



Q1 FY2018 Earnings Presentation

July 27, 2017



Cautionary statement

Forward Looking Statements

This presentation contains 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

Consolidated financials

Rs. Mn	Q1 FY18	Q4 FY17	% Q-o-Q	Q1 FY17	% Y-o-Y
Revenue	1,637	1,640	(0.2%)	1,886	(13.2%)
Gross Margin	955	943	1.3%	1,133	(15.7%)
Manpower cost	492	487	1.1%	542	(9.1%)
Other Opex	268	260	3.2%	294	(8.9%)
EBITDA	195	197	(0.9%)	298	(34.5%)
% Margin	12%	12%		16%	
Operating Profit	67	66	2.5%	151	(55.2%)
% Margin	4%	4%		8%	
Net Profit	25	16	55.5%	93	(72.8%)
% Margin	2%	1%		5%	
EPS (Rs.)	0.26	0.16	62.5%	0.84	(69.0%)

Q1 FY2018 performance

Key Financial Highlights

- Revenue is stable q-o-q. It is down by 13.2% y-o-y mainly on account of reduction in Asia due to implementation of double confirmation by one of the leading operators in that geography and Vivo, Brazil in LatAm as we have updated in the earlier quarters.
- Manpower cost is marginally higher q-o-q on account of modest annual salary increments given for employees below a certain level. However, y-o-y cost has seen a reduction of 9%.
- Operating expenses also marginally higher by 3.2% q-o-q but reduced by 8.9% y-o-y.
- EBITDA and Operating profit margins stable at 12% and 4% respectively in the current quarter as compared to previous quarter despite the increase in annual compensation.
- Net profit higher by 56% over the last quarter.

Q1 FY2018 Business highlights

Domestic and International Business

Overall international business is at 72% of total revenue during the quarter and domestic business at 28%:

India

India revenue was Rs. 461 Mn in Q1 FY'18 up by 12% q-o-q.

Europe

Revenue remained flat q-o-q at Rs. 758 Mn in Q1 FY'18.

- We have initiated a Co-marketing campaign in June to promote the kids service with TIM Italy.

Q1 FY2018 Business highlights

Domestic and International Business

Asia (excluding India)

Revenue down by 10% q-o-q partially due to forex impact and partially due to continuing impact of the double confirmation policy.

- Secured a 3-year deal with Banglalink, one of the leading digital communication services providers of Bangladesh to provide Ringback Tones and Reverse Ringback Tones to its customers. Our flagship Ringback Tone will be available to more than 32 million customers of Banglalink in Bangladesh.
- With this win, we have achieved a 100% market coverage for our RBT service in Bangladesh.

Africa & Middle East

Revenue down by 11% q-o-q mainly due to lower promotional activities in one of the large operators in Nigeria. However, we have crossed some important milestones in other operators as below:

- We have crossed a milestone of 3 Mn RBT user base at 10.5% penetration in a large Operator in South Africa.
- We have achieved 17% penetration at 2.1 Million RBT subscribers in a large Operator in Tanzania.

Q1 FY2018 Business highlights

Domestic and International Business

Latin America

Revenue down by 8% q-o-q largely contributed by Fx impact, without which the de-growth would be around 2%.

- Deployment underway for the first two Telefonica countries in Chile and Ecuador for an 'All You Can Eat' model (AYCE) on RBT.

US

We launched ONMO Express in partnership with Sprint USA, the Company's first consumer App. ONMO Express is an App that enables consumers to better express their feeling and emotions through sound, with people who matter to them. The App is available on both Android and iOS platforms to Sprint mobile subscribers in the USA.

Q1 FY2018 Financial performance

Strong Balance sheet and cash position

Rs. Mn	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016
Cash and Cash Equivalents	2,866	3,061	2,551	2,520
Short term borrowing	-	-	-	-
Net Cash	2,866	3,061	2,551	2,520
Net worth	5,728	5,635	5,667	5,714

Financial Statements – Balance Sheet

Rs. Mn	Jun 30, 2017	Mar 31, 2017	Rs. Mn	Jun 30, 2017	Mar 31, 2017
EQUITY AND LIABILITIES			ASSETS		
Shareholders' Funds	5,728	5,635	Fixed assets	645	730
Deferred tax liabilities	1	1	Deferred tax assets	386	378
Long-term provisions	51	52	Financial assets	49	49
Non-Current Liabilities	52	53	Others non current assets	1,305	1,281
Short-term borrowings	-	-	Non-Current Assets	2,386	2,438
Trade payables	1,908	2,120	Current investments	964	930
Other financial liabilities	57	41	Trade receivables	1,762	1,676
Other current liabilities	345	379	Cash and cash equivalents	1,902	2,131
Short-term provisions	194	183	Loans	41	41
Current Liabilities	2,505	2,723	Others financial assets	677	716
Total	8,286	8,411	Other current assets	554	479
			Current Assets	5,900	5,973
			Total	8,286	8,411

THANK YOU

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