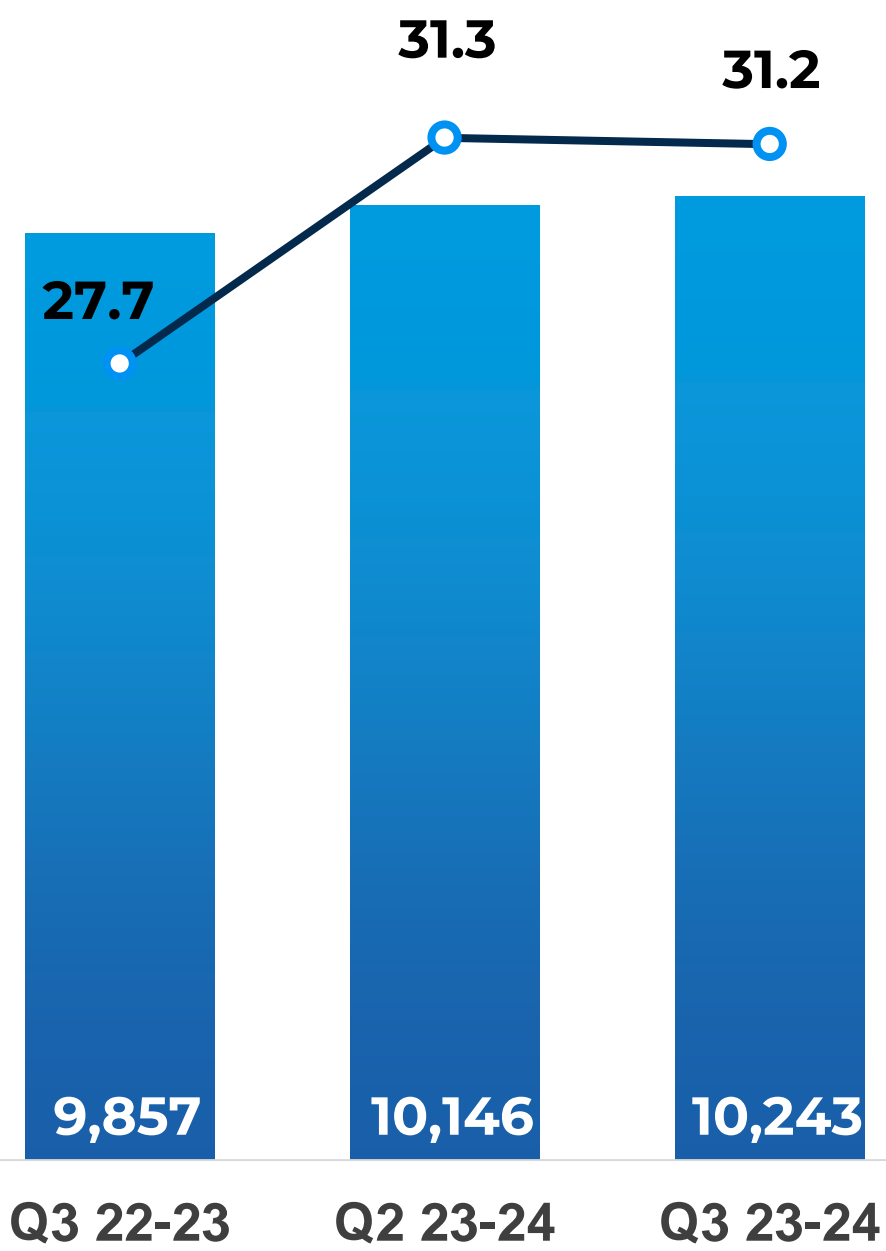


21.6% Y-o-Y growth

1. Refer Slide 14 for calculation of EBITDA (Non Gaap)

2. PAT excludes Exceptional item of ₹ 150.4mn represents the fair value gain, as at 31 December 2023, of the contingent consideration payable towards the acquisition of the 100% equity stake in M.R Messaging FZE

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



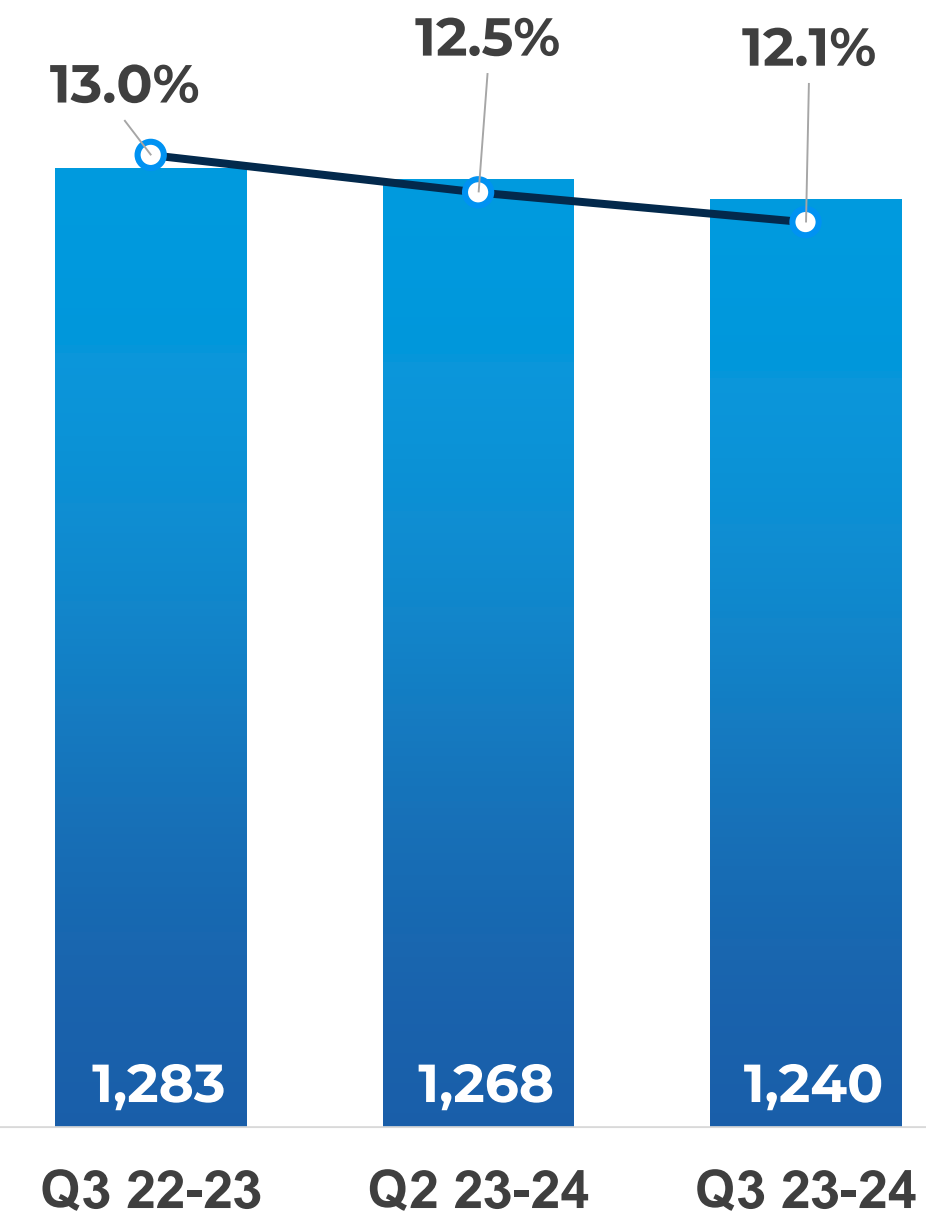
3.9% Y-o-Y growth
1.0% Q-o-Q growth

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



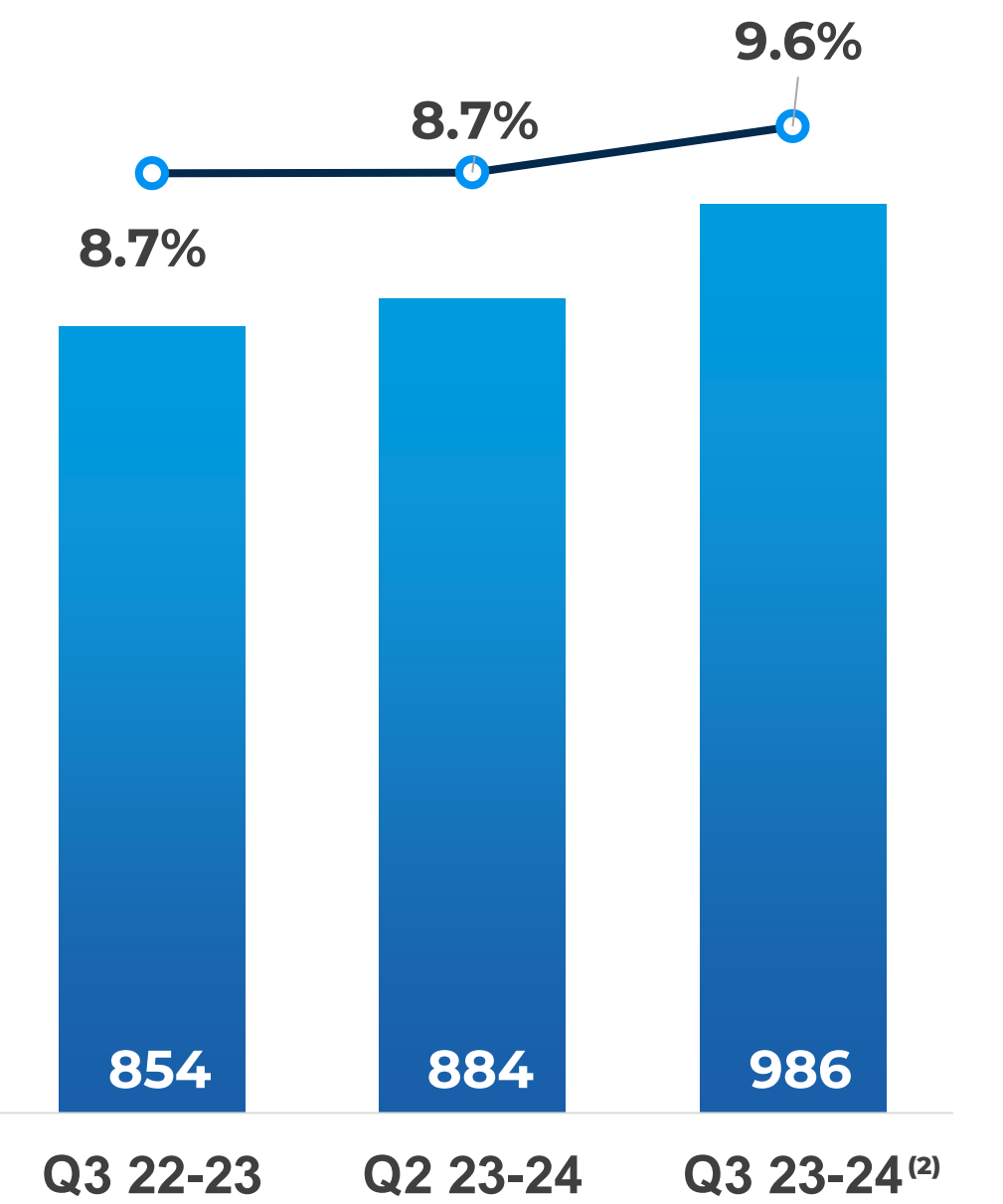
(1.6)% Y-o-Y growth
0.9% Q-o-Q growth

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



(3.3)% Y-o-Y growth
(2.2)% Q-o-Q growth

PAT (In ₹ mn) & PAT Margin (%)



15.5% Y-o-Y growth
11.6% Q-o-Q growth

1. Refer Slide 14 for calculation of EBITDA (Non Gaap)

2. PAT excludes Exceptional item of ₹ 150.4mn represents the fair value gain, as at 31 December 2023, of the contingent consideration payable towards the acquisition of the 100% equity stake in M.R Messaging FZE.

EBITDA – Non GAAP

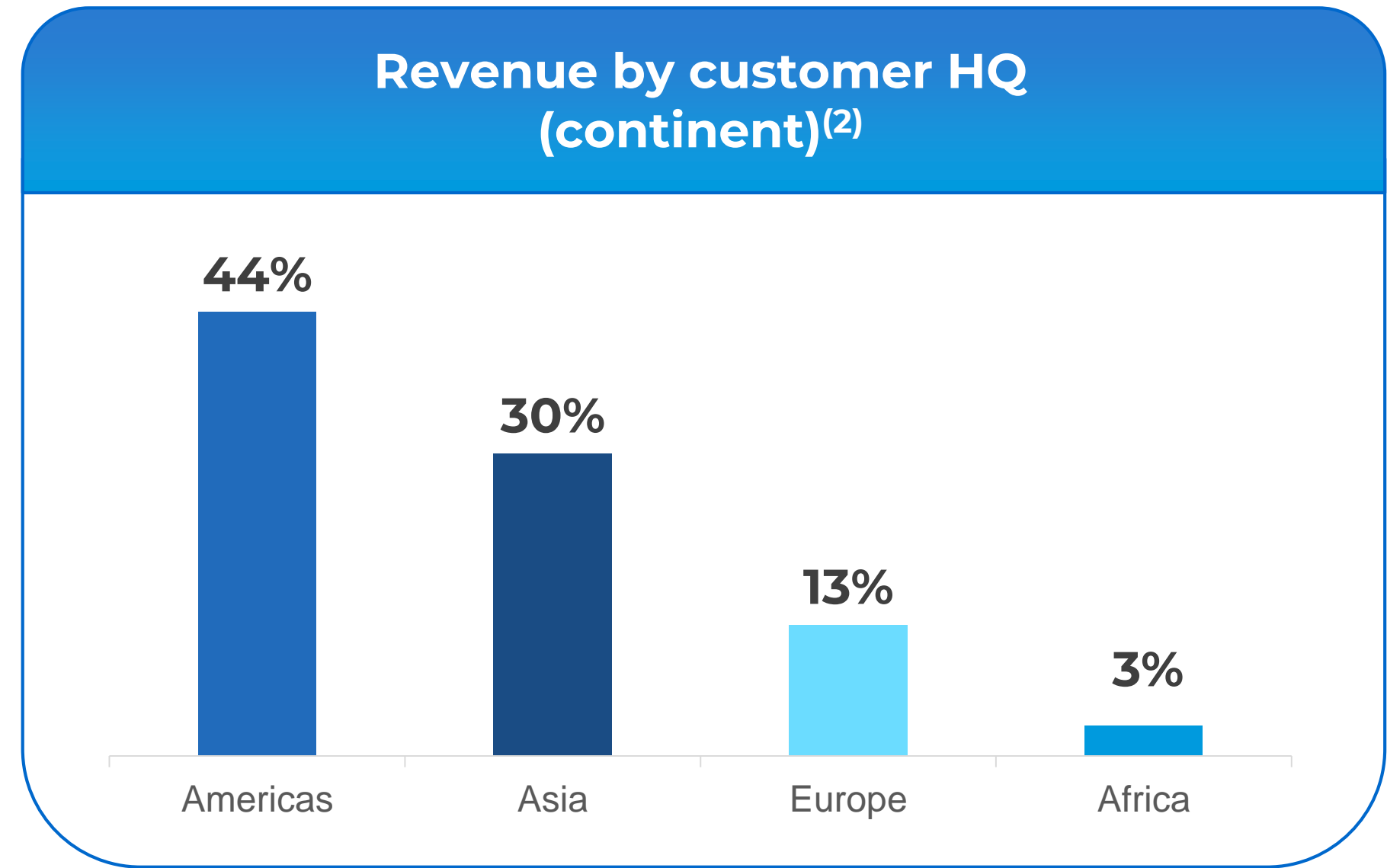
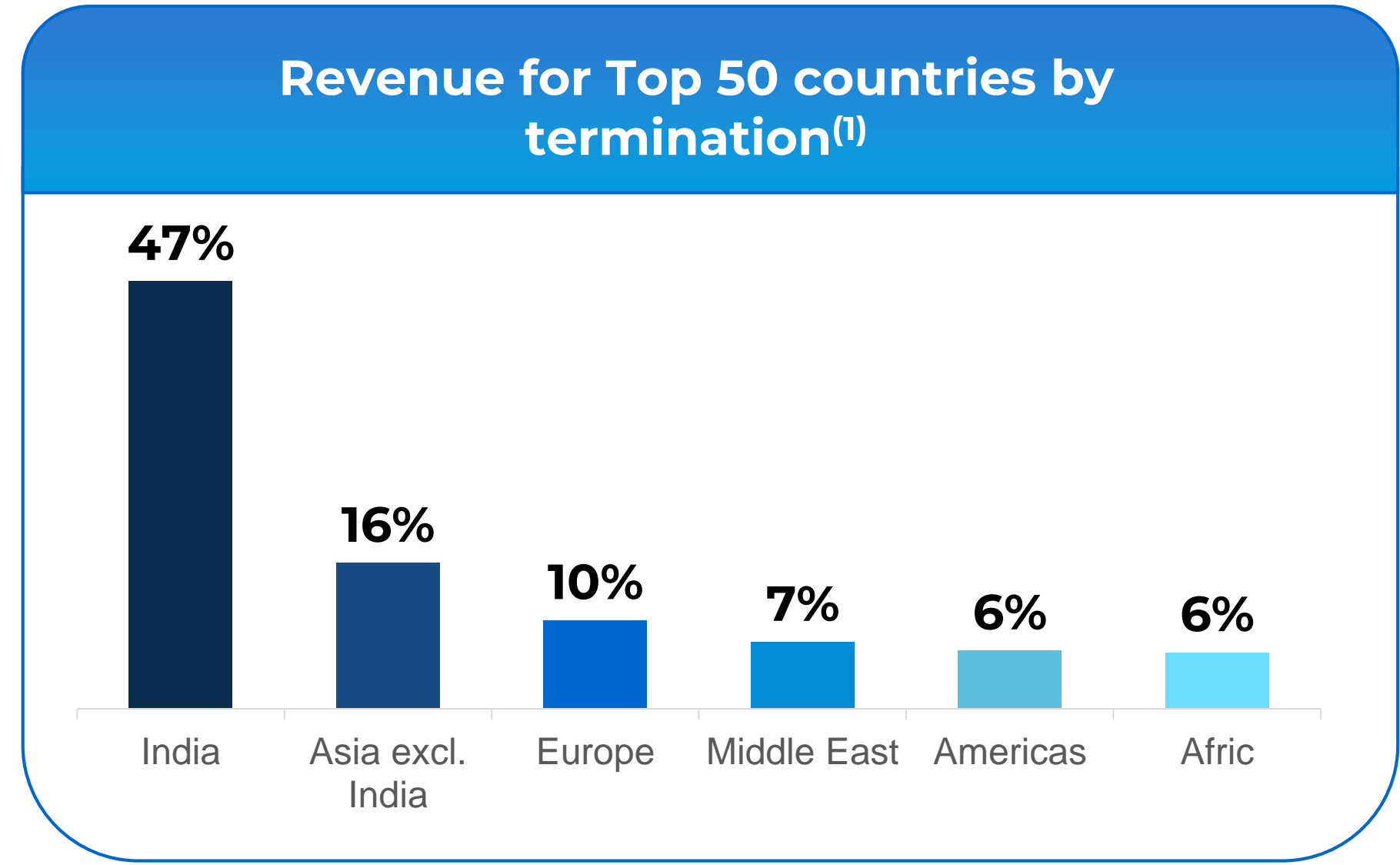
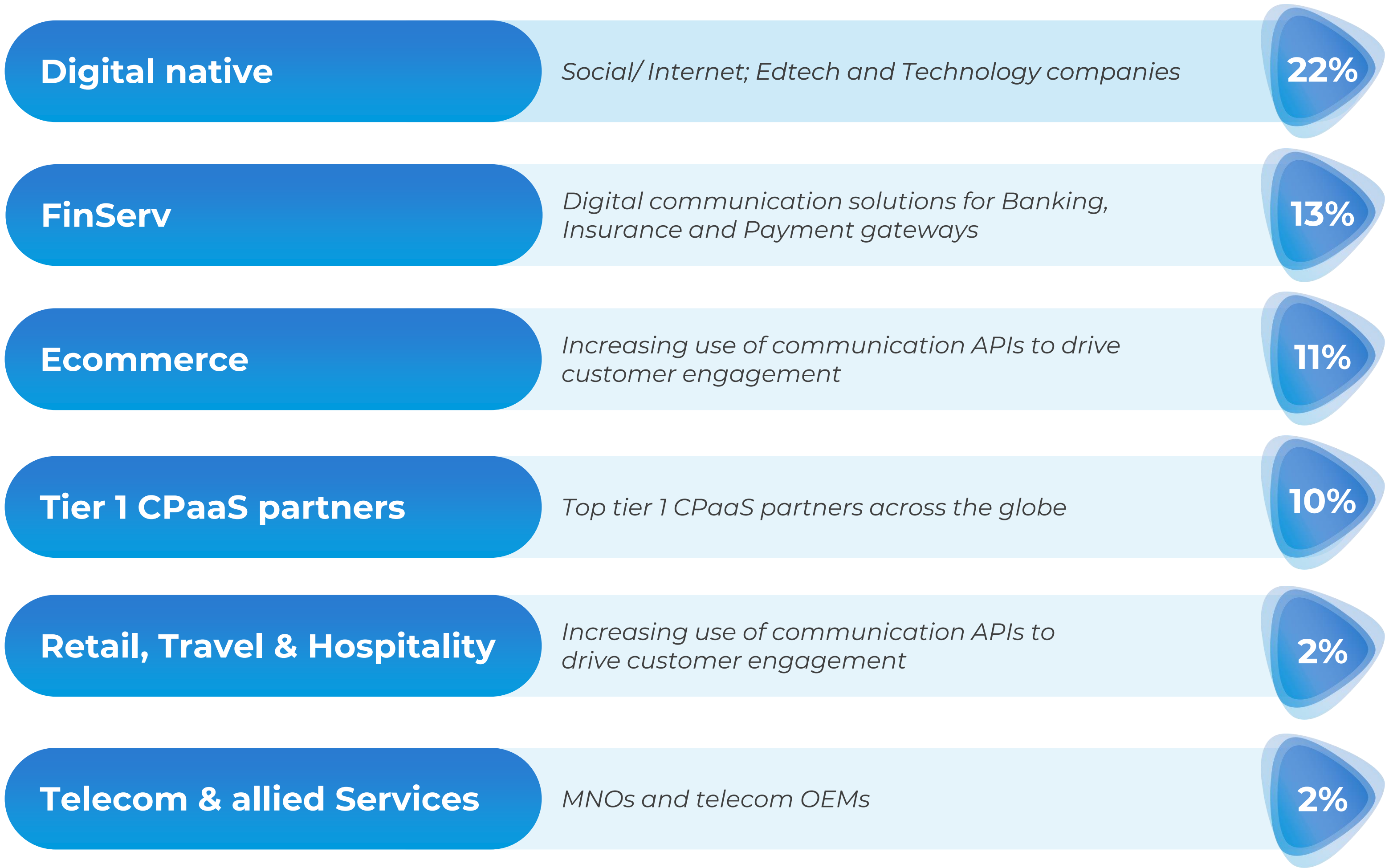
Particulars (In ₹ mn)	Quarter Ended			Nine Months Ended	
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022
EBIT ⁽¹⁾	1,035.7	1,067.0	1,025.9	3,214.2	2,518.1
(+) Depreciation and amortisation expense	216.3	214.4	219.6	642.0	603.7
(+) Employee stock option expense (non cash)	(9.8)	(74.4)	(36.0)	(49.4)	121.7
(+) Net loss on foreign currency transactions and translation	-	91.4	38.5	-	53.4
(-) Intangible assets under development	31.8	30.6	23.7	91.7	118.8
(+) One time consultancy fee (Africa) / Retainer fee (Masivian) paid for market expansion ⁽²⁾	29.9	-	-	29.9	-
(+) MRM's Bad debt written-off pertaining to pre-acquisition period	-	-	58.4	-	58.4
EBITDA (Non-GAAP)	1,240.4	1,267.8	1,282.7	3,745.1	3,236.5
EBITDA margin % on a Non-GAAP basis	12.1%	12.5%	13.0%	12.5%	12.6%

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

Key Business Metrics

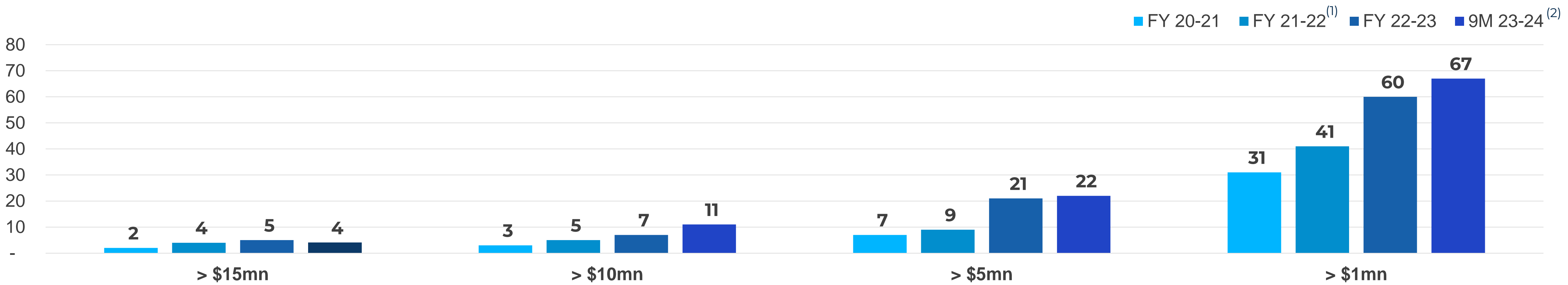
Revenue contribution from select industries in 9M FY23-24



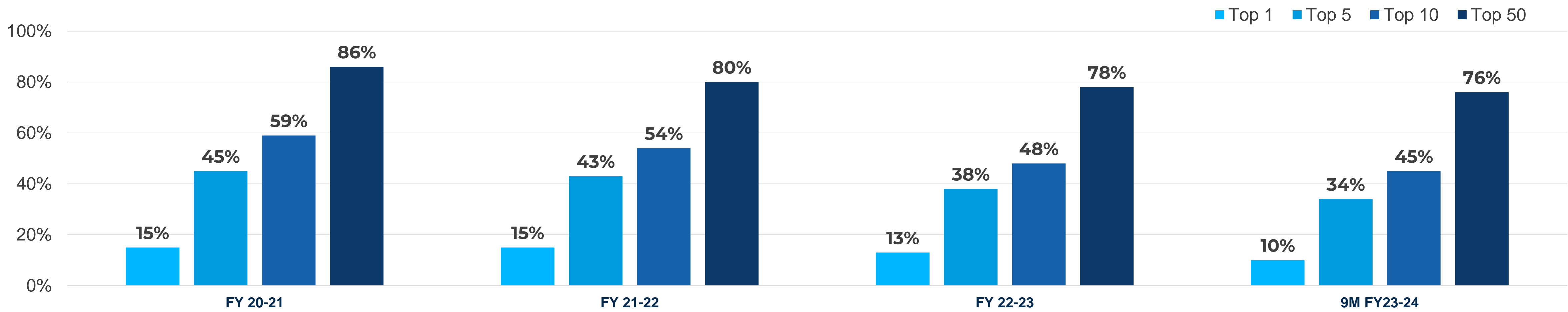
(1) Top 50 countries contribute c. 93% of 9M FY23-24 revenue from operations | (2) Top 150 customers - contribute c. 90% of 9M FY23-24 revenue from operations

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

Clients by Account Size



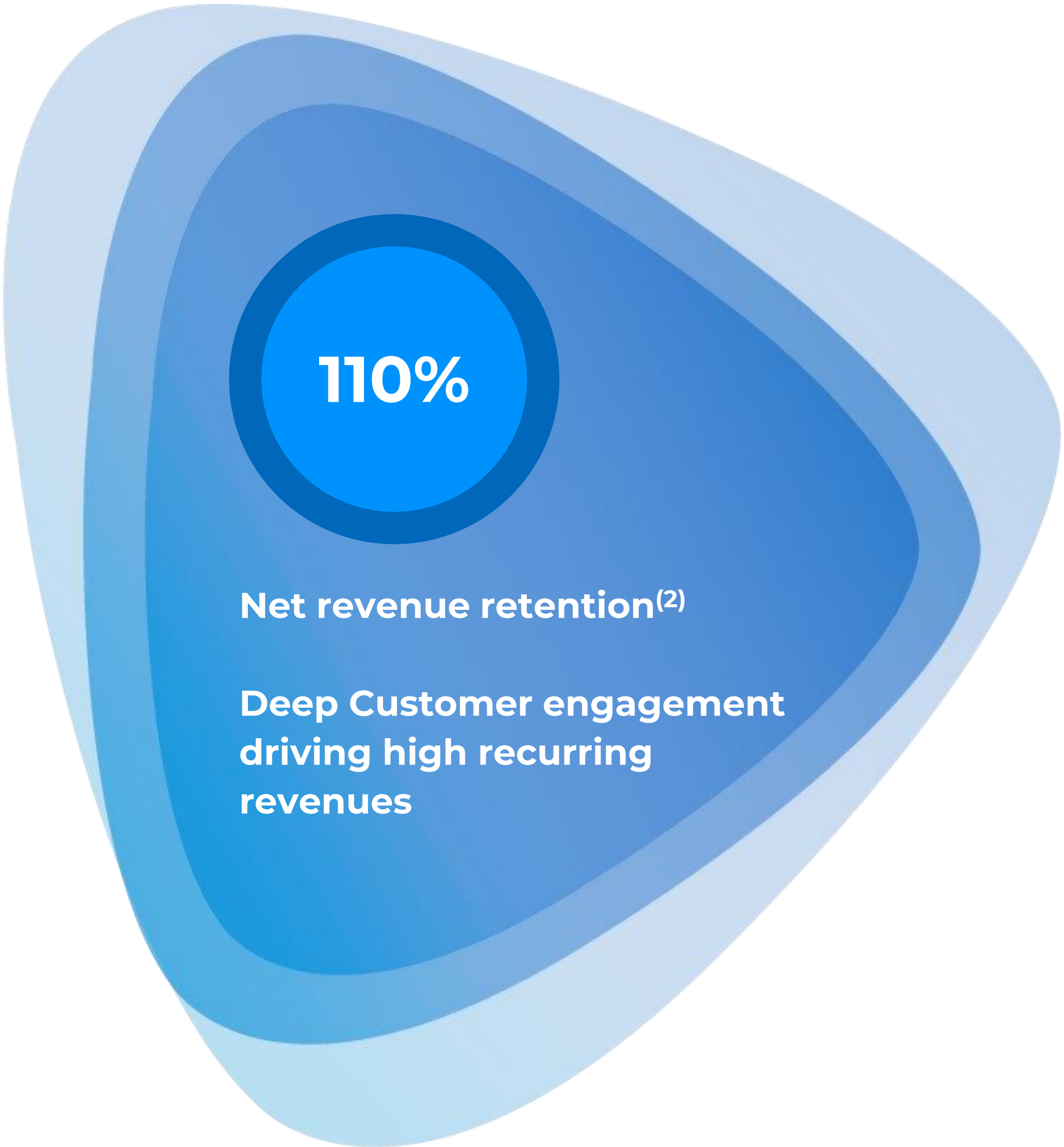
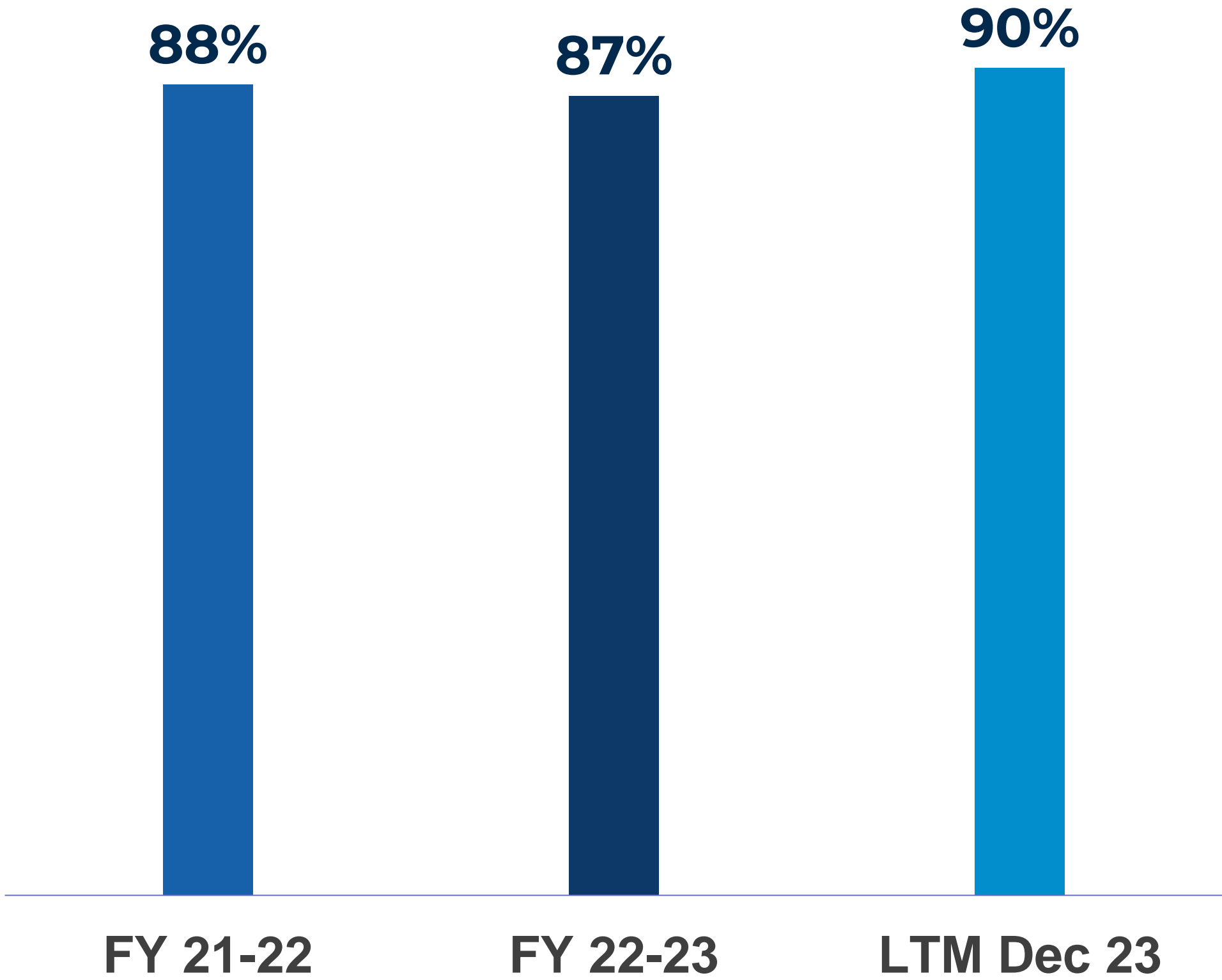
Client Concentration



(1) Excludes MRM (one of the clients of RML) from this analysis post acquisition; (2) 9M FY23-24 Annualized

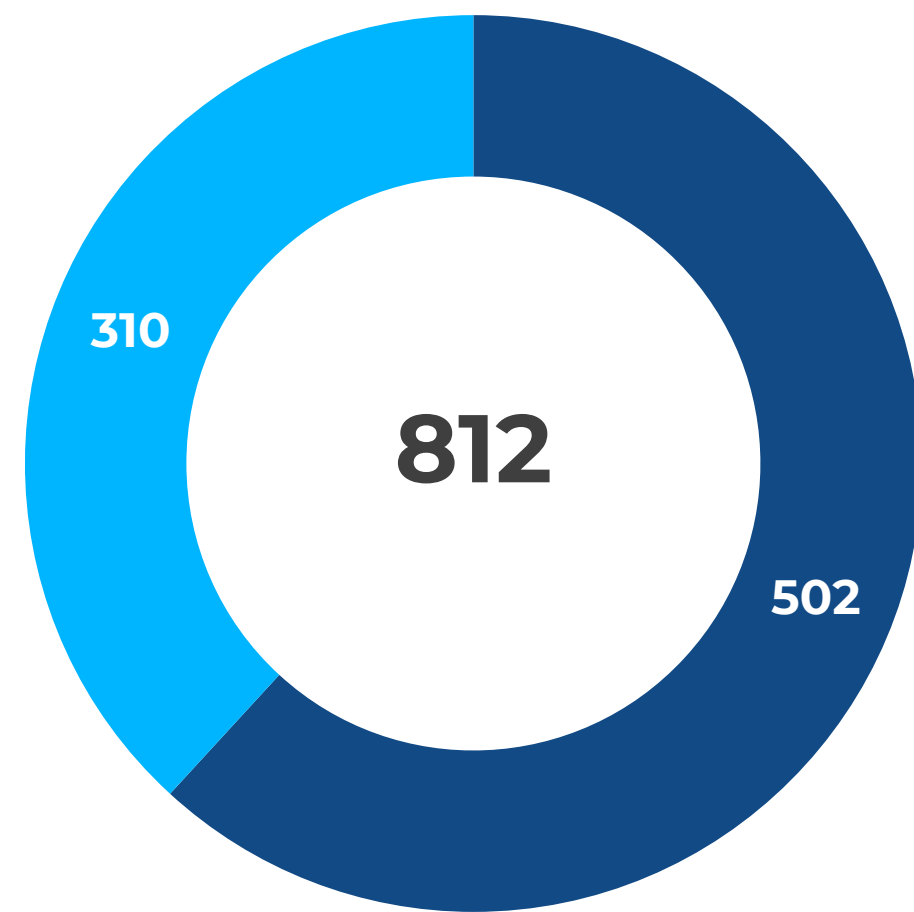
Strong Recurring Revenue

Recurring Revenue⁽¹⁾ as % of Operating Revenue



(1) Recurring customers defined as customers that have been billed in each of the months over the respective period for FY21-22 & FY22-23; and customers billed each month over January 1 2023 – December 31, 2023 for LTM Dec 2023
(2) Net revenue retention calculated based on comparison of 9M FY22-23 revenue with 9M FY23-24 revenue.

Location wise break-up

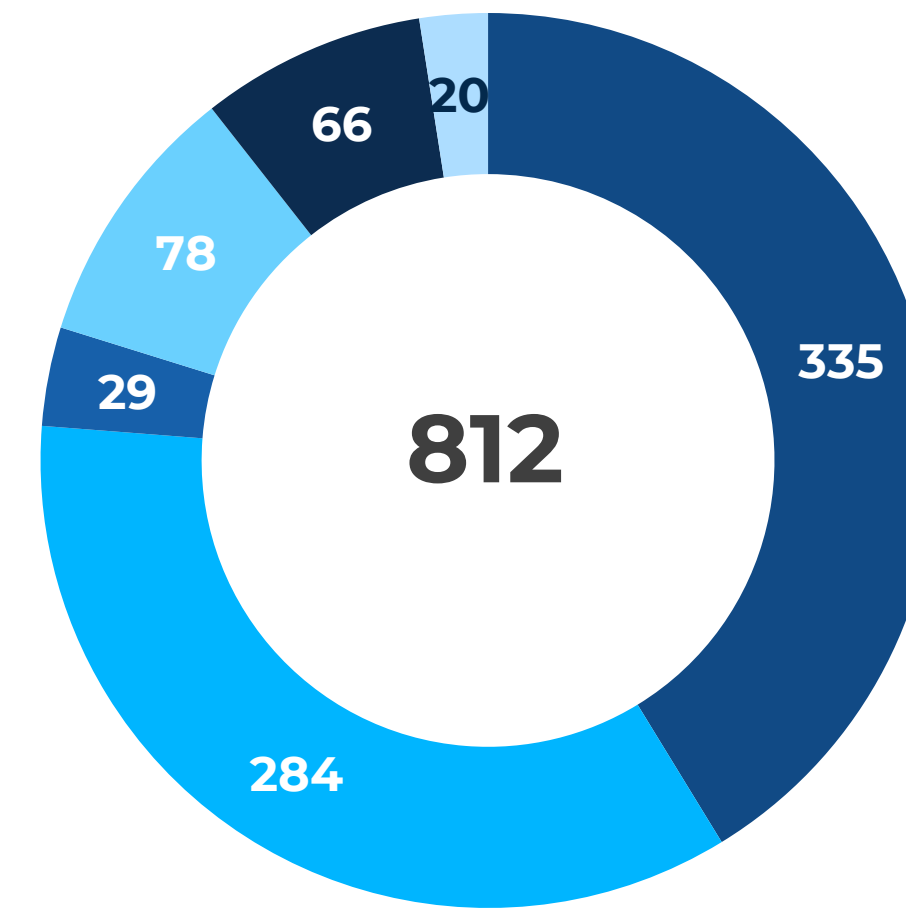


■ India ■ International

35 New Employees joined in **Q3 FY22-23**

29 Employees left in **Q3 FY22-23**

Function wise break-up



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



Thank You

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